# An Investigation to Determine if there is a Link between CSR Practices and Customer Loyalty.

# A Case Study on Coca-Cola Comparing Irish and Spanish Consumers.

## By

## Vanessa Sleater

A Research Dissertation in partial fulfilment for the

Masters of Science in Marketing



Submitted to the Institute of Technology

Department of Marketing, Tourism and Sport

School of Business and Social Sciences

Head of Department: Ms. Ann Higgins

Head of School: Dr. Michael Barrett

Research Supervisor: **Juan Manuel Real Espinosa**Institute of Technology Sligo

September 2017

## **Declaration**

The undersigned, Vanessa Sleater, hereby declares that all research presented in this dissertation titled "An Investigation to Determine if there is a Link between CSR Practices and Customer Loyalty. A case study on Coca-Cola comparing Irish and Spanish consumers" has been prepared by her under the able guidance and supervision of Juan Manuel Real Espinosa and it has never been submitted for any degree in any other institution.

Signed:	
Date:	

## **Acknowledgments**

I would like to start off by thanking everyone who supported me throughout my efforts of completing this Masters dissertation.

Firstly, I would like to give special thanks to my supervisor Juan Manuel Real Espinosa for all his guidance and support both in English and Spanish.

I would like to thank Dr. Catherine McGuinn for her support and knowledge sharing during the research methods class which provided me with the knowledge to carry out this dissertation as well as participating in the in-depth interview.

I must thank my amazing, Irish and Spanish friends for their support throughout my research both in Ireland and Spain.

I feel I would not have accomplished this without all the fantastic lecturers I have had over the past 5 years in IT Sligo. I would like to give a special acknowledgment to my previous Spanish lecturer Maria Diaz Caneja, who encouraged me to accomplish my dream of becoming an ERASMUS student and studying my subjects in Spanish in the University of Alicante. If it was not for Maria, I would not have had the confidence to pursue this exciting journey and therefore I wouldn't have been able to carry out this dissertation in the way I have.

Finally, I would like to thank my Mum most dearly, along with my partner Liam and all members of my immediate family, for their patience and support. Without them, I would not have been able to accomplish any of this. For this reason, I want to acknowledge my parents (Jacinta and David), my boyfriend (Liam), my brothers (Brendan and Cormac), their partners (Geraldine and Charlene), my nieces (Keeva and Sophia), my grandparents (Annette and Martin), my uncle and god-father (Keith), and all my other aunties, uncles and cousins.

I will truly be forever grateful.

## **Table of Contents**

Declaration	i
Acknowledgments	ii
Table of Contents	iii
List of Figures	vii
List of Tables	ix
Abstract	X
Dedication	xi
List of Abbreviations	xii
Chapter One: Introduction	1
1.1 Introduction	1
1.2 Background to Research	1
1.3 Rationale	4
1.4 Research Objectives	6
1.5 Scope of Study	7
1.6 Study Overview	9
1.7 Summary	10
Chapter Two: Literature Review	11
2.1 Introduction	11
2.2 CSR	11
2.2. The dimensions of CSR	13
2.3. Customer Loyalty	16
2.3.1 Dimensions of Customer Loyalty: Attitudinal and Behavioural	17
2.3.1.1 Attitudinal Dimension	17
2.3.1.2. Behavioural Dimension	18
2.4 Link between CSR Practices and Customer Loyalty	19
2.4.1 An examination of the established mediators in the CSR-Loyalty Relationship	19
2.4.2 Assessing Loyalty Models	22
2.5 A Cross Cultural Analysis of the CSR-Customer Loyalty link	29
2.6 Conclusion	30
Chapter Three: Methodology	32

	3.1 Introduction	. 32
	3.2 Research Philosophy	. 33
	3.3 Research Approach	34
	3.4 Research Design	. 35
	3.5 Timescale	39
	3.6 Quantitative Data Collection Instruments	. 39
	3.6.1 Questionnaire Purpose and Questionnaire/Question Design	39
	3.6.2 Testing	42
	3.6.3 Sampling and Selection of Respondents	43
	3.6.4 Demographics of the Irish and Spanish survey sample:	46
	3.7 Qualitative Data Collection Instruments	50
	3.7.1 Interview Purpose and Question Design	50
	3.7.2 Testing	. 51
	3.7.3 Qualitative Research Sample	. 51
	3.7.4 Interview Administration	. 51
	3.8 Analysis Methods	. 51
	3.9 Reliability and Validity	. 52
	3.10 Ethics	. 53
	3.11 Limitations	54
	3.12 Summary	. 55
C	hapter Four: Findings and Discussion	. 56
	4.1 Introduction	. 56
	4.2 Questionnaire Findings and Discussion	56
	4.3 Questionnaire Theme 1 - CSR	57
	4.3.1 Awareness of CSR	. 57
	4.3.2 Awareness of Coca-Cola's CSR	60
	4.3.3 CSR beliefs (Ethical - Legal - Philanthropic Responsibility)	62
	4.3.4 CSR Attributions (Intrinsic)	. 73
	4.3.5 CSR Attributions (Extrinsic)	. 75
	4.3.6 CSR Support	. 77
	4.3.7 CSR Importance 1	. 79
	4.3.8 CSR Importance 2	81
	4.4 Questionnaire Theme 2 - Customer Loyalty	. 83

4.4.1 C-C Identification	83
4.4.2 Attitudinal Loyalty	86
4.4.3 Behavioural Loyalty	88
4.4.4 Advocacy	91
4.5 Questionnaire Theme 3 - The link between CSR practices a	and Customer
Loyalty	93
4.6 In-Depth Interview Findings	96
4.6.1 CSR	96
4.6.2 Customer Loyalty	100
4.6.3 The link between CSR and Customer Loyalty	101
4.7 Summary	103
Chapter Five: Conclusion and Recommendations	104
5.1 Introduction	104
5.2 Conclusion	104
5.3 Result of Research Objectives	105
5.4 Recommendations	113
5.5 Study Limitations	116
5.6 Directions for Further Research	117
5.7 Summary	118
Bibliography	120
Appendices	133
Appendix 1: Questionnaire (English)	133
Appendix 2: Questionnaire (Spanish)	140
Appendix 3: Survey Results	147
3.1 Questionnaire Theme 1 – CSR	147
3.1.1 Corporate Ability Beliefs	147
3.2 Questionnaire Theme 2 - Customer Loyalty	148
3.2.1 Customer Satisfaction	148
3.2.2 Customer Loyalty	149
3.2.3 Brand Commitment	151
3.3 Questionnaire Theme 3 - The link between CSR practices a	and Customer
Loyalty	153
3.3.1 CSR and Customer Loyalty in Ireland	153
3.3.2 CSR and Customer Loyalty in Spain.	154

3.3.3 Other reasons for Loyalty	. 155
Appendix 4: Screenshot of Email to Coca-Cola Manager	. 156
Appendix 5: Transcription of In-depth Interview with CSR Expert	. 156
Appendix 6: Summary of the Study	. 167

## **List of Figures**

Figure 1.1: Structure of Study	9
Figure 2.1: Pyramid of CSR	. 13
Figure 2.2: Hierarchy of effects model	. 23
Figure 3.1: The Research Process Onion	. 33
Figure 3.2: Outline of Research Approach	. 36
Figure 3.3: Triangulation	. 38
Figure 3.4: Advantages of Using Sampling	. 43
Figure 3.5: Irish Coca-Cola Consumers	. 46
Figure 3.6: Spanish Coca-Cola Consumers	. 47
Figure 3.7: Irish Survey Respondents Gender	. 47
Figure 3.8: Spanish Survey Respondents Gender	. 48
Figure 3.9: Irish Survey Respondents Age	. 48
Figure 3.10: Spanish Survey Respondents Age	. 49
Figure 4.1: Irish Coca-Cola Consumer Awareness of the term CSR	. 57
Figure 4.2: Spanish Coca-Cola Consumer Awareness of the term CSR	. 58
Figure 4.3: Irish consumers' awareness that the Coca-Cola brand works with/fo	r
organisations such as the World Wildlife Fund (WWF)	. 60
Figure 4.4: Spanish consumers' awareness that the Coca-Cola brand works	
with/for organisations such as the World Wildlife Fund (WWF)	. 61
Figure 4.5: Irish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR	
towards Employees)	. 62
Figure 4.6: Spanish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CS	R
towards Employees)	. 63
Figure 4.7: Irish Consumers' Beliefs about Coca-Cola CSR (Coca-Cola's CSR	
towards Customers)	. 65
Figure 4.8: Spanish Consumers' Beliefs about Coca-Cola CSR (Coca-Cola's C	SR
towards Customers)	. 66
Figure 4.9: Irish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR	
towards Society)	. 69
Figure 4.10: Spanish consumers' beliefs about Coca-Cola CSR (Coca-Cola's C	SR
towards Society)	. 71

Figure 4.11: Irish Consumers Reactions towards CSR Attributions (Intrinsic) 73
Figure 4.12: Spanish Consumers' Reactions towards CSR Attributions (Intrinsic)
74
Figure 4.13: Irish consumers' reactions towards CSR Attributions (Extrinsic) 75
Figure 4.14: Spanish consumers' reactions towards CSR Attributions (Extrinsic)
76
Figure 4.15: Irish Consumers' level of Support for Coca-Cola's CSR practices . 77
Figure 4.16: Spanish Consumers' level of Support for Coca-Cola's CSR
Figure 4.17: Importance of CSR to the Irish consumer
Figure 4.18: Importance of CSR to Spanish Consumers
Figure 4.19: Importance of Coca-Cola's CSR to the Irish consumer
Figure 4.20: Importance of Coca-Cola's CSR to Spanish Consumers
Figure 4.21: Irish Customers' Identification with Coca-Cola
Figure 4.22: Spanish Consumers Identification with the company
Figure 4.23: Irish Consumers' Attitudinal Loyalty
Figure 4.24: Spanish Consumers' Attitudinal Loyalty
Figure 4.25: Irish Consumers' Behavioural Loyalty
Figure 4.26: Spanish Consumers' Behavioural Loyalty
Figure 4.27: Irish Customers' Advocacy
Figure 4.28: Spanish Customers' Advocacy
Figure 4.29: CSR and Irish Customers' Loyalty
Figure 4.30: CSR and Spanish Customer' Loyalty
Figure 5.1: Conceptual framework depicting the mediating role of
"communication" in the CSR-Customer Loyalty relation

## **List of Tables**

Table 1.1: Theoretical and Empirical Objectives	. 7
Table 1.2: List of Definitions	. 8
Table 2.1: Previous research examining mediators in the CSR-loyalty relationship	ip.
·	20
Table 3.1: Leary's 7 Guidelines for designing a useful questionnaire	39
Table 3.2: Overview of Questionnaire Structure:	40
Table 3.3: Quantitative research sample	45
Table 3.4: Advantages and disadvantages of Electronic Questionnaire Survey	50
Table 5.1 Key Findings	06
Table 5.2 Recommendations	13
Table 5.3 Further Research1	17

#### **Abstract**

The purpose of this research is to achieve a deeper understanding of the link between Coca-Cola's CSR practices and its Irish and Spanish consumers loyalty. The study aims to compare and contrast Irish Coca-Cola consumers with Spanish Coca-Cola consumers loyalty responses due to its CSR practices.

A review of existing literature revealed the shortage of literature regarding this topic and studies carried out in countries such as Ireland and Spain, with a particular dearth of literature in the product based industries. While it was evident that there is limited but not extensive research carried out in Spain, it appears that research carried out to this respect in Ireland by in large appears to be omitted and therefore the goal of this study aims to fill this gap.

A mixed method research approach (both quantitative and qualitative) was undertaken, and triangulation was used, to compare and contrast the findings. This study addresses a gap in the literature and forms the basis for further research into the link between CSR and customer loyalty.

Findings identified that there is a link however, not necessarily a direct link between Coca-Cola's CSR practices and it's Irish and Spanish consumers loyalty. With the mediation of communication to build both Irish and Spanish consumers awareness of Coca-Cola's CSR practices, the CSR-Customer Loyalty link does become clearer. Therefore, Coca-Colas CSR practices are indirectly linked to customer loyalty, once it is mediated by communication.

In this study, Irish and Spanish consumers demonstrated very similar responses which could be due to their arguably similar PESTEL situations as they are both in the European Union.

In conclusion, this study provides a clear direction for efficient communication of Coca-Cola's CSR practices in order to improve its CSR-Customer Loyalty link going forward.

## **Dedication**

### To my amazing **mum**

Who has supported me throughout my whole life,

Who has always guided me in the right direction,

Who has always stood by me no matter what and

Who has supported my decisions to further my education to become a

Master of Science in Marketing.

"All that I am, or hope to be, I owe it all to my beautiful mum"

## **List of Abbreviations**

CSR Corporate Social Responsibility

CSM Customer Service Management

CL Customer Loyalty

CCI Customer-Company Identification (Consumer-Company

Identification)

CA Corporate Ability

ESOMAR World Association of Opinion and Marketing Research

Professionals

SOW Share of Wallet

WWF Political, Economic, Technological, Environmental, Legal

## **Chapter One: Introduction**

#### 1.1 Introduction

The focus of this dissertation is:

To determine if there is a Link between CSR Practices and Customer Loyalty.

This is a Case Study on Coca-Cola. It is an intercultural comparative study, comparing Irish and Spanish consumers. It will primarily examine if there is a link between Coca-Cola's CSR practices and its customer loyalty. It will also examine the differences between Irish Coca-Cola consumers and Spanish Coca-Cola consumers' customer loyalty as a response to its CSR practices. This will be examined in order to understand if there is a cultural difference in the way consumers respond to CSR practices and to identify what can be done to better customer loyalty as a result. This study builds upon previous research for example studies such as those carried out by Wigley, S. (2008), Pérez, A. and Rodríguez del Bosque, I. (2015) and Stanisavljević, M. (2017).

#### 1.2 Background to Research

Coca-Cola is the most popular and biggest-selling soft drink in history, along with being one of the most recognizable brands in the world. It was created in 1886 in Atlanta, Georgia, by Dr. John S. Pemberton. It was patented in 1887, registered as a trademark in 1893, and by 1895 it was being sold in every state and territory in the USA. In 1899, The Coca-Cola Company began franchised bottling operations in the United States and in 1906 bottling operations for Coca-Cola began to expand internationally (coca-colacompany.com).

Since then, Coca-Cola has grown into one of the most recognizable and successful brands in the world. Due to this, the Coca-Cola company must behave ethically and responsibly towards it employees, consumers, and society. In an interview with Allyson Park, Vice President of Corporate External Affairs at the Coca-Cola

company, she proclaimed that, as the world's largest beverage system, and as a company that is both global and local, the company must recognize the unique opportunity it has to make a positive difference in the communities it serves. Coca-Cola sees its sustainability efforts as the right thing to do — the continuation of responsible corporate citizenship that began in its earliest days as a company and continues to be stressed in its values and organisational culture. Coca-Cola recognizes that to be a sustainable company is a business imperative, as the company can only be as healthy as the people and communities it serves. The company is making steady progress, but is continually challenging itself to quicken the pace of progress on sustainability (Park, 2012).

In agreement with Park, Muhtar Kent, Chairman and CEO of the Coca-Cola Company talked about how the one common denominator they see among the most successful and prosperous communities they serve is a strong commitment to sustainability. A commitment that is shared by the business, the government and civil society (Kent, 2012). The way Coca-Cola view it, is that in the history of the company, any company could combine success and citizenship with a simple formula of doing well, doing good, and not doing harm in the process, however, nowadays, this is seen as just a baseline; "Business must participate in the world of social and economic development. Being a good company is simply not good enough. If Coca-Cola is to achieve its business goals, it will need to grow in a way that continues to enrich the world" (Park, 2012, p.13).

In recent years, Coca-Cola has begun to express their sustainability and CSR practices by making its global sustainability report fully digital and designed for use across all social platforms (Park, 2012, p. 13). However, the question arises, whether this is enough to make consumers aware of what the company is doing regarding its global and local CSR practices.

Coca-Cola, along with six of its largest bottling companies, developed a sustainability strategy focusing on reducing its ecological footprint (Hernández, 2009). Coca-Cola has declared many aims in its 2020 Vision and it prioritizes sustainability. Zegler (2011) explains that one of the six pillars of the companies 2020 Vision is dedicated to its sustainable goals, organized under its "Planet initiative" and has organized its planet commitments around its "Live Positively"

program, which is organized around platforms such as community, workplace, marketplace, and which includes beverage benefits and healthy, active living, along with the environment (encompassing packaging, climate and water). The company aims to attain global leadership in sustainable water use, as well as industry leadership in packaging, energy, and climate protection. While Coca-Cola will always struggle to convince its critics that it runs an ethical business, the latest push is a step in the right direction (Reynolds, 2007).

Coca-Cola is concerned with "Me, We and World", as seen in its sustainability report. The company aims to improve the wellbeing of employees, consumers, and society in many ways, as seen in its 2020 vision. Coca-Cola is very proud of its consumer's loyalty to the brand. Over the past few years, it has relaunched an online loyalty scheme, with the aim of boosting consumption of Coca-Cola products amongst young adults and teenagers (Shearman, 2011). Coca-Cola is seen as one of the world's leading "Cult brands" and has shown the power of passionate consumers throughout the years (Newberry, 2004), but Coca-Cola is aware that it needs to keep ahead of the game by acknowledging the changing needs and wants of consumers with the growth of more health conscious and ethical consumers.

With regards to Coca-Cola's CSR practices linkage with its customer loyalty, there has been little or no research carried out, globally. As CSR and sustainability is a huge part of the company, as well as the importance of its consumers' loyalty to the brand, it would be of importance to fill this gap in literature. With Coca-Cola's significance in the industry in which it operates, the growing demand of consumers, and the increase of ethical consumerism and health consciousness, this type of research could add to the knowledge of customer's loyalty due to its CSR practices. The results, in turn, may present recommendations on how the company and other similar companies can improve their CSR practices in order to create more positive consumer loyalty attitudes and behaviours; not just in Ireland and Spain, but globally as well.

#### 1.3 Rationale

An examination of the literature revealed a gap, with limited guidance on how best to develop effective marketing strategies that correctly address CSR in order to create loyal customers. It was found that there was a particular lack of research into the link between CSR practices and consumer loyalty in the product industries, especially with regards to the Coca-Cola brand.

Ailawadi, Neslin, Luan, and Taylor (2013) noted that prior research reveals the need to: (1) distinguish between different dimensions of CSR; (2) study the response of specific stakeholder groups in individual industries; (3) link consumers' CSR perceptions to their behavioural loyalty, in addition to attitude; (4) control for other core firm attributes from which consumers derive utility; (5) examine heterogeneity in CSR response across individuals; and (6) study real-world data, some of which are covered in this study.

The effects of CSR differ in different industry settings because the ability to promote a corporate identity varies across industries (Pérez and del Bosque, 2015, p. 481). Previous research has shown that service industries tend to show more positive effects from CSR initiatives than product-based industries (de los Salmones et al., 2009). Through carrying out secondary research, it has been noted that the product industry has not been extensively researched with regards to the link between CSR and customer loyalty. Likewise, Godfrey and Hatch (2007) and Raghubir, Roberts, Lemon, and Winer (2010) note that there is a need to conduct industry-specific studies and to distinguish between different dimensions of CSR.

Although a substantial body of research has demonstrated a positive relationship between CSR and attitudinal loyalty (Lacey et al., 2015; Lichtenstein et al., 2004; Martínez & del Bosque, 2013; Walsh & Bartikowski, 2013), research investigating CSR's link to behavioural loyalty is rare, and when conducted has revealed a weak relationship (Ailawadi, Neslin, Luan, & Taylor, 2014). The lack of research linking CSR with behavioural loyalty is notable given the extent of service firms that indicate it is far more difficult to predict behavioural loyalty than attitudinal loyalty through consumer-related attributes, such as satisfaction (Seiders, Voss, Grewal, & Godfrey, 2005; Yoshida, Heere, & Gordon, 2015; Inoue *et al.*, 2017 p. 46).

It has been noted that there has been extensive research on CSR in Western contexts, but relatively little empirical research has been conducted that would contribute to an understanding of the link between CSR and customer loyalty in contrasting cultures (Wei, Egri, and Yeh-Yun Lin, 2014, p. 558). Although previous cross-cultural studies have contributed to the understanding of cross-cultural CSR (e.g. Maignan and Ralston, 2002; Waldman et al., 2006; Wu, 2001), there has been limited research examining whether CSR yields different business benefits in contrasting cultural contexts (Loetal, 2008). This present study will look at the role of cultural context in predicting the impact of CSR on customer loyalty, not unlike the study carried out by Wei, Egri, and Yeh-Yun Lin (2014). This matching between CSR needs and CSR practices is particularly critical for multinational corporations that operate in diverse cultural and socioeconomic contexts such as Coca-Cola.

This study will attempt to fill most of these gaps in the literature, using a case study on Coca-Cola, to carry out research to understand the link between customers' perceptions of Coca-Cola's CSR practices and the influence on behavioural loyalty, as well as attitudinal loyalty. Comparable to the study of Pérez and Rodríguez del Bosque (2015), this study proposes that the type of country, its culture, and its reactions to the type of company determines the perceptions that customers have of CSR initiatives (CSR perceptions), which affect customer identification with the company (CCI), satisfaction, attitudinal loyalty (recommendation) and behavioural loyalty (repurchase behaviour).

Ireland was chosen for this study as Sweeney (2007) noted that there has been a lack of discussion and attention to CSR in Ireland (HovenStohsand Brannick, 1999; O'Dwyer et al., 2005). The purpose of this dissertation is to overcome this gap and provide an understanding of the nature and link between CSR and customer loyalty in Ireland and Spain.

Similarly, Spain was chosen due to a gap in literature with regard to the product market in Spain. This is clear, as García de los Salmones, Herrero Crespo & Rodríguez del Bosque (2005, pp. 369-385) carried out research in the Spanish mobile telephone service market in order to determine the influence of CSR on the loyalty and valuation of services from the consumer's point of view. Pérez and Rodríguez del Bosque (2014) carried out similar research in the Spanish banking

services, further stating the gap in literature with regards to the product market in Spain.

Maignan (2001) has adopted Carroll's well-known CSR framework and, specifically, this author analyses European and American buyers' support for socially responsible firms, as well as the possible differences between individuals of different countries when evaluating each of these dimensions. This study will be carried out along similar lines of research carried out by Maignan; however, it will be in a whole new context comparing Irish and Spanish consumers' perceptions of CSR and their loyalty responses to Coca Coca's CSR initiatives. It will be the first of its kind and will add new insights to the current literature.

To summarize the rationale for this study, from examining previous research literature it was decided to carry out a case study on a well-known multinational product based company so that the management of other companies can use this information to understand the link between CSR and customer loyalty and the differences in customers perceptions depending on the country in which the company operates. The aim is to add to the existing knowledge in order to help better practice in the area and to develop a basis for further future studies on this topic.

#### 1.4 Research Objectives

The research aim of this study is

To determine if there is a Link between CSR Practices and Customer Loyalty using a Case Study on Coca-Cola comparing Irish and Spanish consumers.

To meet this aim, the following theoretical and empirical objectives must be met, as listed in the table below:

The main research question that this dissertation aims to answer is:

Is there a Link between Coca-Cola's CSR Practices and its Irish and Spanish

Customers Loyalty?

**Table 1.1: Theoretical and Empirical Objectives** 

The Theoretical Objectives	<ul> <li>Conduct a literature study, exploring the existing data on CSR, customer loyalty, Coca Cola and it's CSR practices and customer loyalty, the link between CSR practices and customer loyalty along with literature regarding diverse cultural loyalty responses to this concept.</li> </ul>
The Empirical Objectives (The Key Objective of this study)	Analyse the differences between Irish Coca Cola consumers and Spanish Coca Cola consumers loyalty as a response to its CSR practices.

These objectives form the basis for this study which sets out to answer the research question posed.

#### 1.5 Scope of Study

This study examines if there is a link between Coca-Cola's CSR practices and its customers loyalty. It also examines the differences between Irish Coca-Cola consumers and Spanish Coca-Cola consumers' customer loyalty as a response to their CSR practices.

This exploratory research is both quantitative and qualitative in nature. Irish and Spanish Coca-Cola consumers completed a questionnaire in their native English and Spanish languages. An in-depth expert interview was used, where the expert was selected based on having specific CSR knowledge, regarding companies such as Coca-Cola.

**Table 1.2:** List of Definitions

st of Definitions	
1. CSR	Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their interactions with their stakeholder's business operations. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line-Approach"), whilst simultaneously addressing expectations of stakeholders and shareholders (Unido.org, 2017).
2. Customer Loys	alty Consumers exhibit customer loyalty when they
(CL)	consistently purchase a certain product or brand
	instead of other brands or products over an
	extended period of time (Lexicon.ft.com, 2017).
3. CCI	Customer-Company Identification can be seen at the primary psychological substrate for deep relationships between an organization and its customers. It refers to consumers' psychological attachment to a company based on a substantial overlap between their perceptions of themselves and their perceptions of the company (Bergami & Bagozzi, 2000; Dutton, Dukerich, & Harquail, 1994).
4. SOW	Share of wallet is a marketing term referring to the amount of a customer's total spend that a business captured in products and services it offers.  Increasing a customer's SOW a company receives is often seen as a cheaper way of boosting revenue than increasing market share (Investopedia.com, 2017)

## 1.6 Study Overview

This study consists of five chapters. Each chapter will focus on an individual area of study as outlined in Figure 1.1.

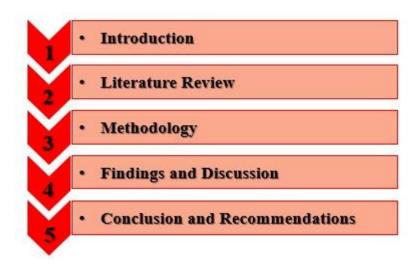


Figure 1.1: Structure of Study

Chapter One	(Introduction) gives an overview of the study.
Chapter Two	(Literature Review) is a comprehensive review of all the previous research available relating to this research. It summarises, synthesises and discusses the existing literature, in the area of CSR, Customer loyalty, Coca-Cola and its CSR practices and customer loyalty, the link between CSR practices and Customer Loyalty, along with literature or diverse cultural loyalty responses to this concept. The chapter meets the theoretical objective of the study. Its main purpose is to identify gaps in existing research literature and allow the researcher to adopt and adapt an existing conceptual framework for the study.

Chapter Three	(Methodology) presents and discusses the methodological considerations for this particular study, the theoretical perspective that was selected, in line with the chosen epistemology. Approaches to research, research design, and quantitative and qualitative data collection methods will also be discussed. The research sample and the rationale behind the chosen sample are then discussed, before the chapter concludes with a look at reliability and validity and the ethical considerations and personal biases of the research.
Chapter Four	(Findings and Discussion) presents the results of the data findings. A view from both Irish and Spanish Coca-Cola consumers and a CSR expert lecturer will be examined. This chapter will refer back to the research objectives and the empirical objectives of the study. Key findings will be identified and presented throughout each sub heading. The author will fully analyse the data and comparisons will be made between the data sets and existing literature from chapter 2.
Chapter Five	(Conclusion and Recommendations) The author will draw conclusions and explain how this study has contributed towards meeting the research aims and recommendations will be detailed. Lastly, the limitations of the study will be discussed and supporting references will be made between chapters 4 and 5 in order to make recommendations to managers of similar companies and industries and make suggestions for further research.

## 1.7 Summary

This chapter has outlined the background and rationale for conducting this research. The research objectives were clearly laid out and an overview of the study was given in order give the reader an idea of what to expect for the remainder of the thesis.

## **Chapter Two: Literature Review**

#### 2.1 Introduction

This chapter summarises, synthesises and discusses a review of the existing literature, on the topic of the link between CSR and customer loyalty, to identify gaps in existing research and to allow the author to develop a conceptual framework for the study. This secondary research is undertaken prior to the primary research.

#### **2.2 CSR**

The concept of CSR can be defined in many ways. Kotler and Lee (2005, p. 3) explain CSR as "a commitment to improve community well-being through discretionary business practices and contributions of corporate resources". These discretionary practices are not laws or regulations; rather, they are voluntary commitments of companies. Brown & Dacin (1997) and McWilliams & Siegel (2001) refer to CSR as a firm's moral, ethical, and social obligations beyond its own economic interests.

Initially, empirical research on corporate social responsibility centred on measuring the potential outcome from corporate behaviour (Wood, 1991) and relating social behaviour with the financial performance (Moskowitz, 1972; Vance, 1975; Alexander and Buchholz, 1978; Aupperle et al., 1985). Other researchers have studied the degree to which corporate social responsibility is applied in firms (Abbot and Monsen, 1979; Lewin et al., 1995; Clarkson, 1995; Maignan and Ferrell, 2000; Joyner and Payne, 2002). More recently, scholars have tried to measure the relationship between social performance and employer attractiveness (Greening and Turban, 2000; Backhaus et al., 2002); the orientation towards social behaviour of business students of different nationalities (Beggs and Lane, 1989; Ibrahim and Angelidis, 1993; Mukherji and Mukheiji, 2002); and, most beneficial to this study, the influence of the concept on consumer behaviour (Brown and Dacin, 1997; Lafferty and Goldsmith, 1999; Handelmann and Arnold, 1999; Maignan et al., 1999; Maignan, 2001). Prior to 1997, there was very little research on the concept of CSR and its influence on consumer behaviour and loyalty.

The European Commission (2011) gives a more detailed definition: "CSR is a concept by which the company integrates the care for society and environment in its business activities and interaction with its stakeholders on a voluntary basis" (p. 3). Geoffrey, Sprinkle & Maines (2010, p. 446) state that CSR involves a wide spectrum of company's activities and is focused on the well-being of all stakeholders, like investors, humanitarian organizations, employees, suppliers, customers, and future generations. Around the same period of time, Silver and Berggren (2010) added to this by stating that the management of CSR is essential to avoid brand problems and to recover reputation.

Other earlier researchers have related the concept to marketing activities with a social dimension (Davis and Blomstrong, 1975; Dnimwright, 1996; Handelmann and Arnold, 1999), in areas such as environment protection, community development, resource conservation, and philanthropic giving (Quazi and O'Brien, 2000). These approaches to social responsibility are quite narrow, as they are limited to particular aspects of the concept and fail to take into account its multidimensional nature (Maignan and Ferrell, 2001). Corporate social responsibility is a broad concept, as it takes in the whole set of philosophical and normative issues relating to the role of business in society (Maignan and Ferrell, 2001). Similarly, Pride and Ferrell (1997) noted that it must take into account all the moral obligations that maximise the positive impact of the firm on its social environment and minimise the negative impact.

Mandhachitara and Poolthong (2011, p. 125) wrote about the five most important items of CSR activities, as suggested by Owen and Scherer (1993), which are: environmental pollution, corporate philanthropy, disclosure of social information, representation of women, and representation of minorities. Likewise, the managerial accounting firm, Ernst & Ernst, developed a set of "social responsibility disclosures", which includes six categories of CSR: environment, equal opportunity, personnel, community involvement, products, and others (Carroll, 1999). Carroll (1979, 1991) advanced a well-recognized CSR framework (Mandhachitara and Poolthong, 2011, p. 125) which will be discussed in the next section.

#### 2.2. The dimensions of CSR

Carroll's (1979, 1991) framework is one of the most widely accepted and used proposals to explain the construct of CSR (Wartick and Cochran, 1985; Burton et al., 2000). For this study, Carroll's (1979, 1991) specific definition of CSR is relevant. He defined CSR as consisting of four dimensions for companies to be good corporate citizens: economic, legal, ethical, and philanthropic responsibilities. A socially responsible company should strive to make profits, obey the law, be ethical, and be a good corporate citizen (Carroll, 1991, p. 43). This is known as Carroll's pyramid of CSR. Stanisavljević (2017, p. 39) pointed out that this pyramid is accepted among many researchers in this field. It has been the most frequently cited in domestic and foreign literature (García de los Salmones, Herrero, & Rodríguez del Bosque, 2005, 2012; Ivanović-Đukić, 2011; Lee, Park, Rapert & Newman, 2012; Park, Lee & Kim, 2014; Perez; Srbljinović, 2012), which is one of the reason this research is partially based on this definition of CSR. Some authors have suggested a different order in Carroll's pyramid due to different cultural, historical, and religious traditions (Crane, Matten, & Spence, 2006; Visser, 2006).



Figure 2.1: Pyramid of CSR

Source: Carroll, A. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. Business Horizons, 4(3), p.42

Ailawadi, Neslin, Luan, and Taylor (2014) note that the literature generally follows the KLD classification of CSR into six dimensions – employee support, diversity, community support, environment, products, and non-U.S. operations. Bhattacharya and Sen (2004) propose that consumers may respond more positively to CSR initiatives that directly affect their experience with the firm. Bhattacharya, Sen, and Korschun (2008) also note that the stakeholders' response depends upon the benefits they themselves derive from the CSR activities. Ailawadi, *et al*, (2014, p. 157) suggest that CSR dimensions, which provide both societal and personal benefit, and which are integrated into the retailer's core offering, should have a more positive effect. He, and Lai (2012, p. 251) also made reference to Carroll's (1991) CSR framework.

For the purpose of this research three of these dimensions will be researched, to understand customers' perceptions of Coca-Cola's legal, ethical, and philanthropic CSR Practices, in order to determine if these practices are linked to customer's attitudinal and behavioural loyalty. In this study, ethical and legal will be fused together in a similar way to what García de los Salmones et al. (2005) did in their study and will be labelled Ethical-Legal. As found by García de los Salmones et al. (2005), the most important conclusion drawn from their model was that the economic behaviour of firms is not perceived to be a component of corporate social responsibility by consumers, therefore this justifies why the economic dimension will not be used in this research. This is consistent with the findings of Smith et al. (2001), where it was found that most consumers are not concerned with the economic responsibility of a firm. The research carried out by Salmones et al. (2005) can also be compared to work carried out by He, and Lai (2012, pp. 249-263), as they focused on legal and ethical responsibilities to dimensions of CSR. They found that consumers perceived legal and ethical responsibilities of brands might improve brand loyalty through enhancing positive functional and symbolic images. Moreover, they found that corporate legally responsible behaviour helps to enhance a more functional image perceived by consumers, whereas ethically responsible action seems to impact the symbolic.

The economic dimension, considered to be the most important, refers to the firm's obligation to be productive, profitable, and to maintain economic wealth. Firms' legal responsibility refers to carrying out their activities within the confines of legal

requirements. Their ethical responsibility refers to them having ethical codes, norms going beyond mere legal frameworks, and being honest in their relationships with their customers and their own employees. Finally, the discretionary component includes voluntary or philanthropic activities aiming to raise the well-being and development of society as a whole. (García de los Salmones, Herrero, & Rodríguez del Bosque, 2005 p. 371). It can be noted that within the group of work oriented towards consumers, only Maignan (2001) has adopted Carroll's proposal. Specifically, this author analyses European and American buyers' support for socially responsible firms, as well as the possible differences between individuals of different countries when evaluating each of these dimensions. This study will be carried out along similar lines of research carried out by Maignan; however, it will be in a whole new context comparing Irish and Spanish consumers perceptions of CSR and their different behavioural responses to Coca Coca's CSR initiatives.

Similar to Carroll's CSR dimensions, Brown and Dacin (1997) pointed out that CSR associations include environmental friendliness, commitment to diversity in hiring and promoting, community involvement, sponsorship of cultural activities, or corporate philanthropy, consumerism, and labour relations. Previous research on CSR revealed that positive associations prompted by CSR activities might transfer to consumers' favourable responses toward the company and the company's products (Reilly, 2000). Sen and Bhattacharya (2001) reported that CSR activities, which are not intrinsic but extrinsic dimensions of a company, may positively influence consumers' corporate and product evaluations. Choi and Park (2011) noted that CSR associations with a company activate consumers' social dimension in their memory and may influence consumers' social self which may be perceived by others, as it can be said that people use products and certain brands to create and represent their desired self-image, as well as to present a similar image to others or even themselves (Escalas, 2004).

#### 2.3. Customer Loyalty

Loyalty is a primary goal of each company, especially in the face of strong competition, economic crisis, and international scandals (Stanisavljevic, 2017, p. 39). Loyalty can be defined as a customer's unconditional commitment to the company and his or her strong relationship with the brand, which is not likely to be affected under normal circumstances (Maheshwari, Lodorfos, & Jacobsen, 2014, p. 16). It can also be defined as a deeply held commitment to recommend and rebuy a preferred product/service consistently in the future because the customer has a favourable attitude towards the company (Oliver, 1999). Thus, the two representations of customer loyalty, which are recommendation and repurchase behaviour, must be independently considered when evaluating customer responses to CSR (Pérez and Rodríguez del Bosque, 2015).

Customer Loyalty is considered a vital objective for a company's survival and growth, as well as an important basis for developing a sustainable competitive advantage (Chung, Yu, Choi & Shin, 2015). Loyal customers are the greatest value to companies. Customers are limited and the most valuable resource of each company to have a direct impact on the company's profit level (Stanisavljević, 2017, pp. 38-40). Research has shown that a 5% increase in customer loyalty could increase profits by 25% to 85% (Kandampully & Suhartanto, 2000, p. 346). A 2% increase of customer retention has almost the same effect as a 10% cost reduction (Marinković, 2012, p. 155).

Jacoby & Chestnut (1978) and Oliver (1999) state that, whereas frequent purchase of a brand can be a result of behavioural inertia or promotional activity, loyalty can be seen to reflect consumers' psychological affiliation with, or commitment to, a brand.

Measures of loyalty based on behaviour such as a sequence of repeat purchase are limited (Day, 1969), since a low level of repeat-purchase of a service can be due to various external circumstances, such as unavailability, barriers to change, or lack of alternatives (Andreassen and Lindestad, 1998; Bloemer et al., 1999). Due to this, a second current of research has arisen that considers loyalty as an attitudinal construct (Biong, 1993), which includes, for example, positive word-of-mouth (Seines, 1993). Delgado and Munuera (2001) speak of commitment to a brand,

defined as trust, esteem, or the consumer's desire to maintain the relationship or to acquire the same brand. Finally, loyalty also has a cognitive component (Lee and Zeiss, 1980), which includes tolerance for paying a higher price for the product (Anderson, 1996; Fornell et al., 1996) (García de los Salmones, Herrero, & Rodríguez del Bosque, 2005, p. 373).

As previously noted, brand loyalty has been a popular research area for decades, and concepts such as satisfaction, trust, repurchase behaviour, and positive brand image have been associated with brand loyalty as antecedents of the concept (Demirbag-Kaplan, Yildirim, Gulden, and Aktan, 2015, p.136), therefore some of these concepts will be discussed, as they apply to this research.

#### 2.3.1 Dimensions of Customer Loyalty: Attitudinal and Behavioural

Customer loyalty is predicated on the customer's attitude and behavioural intentions towards the goods/service offered and actual repeat purchasing behaviour (Day, 1969; Dick and Basu, 1994; Pritchard et al., 1999). There are two dimensions to customer loyalty: attitudinal and behavioural (Akbar & Parvez, 2009; Chen, Chang & Lin, 2012; Day, 1969; García de los Salmones et al., 2005; Kandampully & Suhartanto, 2000; Perez et al., 2012).

#### 2.3.1.1 Attitudinal Dimension

Yi and Jeon (2003) define attitudinal loyalty as customers' positive attitudes toward the company. The attitudinal dimension refers to a customer's intention to repurchase and recommend (Kandampully & Suhartanto, 2000, p. 347). This dimension means that a positive evaluation of the company is made and that an emotional link exists between the customer and the company, which generates a real loyalty (Stanisavljević, 2017, p. 40). It is linked to active loyalty, which leads to positive word of mouth (Perez et al., 2012, p. 224). It could also refer to commitment to a brand, which can be defined as trust, esteem, or a customer's desire to maintain the relationship or acquire the same brand (García de los Salmones et al., 2005, p. 373). Mandhachitara and Poolthong (2011), in their study on the retail banking sector in Bangkok, Thailand, found that CSR has a significantly strong and positive association with attitudinal loyalty.

#### 2.3.1.2. Behavioural Dimension

The behavioural dimension refers to a customer's repeat purchase behaviour, indicating a preference for a specific brand over time (Kandampully & Suhartanto, 2000, p. 347). However, repurchasing does not mean satisfaction, and it could be caused by a lack of alternatives or barriers to change. This behaviour leads to "spurious loyalty" (Day, 1969, p. 30), which occurs when the repurchase happens even if company has a bad image (Perez et al., 2012, p. 224). Similarly, other academics defined behavioural loyalty as referring to the repeat purchasing or use of a given service or product over time (Kumar & Shah, 2004; Leenheer, van Heerde, Bijmolt, & Smidts, 2007). Although the use of self-report data is common in past research, behavioural loyalty is operationalized more accurately via objective customer data related to share of wallet (Leenheer et al., 2007) and the number of store visits (Seiders et al., 2005). Kumar & Shah (2004) state that behavioural loyalty is closely related but distinguishable from attitudinal loyalty, which refers to the cognitive, affective, and conative elements of loyalty.

Inoue, Funk & McDonald (2017, p. 53) observed a weak contribution of perceived CSR to behavioural loyalty, which is consistent with Seiders et al.'s (2005) perspective that decision-making related to actual behaviour (as captured by behavioural loyalty) is more complex than the assessment of behavioural intentions (as captured by attitudinal loyalty), and that this complexity can result in a lower predictive ability for the behaviour than for intentions. In contrast, Mandhachitara, et al. (2011) found that when mediated by perceived service quality, there was a positive relationship between CSR and repeat patronage intentions (behavioural loyalty), in the retail-banking sector in Bangkok, Thailand.

It will be interesting to see if these findings above will relate to the findings of this current study, which is based on Irish and Spanish consumers' CSR perceptions on a product company, Coca-Cola, and their loyalty.

The next section will discuss the literature which combines both key themes of CSR and Customer Loyalty as discussed above in order to discuss the link between them.

#### 2.4 Link between CSR Practices and Customer Loyalty

In this section the author will compare, contrast and critique findings from similar studies carried out on the link between CSR practices and Customer Loyalty which cover a range of industries and scenarios. The first section in this theme discusses findings from previous academic literature on various mediating roles between CSR and customer loyalty.

# 2.4.1 An examination of the established mediators in the CSR-Loyalty Relationship

There have been many studies that have proven certain mediating roles between the CSR-loyalty relationship. The following is a discussion of such.

Commitment is an established mediator between perceived CSR and attitudinal loyalty (Bartikowski & Walsh, 2011; Lacey & Kennett-Hensel, 2010; Lacey et al., 2010). The creation of highly committed customers is unlikely to contribute to immediate increases in product sales. Rather, the benefits these customers bring to the company should be understood from a long-term perspective; that is, highly committed customers are likely to help the company attract and retain other customers by engaging in positive word of mouth communication (Lacey & Kennett-Hensel, 2010) and providing helpful feedback to improve the company's service (Bartikowski & Walsh, 2011). While taking into consideration the already established mediating role of commitment, Inoue et al. (2017, p. 53) found that involvement also operates as an important mediator for the relationship between perceived CSR and behavioural loyalty. Involvement positively affects behavioural loyalty, which confirms that involvement is a situational psychological state, where fulfilment may depend on repeat consumption of a product (Beaton et al., 2011; Laurent & Kapferer, 1985), therefore, involvement can be seen as a robust predictor of behavioural loyalty. The positive mediating effect of involvement found in this research suggests that CSR initiatives help create loyal customers, if the initiatives satisfy their desired end states (Inoue et al., 2017, p. 54).

Table 2.1: Previous research examining mediators in the CSR-loyalty relationship.

Previous research examining mediators in the CSR-loyalty relationship.

Study		Setting	Aspect(s) of CSR		Mediator(s)		Loyalty outcome(s)		Key findings	
Ailawadi et al. A US retail (2014) grocery chain		Perceptions of four CSR activities: environmental friendliness, community support, local products, employee fairness		Attitude toward the store		Share of wallet (SOW)		The four CSR activities generally had a positive effect on attitude toward the store, which in turn increase SOW. However, some activities, especially environmental friendliness, had a negative direct effect on SOW, decreasing the total effect of CSR.		
Bartikowsk Walsh (2		French service providers (e.g. banking,	Customer-based corporat reputation (CBR) capturin evaluation of social and	ng the	Commitment		Willingness to engage i customer citizenship behaviors (CCBs)	n	Commitment partially mediated the relationship between CBR and one type of CCBs—willingness thelp the company through providing information	
Close et al. (2006)	S)	retailing) A US professional cycling event	environmental responsibi Attitude toward an event sponsor's community involvement activities	11.515	Positive opinio the sponsor's b		Intention to purchase the sponsor's products	he	and helpful feedback. Event attendees with positive attitudes toward the sponsor's community involvement tended to have, positive opinion of its brand. The positive opinion, i turn, led to increased purchase intention.	
Lacey et al. (2010)		A US professional cycling event	Perceptions of an event sponsor's CSR		Commitment		Intention to purchase the sponsor's products	e	Perceived CSR positively affected event attended commitment to the event sponsor and purchase intention. A strong positive effect of commitmer on purchase intention was also identified.	
Lacey et al. (2015)		A US professional basketball tear	Perceived CSR		Relationship q	uality	Word-of-mouth (WOM	1)	Data supported a path model demonstrating that perceived CSR of the team has a direct effect on customers' willingness to engage in positive WOM, well as an indirect effect through relationship qualit Moreover, these effects were contingent upon the degree to which customers believed the team's CSR activities were important and necessary.	
Lacey and Kennett- (2010)	-Hensel	A US professional basketball tear	Perceived CSR		Trust, commitr	ment	Level of purchase, WON follow performance	M,	Perceived CSR had a positive effect on trust and commitment. In turn, commitment positively predicted all three loyalty outcomes. Moreover, the effects of perceived CSR on commitment and of commitment on loyalty outcomes strengthened ove time.	
Lichtenstei (2004)	in et al.	A US national food chain	Perceived CSR		Customer-corp (C-C) identific		Perceptual corporate benefits measured by attitudinal loyalty, emo attachment, and store interest	ti <mark>onal</mark>	Perceived CSR had a positive effect on perceptual corporate benefits directly, as well as indirectly through the mediation of C-C identification.	
Rodrígue	Martínez and Rodríguez del Bosque (2013)		Perceived CSR		C-C identificat trust, satisfacti		Customer loyalty		C-C identification, trust, and satisfaction mediate the effects of perceived CSR on customer loyalty measured by survey items.	
Pivato et al (2008)	A COLUMN TO SECUL	Italian retail food chains	Perceived CSR		Trust		Brand loyalty		Perceived CSR of food chains positively influence trust in organic products. In turn, trust predicted brand loyalty measured by survey items.	
Scheinbaum and Lacey (2015)		A US professional cycling event	Perceptions of event soc responsibility (ESR)	ial Fan attachment		WOM		Perceived ESR had a positive direct effect on eve attendees' willingness to engage in positive WOI Perceived ESR also positively influenced fan attachment, which subsequently had a positive effect on WOM.		
Uhrich et a (2014)	Uhrich et al. (2014)		Perception of an event ternational sponsor's CSR ega-sport rent (Soccer 'orld Cup)		Credibility of the sponsor		increased the sponsor's perceived CSR. Subs perceived CSR positively affected attitudes to the sponsor through the enhanced perceptic sponsor's credibility. Furthermore, these rela		A message stressing the event sponsor's CSR activiti increased the sponsor's perceived CSR. Subsequent perceived CSR positively affected attitudes toward the sponsor through the enhanced perception of th sponsor's credibility. Furthermore, these relationshi were contingent upon the degree of congruity	
/alker et al.	tal. An CSR av		awareness	Values	/alues-driven. Patro				tween the sponsor and the event. ent attendees' awareness of CSR activities by the	
(2010)		ational sport (the ic	335,00	stakeholder-driven and strategic-driven attributions		measi	measured by merchandise consumption, WOM, and repeat purchase		organizer positively influenced measures of large intentions through values-driven and solder-driven attributions. On the other hand, gic-driven attributions negatively mediated the of CSR awareness.	
Valker and Kent (2012)	lker and Kent US profession				0.000		financial sacrifice the phil willi orga		redibility of the event organizer mediated ositive effects of the awareness of othropy on event attendees' advocacy and gness to make financial sacrifice for the izer. These relationships were contingent	
alsh and German Bartikowski retail firr (2013)				Satisfa	Satisfaction WOM		A, loyalty intentions Satisf assoc These		attendees' level of social consciousness. action mediated the effects of CSR ations on WOM and loyalty intentions. mediating effects were stronger among an customers than US customers.	

Pérez, A. and Rodríguez del Bosque, I. (2014)	Spanish Banking Industry	CSR image	C-C Identification and emotions and satisfaction	Customer Loyalty	CSR image influences customer identification with the company, the emotions evoked by the company and satisfaction positively. Identification also influences the emotions generated by the service performance and customer satisfaction determines loyalty behaviour.
Pérez, A. and Rodríguez del Bosque, I. (2015)	Spanish Banking Industry	CSR perceptions	Moderating Role of the Type of Company (savings banks vs. commercial banks) C-C Identification, Emotions, Satisfaction	Customer Loyalty	Perceptions of customer- centric CSR initiatives positively and consistently impact customer identification with the banking institution, satisfaction, recommendation and repurchase behaviours in savings and commercial bank samples.
Yuen, K., Thai, V. and Wong, Y. (2016)	Shipping Service Industry	Customers willingness to pay for CSR	Customer Satisfaction, Customer Loyalty and CSR Beliefs	Willingness to pay	The effect of CS on WTP for CSR is channelled via customers' CSR beliefs and loyalty

Table taken from research carried out by Inoue, Funk & McDonald (2017 p. 48) and adapted to include more recent research.

This table provides a summary of the majority of the literature out there that has been carried out on similar topics to this current study. It provides a lot of information for the researcher of this study to take ideas from and compare and contrast this literature with the findings from the current study. From observing the industry settings, to the mediators and right through to the outcomes, it is clear that there is a gap in literature with regard to the product based industry as much of the research to date has used service industries as their setting. It becomes quite evident that there has been few studies carried out in Spain however the figure above further proves the argument of the lack of research with regard to the Irish as well as a shortage of studies carrying out cross-cultural analysis on the link between a multinational product based companies CSR practices and its customer loyalty and the differences between its consumers loyalty due to its CSR practices in diverse countries in which it operates which additionally supports the need for this study.

With regard to other mediators, CSR awareness, or the lack of, is a key stumbling block for companies looking to reap strategic benefits from their CSR initiatives (Bhattacharya & Sen, 2004). This seems to be a key deficiency in most CSR strategies (i.e., the lack of effective communication); since minimal benefits are likely to accrue to companies if their target market is unaware of their CSR initiatives, they need to work harder to increase CSR awareness. The roles of intrinsic and extrinsic attributions in shaping CSR beliefs suggest that companies need to also "work smarter" in communicating their CSR initiatives, ensuring that consumers attribute such efforts to intrinsic (e.g., genuine concern), rather than extrinsic (e.g., profit motive) motivations. (Du *et al.*, 2007, p. 238).

As seen from the table, the main mediators which are highlighted are commitment, CCI and satisfaction however there is still room for further analysis and perhaps development of other mediators when the setting in which the study takes place is changed. Perhaps the assessment of loyalty models can help with a further understanding of the effects CSR can have on consumers' responses.

#### 2.4.2 Assessing Loyalty Models

There are many loyalty models out there in the literature today but for the purpose of this study, the Hierarchy of Effects Model will be discussed as previous studies have proved that this model is appropriate for understanding the effects of CSR image on customer responses.

The conceptual framework of this study builds upon previous CSR (as discussed in section 2.1.2) and loyalty models such as the principles of the hierarchy of effects model (Lavidge, 1961).

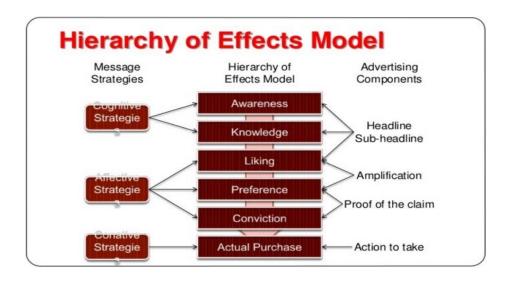


Figure 2.2: Hierarchy of effects model

This approach considers that customers do not change instantaneously from disinterested people to convinced buyers, thus, customers approach purchases through a multi-stage process, of which the purchase itself is the final step (Madrigal, 2001). Pérez, A *et al.*, (2015) described the stages of customer behaviour as being divided into:

- the cognitive dimension, which refers to customer thoughts and beliefs (CSR perceptions);
- the affective dimension, referring to the realm of feelings (C-C identification and satisfaction); and
- the conative dimension, referring to customer actions (attitudinal loyalty recommendation and behavioural loyalty repurchase behaviour).

The most significant contribution of this conceptual approach is that it allows scholars and practitioners to understand the mixed findings that have been reported by previous researchers (McDonald and Lai, 2011). Some scholars have identified a direct and positive effect of CSR perceptions on customer loyalty (Mandhachitara and Poolthong, 2011; McDonald and Lai, 2011), however, there are other scholars that deny this connection (Bravo et al., 2009). This conflicting result gives rise for further research to be carried out in order to clarify whether there is a link or not. On the other hand, when many scholars have introduced mediating affective variables in the study, such as those indicated in Table 3 (e.g. customer—company identification, satisfaction etc.), CSR perceptions have been found to always have

an impact on customer loyalty behaviours (García de los Salmones et al., 2009; Pérezetal, 2013a). With this in mind the researcher aims to further prove this.

Pérez *et al.* (2015, p. 482) describe the model as a cognitive-affective-conative sequence, where CSR perceptions are a set of beliefs that determine corporate image, which in turn determine customers' affective responses because of the cognitive effort to assess the company, in relation to the cost of being its customer. In the end, these affective responses affect customer behavioural responses, such as recommendation and repurchase behaviours (Pérez *et al.*, 2015, p. 482).

Previous to this, Pérez *et al.* (2015 p. 15) found that perceptions of customer-centric CSR initiatives positively and consistently impact customer identification with banking institutions, satisfaction, recommendation, and repurchase behaviours, in the savings and commercial banks' samples, and suggest that future studies be carried out in other industries; which has been taken into consideration when carrying out this study on a product based company, instead of a services based company, as seen in previous research.

Prior to the late 1990's, there has been limited research on this topic. The percentage of customers who consider the degree of social responsibility of companies when making purchasing decisions increased from 28 percent in 1998 to 44 percent in 2002 (Lewis, 2003; Azmat, and Ha, 2013, p. 266). Since then, numerous studies have confirmed the influence of perceptions about CSR dimensions on customers' loyalty (Ailawadi et al., 2014; Chung et al., 2015; García de los Salmones et al., 2005; He & Li, 2011; Marin et al., 2009; Perez et al., 2012; Srbljinović, 2012). With this being said, He, and Lai (2012) notice that there is no consensus among scholars about the direct relationship between CSR and brand loyalty. For example, Werther and Chandler (2005) found that CSR had a direct positive effect on brand loyalty, whereas Salmones, Crespo, and Bosque (2005) did not observe any direct relationship between the perception of CSR and consumers' loyalty towards a firm. Prior to 1997, there was very little research on the concept of CSR and its influence on consumer behaviour and loyalty.

From a business perspective, CSR investments and initiatives "contribute to strengthening a firm's competitive advantage through enhancing its relationships with its customers" (Carroll & Shabana, 2010, p. 98). Academic research supports

this perspective by demonstrating CSR's link to various loyalty outcomes, including the development of a strong positive attitude toward the company, willingness to advocate for the company, and intention to repurchase its products (Inoue *et al.*, 2017 p. 46; Du, Bhattacharya, & Sen, 2007; Lacey, Kennett-Hensel, & Manolis, 2015; Lichtenstein, Drumwright, & Braig, 2004; Walsh & Bartikowski, 2013). Based off the literature, the influence of CSR activities on customer loyalty is quite substantial and well-established.

Society today seems to be far more concerned about ethical issues in marketing, in comparison to 20 years ago. (Fan, 2005, pp. 12-13). Willmot (2003, p. 86) also agrees that "the world has changed. People are (generally) more affluent. Consumers have more choice. They are less 'loyal" which means there are now other dimensions of brand values/attributes that corporations need to understand and communicate, one of which is corporate citizenship, being more ethically engaging in CSR and CRM within the corporation.

Early research carried out by Keller and Aaker (1992) and Brown and Dacin (1997), indicated that the perception of socially responsible behaviour can strengthen the commitment towards a brand, since it transmits a character of differentiating values (Turban and Greening, 1997), respect for the consumers and concern to serve them correctly, as well as complying with quality standards; explaining why customers reward the companies CSR efforts with loyalty towards the particular firm (Maignan et al., 1999). More recent research has shown similar results, where customers prefer products from companies involved in social causes (García de los Salmones et al., 2005, p. 373). Customers have more trust, purchase more, and prefer to recommend socially responsible companies (Vlachos, Tsamakos, Vrechopoulos, & Avramidis, 2009). Numerous studies have shown a positive relationship between perceptions of CSR and customer loyalty (Ailawadi, Neslin, Luan, & Taylor, 2014; Chung et al., 2015; García de los Salmones et al., 2005; He & Li, 2011; Lee et al., 2012; Marin et al., 2009; Perez et al, 2012; Srbljinović, 2012). Customers appreciate companies' participation in humanitarian events, programs devoted to energy conservation, sponsorship of local events, etc. These activities can influence the creation of higher customer loyalty (García de los Salmones et al., 2005, p. 373). Later research by Du, Bhattacharya, and Sen (2007) confirmed that positive CSR beliefs held by consumers are associated, not only with greater purchase likelihood, but also with longer-term loyalty and advocacy behaviours. These researchers also found that not all CSR initiatives are created equal: a brand that positions itself on CSR, integrating its CSR strategy with its core business strategy, is more likely than brands that merely engage in CSR to reap a range of CSR-specific benefits in the consumer domain (Du, *et al.*, 2007, p. 224). Stanisavljević (2017, p. 44) is in agreement with this previous research, stating that managers need to recognize that investing in CSR initiatives is an important strategic task that leads to enduring customer loyalty based on intangible company assets.

As market competition is at an all-time high, specifically in the non-alcoholic beverages industry that is the main focus of this research, companies are in need of new ways to differentiate their products from the growing competition in order to attract and retain customers; therefore, basing the company's core business strategy on the CSR concept has become a great way to help companies stand out whilst making a difference. Customers' perceptions about companies' socially responsible behaviour influence their relationship with the company and its products; thus, this research examines if companies' socially responsible behaviour influences customers' loyalty (Stanisavljević, 2017, p. 41). In contrast, García de los Salmones et al. (2005) did not observe any direct relation between the perception of social responsibility and consumers' loyalty towards the firm. Nevertheless, CSR does influence customer loyalty indirectly through the overall validation the user makes of the service. In a similar study carried out by Yeh (2015), it was also found that CSR and service innovation are positively related to customer advocacy.

Sureshchandar et al. (2001, 2002), and Maignan and Ferrell (2001), found that CSR can influence loyalty. Social responsibility associations may be useful in strengthening trust and the consumers' union with the company (Aaker, 1996; Maignan et al., 1999), since, as Delgado and Munuera (2001) establish, trust is based on the individual's experience of the brand. People tend to value companies' efforts in programmes of donations, energy conservation, or sponsorship of local events, among other CSR initiatives; this greater support may convert to stronger loyalty towards the firm (Maignan et al., 1999). Azmat and Ha (2013 p. 258), in their study carried out in a developing county, stated that the adoption of socially responsible practices by businesses is likely to lead toward customer trust and

loyalty, if they satisfy fundamental customer rights by producing quality products, being innovative, and being customer responsive. Correspondingly, Shin, and Thai (2014, p. 383) carried out research in the shipping industry and also found that CSR is essential in meeting customers' needs and establishing long-term relationships.

Some researchers have alluded to the importance of CSR awareness (Bhattacharya & Sen, 2004; McWilliams & Siegel, 2001) as a precursor of consumers' CSR beliefs. In a field experiment examining consumer reactions to a specific corporate philanthropic initiative, Sen et al. (2006) show that consumers' awareness of the philanthropic initiative is, a precondition for their beliefs that the company is socially responsible. Awareness itself, will not necessarily lead to favourable CSR beliefs. Favourability is likely to be contingent on attributions that consumers make about the motives underlying a company's CSR actions, which as prior research (Forehand & Grier, 2003; Menon & Kahn, 2003; Sen et al., 2006; Webb & Mohr, 1998) suggests, consumers frequently generate when exposed to CSR information. These motives are likely to be of two kinds: extrinsic and intrinsic (Batson, 1998). Extrinsic or self-interested motives have the ultimate goal of increasing the brand's own welfare (e.g., increase sales/profits or improve corporate image), whereas intrinsic or selfless motives have the ultimate goal of doing good and/or fulfilling one's obligations to society (e.g., benefit the community or cause that the CSR actions focus on) (Du et al., 2007, p. 226).

In a study carried out by Wigley (2008), it was found that participants exposed to information about a company's CSR activities are more knowledgeable about those activities and that increased knowledge positively impacts attitudes and purchase intentions. Communicating CSR activities is critical because customers who are aware of CSR initiatives have more positive attitudes and behavioural intentions (Öberseder et al., 2013). Similarly, Fernández and Rajagopal (2013, p. 222) also found that consumers have become more interested in firms' actions and have, in turn, begun to strongly consider them in their purchasing decision making. However, a lack of full awareness of what CSR entails, strong brand loyalty, and the absence of information regarding firms' CSR engagement are aspects that have seen to halt Mexican consumers from being highly influenced by CSR, in such a degree as to alter shopping behaviour. In their 2010 study, Lacey and Kennett-Hensel found that the longer CSR is performed by a firm, the more likely it is that

its customers will become at least generally aware of the companies CSR activities. However, this can differ with regards to different industries and consumers perceptions in diverse countries, therefore further analysis is necessary which further justifies the need for this current study. It will be interesting to see if this study will produce similar findings with Irish and Spanish consumers.

According to Huang et al. (2017), enhancing CCI has become an important route to building deep, meaningful, long-term relationships with customers. Lichtenstein et al. (2004) document the transactional benefits of corporate philanthropy in a field study; consumers with more positive CSR beliefs about a grocery chain buy more from that chain. Prior identification research (Bhattacharya & Sen, 2003; Maignan & Ferrell, 2004) suggests CSR-based identification is likely to be associated with a range of relational behaviours that go beyond product purchase (Lichtenstein et al., 2004) to customers' loyalty to the company's existing products (i.e., customer retention); their willingness to try its new products (i.e., cross-selling opportunities); favourable word-of-mouth; and resilience in the face of negative information about the company (e.g., Klein & Dawar, 2004). Given that favourable CSR beliefs are likely to be a key driver of C–C identification (Bhattacharya & Sen, 2003; Lichtenstein et al., 2004), such beliefs can be expected to strengthen the consumer-brand relationship, leading to a range of advocacy behaviours. All in all, Shin and Thai (2014, p. 383) noted that CSR can positively affect customercompany identification, customer donations (Lichtenstein et al., 2004), customer attitudes toward a product (Berens et al., 2005), and financial outcomes (Luo & Bhattacharya, 2006).

Similar to what Scott and Lane (2002) found in their study, García de los Salmones et al. (2009) found that CSR perceptions strengthen customers' feelings of identification towards banking companies and cause them to develop a sense of connection with them. In a similar study carried out more recently and by Pérez and Rodríguez del Bosque (2014), it was found that CSR image influences customer identification with the company, the emotions evoked by the company, and satisfaction, positively.

From a similar perspective, (Du *et al.*, 2007, p. 227; Ailawadi, Neslin, Luan and Taylor, 2014) noted that one of the firm's most relevant stakeholders is its

customers, however research on how customers respond to CSR efforts is more limited (Ailawadi, *et al.*, 2014, p. 156), especially in the product industry. More recently, a studied carried out by Huang, Cheng, and Chen (2017) confirms previous studies that CCI is complementary to customer satisfaction in the service-profit chain, and is even more critical to customer satisfaction in driving customer loyalty (Homburg et al., 2009). This indicated the need for research on CCI in the product industry, as the bulk of previous research on this topic has been carried out in the services industry

# 2.5 A Cross Cultural Analysis of the CSR-Customer Loyalty link

Moon, Lee, and Oh (2015, p. 519) stated that when brands reflect the local culture of their target market, they are more likely to develop a strong customer relationship in that market. Brand managers need to consider diverse cultural values of the target market in their global business operations to identify effective brand positioning (Aaker and Joachimsthaler, 1999; Hsieh, 2002). Research revealed that consumers' corporate associations influence consumer product responses (Brown and Dacin, 1997; Kumar et al., 1995; Sen and Bhattacharya, 2001). Research on intergroup relationships suggests that consumers' corporate associations may influence their self-connection with the corporation (Choi and Park, 2011; Stets and Burke, 2000). Choi and Park (2011) revealed that consumer's CSR associations have a positive effect on the connection between the consumer's social self-concept and product brand.

Wei, Egri, and Yeh-Yun Lin (2014) investigated the extent to which societal culture has a moderating effect on the business benefits of CSR. A cross-national research design was conducted in Taiwan and Canada on employee CSR and customer CSR and it was found that employee CSR was found to be more strongly associated with higher employee commitment in Taiwan than in Canada. While customer CSR was associated with enhanced customer loyalty, this relationship was similar for firms in both countries. This study is one of few cross-cultural comparative studies of CSR (e.g. Maignan and Ralston, 2002; Waldman et al., 2006; Wu, 2001); there is

relatively limited literature on global CSR and business ethics, to date (Carroll, 2004).

It has been noted that there has been extensive research on CSR in Western contexts, but relatively little empirical research has been conducted that would contribute to an understanding of the link between CSR and customer loyalty in contrasting cultures. (Wei, Egri, and Yeh-Yun Lin, 2014, p. 558). While institutional theory may help explain cross-national differences in CSR, institutional theory has yielded a limited understanding of why various CSR practices are valued differently across countries and how multinationals can apply these practices across different national contexts (Matten and Moon, 2008). In particular, a more in-depth understanding is needed regarding the role of societal cultures that embody the social value system and expectations of people living in a country (Wei, Egri, and Yeh-Yun Lin, 2014, p. 558).

Social identity theory also provides another perspective to interpret societal difference in the influence of customer CSR on customer loyalty. As identified by Tajfel and Turner (1979), social identity theory emphasizes that individuals engage in categorization, identification, and comparison in their construction of a self-image. Engaging in customer CSR enhances corporate reputations, which in turn, may motivate customers to be associated with those firms (Turban and Greening, 1997; Wei, Egri, and Yeh-Yun Lin, 2014, p. 558).

There has been very limited research concerning the understanding of CSR from an Irish perspective (Sweeney, 2007, p. 517) and in particular from an Irish consumer's perspective; a gap this dissertation will attempt to fill. CSR is a relatively recent development in Ireland, in comparison to other parts of the world, which has caused ambiguity in understanding the term; "the term means something, but not always the same thing, to just about everybody" (Zenisek, 1979, p. 359).

#### 2.6 Conclusion

Overall, the review of literature was taken from both product and service based industries and from both a company and customer point of view. The obvious message throughout the literature is that CSR does link to both behavioural and attitudinal loyalty, in most cases; however, not always directly. It was generally

seen that the link between CSR and customer loyalty is found indirectly through multiple mediating roles such as CSR awareness, satisfaction, and C-C Identification however there is a gap in literature which quite clearly needs to be addressed.

It is evident that throughout the research there is a shortage of literature regarding this topic and studies carried out in countries such as Ireland and Spain, with particular shortages in the product based industries. While it is evident that there is limited but not extensive research carried out in Spain, it appears that research carried out to this respect in Ireland by in large appears to be omitted and therefore the goal of this study aims to fill this gap.

The following chapter will define the research approach taken, along with the methodology carried out, detailing the structure and direction of the primary research taken.

# **Chapter Three: Methodology**

#### 3.1 Introduction

In a study carried out by Martínez, Pérez, and Rodríguez del Bosque (2013), it was noted that case study research is very useful, as it allows expansion and generalization of theories by combining the existing theoretical knowledge with new empirical insights (Yin, 1993). In this study, a single case study on Coca-Cola was considered to represent the best means of acquiring deep and contextual insight to generate and build a theory (Yin, 1989) in the non-alcoholic beverages sector, regarding CSR and customer loyalty. The case study of Coca-Cola is thought to be illustrative of the real-life application of CSR initiatives and their link to customer loyalty.

There are two research sections included in this study:

- Secondary research: which consisted of a review of the existing literature related to
  this topic. The secondary research, which can be seen in chapter 2, focused on
  exploring the link between CSR and customer loyalty behaviours. A review of
  existing journals, academic articles, books, digital expert blogs, and various writings
  were reviewed and topics of relevance were identified. This secondary data has
  formed a base to satisfy the research aims of the study.
- Primary research: consisting of research conducted by the researcher's own methodology, as seen in this chapter.

This chapter discusses the chosen methodology outlining the research approach and rationale behind it, the theoretical perspective, the chosen epistemology, the research approach, the research design, and a description and explanation of the quantitative and qualitative data collection methods. It includes the time scale and the data analysis techniques and includes an explanation of the questionnaire purpose, design, testing, the research sample, and its rationale and procedures. The chapter also includes an examination of reliability and validity. Finally, the chapter concludes with ethical considerations and the personal biases of the research.

The research objectives will determine whether there is a link between Coca-Cola's CSR practices and Irish and Spanish consumers' customer loyalty. It will also examine the differences between Irish and Spanish consumers' loyalty towards Coca-Cola as a result of their CSR initiatives.

# 3.2 Research Philosophy

Epistemology is concerned "with providing a philosophical grounding for deciding what kinds of knowledge are possible and how we can ensure that they are both adequate and legitimate" (Crotty, 1998). The Research Onion (see Figure below) by Saunders, Lewis and Thornhill (2012) has been used to guide the structure of this research and to help with the discussion of the epistemological and ontological foundations, on which this research was founded.

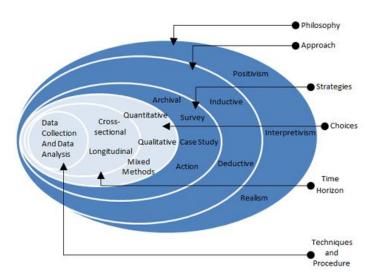


Figure 3.1: The Research Process Onion

Adapted from Saunders et al, (2012)

This research process onion is fundamental in explaining the rationale for the research design and methodology found in this research. It can be said that epistemology and methodology are intimately related: the former involves the *philosophy* of how we come to know the world and the latter involves the *practice* (social research methods, 2006).

This study uses exploratory case study methodology, using pattern matching, following the recommendations of Yin (1994) and Eisenhardt (1989). Exploratory research gives flexibility and adaptability to the methodological process (Yin, 2009). An exploratory design can be conducted when there is little knowledge in a research area and has been defined as "potentially useful knowledge building in a new or lonely area" (Beall, 2002). This is relevant to this thesis, due to the sparse research carried out with regards to cross-cultural analysis of the differences between Irish and Spanish consumers' loyalty due to CSR in a product based industry, in particular the multinational corporation of Coca-Cola.

Exploratory research was found to be an appropriate method for this research, as it follows the following points:

	Discover what is happening
Saunders et al (2007) state that an	Investigate a relatively new area
exploratory study approach is an appropriate method to use to:	3. Seek new insights
	4. Assess phenomena in a new light

# 3.3 Research Approach

The methods of data collection in the empirical research of this study are of a quantitative and qualitative nature, including an English and Spanish survey and an in-depth expert interview. This mixed method approach aims to add to existing literature on the topic and provide a basis for further study opportunities.

This study intended to determine the link between CSR and customer loyalty through a case study analysis of Coca-Cola consumers loyalty due to the company's CSR practices. In accordance with the primary research method of quantitative data collecting, the study adopts a deductive approach. This allowed for maximum objectivity, ensuring the researcher's complete detachment from the questioning. This approach prevented the researcher from influencing the respondents' answers.

A deductive approach allows conclusions to flow logically from the available facts (Jonker & Pennink, 2009). Saunders et al. (2012) state, the final characteristic of deduction is generalization. Due to this, a deductive approach was found to be the most suitable approach; one of the aims of this Case Study research is to make generalizations from the results. The deductive concept demonstrates the research process of this study, as existing theory was presented in the literature review in chapter 2 and formed the basis for the research objectives. In order to be able to statistically generalize regularities in human social behaviour, it is necessary to select samples of sufficient numerical size (Saunders et al., 2012, p.162). The quantitative research instruments of a questionnaire in both English and Spanish rolled out to Irish and Spanish Coca-Cola consumers, complimented by a structured in-depth interview with a Coca-Cola manager in Ireland and a Coca-Cola manager in Spain along with an in-depth CSR expert interview, will ensure the reliability of the data.

# 3.4 Research Design

A mixed method research design has been incorporated into the methodology of this study, as the researcher sought to "triangulate" the data, to elaborate on the findings of the quantitative data (Coca-Cola consumers), with qualitative data (A CSR Expert interview) to allow for conclusions to be drawn.

A quantitative survey questionnaire, which was distributed to a sample of the Irish and Spanish population. Initially, as part of the qualitative analysis, the researcher's intention was to interview two Coca-Cola managers from Ireland and Spain however there was no response. Preceding the quantitative, the other qualitative method of data collection was successful, in the form of a structured in-depth expert interview with a CSR Expert Lecturer, for exploratory purposes.

The figure below details the intended research design structure for data collection.

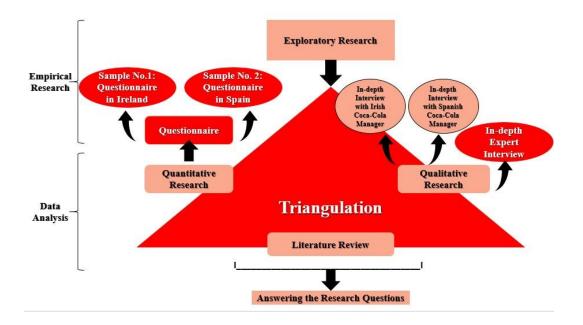


Figure 3.2: Outline of Research Approach

Creswell (2009) stated that a mixed method approach provides strengths that offset the weaknesses of either approach, that would be carried out individually. According to Creswell and Clark (2007), a mixed method approach "provides more comprehensive evidence for studying a research problem than either quantitative or qualitative research alone".

According to Denscombe (2010), there are four advantages to having a mixed methods approach:

	<ol> <li>It is more comprehensive.</li> </ol>
	<ol><li>It involves more than one perspective.</li></ol>
Advantages to having a mixed methods approach:	<ol> <li>It has clear links between different methods and data.</li> </ol>
	<ol> <li>It focuses on the rationale of combination of approaches.</li> </ol>

For these reasons, the mixed method approach was used in this study.

This use of both methods, or triangulation, may be carried out by using several sources for data collection (such as merging secondary data with field notes), by

including more than one researcher in the data analysis, by utilizing multiple methods or applying various theoretical backgrounds for interpretation of data (Decrop, 1999). According to Creswell and Plano Clark (2007), the purpose of triangulation is to compare and contrast the quantitative statistical results with the qualitative findings.

There are many benefits of using triangulation. Thurmond (2001, p. 254) highlighted 5 benefits of using triangulation:

Benefits of using Triangulation:	Increasing confidence in research  data.
	Creating innovative ways of understanding a phenomenon.
	Revealing unique findings.
	Challenging or integrating theories.
	<ol> <li>Providing a clearer understanding of the problem.</li> </ol>

This study used several sources by merging secondary data with primary data. The first angle of this approach is the secondary research, which was carried out in the form of a literature review. From this secondary research, it was found that questionnaires were the most recurring research method carried out by many other researchers of similar topics. Therefore, the second and third angle of the triangulation method was questionnaires, which were carried out in both Ireland and Spain.

The figure below illustrates the process of the triangulation of data carried out in this study. (Coca-Cola interviews are excluded from the diagram due to no response.)

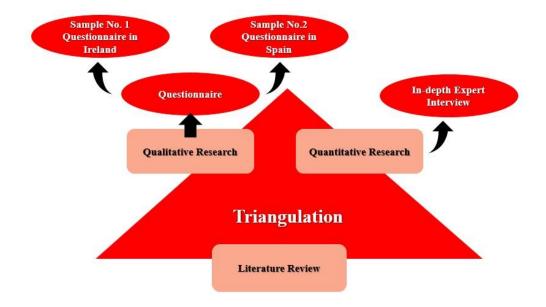


Figure 3.3: Triangulation

The link between CSR and customer loyalty is quite a recent study phenomenon. This research topic sprung into importance in the early 2000's; however, this specific cross-cultural analysis based on a case study of a multinational product based corporation will be the first of its kind. Therefore, in order to understand the complexity of this area being explored in the current research, this study examines evidence from:

- A survey questionnaire, written in English, carried out on Irish Coca-Cola consumers, in order to identify the link between their perceptions of Coca-Cola's CSR and their customer loyalty.
- The same survey questionnaire translated into Spanish, carried out on Spanish Coca-Cola consumers in order to identify the link between their perceptions of Coca-Cola's CSR and their customer loyalty.
- 3. An expert interview with a CSR specialist lecturer.
- 4. A review of findings from the above data, combined with previous literature regarding this topic, helping to discover the differences between Irish and Spanish Coca-Cola consumers loyalty due to their perceptions of Coca-Cola's CSR practices.

### 3.5 Timescale

As the researcher had a limited time frame to complete this research, it was deemed more appropriate that a cross-sectional time horizon be applied, as a longitudinal study was not appropriate due to this time constraint.

# 3.6 Quantitative Data Collection Instruments

# 3.6.1 Questionnaire Purpose and Questionnaire/Question Design

The purpose of this survey was to investigate the differences between Irish and Spanish consumers' loyalty due to Coca-Cola's CSR practices. Leary (1995) devised seven guidelines for designing questionnaires to ensure that they generate reliable, valid, and credible data. The questions were designed originally in English, ensuring that all questions were in line with the research question and objectives formulated. Then, they were translated into Spanish, for implementation in Spain to analyse Spanish Coca-Cola consumers' loyalty due to the companies CSR practices. Careful consideration was taken to ensure consistency in both languages.

Leary's seven guidelines were then followed closely in the formulation of the survey (see below).

Table 3.1: Leary's 7 Guidelines for designing a useful questionnaire

	Use precise terminology in phrasing the question.
	<ol> <li>Write the questions as simple as possible, avoiding difficult words, unnecessary jargon and cumbersome phrases.</li> </ol>
	Avoid making unwarranted     assumptions about respondents.
Leary's (1995) seven guidelines for designing a questionnaire:	<ol> <li>Conditional information should precede the key idea of the question.</li> </ol>
	<ol> <li>Do not use double barrelled questions. (Questions that ask more than one question but provide the respondent with the opportunity for only one response.</li> </ol>
	Choose an appropriate response format.
	7. Pre-test the questionnaire.

Source: (Leary, 1995, pp. 81-82).

All measures of this survey instrument were developed based on literature from previous research. Questions were then slightly modified to fit this current case study.

The questionnaire followed a 5-point Likert scale, which was chosen due to findings from the previous literature that highlighted this method of questionnaire to be the most popular method. Most of the similar studies used either a 5 point or a 7-point Likert Scale.

The following table is an overview of the questionnaire structure, which will state where the questions were adapted from, under each section of the questionnaire.

**Table 3.2: Overview of Questionnaire Structure:** 

Section of Questionnaire	Description	
1. Demographics	Initially participants were asked if they were consumers of Coca Cola beverages. If so, they continued to complete the survey and it not, they did not complete it. This question initiated the survey in order to discourage any unnecessary responses which would slow down the analysis process. It also stated that if they were Irish (for the English version of the questionnaire) or Spanish (for the Spanish version of the questionnaire) and over the age of 18 that they would be eligible to complete the survey. The first section of the questionnaire collected the personal information (the demographics) of the respondent which included their gender and age. This data was necessary for the analysis of this research along with	
2. CSR	Participants were asked about:  • Their Awareness of the term CSR and Coca Cola's CSR practices.  (Questions adapted from Du, S., et al., 2007 p. 227).  • Their CSR beliefs with regards to Coca Cola's CSR towards  Employees, Customers and Society.  (Questions were adapted from Pérez, A. and Rodríguez del Bosque, I. (2015)).	

3. Customer Loyalty	<ul> <li>Their Beliefs about Coca Cola's Corporate Ability. (Questions adapted from Du, S., et al., 2007 p. 227).</li> <li>Coca Cola's CSR Intrinsic and Extrinsic Attributions. (Questions adapted from Du, S., et al., 2007 p. 227).</li> <li>Their Support towards CSR. Practices. (Questions adapted from Du, S., et al., 2007 p. 227).</li> <li>The Importance of CSR to them when making purchasing decisions. (Questions adapted from Pérez, A. and Rodríguez del Bosque, I. (2014).</li> <li>Participants were asked about:</li> </ul>
	<ul> <li>Their Satisfaction with the company.         (Questions adapted from Pérez, A. and Rodríguez del Bosque, I.         (2014)).</li> <li>Their Identification with the company. (Questions adapted from Du, S., et al., 2007 p. 227 and Pérez, A. and Rodríguez del Bosque, I.         (2015)).</li> <li>Their Loyalty to the Coca Cola brand. (Question adapted from Du, S., et al., 2007 p. 227).</li> <li>Their Attitudinal Loyalty         (Recommendation Behaviours) and Behavioural Loyalty (Repurchase Behaviours). (Questions adapted from: Mandhachitana, R. and</li> </ul>
	Poolthong, Y. (2011 and Zeithaml et al. (1996), Chaudhuri and Holbrook (2001), Chiou et al. (2002), and Fullerton (2005)).  Their Commitment to the Coca Cola brand. (Questions adapted from García de los Salmones, Herrero, & Rodríguez del Bosque, 2005 pp., 369-385)  Their Advocacy. (Questions adapted from Du, S., et al., 2007 p. 227).
4. CSR and Customer Loyalty	Questions were adapted from He, Y. and Lai, K. (2012 pp.249-263.) regarding 3 aspects of the CSR Framework - Ethical, Legal and Philanthropic Responsibilities (Carroll, 1991) in order to identify the link between the respondents' perceptions of Coca Cola's CSR practices and their loyalty behaviours as a result.

### **3.6.2** *Testing*

For the purpose of increasing the likelihood of success and ensuring good study design, a 'pilot study' of the questionnaire was carried out in English before the translation to Spanish. A 'Pilot Study' is a research study that is conducted prior to the intended study, but on a much smaller scale. It is carried out in order to reduce the likelihood of making errors that could make the study a waste of time, money and effort. However, it is important to note that a pilot study cannot eliminate all systematic errors or unexpected problems.

According to Suskie (1996), when the researcher takes these precautionary steps with the pilot study, reliability and validity are enhanced. For this reason, it is recommended that the survey should be reviewed by people from diverse backgrounds and with varying viewpoints before the survey's administration:

Benefits of Pre-Testing:	<ol> <li>Ensure each item/question is clear and easy to understand</li> </ol>
	<ol> <li>Ensure they interpret each item/question in the manner intended</li> </ol>
	<ol> <li>Ensure the items have an intuitive relationship to the studies goals and specifically the topic and</li> </ol>
	Ensure the intent behind each item is clear to colleagues who are knowledgeable about the specific topic.

A pilot study (pre-test) questionnaire was carried out with the English version in order to avoid any misunderstanding or confusion in the actual questionnaire being distributed to the Irish and Spanish population. The pre-test was carried out in order to gain feedback on the initial questionnaire. A convenience sample was chosen, where some family, friends, and colleagues were asked to carry out the survey and give feedback on the flow and clarity of understanding of the questions, ease of interpretation and time necessary to complete. The initial survey feedback revealed valuable information about the survey, indicating that the all questions were clear and concise and the length of time to complete the survey was deemed acceptable due to the ease of survey design of the 5-point Likert scale. It was also found that

two of the questions had the same meaning, which resulted in identical answers, therefore, the questionnaire was edited with the removal of unnecessary questions. After the pre-test, the survey was edited to create the final version of the English survey. It was then translated into Spanish by a native Spanish speaker and was then checked by two bilingual marketing specialists to ensure language accuracy and clarity.

# 3.6.3 Sampling and Selection of Respondents

Sampling can be defined as the procedure, in which a sample is selected from an individual or a group of people matching certain requirements for research purposes. In sampling, the population is divided into a number of parts called sampling units.

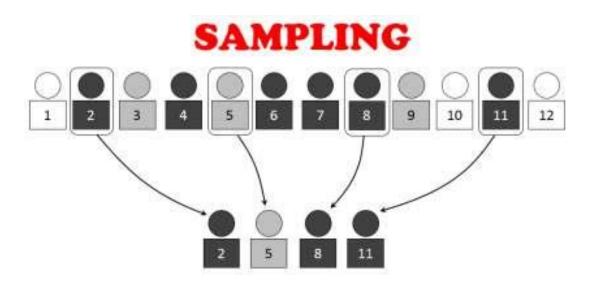


Figure 3.4: Advantages of Using Sampling

Image Source: Money Matters 2017

	<ol> <li>Simplifies the research: Using a sample of a population facilitates convenience as it is easier to study a sample rather than the entire population.</li> </ol>
	<ol> <li>Low cost: Costs If the entire population was to be studied, costs would be quite high. As a sample is a small portion of the population, costs are far lower especially if the population is significant and geographically distributed.</li> </ol>
Reasons why sampling is used:	<ol> <li>Less time consuming: studying the full population would take a lot more time.</li> </ol>
	<ol> <li>Accuracy of data: Sampling permits a high degree of accuracy due to a limited area of operations. The results of sampling studies turn out to be significantly accurate.</li> </ol>
	<ol> <li>Suitable in limited resources:         Studying the entire population is not viable when resources are limited, therefore the population can be satisfactorily covered through the use of sampling.     </li> </ol>

Quantitative sampling: A non-probability convenience sample was used in this study due to the following reasons:

	1. Ease of availability
Advantages of non-probability convenience sampling:	2. Saves time
	3. Low cost

In order to overcome the disadvantages of using this type of method and to make the findings more generalizable, the first question of the study ensured that the respondents of the questionnaire were only consumers of Coca-Cola beverages, ensuring that the results would be more accurate. As time and resources were limited, and it was not viable to conduct a probability sample in both Ireland and Spain, this method was best suited to this research.

Although convenience sampling was used in this study, sampling bias was avoided.

Table 3.3: Quantitative research sample

Data Collection	Sample
350 people were asked to take part in a survey questionnaire  • 200 Irish people  • 150 Spanish people	Non-probability
198 respondents in total 182 valid responses:  • 131 Irish responses  • 51 Spanish responses	Convenience Sample
	The sample consisted of:  - Age: Over 18  - Gender: Both Male and Female  - Irish and Spanish Coca-Cola consumers  - Different geographical locations in both countries  - Representing Irish and Spanish Coca-Cola consumers

An observation was made by the researcher that some studies in this area have not included age and gender demographic details in results of previous studies. To enrich and deepen the data, the researcher analysed these factors with all of the data collected. Where relevant, demographic information will be referred to in chapters 4 and 5.

# 3.6.4 Demographics of the Irish and Spanish survey sample:

The following depicts an analysis of the sample used under the headings of age and gender demographics of respondents from the Irish sample and Spanish sample. Also presented is a discussion under each section.

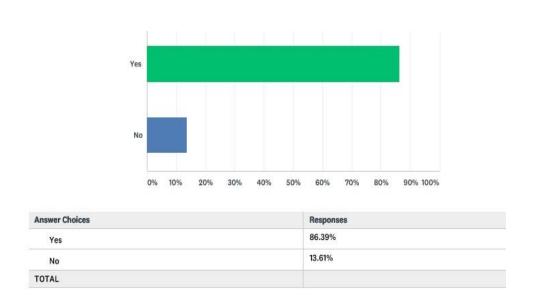


Figure 3.5: Irish Coca-Cola Consumers

The above figure shows that 86% of people who attempted to fill out the survey were Irish Coca-Cola consumers and therefore all these people who answered "Yes" went on to complete the survey. The 14% who answered "No" did not complete the survey. This question was necessary to filter out non-Coca-Cola consumers, as only Coca-Cola consumers responses were needed for this study.

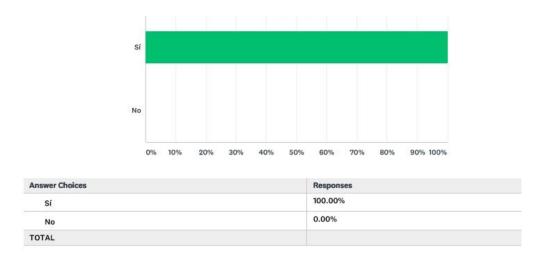


Figure 3.6: Spanish Coca-Cola Consumers

The above figure shows that 100% of people who attempted to fill out the survey were Spanish Coca-Cola consumers and therefore all these people who answered "Yes" went on to complete the survey.

The following figure illustrates the percentage of female and male survey respondents.

Answer Choices	Responses	
- Female	60.31% 79	
- Male	39.69% 52	

Figure 3.7: Irish Survey Respondents Gender

The figure above indicates gender, seen as a representative of the target Irish demographic.

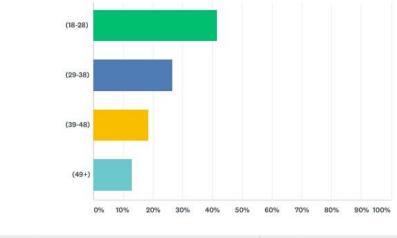
The figure below shows the varied age of respondents, ensuring that these findings can be generalized.

Answer Choices	Responses	
- Female	64.71% 33	
- Male	35.29% 18	

Figure 3.8: Spanish Survey Respondents Gender

The figure above indicates gender, seen as a representative of the target Spanish demographic. The response rate from Ireland was over double the response rate of Ireland however the percentage of Female and Male respondents of both were quite similar as can be seen in the figures above.

The figure below shows the varied age of respondents, ensuring that these findings can be generalized. The majority of Irish respondents (42%) were in the age bracket of 18-28 years.



Answer Choices	Responses	
(18-28)	41.73%	
(29-38)	26.62%	
(39-48)	18.71%	
(49+)	12.95%	

Figure 3.9: Irish Survey Respondents Age

The following figure illustrates the percentage of female and male survey respondents.

The figure below shows the varied age of Spanish respondents, ensuring that these findings can be generalized. The majority of Spanish respondents (62.75%) were in the age bracket of 18-28 years.

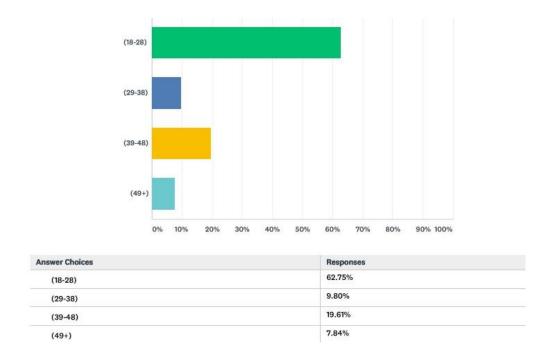


Figure 3.10: Spanish Survey Respondents Age

For both samples, there were more respondents between the ages of 18-28 than any other age choices. This may be indicative of the number of consumers who are more available to or willing to complete online surveys. This could also have been due to convenience sampling.

The questionnaire was administered electronically through various online forums. Although there are also some disadvantages to using this method, for this type of research where there are time constraints and geographical differences, it was the best option.

Table 3.4: Advantages and disadvantages of Electronic Questionnaire Survey

Advantages	Disadvantages	
You can get information quickly when using electronic surveys	It is difficult to procure in-depth information without using open-ended questions	
Multiple choice data is easy to analyze	Open-ended information is difficult to analyze	
electronically	<ul> <li>Response rates are often low, especially if the survey is long or open-ended questions are used, or if people are surveyed often</li> </ul>	
<ul> <li>Survey respondents can complete surveys when it is convenient to do so</li> </ul>		
Electronic surveys are economical to develop and distribute to a geographically dispersed audience	People may not answer honestly if they think their answers aren't anonymous or they can somehow	
Respondents can provide honest answers if they	be tracked	
feel their answers are anonymous	<ul> <li>People who respond to surveys often provide different information than those who don't respond to surveys, adding response bias</li> </ul>	
	<ul> <li>People without access will not answer the survey, adding response bias</li> </ul>	

Table Source: Shank, 2012

Survey Monkey was used to collect survey results and the data was analysed here also. This survey development cloud-based software generated a series of tables and charts, displaying the data collected by Irish and Spanish respondents. When analysing, the researcher cross-checked the questionnaires to see if there was a difference in responses due to age and gender profiles.

The main points were identified and recorded for use in the findings section of this research. The data was then categorised and reference to the literature review was made (see later chapters).

### 3.7 Qualitative Data Collection Instruments

### 3.7.1 Interview Purpose and Question Design

The researcher chose to carry out qualitative research as according to Shank (2012), often it is best to combine questionnaires with other data-gathering methods in order to "triangulate" the data and get more information by following up. The purpose of using this method was to compliment the quantitative data findings, in an attempt to increase accuracy and construct well informed theories. The purpose of the interview with the CSR expert was to assess their views on the link between CSR and Customers loyalty concerning the Coca-Cola company.

The interview questions were created in a similar format to the questions of the survey, in order to allow for a simpler analysis. They were laid out under what were mainly the same themes as the questionnaire also

# **3.7.2** *Testing*

As stated in the section of quantitative testing in section 3.4.1. A pre-test is carried out in order to enhance the reliability and validity. The questions for the Interview were tested to ensure that the questions flowed in the correct manner, they were easy to understand and answer and that all questions were necessary to help answer the research question and objectives posed.

### 3.7.3 Qualitative Research Sample

The importance of sampling was discussed in section 3.4.3. It was the researcher's initial thoughts to carryout interviews with Coca-Cola's Irish and Spanish managing directors but due to non-response this could not go ahead. An interview was also arranged with a CSR expert and was chosen on the persons expertise in the areas of CSR, ethical marketing and customer loyalty.

#### 3.7.4 Interview Administration

The Interview was carried out in a formal matter. It took place on the 15<sup>th</sup> of August and lasted for just over 90 minutes in total.

# 3.8 Analysis Methods

The data from the expert interview was transcribed, the details were collated and analysed and the key themes were synthesised with the addition of condensed key points under each theme. The questions were similar to the questions from the survey, which allowed for a simpler analysis. The interview was answered from the point of view of a CSR expert, with little or no bias towards the company, whereas the quantitative research method was from a consumer's point of view of the company.

### 3.9 Reliability and Validity

The Reliability and Validity of this study was heightened due to the mixed method approach. To make sure that both English and Spanish versions of the questionnaire generated credible, reliable, and valid data, the quantitative data collection was designed according to Leary's (1995) seven guidelines. To ensure reliability and validity, a survey was chosen as a quantitative research method as "the attractions of a survey lie in its appeal to ensure generalizability or universality" (Cohen et al., 2000, p. 171).

Reliability refers to consistency of results and measurements made in the research process (Domegan and Fleming, 2007). O'Leary (2004, p.58) describes reliability as being concerned with internal consistency; that is, whether data collected, measured or generated, are the same under repeated trials; Kinnear and Taylor (1996, p.232) describes reliability as being concerned with the "consistency, accuracy and predictability of the research findings". With regards to these definitions and after analysing the data collected, this study can be deemed reliable and valid based on the research methodology that had been adhered to. This study will be easily replicated in other countries and, regarding other case studies, can be generalized in other industries.

Bryman and Bell (2007, p. 165) defined validity as "the issue of whether or not an indicator (or set of indicators) that is devised to gauge a concept really measures the concept". It is important for any investigation to ensure that it is credible, which is the extent to which the data retrieved is both valuable and relevant. This is a key issue for any piece of research (Anderson, 2004, p.111).

Necessary steps were taken to ensure the minimalization of any limitations. This study uses mix methods to cross-reference all findings. According to Saunders et al. (2003), adhering to a highly structured research methodology, which is strictly centred at, obtaining highly focused data, ensures reliability of research findings and allows generalization.

Triangulation was used in order to check and establish validity by analysing research questions and objectives from multiple perspectives, which is similar, to what Patton (2002) posits.

The qualitative research method, i.e. the survey was pilot tested in order to ensure maximum reliability and validity of the study both in English and Spanish and to justify the research methodology. The questions were created in a manner that was clear, concise, focused and with a structure that flowed. Corrections to the survey were made after the pilot test, which further increased the validity. Reliability was also improved due to the pilot test.

The use of sampling further increased the validity, as the research sample, although small, was representative of Irish and Spanish Coca-Cola consumers. Validity was increased due to the additional interview with a CSR expert lecturer.

As a positivist view was taken, it is important to note that during the interpretation of data, the researcher aimed to ensure that data collecting methods were not contaminated by personal views, which further increased the validity of this study.

#### **3.10 Ethics**

Ethical issues were addressed, due to this study requiring human respondent's participation, particularly Irish and Spanish Coca-Cola consumers. It was necessary that all ethical aspects were taken into consideration to ensure the privacy of participants.

Suanders et al. (2009) state that ethics refers to the "appropriateness on your behaviour in relation to the rights of those who become the subject of the work". In this case, it is essential that the researcher takes into consideration all ethical issues whilst carrying out all forms of primary research.

With regards to the primary research carried out, all respondents participated in the research voluntarily, without any pressure or payment of the researcher. Following a full description of the research, the participants agreed to freely participate, as recommended by Saunders et al. (2009). With regards to the formulation of the questionnaire in both English and Spanish, the use of discriminatory, offensive, or any other unacceptable language was avoided. Relevant information about the purpose and aim of this study was explained to the participants in order to give them an understanding of their role in the completion of this research.

The researcher ensured to acknowledge all works of other authors and also maintained the highest level of objectivity in all discussion and analysis throughout this research, as this is of paramount importance in any form of research.

It is important to note that all types of social research involve ethical issues, as the process of carrying out research involves the human aspect of collecting data from people and about people. With this in mind, the researcher obeyed all codes of ethical and professional conduct, as outlined in the IT Sligo and ESOMAR guidelines, European Society for Opinion and Marketing Research (Bowers, 1998).

#### 3.11 Limitations

- The initial research plan was to interview two Coca-Cola Irish and Spanish
  managing directors however this did not go according to plan. This limited
  the extent of understanding of the objectives of Coca-Cola's CSR practices
  in Ireland and Spain and whether any of their CSR practices are directly
  linked with the hope of converting once off customers into loyal advocates
  of the brand.
- Due to lack of funding and time constraints convenience sampling was used.
   Results may have been more generalizable if another sampling method was used.
- The sample size and structure could be seen as a limitation as a more reliable
  result could be obtained if there was more time to be able to have obtained
  a larger sample in Ireland and especially in Spain, and there had been a more
  equal structure in demographics.
- Similar to the cross-cultural study carried out by Moon, B., Lee, L. and Oh, C. (2015), this study relied on participants' memory about a product and the company. It is possible that the participants memories about the product and company could be incomplete and be tainted by their satisfaction or dissatisfaction they experienced.
- Although some surveys were administered face-to-face in both Ireland and Spain, most surveys were administered online by emails and through multiple forms of social media therefore this this may have resulted in a bias in a sample of respondents that were more web savvy than if they had been recruited mainly offline.

• The lack of existing literature especially with regard to Spanish and Irish consumers loyalty responses due to CSR practices in general as well as Coca-Cola's CSR practices. Also, a vast amount of similar studies was carried out on service sector industries, while although it has similarities to the product industry, there are also significant differences between both industries.

### **3.12 Summary**

This chapter set the structure for the data collection process. It presented the rationale for the type of research design chosen and the reason behind the sample choice was discussed. The design of the research method was explained, with reference to previous literature and similar research methodologies. Reference was also made to theorists and their theories supporting this type of research design. The qualitative and quantitative methods of analysis were discussed. The quantitative research instruments of both English and Spanish questionnaires, complimented by a structured interview, ensured the reliability of data. The discussion of the methods of analysis was followed by a presentation of the reliability, validity, and ethical considerations of the study.

The next chapter will present the findings from the data collection process carried out by the researcher.

# **Chapter Four: Findings and Discussion**

#### 4.1 Introduction

This chapter meets the empirical objectives. The quantitative data collected was analysed and illustrated using charts and graphs. In this section, the figures (graphs) under each subheading are first illustrated in English showing the Irish responses and then in Spanish showing the Spanish responses, however it is important to note that the Spanish figures have the same meanings as each English figure discussed before it.

The researcher cross analysed results to discover trends and patterns in the data.

The qualitative data was analysed in order to observe if the expert interview related to the results of the surveys.

The findings, presented in this chapter refers to the findings identified in Chapter 2. Here, they will consider how they do or do not confirm the theories identified and how they further contribute.

There are two sections of these findings:

- The quantitative, in the form of a comparison between the Irish and Spanish Coca-Cola consumer questionnaires
- 2. The qualitative, in the form of an in-depth interview with a CSR expert.

# 4.2 Questionnaire Findings and Discussion

Overview of Quantitative Survey

Overview of the collection of Quantitative Data:	> Surveys consisting of 23 questions.
	1 survey in English for Irish Coca Cola consumers to complete and 1 survey in Spanish for Spanish Coca Cola consumers to complete.
	<ul> <li>198 respondents in total</li> <li>182 valid responses:</li> <li>131 Irish respondents</li> <li>51 Spanish respondents</li> </ul>
	Data generated by Survey Monkey followed by further analysis.

The findings contained in this section reveal Irish and Spanish consumers' feelings towards and knowledge of CSR, Coca-Cola's CSR practices, and the link between the company's CSR practices and Irish consumers' loyalty to the company (see Appendix 1 and 2 for samples of both surveys). The figures under the headings of Spanish responses are in the Spanish language. The English survey was translated directly into Spanish and, therefore, both surveys have the same meaning.

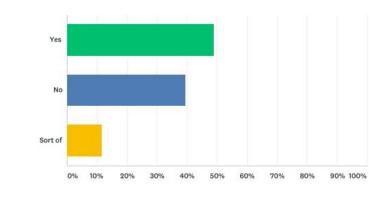
The Irish and Spanish responses will be illustrated and discussed under three headings: CSR, Customer Loyalty, and the link between CSR and Customer Loyalty. Subheadings will be found under each heading in order to provide a better analysis of responses.

# **4.3 Questionnaire Theme 1 - CSR**

The section assessed Irish and Spanish Coca-Cola consumers' awareness and feelings towards Coca-Cola's CSR practices.

### 4.3.1 Awareness of CSR

The figure below shows Irish Coca-Cola consumers' awareness of the term CSR.



Answer Choices	Responses	
Yes	48.92%	68
No	39.57%	55
Sort of	11.51%	16
OTAL		139

Figure 4.1: Irish Coca-Cola Consumer Awareness of the term CSR

The majority (49%) of respondents claimed to be aware of the term CSR. It was found that the older respondents were more aware of the term, which is good for Coca-Cola as these have been found to be the age group who mainly purchase Coca-Cola, as seen from data collected by infoscout.co. It was also found that more males were aware of the term.

The figure below shows Spanish Coca-Cola consumers' awareness of the term CSR.

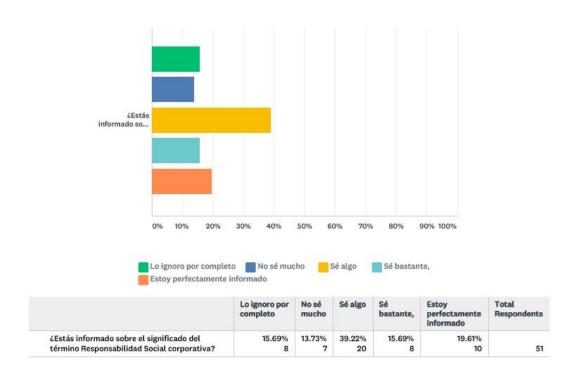


Figure 4.2: Spanish Coca-Cola Consumer Awareness of the term CSR

The majority (39%) of respondents claimed to know something about the term. Combined, as can be seen in the figure above, 75% of respondents are somewhat or fully aware of the term, with 25% not knowing much or not knowing anything at all about CSR. It was found that the majority of respondents who did not know about the term came from the 18-28-year-old respondents. The older respondents were most aware of the term.

### **Discussion**

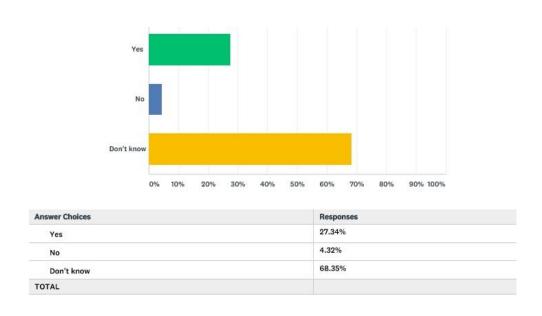
The findings from both Irish and Spanish samples were quite similar. As can be seen above, the greater percentage of the Irish respondents were aware of the term, whereas the majority of Spanish respondents were marginally aware of the term. In the KPMG International survey of CSR reporting (2011), Spain is ranked seventh in the world for CSR implementation. Ireland was not included in the study; however, the United Kingdom is ranked as number one and it could be said that the UK is usually similar to Ireland in these cases. Therefore, this could be a reason why more people are aware of the term CSR in Ireland than in Spain. It is still important to note that, for the most part, respondents from both samples are aware of the term. Although the CSR phenomenon reached Spain later than it did the northern European countries (i.e. the UK and possibly Ireland), public and private institutions have embraced sustainable development since its introduction there in the late 1990s, meaning consumers have been exposed to firms' CSR activities in Ireland and Spain since the late 90's, which may explain why consumers are generally aware, or have heard of the term.

Some researchers have alluded to the importance of CSR awareness (Bhattacharya & Sen, 2004; McWilliams & Siegel, 2001) as a precursor of consumers' CSR beliefs. The author would highly agree with this. As noted in chapter 2, Sen et al. (2006) found that consumers' awareness of the philanthropic initiative is a precondition for their beliefs that the company is socially responsible, which is also clear in this study.

Key Point: Awareness of CSR is a precursor of consumers CSR beliefs.

## 4.3.2 Awareness of Coca-Cola's CSR

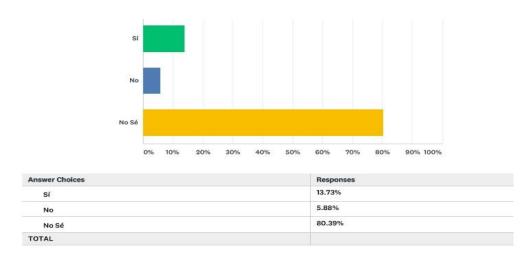
The following figure further analyses the Irish respondents CSR awareness but this time their awareness of Coca-Cola's CSR practices such as working with/for organisations such as the World Wildlife Fund.



**Figure 4.3:** Irish consumers' awareness that the Coca-Cola brand works with/for organisations such as the World Wildlife Fund (WWF)

Most respondents (68%) were unsure/unaware of this aspect of Coca-Cola's CSR work. Again, the younger respondents tended to be the ones who were least aware.

The following figure further analysed the Spanish respondent's responses.



**Figure 4.4**: Spanish consumers' awareness that the Coca-Cola brand works with/for organisations such as the World Wildlife Fund (WWF)

Most respondents (80%) were unsure/unaware of this aspect of Coca-Cola's CSR work. Again, the older respondents tended to be the ones who were more aware.

#### **Discussion:**

The findings from both samples are similar and can be seen in both figures above where the majority respondents did not know if they were aware of the Coca-Cola brands involvement in charitable organisation (a representation of some of their CSR practices). In addition, interestingly the younger respondents of both made up the majority of unsure responses.

This may be indicative of an opportunity for Coca-Cola to enhance CSR awareness with the younger consumer group, as they are the future consumers of the brand in both Ireland and Spain; communicating CSR activities is critical because customers who are aware of CSR initiatives have more positive attitudes and behavioural intentions (Öberseder et al., 2013).

CSR awareness, or the lack of, is a key stumbling block for companies looking to reap strategic benefits from their CSR initiatives (Bhattacharya & Sen, 2004). This seems to be a key deficiency in most CSR strategies (i.e., the lack of effective communication), since minimal benefits are likely to accrue to companies if their

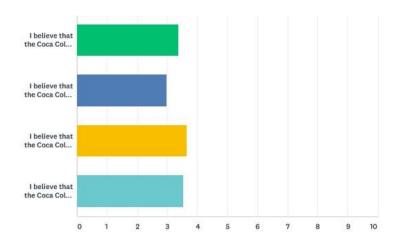
target market is unaware of their CSR initiatives; in this case, it could be said that Coca-Cola need to work harder to increase CSR awareness.

<u>Key Point:</u> Not all consumer groups are fully aware of CSR activities. This could be further addressed by the Coca-Cola company.

## 4.3.3 CSR beliefs (Ethical - Legal - Philanthropic Responsibility)

#### A. Employees

The following figures use a 5-point Likert scale to analyse Irish and Spanish respondents' CSR beliefs about Coca-Cola's CSR towards employees. All questions in the next three figures regarding CSR beliefs were created based on Coca-Cola's GRI and Sustainability Report.



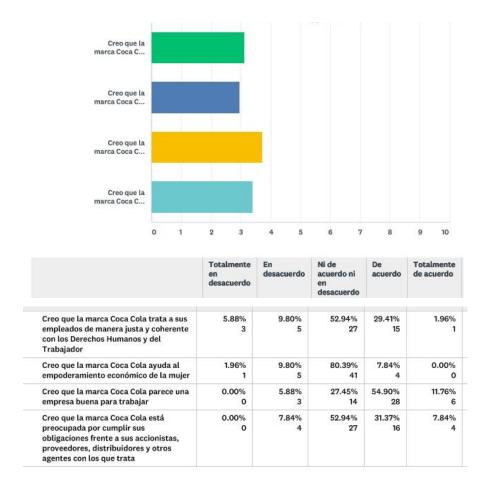
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
l believe that the Coca Cola brand treats employees fairly and complies with the Human and Workplace Rights standards	1.45% 2	2.90% 4	57.97% 80	34.06% 47	3.62%
believe that the Coca Cola brand enables the economic empowerment of women	5.07% 7	13.04% 18	62.32% 86	18.12% 25	1.45%
believe that the Coca Cola brand looks like a good company to work for	0.72% 1	8.70% 12	28.26% 39	50.00% 69	12.32%
believe that the Coca Cola brand is concerned to fulfill its obligations vis-a-vis its shareholders, suppliers, distributors and other agents with whom it deals	2.94% 4	2.21% 3	40.44% 55	47.06% 64	7.35% 10

**Figure 4.5:** Irish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Employees)

It can be seen from the figure 4.5 that the majority of respondents were uncertain about how Coca-Cola treats their employees with regard to Human and Workplace Rights Standards and the economic empowerment of women. It was found that those who did agree were in the older range of respondents.

50% of respondents agreed that Coca-Cola looks like a good company to work for. The majority of respondents (47%) agreed that Coca-Cola was concerned with fulfilling its obligations to its shareholders, suppliers, distributors and others, closely followed by 40% who were uncertain.

The following figure analyses the Spanish respondents' CSR beliefs about Coca-Cola's CSR towards employees.



**Figure 4.6:** Spanish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Employees)

It can be seen from the figure above that the majority of respondents were uncertain about how Coca-Cola treats their employees which were made up mostly of the 18-

28-year-old respondents. It was found that those who did agree were in the older range of respondents.

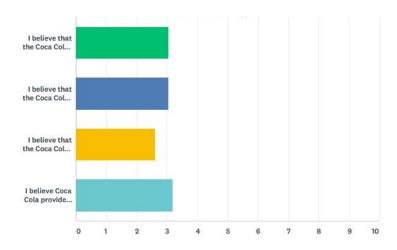
55% of respondents agreed that Coca-Cola looks like a good company to work for.

**Discussion:** In the sustainability reports, Coca-Cola works strongly and is passionate about treating their employees fairly and complying with all Human and Workplace Rights and standards, however, it seems that from this study, respondents from both samples were generally unaware of Coca-Cola's CSR towards its employees. The main difference was that more Irish respondents agreed that Coca-Cola is concerned with fulfilling its obligations to its shareholders etc., but a large amount was uncertain also; similar to the Spanish respondents.

**Key Point:** This suggested that the company should get involved more in the communication and promotion of their "CSR efforts towards their employees" to both Irish and Spanish consumers, especially the younger market of consumers, as employee fairness also has a positive impact on SOW (behavioural loyalty) (Ailawadi *et al.*, 2014, p. 165).

#### **B.** Customers

The next figure analyses the Irish respondents' CSR beliefs about how Coca-Cola treats their customers.

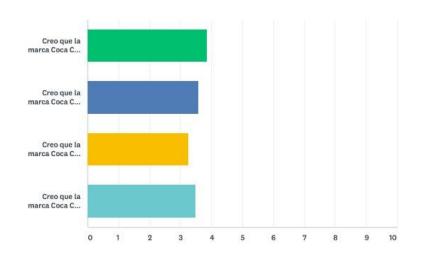


	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I believe that the Coca Cola brand cares about the well-being of its customers	11.76% 16	19.85% 27	26.47% 36	35.29% 48	6.62%
l believe that the Coca Cola brand behaves ethically/honestly with its customers	10.37% 14	16.30% 22	33.33% 45	37.78% 51	2.22%
l believe that the Coca Cola brand provides low- calorie brand choices because it cares about the world's obesity crisis	23.53% 32	27.94% 38	16.18% 22	27.94% 38	4.41%
believe Coca Cola provides sufficient nutritional information on its packaging for its customers	12.59% 17	18.52% 25	17.04% 23	42.22% 57	9.63%

**Figure 4.7:** Irish Consumers' Beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Customers)

The responses here are less obvious, as there is more of an even response to each. When asked the 4 questions, as seen in the figure above, the majority of respondents of each question agreed that they believe Coca-Cola's CSR towards customers is good. Younger male respondents (age 18-28) tended to see Coca-Cola's CSR towards customers in a negative light.

The next figure analyses the Spanish respondents' CSR beliefs about how Coca-Cola treats their customers.



	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
Creo que la marca Coca Cola se preocupa por el bienestar de sus clientes	1.96% 1	5.88% 3	9.80% 5	70.59% 36	11.76% 6
Creo que la marca Coca Cola se comporta de manera ética y honesta con los clientes	3.92% 2	9.80% 5	19.61% 10	58.82% 30	7.84% 4
Creo que la marca Coca Cola ofrece una línea de productos bajos en calorías porque se preocupa por la pandemia de obesidad en el mundo.	11.76% 6	13.73% 7	13.73% 7	56.86% 29	3.92%
Creo que la marca Coca Cola proporciona suficiente información nutricional en los embalajes de sus productos	5.88%	11.76% 6	13.73% 7	64.71% 33	3.92%

**Figure 4.8:** Spanish Consumers' Beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Customers)

The majority of respondents were in agreement (over 57% in each question) that they believe Coca-Cola's CSR towards customers is good. The majority of respondents who see Coca-Cola's CSR towards customers in a negative light were male respondents of various ages.

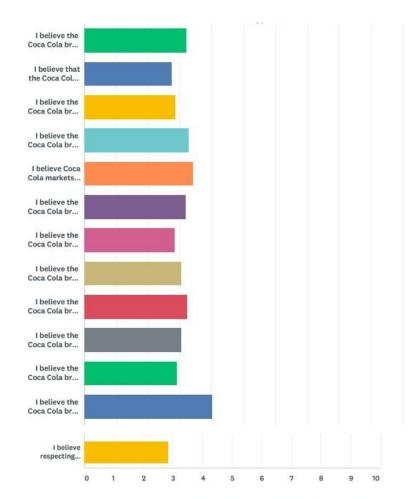
**Discussion**: The results of the Spanish respondents were comparable to the Irish responses, however, there was more of a clear percentage of Spanish respondents who agreed to each. Previous research found that engaging in customer CSR enhances corporate reputations, which in turn, may motivate customers to be

associated with those firms (Turban and Greening, 1997; Wei, Egri, and Yeh-Yun Lin, 2014, p. 558), therefore, it could be said that Coca-Cola may reap loyalty rewards by communicating their CSR towards their customers.

**Key Point:** Companies such as Coca-Cola may reap loyalty rewards by better communicating their "CSR practices towards their customers" to the target market segments.

# C. Society

The next figure analyses the Irish respondents' CSR beliefs about how Coca-Cola treats society through their CSR practices.



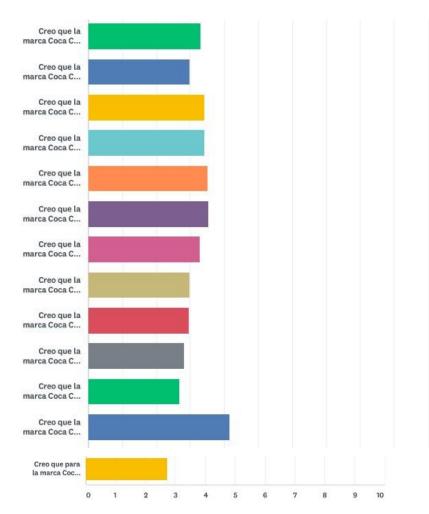
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
l believe the Coca Cola brand is a socially responsible brand	6.57%	13.87%	33.58%	42.34%	3.65%
	9	19	46	58	5
I believe that the Coca Cola brand is concerned to	15.56%	25.93%	28.89%	27.41%	2.22%
improve general well-being of society	21	35	39	37	
l believe the Coca Cola brand has made a real	8.15%	20.00%	51.11%	19.26%	1.48%
difference through its socially responsible actions	11	27	69	26	
l believe the Coca Cola brand always respects the norms defined in the law when carrying out its activities	3.73% 5	8.96% 12	44.03% 59	41.04% 55	2.24% 3
I believe Coca Cola markets their brand responsibly	4.44% 6	14.07% 19	20.74% 28	54.81% 74	5.93%

I believe the Coca Cola brand directs part of its budget to donations and social works favouring the disadvantaged	1.48%	7.41% 10	61.48% 83	27.41% 37	2.22% 3
I believe the Coca Cola brand is concerned to respect and protect natural environment	7.58% 10	15.15% 20	43.94% 58	31.06% 41	2.27%
l believe the Coca Cola brand uses sustainable packaging	6.72% 9	15.67% 21	27.61% 37	45.52% 61	4.48%
l believe the Coca Cola brand is involved in sustainable agriculture	4.48% 6	10.45% 14	61.94% 83	20.90% 28	2.24%
l believe the Coca Cola brand tries to prevent climate change	6.67% 9	17.04% 23	58.52% <b>7</b> 9	15.56% 21	2.22%
l believe the Coca Cola brand actively sponsor or finances social events (sport, music.)	0.75% 1	1.49% 2	18.66% 25	53.73% 72	25.37% 34
l believe respecting ethical principles in the Coca Cola brands relationships has priority over achieving superior economic performance	11.94% 16	16.42% 22	49.25% 66	20.15% 27	2.24%

**Figure 4.9:** Irish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Society)

It can be seen that the majority of respondents agreed that Coca-Cola is a responsible brand and that the company markets the brand responsibly, uses sustainable packaging, and sponsors/finances social events. However, for the remainder, the majority of the respondents (which included a mixture of all ages and genders) were uncertain of their beliefs towards it CSR towards society which is illustrated in the figure above.

The next figure analyses the Spanish respondents' CSR beliefs about how Coca-Cola treats society through their CSR practices.



	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
Creo que la marca Coca Cola es una marca responsable desde un punto de vista social	7.84% 4	9.80% 5	27.45% 14	52.94% 27	1.96% 1
Creo que la marca Coca Cola se preocupa por mejorar el bienestar de la sociedad	7.84% 4	11.76% 6	52.94% 27	27.45% 14	0.00%
Creo que la marca Coca Cola ha impulsado cambios reales a través de sus acciones sociales	3.92% 2	9.80% 5	27.45% 14	56.86% 29	1.96% 1
Creo que la marca Coca Cola siempre lleva a cabo sus acciones comerciales respetando el marco legal vigente	3.92% 2	9.80% 5	29.41% 15	54.90% 28	1.96% 1
Creo que la marca Coca Cola comercializa su marca de manera responsable	3.92% 2	11.76% 6	17.65% 9	62.75% 32	3.92% 2
Creo que la marca Coca Cola invierte parte de su presupuesto en donaciones y obras sociales que pretenden favorecer a sectores vulnerables de la sociedad	0.00%	9.80% 5	31.37% 16	54.90% 28	3.92% 2

Creo que la marca Coca Cola se preocupa por el respeto y la protección al medio ambiente	4.00%	22.00%	48.00% 24	24.00% 12	2.00%
Creo que la marca Coca Cola emplea envases reciclables y sostenibles	0.00%	29.41% 15	47.06% 24	21.57% 11	1.96% 1
Creo que la marca Coca Cola se involucra en políticas de agricultura sostenible	4.00%	24.00% 12	60.00% 30	10.00%	2.00% 1
Creo que la marca Coca Cola intenta prevenir el cambio climático	11.76% 6	21.57% 11	54.90% 28	11.76% 6	0.00%
Creo que la marca Coca Cola esponsoriza o financia eventos sociales (música, deporte)	0.00%	1.96%	11.76% 6	54.90% 28	31.37% 16
Creo que para la marca Coca Cola los principios éticos son prioritarios respecto a la consecución de mejores resultados comerciales	10.00%	38.00% 19	24.00% 12	26.00% 13	2.00% 1

**Figure 4.10:** Spanish consumers' beliefs about Coca-Cola CSR (Coca-Cola's CSR towards Society)

With regards to respondents agreeing, it can be seen in the figure above that the majority of respondents (over 50% in each case) agreed that Coca-Cola is a responsible brand, makes a real difference through their socially responsible actions, always respect the norms defined in law, market the brand responsibly, directs part of the budget to donations and social works favouring the disadvantaged, and that they sponsor or finance social events.

However, for the remainder (mainly concerning environmental contributions), the majority of the respondents were uncertain of their beliefs.

Lastly, the majority (38%) disagreed that respecting ethical principles in the Coca-Cola brand had priority over achieving superior performance.

**Discussion:** With regard to the consumers beliefs about Coca-Cola's CSR towards Society, Spanish consumers agreed more, whereas Irish respondents showed more uncertainty. This could be due to many situational factors such as lifestyle, culture or perhaps promotion of Coca-Cola's CSR towards society is more prominent in Spain and may need to be improved in Ireland. It is important to note that from previous research it was found that customers appreciate companies' participation in humanitarian events, programs devoted to energy conservation, sponsorship of local events, etc. and these activities can influence the creation of higher customer loyalty (García de los Salmones et al., 2005, p. 373).

**<u>Key Point:</u>** Coca-Cola and similar companies may benefit by highlighting their "CSR towards society" in promotions and advertisements, as these activities can influence the creation of higher customer loyalty.

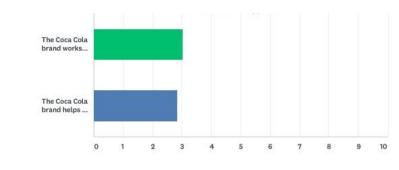
#### Overall discussion on CSR beliefs:

Based on the theory of socialisation process, age may become the key factor influencing ethical beliefs. Peterson, Rhoads, and Vaught (2001) explored the difference of ethical beliefs between younger and older age groups, which were divided by 30 years of age. They found that ethical beliefs differed significantly between younger and older age groups, while ethical beliefs were not different within the specific groups themselves (He and Lai, 2012 pp.249-263). This is consistent with the results of this study as over 50% of the uncertain responses about Coca-Cola's CSR activities towards its employees, consumers and society, from both samples, came from the 18-28-year-old respondents which could indicate that Coca-Cola is not reaching this target audience in the communication of its CSR practices. Both male and female older respondents (ages 39+) of both samples tended to be more aware of Coca-Cola's CSR activities.

It is important for marketing managers to note that research by Du, Bhattacharya, and Sen (2007) confirmed that positive CSR beliefs held by consumers are associated, not only with greater purchase likelihood, but also with longer-term loyalty and advocacy behaviours. This is something Coca-Cola could work on in order to ensure more customer awareness through better communication of the companies CSR practices towards employees, customers and society.

## 4.3.4 CSR Attributions (Intrinsic)

The figure below shows Irish consumers' responses to intrinsic attributions.

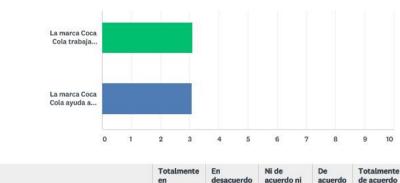


	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
The Coca Cola brand works with/for organisations such as World Wildlife Fund because it is genuinely concerned about being socially responsible	6.72% 9	14.93% 20	50.00% 67	24.63% 33	3.73% 5
The Coca Cola brand helps get people moving by supporting physical activity programs in every country where it does business because it is genuinely concerned about the obesity crisis	10.45% 14	22.39% 30	41.79% 56	22.39% 30	2.99%

Figure 4.11: Irish Consumers Reactions towards CSR Attributions (Intrinsic)

Most respondents were uncertain if Coca-Cola carried out CSR practices because they were "genuinely" concerned about being socially responsible and about the obesity crisis which can be seen in figure 23 above.

The figure below shows the Spanish consumers' responses to intrinsic attributions.



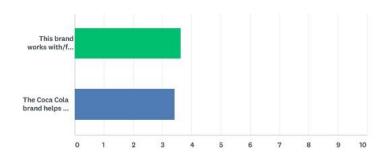
	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
La marca Coca Cola trabaja con/para organizaciones tales como el Fondo Mundial para la Naturaleza (WWF) porque se preocupa de manera sincera por ser responsable desde un punto de vista social	3.92%	9.80%	58.82% 30	27.45% 14	0.00%
La marca Coca Cola ayuda a que las personas tengan vidas menos sedentarias mediante el apoyo a programas de actividad física en los diversos países en los que está presente porque está sinceramente preocupada por el aumento de la obesidad en el mundo.	3.92%	13.73% 7	54.90% 28	25.49% 13	1.96% 1

Figure 4.12: Spanish Consumers' Reactions towards CSR Attributions (Intrinsic)

Most respondents were uncertain if Coca-Cola carried out CSR practices because they were "genuinely" concerned about being socially responsible and about the obesity crisis which can be seen in figure 24 above.

## 4.3.5 CSR Attributions (Extrinsic)

The figure below shows the Irish responses to the extrinsic attributions.

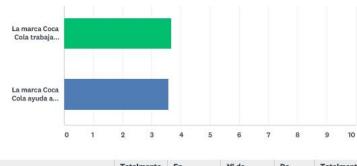


	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
This brand works with/for organisations such as World Wildlife Fund because it feels competitive pressures to engage in such activities	0.76% 1	6.82% 9	37.12% 49	41.67% 55	13.64% 18
The Coca Cola brand helps get people moving by supporting physical activity programs in every country where it does business because it feels competitive pressures to engage in such activities	1.50%	12.78% 17	37.59% 50	36.09% 48	12.03% 16

Figure 4.13: Irish consumers' reactions towards CSR Attributions (Extrinsic)

Most respondents were either uncertain or agreed that Coca-Cola engage in CSR practices because they "feel competitive pressures to engage in such activities".

The figure below shows the Spanish responses to the extrinsic attributions.



	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
La marca Coca Cola trabaja con/para organizaciones tales como el Fondo Mundial para la Naturaleza (WWF) debido a las presiones del mercado y de la competencia con otros fabricantes de productos similares	0.00%	5.88%	27.45% 14	58.82% 30	7.84%
La marca Coca Cola ayuda a que las personas tengan vidas menos sedentarias mediante el apoyo a programas de actividad física en los diversos países en los que está presente debido a las presiones del mercado y de la competencia con otros fabricantes de productos similares	0.00%	13.73% 7	27.45% 14	47.06% 24	11.76% 6

Figure 4.14: Spanish consumers' reactions towards CSR Attributions (Extrinsic)

The majority of respondents agreed that Coca-Cola engages in CSR because they felt competitive pressures to engage in such activities as can be seen in figure 26 above.

**Discussion:** Regarding the intrinsic beliefs, both Irish and Spanish respondents were, in most cases, uncertain if Coca-Cola carried out CSR activities because they were genuinely concerned about being socially responsible. Also, in both counties, the younger respondents between 18-28 years who tended to be more unaware of CSR disagreed and the 39+ respondents were more in agreement.

With regards to the extrinsic beliefs, the Spanish responses were again similar to the Irish responses but the Irish seemed to be more uncertain whereas the Spanish were more in agreement.

It appeared that more Irish and Spanish respondents agreed that Coca-Cola carry out extrinsic CSR practices than intrinsic CSR practices. The majority view the company as engaging in CSR practices due to competitive pressures to engage in such activities, and not because they were genuinely concerned about their responsibility to employees, customers, and society.

According to Du *et al.* (2007, p. 238), the roles of intrinsic and extrinsic attributions in shaping CSR beliefs suggest that companies need to also "work smarter" in communicating their CSR initiatives, ensuring that consumers attribute such efforts to intrinsic (e.g., genuine concern), rather than extrinsic (e.g., profit motive) motivations.

**<u>Key Point:</u>** Make sure to intelligently communicate CSR initiatives that ensure consumers attribute such efforts to intrinsic (e.g., genuine concern), rather than extrinsic (e.g., profit motive) motivations.

#### 4.3.6 CSR Support

The following figure illustrated the Irish respondents' level of support for Coca-Cola's CSR practices.

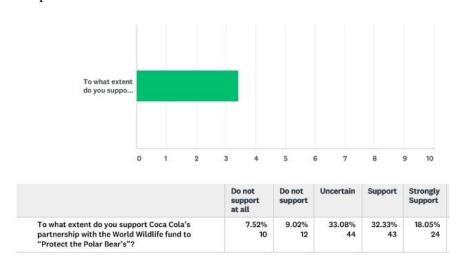


Figure 4.15: Irish Consumers' level of Support for Coca-Cola's CSR practices

It can be seen that there was a close result from respondents shown in the figure above, where 33% were uncertain and 23% did support Coca-Cola's partnership with the WWF to "Protect the Polar Bears". It was more predominant that the majority supported it over not supporting it.

The following figure illustrates the respondents' level of support for Coca-Cola's CSR practices.

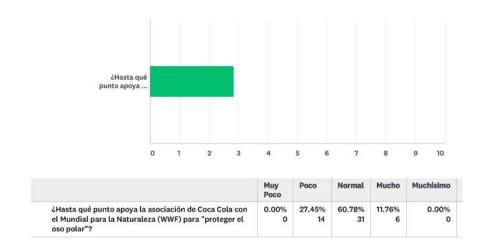


Figure 4.16: Spanish Consumers' level of Support for Coca-Cola's CSR

61% of respondents supported Coca-Cola's partnership with the WWF to "Protect the Polar Bears". However, it was more predominant that the majority do not support it over supporting it, as 27% support it, as opposed to just 12% who do support.

<u>Discussion:</u> There was more of a close result from Irish respondents, where the majority were uncertain followed by people who do support it. More Irish respondents supported the CSR initiative, whereas more Spanish did not support it. This could be due to a cultural aspect, as it could be argued that Christmas plays more of an important role in Ireland than in Spain. Nostalgia is apparent with the Coca-Cola Polar bear adverts that have played during the Christmas season, therefore the adverts may have resonated more with the Irish consumer and could be indicative of communication of CSR leading to CSR support.

People tend to value companies' efforts in CSR programmes such as donations, energy conservation, or sponsorship of local events, among other CSR initiatives; thus, this greater support may convert to stronger loyalty towards the firm (Maignan et al., 1999), depending on whether the consumers are aware of such initiatives.

**Key Point:** Advertisements resonate in people's minds certainly when nostalgia and culture is concerned. These sorts of adverts can sometimes pull on people's heartstrings, as people generally love animals. Communicating CSR activities through smart means and appropriate media channels, playing on nostalgia, and cultural preferences may increase CSR support.

## 4.3.7 CSR Importance 1

The figure below illustrates the importance of CSR to the Irish respondents.



Figure 4.17: Importance of CSR to the Irish consumer

It can be seen from the figure above that the majority (43%) of respondents (i.e. Coca-Cola consumers) considered environmental and social responsibility important when purchasing a non-alcoholic beverage, followed by 23% considering it to be very important.

The figure below illustrates the importance of CSR to the Spanish respondents.

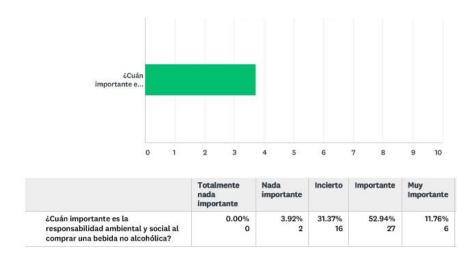


Figure 4.18: Importance of CSR to Spanish Consumers

It can be seen from the figure above that the majority (53%) of respondents (i.e. Coca-Cola consumers) consider environmental and social responsibility important when purchasing a non-alcoholic beverage.

**Discussion:** The results were quite similar from both samples, as most found environmental and social responsibility important or very important when purchasing a non-alcoholic beverage, however, the older respondents (39+) from the Irish sample placed a higher importance on it whereas the 18-28-year-old Spanish females consider it to be more important.

From a previous study, it was found that 'Ethical consumerism' in Hong Kong is on the rise, as more consumers realise that their actions have ethical, social, and environmental consequences (Lee, 2009). This seems to correspond with the Irish and Spanish respondents here, as, for the most part, respondents place importance on CSR when purchasing a drink.

**Key Point:** With ethical consumerism on the rise in many counties, companies must notice this and ensure that they are building CSR into the strategies and corporate cultures whilst making sure their consumers are well informed of their intrinsic CSR efforts.

#### 4.3.8 CSR Importance 2

The figure below shows whether or not Irish Coca-Cola consumers think of CSR initiatives carried out by the company when purchasing a Coke.

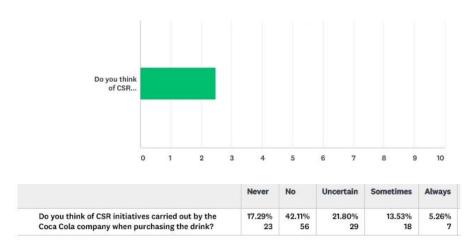


Figure 4.19: Importance of Coca-Cola's CSR to the Irish consumer

As illustrated in the figure above, the majority (41%) of respondents do not think of CSR initiatives carried out by Coca-Cola when purchasing the drink. 22% were uncertain whether they did or not.

The figure below shows whether or not Spanish Coca-Cola consumers think of CSR initiatives carried out by the company when purchasing a Coke.

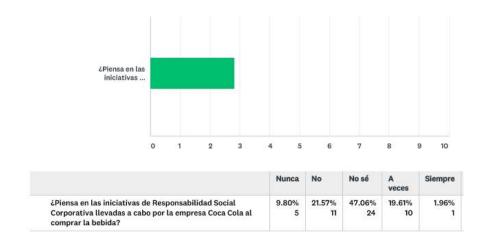


Figure 4.20: Importance of Coca-Cola's CSR to Spanish Consumers

As illustrated in the figure, the majority (47%) of respondents were uncertain whether or not they think of CSR initiatives carried out by Coca-Cola when purchasing the drink. 22% claimed they do not think of them.

**Discussion:** The Spanish response was dissimilar to the Irish response, as the majority of Irish respondents do not think of CSR initiatives carried out by Coca-Cola when purchasing the drink whereas the majority of Spanish respondents were uncertain, whereas only 22% of Irish respondents were uncertain.

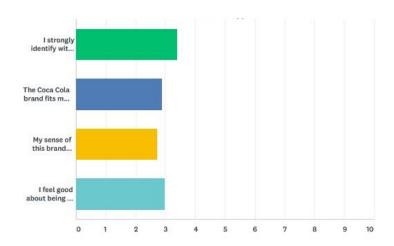
**Key Point:** Although respondents placed quite a high importance on CSR activities when buying a non-alcoholic beverage, it was found that most of those respondents were uncertain/do not think specifically of Coca-Cola's CSR initiatives when purchasing a drink. This could indicate that the consumers were not as aware of Coca-Cola's CSR activities as they could be, which is a downfall for the brand, as it could be damaging customer loyalty. Coca-Cola should see the importance of communicating their CSR practices, as it is something both Irish and Spanish consumers place an importance on.

# 4.4 Questionnaire Theme 2 - Customer Loyalty

This section analyses the Irish and Spanish respondents "Customer Loyalty" to the Coca-Cola brand.

#### 4.4.1 C-C Identification

To articulate the Irish customers' identification with the Coca-Cola brand, the following figure shows the questions asked, with responses illustrated.

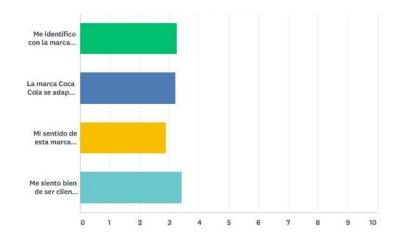


	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I strongly identify with the Coca Cola brand	3.76% 5	23.31% 31	19.55% 26	36.84% 49	16.54% 22
The Coca Cola brand fits my personality	8.33% 11	33.33% 44	26.52% 35	25.00% 33	6.82%
My sense of this brand matches my sense of who I am	12.78% 17	33.83% 45	26.32% 35	22.56% 30	4.51%
l feel good about being a customer of Coca Cola	9.77% 13	25.56% 34	25.56% 34	34.59% 46	4.51%

Figure 4.21: Irish Customers' Identification with Coca-Cola

The above figure mainly demonstrated that most customers did identify with the Coca-Cola brand or were uncertain whether they did or did not.

To judge the Spanish customers' identification with the Coca-Cola brand, the following figure shows the questions asked, with responses illustrated.



	Muy en	En	Ni de acuerdo ni	De	Muy de
	desacuerdo	desacuerdo	en desacuerdo	acuerdo	acuerdo
Me identifico con la marca Coca Cola	3.92% 2	9.80% 5	45.10% 23	37.25% 19	3.92%
La marca Coca Cola se adapta a mi	3.92%	11.76%	45.10%	37.25%	1.96%
personalidad	2	6	23	19	
Mi sentido de esta marca coincide	3.92%	23.53%	54.90%	15.69%	1.96%
con mi sentido de quién soy	2	12	28	8	
Me siento bien de ser cliente de Coca Cola	1.96%	5.88%	47.06% 24	37.25% 19	7.84%

Figure 4.22: Spanish Consumers Identification with the company

The above figure mainly demonstrated that the majority of customers were unsure about how they identified with the Coca-Cola brand in each case, as can be seen in the figure above.

The next highest response in most cases was the respondents agreeing that they do identify with the Coca-Cola brand.

**Discussion:** The Irish and Spanish responses again were quite alike, where the majority were either uncertain or agreed that they identify with the company, however, more Irish disagree that the brand fits their personality. This may be because there were more Irish respondents over the age of 28 and more Spanish respondents in the 18-28 response range and it was found that the younger respondents identify with the company more. Particularly, the younger females may feel like it fits their personality more, as it can be seen to give off a young, happy vibe. These results correspond with a previous study carried out by Scott and Lane

(2002), as they found that customers would only identify with those companies whose identity looks attractive to them because they perceive them as close to theirs and they share common values and principles.

In addition to this, from previous results from respondents, with regards to their CSR beliefs, Coca-Cola should consider the results found in similar studies; for example, Huang et al. (2017) who found that enhancing CCI has become an important route to building deep, meaningful, long-term relationships with customers. Similarly, Lichtenstein et al. (2004) document the transactional benefits of corporate philanthropy in a field study; consumers with more positive CSR beliefs about a grocery chain buy more from that chain, which is similar to Coca-Cola consumers' responses in this study. Moreover, they confirm the findings of prior research (e.g., Sen & Bhattacharya, 2001) that CCI is a key "internal" consequence of such CSR beliefs.

**Key Points:** As the respondents of this study show a great amount of uncertainty to their identification to the Coca-Cola, it is important for the company to strive to improve their CCI, as CSR-based identification is likely to be associated with a range of relational behaviours that go beyond product purchase (Lichtenstein et al., 2004) to customers' loyalty to the company's existing products (i.e., customer retention); their willingness to try its new products (i.e., cross-selling opportunities); favourable word-of-mouth; and resilience in the face of negative information about the company, such as in a product-harm crisis (e.g., Klein & Dawar, 2004).

#### 4.4.2 Attitudinal Loyalty

The figure below shows the Irish respondents' attitudinal loyalty.

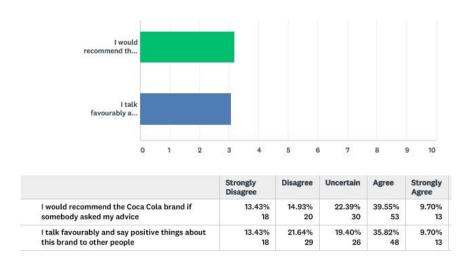


Figure 4.23: Irish Consumers' Attitudinal Loyalty

From the above figure, it shows that among all age groups, 40% of respondents agreed that they would recommend Coca-Cola. 36% agreed that they talk favourably and say positive things about the brand to others.

The figure below shows the Spanish respondents' attitudinal loyalty.

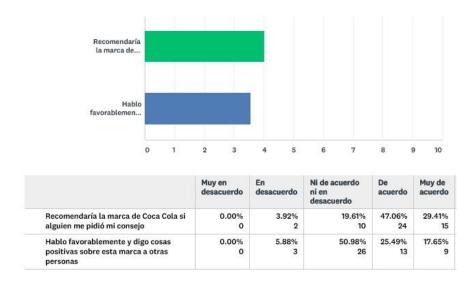


Figure 4.24: Spanish Consumers' Attitudinal Loyalty

From figure 4.24, it shows that among all age groups, 47% of respondents agree that they would recommend Coca-Cola, however, a smaller 25% agree that they talk favourably and say positive things about the brand to others. The majority of respondents (51%) were uncertain if they talked favourably of the brand.

It is still a good result of people who show positive attitudinal loyalty to the brand, as only 4% of respondents disagree about recommending the brand and only 6% disagree with speaking favourably about it, with nobody strongly disagreeing to both.

**Discussion:** Spanish respondent's recommendation behaviour is similar to Ireland, however, more Spanish respondents are uncertain if they talk favourably about the brand than Irish respondents, as the majority of Irish agree to talking favourably or saying positive things about the brand to other people. The majority of respondents of both samples who agreed were mainly the 18-28-year-old women and the 39-48-year-old male and female respondents. More younger Irish male respondents agreed than Spanish younger males. This could be a cultural difference, as according to Haines (2017), Ireland is more of a sociable country, ranked as the 10<sup>th</sup> most sociable country in the world; the Irish are generally quite talkative people.

More Irish disagree and strongly disagree to both, in comparison to the very low number of Spanish who disagree, however, this could be due to a higher response rate in Ireland than in Spain.

Yi and Jeon (2003) define attitudinal loyalty as customers' positive attitudes toward the company. It is linked to active loyalty, which leads to positive word of mouth (Perez et al., 2012, p. 224). It could also refer to commitment to a brand, which can be defined as trust, esteem, or a customer's desire to maintain the relationship or acquire the same brand (García de los Salmones et al., 2005, p.

373).

Key Point: Mandhachitara and Poolthong (2011), in their study on the retail banking sector in Bangkok, Thailand, found that CSR has a significantly strong and positive association with attitudinal loyalty. Due to the findings from this study so far, it could be seen to show comparable results as previous studies, as many of the older respondents who tend to be more aware of Coca-Cola's CSR practices and who placed a higher importance on CSR also responded to showing high levels of attitudinal loyalty. This could indicate that Coca-Cola's CSR activities have had a strong positive association with the older respondent's attitudinal loyalty, both in Ireland and in Spain.

#### 4.4.3 Behavioural Loyalty

The following figure shows the Irish respondents' behavioural loyalty levels.

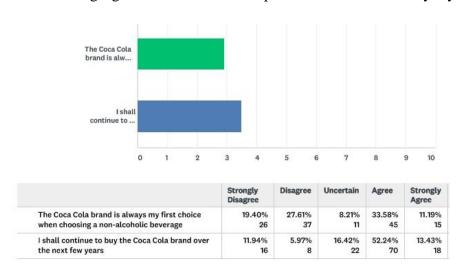


Figure 4.25: Irish Consumers' Behavioural Loyalty

The majority (35%) of respondents agree that the Coca-Cola brand is their first choice when choosing a non-alcoholic beverage, whilst a much greater number of 52% of respondents agreed that they would continue to buy the Coca-Cola brand over the next few years.

The following figure shows the Spanish respondents' behavioural loyalty levels.

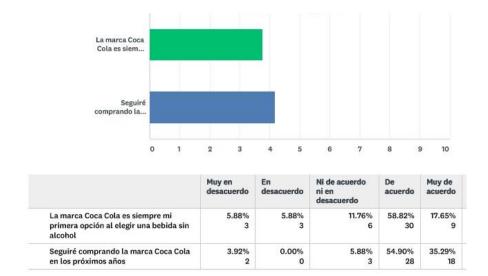


Figure 4.26: Spanish Consumers' Behavioural Loyalty

The majority (over 55%) of respondents agreed in each case that the Coca-Cola brand was their first choice when choosing a non-alcoholic beverage and that they would continue to buy the Coca-Cola brand over the next few years.

**Discussion:** Both samples were alike where most respondents agreed and strongly agreed that they would continue to buy the Coca-Cola brand over the next few years and that the Coca-Cola brand is their first choice when choosing a non-alcoholic beverage, however, there were more Irish respondents who disagreed and strongly disagreed to both. The majority of respondents agreed were the 18-28-year-old women and both genders of 39-48-year-old respondents and in both cases, those who disagreed were males of all ages.

On the other hand, Inoue, Funk & McDonald (2017, p. 53) observed a weak contribution of perceived CSR to behavioural loyalty, which is consistent with Seiders et al.'s (2005) perspective. In contrast, Mandhachitara, *et al.* (2011) found that when mediated by perceived service quality, there was a positive relationship between CSR and repeat patronage intentions (behavioural loyalty), in the retail-banking sector in Bangkok, Thailand. This may need more in-depth research to better understand the relationship between CSR activities and behavioural loyalty, as many previous studied have conflicting results, as studies discovered that there

needs to be a mediator between the 2. Inoue et al. (2017, p. 53) found that involvement also operates as an important mediator for the relationship between perceived CSR and behavioural loyalty.

**Key Point:** From these results, it is clear that Coca-Cola could benefit from improving the communication of their CSR activities as communicating CSR practices is critical because it has been found that customers who are aware of CSR initiatives have more positive attitudes and behavioural intentions (Öberseder et al., 2013).

#### Overall discussion on Attitudinal and Behavioural Loyalty:

From analysing the results, it was found that both attitudinal loyalty and behavioural loyalty are high in both samples. It tended to be the older respondents who were more aware of Coca-Cola's CSR practices and who placed a higher importance on CSR, who also responded to showing high levels of attitudinal and behavioural loyalty in both Ireland and Spain. This could indicate that Coca-Cola's CSR activities have had a strong positive association to the older respondent's attitudinal loyalty in both countries but could work on ensuring their CSR practices are communicated as intrinsic and more directly towards their younger target market to try to make a stronger link between their CSR activities and their younger consumers' loyalty attitudes and behaviours.

#### 4.4.4 Advocacy

The next figure shows the Irish customers' advocacy levels of respondents.

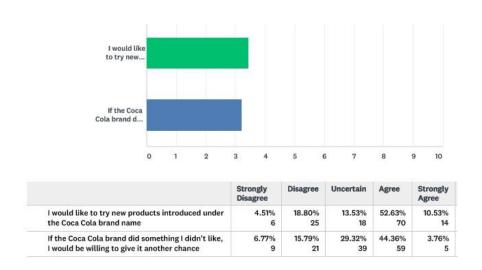


Figure 4.27: Irish Customers' Advocacy

Over half of the respondents (52%) agreed that they would like to try new products introduced under the Coca-Cola brand name while only 5% strongly disagreed. 44% agree that if the Coca brand did something they didn't like that they would still be willing to give it another chance.

The next figure shows the Spanish customers' advocacy levels.

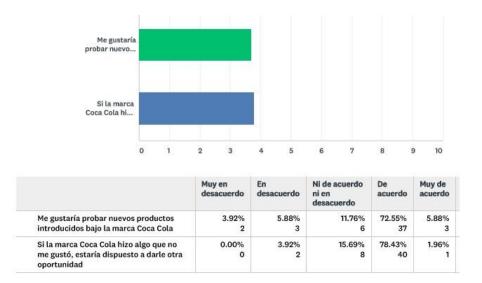


Figure 4.28: Spanish Customers' Advocacy

73% of respondents agreed that they would like to try new products introduced under the Coca-Cola brand name, while only 4% strongly disagreed. 78% agreed that if the Coca-Cola brand did something they didn't like, they would still be willing to give it another chance.

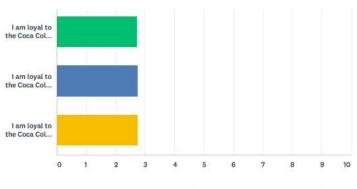
**Discussion:** Both Irish and Spanish respondents showed high levels of advocacy to the Coca-Cola brand, with the Spanish respondents showing a higher percentage of advocacy; however, again, it was the younger respondents who were unaware of their advocacy in both samples.

As discussed above with CCI, given that favourable CSR beliefs are likely to be a key driver of C–C identification (Bhattacharya & Sen, 2003; Lichtenstein et al., 2004), such beliefs can be expected to strengthen the consumer-brand relationship, leading to a range of advocacy behaviours, which may partially explain the link between CSR and customer loyalty.

<u>Key Point:</u> Coca-Cola should strive to improve younger consumers' advocacy levels. By communicating Coca-Colas CSR activities better, this may contribute to increasing customer advocacy levels amongst their younger consumers in both Ireland and Spain. Yeh (2015, p.828) found that a company's efforts to develop socially responsible activities will develop higher customer advocacy.

# 4.5 Questionnaire Theme 3 - The link between CSR practices and Customer Loyalty

The following shows the responses to the link between Coca-Cola's CSR practices and the Irish respondents' customer loyalty.



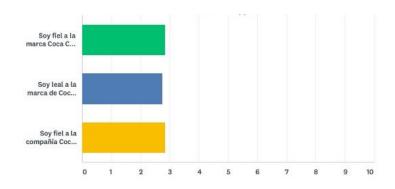
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I am loyal to the Coca Cola brand because I believe it is an ethical company (i.e. it always respects the norms defined in the law when carrying out its activities)	13.43% 18	28.36% 38	33.58% 45	20.90% 28	3.73%
I am loyal to the Coca Cola brand because I believe it is environmentally responsible (i.e. it is concerned to respect and protect natural environment)	13.53% 18	24.81% 33	37.59% 50	21.05% 28	3.01% 4
I am loyal to the Coca Cola company because I believe it is socially responsible (i.e., it directs part of its budget to donations and social works favouring the disadvantaged / it is concerned to improve general well-being of society).	15.91% 21	21.97% 29	36.36% 48	22.73% 30	3.03%

Figure 4.29: CSR and Irish Customers' Loyalty

The majority of respondents were uncertain as to whether they are loyal to the Coca-Cola brand because they are an ethical company, they are environmentally responsible and socially responsible. More are loyal to the brand (26% - includes agree and strongly agree) because they believe they are socially responsible and less are loyal to the brand (41% - includes disagree and strongly disagree answers) as they do not believe they are an ethical company.

For more in-depth analysis of this section, see Appendix 3.3.1.

The following and last figure of this section shows the Spanish responses to the link between Coca-Cola's CSR practices and the respondents' customer loyalty.



	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
Soy fiel a la marca Coca Cola porque creo que es una empresa ética (es decir, siempre respeta las normas definidas en la ley al llevar a cabo sus actividades)	17.65% 9	15.69% 8	35.29% 18	27.45% 14	3.92%
Soy leal a la marca de Coca Cola porque creo que es ambientalmente responsable (es decir, se trata de respetar y proteger el medio ambiente natural)	13.73% 7	19.61% 10	47.06% 24	15.69% 8	3.92%
Soy fiel a la compañía Coca Cola porque creo que es socialmente responsable (es decir, dirige parte de su presupuesto a donaciones y trabajos sociales que favorecan a los más desfavorecidos / se trata de mejorar el bienestar general de la sociedad).	17.65% 9	13.73% 7	37.25% 19	29.41% 15	1.96%

Figure 4.30: CSR and Spanish Customer' Loyalty

The majority of Spanish respondents were uncertain (all ages, both male and female) as to whether they are loyal to the Coca-Cola brand because they are an ethical company, and they are environmentally responsible and socially responsible. More were loyal to the brand (31%- includes agree and strongly agree) because they believed they are socially responsible and also because they are an ethical company. Less are loyal to the brand (34% - includes disagree and strongly disagree answers) as they did not believe they are an ethical company and also as they did not believe they are environmentally responsible.

For more in-depth analysis of this section, see Appendix 3.3.2.

**Discussion:** Both samples again turned out to be very similar. In the three scenarios of both samples, there was a significant number of respondents who were either uncertain, agree or strongly agree. In all three cases, the younger 18-28-year-old female and male respondents tended to be more uncertain or disagreeing, whereas the older respondents in the categories of 29+, particularly female respondents, tended to be more loyal to the Coca-Cola brand because of the CSR practices laid

out in the three scenarios. More disagreed in each case over agreeing, therefore, there is potential to improve.

Similar research carried out by Salmones et al. (2005), and also by He, and Lai (2012, pp.249-263), focused on legal and ethical responsibilities to dimensions of CSR. They found that consumers perceived legal and ethical responsibilities of brands might improve brand loyalty through enhancing positive functional and symbolic images. This previous research can be seen to be in line with the results of this study, as the respondents who agreed that they are loyal to the Coca-Cola brand due to these three CSR activities were those who claimed to be aware of the CSR activities, had positive CSR beliefs, placed high importance on CSR when purchasing a non-alcoholic beverage, and showed positive loyalty attitude and behaviours towards the brand. These results suggest that when consumers are made aware of a company's CSR activities, it will lead to loyalty; however, as Fan (2005) stated he believes that, as far as ethical branding is concerned, two questions need to be asked: Do the brand users care? Do the general public care? In this study, it was found that the majority of consumers from both samples do care but if they are not aware of the CSR initiatives or the ethical branding there may be less of a connection to the brand.

Customers prefer products from companies involved in social causes (García de los Salmones et al., 2005, p. 373). Customers have more trust, purchase more, and prefer to recommend socially responsible companies (Vlachos, Tsamakos, Vrechopoulos, & Avramidis, 2009). Numerous studies have shown a positive relationship between perceptions of CSR and customer loyalty (Ailawadi, Neslin, Luan, & Taylor, 2014; Chung et al., 2015; García de los Salmones et al., 2005; He & Li, 2011; Lee et al., 2012; Marin et al., 2009; Perez et al, 2012; Srbljinović, 2012). In contrast, García de los Salmones et al. (2005) did not observe any direct relation between the perception of social responsibility and consumers' loyalty towards the firm. This may be similar to the results of these findings, where a direct link is not very clear, therefore, this study has found that CSR will not lead to loyalty unless it is mediated by communication.

**Key Point:** It is important to note that there is a considerable number of respondents who are either uncertain in all 3 scenarios, relating back to the highlighted point throughout that it could be due to miscommunication of Coca-Cola's CSR practices. Thus, it could be of benefit to the company to increase awareness, as it could potentially result in an increase in loyalty of Irish and Spanish consumers.

# **4.6 In-Depth Interview Findings**

The following is a discussion of the findings from the interview with CSR Expert Dr. Catherine McGuinn. The headings and subheadings used in the analyses of the questionnaires, above, will form the basis of this analysis of the interview. It is important to note that the interview was carried out in order obtain a general view of Dr. McGuinn's perspective of how Coca-Cola consumers, particularly European consumers, view Coca-Cola's CSR practices and how it may link to customer loyalty. The researcher will use the three overarching themes to frame this analysis, namely:

- 1. CSR
- 2. Customer Loyalty
- 3. The link between CSR and Customer Loyalty

### 4.6.1 CSR

The interviewee expected that there was "a mixed awareness of CSR amongst the Irish" and guessed that "there is a consumer group about 20% who are highly clued into CSR, then a mix of medium and then another group about 20% who are quite unaware". She was not aware of Spanish studies in this area, however, she presumed that "there is quite a similar trajectory of Ireland and UK". Dr. McGuinn assumed awareness about Coca Cola's CSR is "quite mixed", where "people who are aware of the work of the WWF and/or those who are WWF supporters would be more engaged". She believed that there was "potential to improve consumer awareness and subsequently brand impact".

This is consistent with the findings from the questionnaire samples as it was found that Coca-Cola needs to improve consumer awareness about its CSR activities due to a large percentage being unaware; as Dr. McGuinn noted, being involved in CSR activities "can have many beneficial impacts on consumers".

Dr. McGuinn believed that Coca-Cola did not make consumers aware of it CSR practices towards it employees. She believed Coca-Cola were "genuine when it comes to their employees", however, they could promote this more. When talking about consumers awareness of its CSR practices towards its customers Dr. McGuinn stated that "Coca-Cola has always used advertising quite well but, if there was a prize to be awarded for best CSR and brand ad linkages, I don't think first prize would go to Coca-Cola".

According to Dr. McGuinn, "branding is about winning consumer hearts and minds, CSR appeals to both the cognitive and emotional layers of consumer buyer behaviour", therefore, companies such as Coca-Cola must ensure to correctly manage and communicate their CSR activities in the right manner, as "CSR practices have to be genuine as consumers are intelligent".

Dr. McGuinn stated that the brand does make consumers aware of its CSR practices towards society, however, "this is not exhausted". She believed that "companies may hesitate to overdo this, in case they think, that consumers might view this a just a sales tactic", she added, "if the brand values reflect ethics and CSR then any reference to CSR practices etc. are aligned".

It is important to note that Dr. McGuinn referred to Coca-Cola using the polar bear in Christmas advertisements promoting its CSR activities towards society. She believed "the idea was good, but in practice the engagement, creativity and impact could be more fine-tuned and perhaps ultimately more effective". This relates to findings from the survey samples, as many respondents were unaware that the Coca-Cola brand works with/for organisations such as the WWF. She stated that for "such a successful brand, it's a pity that this message was not delivered more effectively".

Dr. McGuinn talked about how "currently Coca-Cola is working on replacing plastics, and water and carbon use, which is good, but there is still more potential

for leadership" and by looking at the results from the survey, there is more potential for better communication also. As a CSR expert, Dr. McGuinn believed that Coca-Cola's CSR motives were genuine, however, just like quality, CSR needs to be continually improved; throughout this study, it has become clear that communication of Coca-Cola's CSR activities needs to be better in order to improve customer loyalty. It has been made clear that many "studies might suggest authentic CSR could increase profits, sales and market share and therefore could be an added commercial benefit".

These findings are consistent with the findings from previous literature pointed out in chapter 2 and also with the questionnaire findings, as "many studies have confirmed that consumers want to support companies that care about people and the planet". It could be argued that "Societal Marketing Concept is now more relevant, as consumers are more demanding, and company trust has to be earned and maintained". This is all well and good but as previously discussed, if there is poor communication of CSR activities, consumers are not fully aware of these activities which could be seen as a downfall for the company, with regards to catching and retaining loyal customers who do place an importance on CSR.

Dr. McGuinn believes that "most consumers will focus on quality and taste of the beverage, but among competitors, if those are equal then CSR practices can give a company the commercial edge", which is consistent with results from both survey samples, however, she believed that "a niche set of consumers will buy the product for CSR reasons exclusively". From the survey results, it could be seen that as the older respondents were more aware of the CSR activities and place a high importance on CSR, in this instance, these could be that niche. Dr. McGuinn talked about CSR being in "vogue" and noted that if there was more CSR awareness this niche could grow in size.

Dr. McGuinn stated that "a sugary beverage in a world with obesity and healthy eating is a challenge" which makes this study a "really interesting case study for CSR". Dr. McGuinn believed that it is a challenge to win consumers but she believed the "company has responded with healthier alternatives, etc. so, you could say CSR is evident in product selection", and "water and carbon issues are also in focus at the company but maybe not a consumer level".

As "a sugary beverage in a world with obesity and healthy eating Coca-Cola has responded with healthier options and being more environmentally friendly minimizing its carbon footprint but maybe not at a consumer level". This is consistent with findings from the survey, as many consumers are uncertain as to what Coca-Cola is doing, with regards to CSR towards its employees, customers, and the greater society. Survey results reveal that the healthier low-calorie alternatives are not being promoted as well as they could be, to show that they are helping fight the global obesity crisis. There are more CSR opportunities that could be taken on board by the company that could help brand reputation in the future.

Regarding consumers' beliefs about whether Coca-Cola's CSR activities are Intrinsic or Extrinsic, Dr. McGuinn, as a CSR expert, believed that "in terms of consumers it's probably extrinsic".

McGuinn agrees that "there is much potential to do a lot more" in order to shift the consumers' extrinsic views to believe Coca-Cola carry out their CSR activities intrinsically instead. The results of the survey samples relate to Dr. McGuinn's beliefs, as more consumers agree that Coca-Cola's CSR activities are extrinsic and tend to me more uncertain about whether the company's CSR intentions are intrinsic.

She considered that "perhaps there was scope to embed the "Protect the Polar Bear's" campaign in a more exciting and creative manner", as she doesn't "think this had the same impact as 'name on bottle' promotion", which was not a CSR campaign. However, the creativity was much better and more impactful. In her view, the "WWF campaign needed more of a buy-in, more imagination might have increased impact".

These findings link back to the findings from both survey samples, as respondents demonstrated a lot of uncertainty with regards to their level of support for the campaign to protect the polar bears, therefore reinforcing Dr. McGuinn's argument that the campaign could have been more exciting and creative, which may have increased the impact and level of support for the CSR campaign.

When questioned about her thoughts on whether consumers think of CSR initiatives carried out by the Coca-Cola company when purchasing the drink, she responded

"if all things are equal price, quality etc. then CSR can help differentiate brands". McGuinn gave her opinion on Coca-Cola's brand personality as "a young, trendy, fun-loving, but also a caring, genuine person who respects others and cares about the planet", however, she noted that the company currently does not fully articulate this brand persona in its CSR activities, which could be inhibiting the link between its CSR activities, resulting in customer loyalty to the brand. She believes it partially does but "there is room for improvement".

## 4.6.2 Customer Loyalty

Dr. McGuinn believed that there was a "very strong link" between CCI and customer loyalty. Many consumers love brands and have psychological ownership of the brand.

The next phase of building the CCI link might be "doing more to further embed CSR with the brand intrinsically". This could a way for the brand to build its reputation for the future. These findings coincide with the findings from the survey samples, as they draw clear conclusions that Coca-Cola's CCI must be improved and should consider the results found in similar studies; for example, Huang et al. (2017), who found that enhancing CCI has become an important route to building deep, meaningful, long-term relationships with customers.

McGuinn believes perhaps current CSR practices might boost attitudinal loyalty which has been proven in similar previous studies but perhaps "behavioural loyalty might be effected to a lesser extent"; many previous studies have found similar results where CSR does not directly lead to behavioural loyalty, unless it is mediated by aspects such as involvement. The effect of mediation can be seen in the result of research carried out during the same period by Inoue et al. (2017), demonstrating a positive mediating effect of involvement on the relationship between perceived CSR and behavioural loyalty.

McGuinn believes "that a strong brand, can withstand a certain amount of negative publicity" but only to a limited extent as "negative publicity can go viral very quickly and this could destroy the reputation of a brand".

If a company does not implement careful CSR practices and something goes wrong, it could destroy brand reputation and customer loyalty would be effected. The

findings from the questionnaire samples indicated that the majority of consumers show a high level of advocacy to the brand and that many would give the brand a chance if it did something they did not like however it is presumed that if the extent of the incident was very bad, these responses may differ.

## 4.6.3 The link between CSR and Customer Loyalty

In respect to being loyal to the Coca-Cola brand due to it being an ethical company, Dr. McGuinn "would guess that some consumers are highly responsive to CSR efforts, but a lot of consumers simply love the Coca-Cola brand". Meeting the legal requirements and standards is very basic CSR, "a truly genuine CSR brand will go way beyond this to strategic level", therefore it could be said that this is expected of any brand and that this alone may not directly lead to loyalty. McGuinn added that "in theory as consumers are more aware of CSR, and the consequences of poor practice then CSR expectations will rise". This could indicate that communication of CSR practices may be a mediator between CSR and loyalty; if consumers know that a company is truly ethical, it may sway them in the direction of this company if they are aware of the poor CSR activities of other companies. However, it is clear that companies cannot just rely on being ethical; they need to differentiate themselves by covering other CSR dimensions (Carroll, 1979, 1991).

In relation to being loyal to the Coca-Cola brand due to it being environmentally responsible, Dr. McGuinn stated that "the reality is that companies and brands who want to be successful cannot afford to disrespect the planet", that "ultimately people are effected by environmental damage etc". Coca-Cola does engage in environmentally responsible initiatives; however, it is not communicated exhaustively and "much more could be done". Here is where we see "the educational and advocacy role for Coca-Cola".

Consistent with the findings and discussion throughout this chapter, Dr. McGuinn declared that "If consumers are not aware of issues about the planet then they are not concerned". Socially responsible marketers take account of the supply chain "and the value chain and tell consumers how the brand respects the earth's resources", however, the findings from the primary research suggest that Irish and Spanish Coca-Cola's consumers (especially the younger consumers) have not been told in ways that resonate in their memory about how this brand "respects the earth's

resources". Dr. McGuinn stated that, as Coca-Cola has a strong brand identity "it would not be too difficult to further embrace the message of looking after the planet". "It's about taking the next steps and integrating this further".

In respect of being loyal to the Coca-Cola company due to it being socially responsible, Dr. McGuinn believed "on its own, while such donations help, it would be viewed as lip-service if a company does not deliver CSR throughout its value-chain and across all marketing activities".

All in all, with regard to the findings from both samples of the questionnaire, consumers are, for the main part, uncertain whether their loyalty is due to Coca-Cola being responsible. Therefore, there must be some miscommunication somewhere along the chain, as referred to by Dr. McGuinn indicating that integration and communication is key and that CSR is working at both functional and emotional levels.

It is true that many factors need to be present in order to gain loyalty of customers but without CSR it is very questionable whether a company would have many loyal customers at all, as it is such a crucial part in every business, especially nowadays.

## 4.7 Summary

It is clear from the findings that Coca-Cola need to play to their strengths and be more creative with the communication of their CSR initiatives to educate their Irish and Spanish consumers about what they do for their employees, customers, and society by being ethical, being environmentally responsible and socially responsible. This will ensure that the majority view their CSR activities as intrinsic. By judging from the results of consumers who are aware and do place an importance on CSR and also from the results of the expert interview, it will eventually lead to more loyal consumers of the brand.

As Dr. McGuinn stated, "it's all about advocacy, attitude and altruism and if any brand can excel at CSR, Coca-Cola has real potential. It's time for them to further meet this leadership challenge!"

The next chapter will provide a conclusion to the study where the research objective and main research question will be answered along with recommendations.

# **Chapter Five: Conclusion and Recommendations**

### 5.1 Introduction

It was generally seen that the link between CSR and customer loyalty is found indirectly through multiple mediating roles such as CSR awareness, satisfaction, and C-C Identification.

Social identity theory provides a perspective to interpret societal difference in the influence of customer CSR on customer loyalty. As identified by Tajfel and Turner (1979), social identity theory emphasizes that individuals engage in categorization, identification, and comparison in their construction of a self-image. Engaging in customer CSR enhances corporate reputations, which in turn, may motivate customers to be associated with those firms (Turban and Greening, 1997; Wei, Egri, and Yeh-Yun Lin, 2014, p. 558), therefore it could be said that Coca-Cola may reap loyalty rewards by communicating their CSR towards their customers.

## 5.2 Conclusion

This chapter will provide the answers to the research question and objective aims that were defined at the beginning of this study. The chapter will then conclude by providing recommendations for the Coca-Cola company and marketing managers of similar industries both academic and practical, for both theory and practice, a list of study limitations, it will provide suggestions for further research and a concluding summary.

The following section will provide a summary of the findings for each objective which includes the development of a new conceptual model by the researcher.

# **5.3 Result of Research Objectives**

The Theoretical Objectives	<ul> <li>Conduct a literature study, exploring the existing data on CSR, customer loyalty, Coca Cola and it's CSR practices and customer loyalty, the link between CSR practices and customer loyalty along with literature regarding diverse cultural loyalty responses to this concept.</li> </ul>
The Empirical Objectives (The Key Objective of this study)	Analyse the differences between Irish Coca Cola consumers and Spanish Coca Cola consumers loyalty as a response to its CSR practices.

The main observation made with regard to this objective was how incredibly alike the Irish and Spanish Coca-Cola consumers' responses were to the questions posed in the survey.

The following table details the key findings relating to the "Key Objective" of this study. It illustrates the key thematic findings, the similarities or differences between the Spanish and Irish consumers and the key findings with relation to answering the research question. The most prominent point throughout the findings that can be seen in the table below is the lack of communication of CSR initiatives in both countries.

**Table 5.1 Key Findings** 

Headings	Findings	Similar / Different Findings	Key Findings
1.CSR			
Awareness of CSR	The greater percentage of the Irish respondents were aware of the term whereas most Spanish respondents were marginally aware of the term.	Similar – yet more Irish are fully aware of the term	Awareness of CSR is a precursor of consumers CSR beliefs.
Awareness of Coca-Cola's CSR	Most of both Irish and Spanish respondents did not know if they were aware of the Coca-Cola brands involvement in charitable organisation (a representation of some of their CSR practices). Also, interestingly the younger respondents of both made up the majority of unsure responses.	Similar	Not all consumer groups are fully aware of CSR activities, this could be further addressed by the Coca-Cola company.
CSR Beliefs – Coca-Cola's CSR towards employees	More Irish respondents agreed that Coca-Cola is concerned with fulfilling its obligations to its shareholders etc, but a large amount was uncertain also, like the Spanish respondents. Again, the younger respondents of both samples showed more uncertainty.	Similar	Coca-Cola should get involved more in the communication and promotion of their "CSR efforts towards their employees" to both Irish and Spanish consumers, especially the younger market of consumers, as employee fairness also has a positive impact on SOW (behavioural loyalty) (Ailawadi et al., 2014, p. 165).
CSR Beliefs – Coca-Cola's CSR towards consumers	Spanish respondents were comparable to the Irish responses however there was more of a clear percentage of Spanish respondents who agreed to each.	Quite Similar	Companies such as Coca-Cola may reap loyalty rewards by better communicating their "CSR practices towards their customers" to the target market segments.
CSR Beliefs – Coca-Cola's CSR towards society	Spanish consumers agreed more whereas Irish respondents showed more uncertainty.	Different – Irish showing more uncertainty	Companies may benefit by highlighting their "CSR towards society" in promotions and advertisements as these activities can influence the creation of higher customer loyalty.
Corporate Ability	The majority of both Irish and Spanish consumers either agreed or strongly agreed that Coca-Cola is of high quality and tastes good.	Similar	-
CSR Attributions	It appears that more Irish and Spanish respondents agree that Coca-Cola carry out extrinsic CSR.	Similar	Make sure to intelligently communicate CSR initiatives that ensure consumers attribute such efforts to intrinsic (e.g.,

Headings	Findings	Similar / Different Findings	Key Findings
	practices than intrinsic CSR. practices.  In both nationalities, the younger respondents disagreed and the 39+ respondents were more in agreement that their CSR attributions are intrinsic.		genuine concern), rather than extrinsic (e.g., profit motive) motivations.
Support for Coca-Cola's CSR initiative to "Protect the Polar Bears" (collaboration with the WWF)	More of a close result from Irish respondents where the majority were uncertain followed by people who do support it. More Irish respondents support the CSR initiative whereas more Spanish do not support it.	Different – More support from Irish respondents	Communicating CSR activities through smart means and appropriate media channels, playing on nostalgia and cultural preferences may increase CSR support
CSR Importance	Both samples are quite similar as most find environmental and social responsibility important or very important when purchasing a non-alcoholic beverage.	Similar - however the older respondents from the Irish sample placed a higher importance on it and the 18- 28-year-old Spanish females placed a higher importance on it.	Coca-Cola must ensure that it is building CSR into the strategies and corporate cultures whilst making sure their consumers are well informed of their intrinsic CSR efforts.
	2) Spanish response was dissimilar to the Irish response as most Irish respondents do not think of CSR initiatives carried out by the Coca-Cola company when purchasing the drink. The majority of Spanish were uncertain whereas only 22% of Irish respondents were uncertain. A significant 17% of Irish respondents and 10% of Spanish respondents never think of Coca-Cola's CSR initiatives when purchasing the drink.	Different – Irish do not think of Coca-Cola's CSR when purchasing whereas Spanish are uncertain.	Although respondents place quite a high importance on CSR activities when buying a non-alcoholic beverage, it was found that the majority of those respondents were uncertain/do not think specifically of Coca-Cola's CSR initiatives when purchasing a drink.
2.Customer	W 5		
Loyalty			
Customer Satisfaction	The satisfaction levels of both samples were high	Similar	
CCI	Irish and Spanish responses again were quite alike whereby the majority either were uncertain or agreed that they identify with the company however more Irish disagree that the brand fits their personality.	Similar	Due to great amount of uncertainty, Coca- Cola needs to improve its CCI as CSR- based identification is likely to be associated with a range of relational behaviours that go beyond product purchase (Lichtenstein et al., 2004) to customers' loyalty to the company's existing products (i.e., customer retention) etc.

Headings	Findings		Similar / Different Findings	Key Findings
Customer Loyalty	Both samples show similar resul where the majority of responden agree to being loyal to the brand	ots	Similar	CSR is also an effective way of enhancing brand loyalty in today's consumerist society because the consumer is paying increasingly more attention to social issues, such as environment protection, education and so on (He, Y. and Lai, K, 2012 pp.249-263).
Attitudinal Loyalty	Spanish respondent's recommendation behaviour is similar to Ireland with the majority showing high attitudinal loyalty.		Similar - however more Spanish respondents are uncertain if they talk favourably about the brand than Irish.	Older respondents of both samples who tended to be more aware of Coca-Cola's CSR practices and who placed a higher importance on CSR also responded to showing high levels of attitudinal loyalty. This could indicate that Coca-Cola's CSR activities has had a strong positive association to the older respondent's attitudinal loyalty both in Ireland and in Spain.
Behavioural Loyalty	Both samples were alike where most respondents agreed and strongly agreed that they shall continue to buy the Coca-Cola brand over the next few years and that the Coca-Cola brand is their first choice when choosing a non-alcoholic beverage		Similar - The majority were similar however there were more Irish respondents who disagreed and strongly disagreed to both.	Coca-Cola could benefit from improving the communication of their CSR activities as communicating CSR practices is critical because it has been found that customers who are aware of CSR initiatives have more positive attitudes and behavioural intentions (Öberseder et al., 2013).
Brand Commitment	From both samples, it was found the higher percentage of respond agreed that Coca-Cola is the best brand on the market and	dents	Similar - Respondents were predominantly females of all ages but in particular from the ages of 18-28.	CSR can strengthen the commitment to the brand as it transmits a character which respects consumers and concern to serve them correctly. As many respondents are unaware of Coca-Cola's CSR practices, it was not initially clear whether the respondents who are committed to the brand are committed due to their CSR practices or for other reasons however through further analysis it was found that many of the female who were aware of Coca-Cola's CSR activities did show commitment to the brand whereas those who were unaware of Coca-Cola's CSR practices tended to be uncertain or showing no commitment to the brand, which further indicated the need for better communication of Coca-Cola's CSR activities.
Advocacy	Both Irish and Spanish respondents show high levels of advocacy to the		Similar - again, it was the younger respondents who	Coca-Cola should strive to improve younger consumers advocacy levels.
	Coca-Cola brand also with the Spanish respondents showing a higher percentage of advocacy however		were unaware of their advocacy in both samples.	Maybe communicating Coca-Colas CSR activities better this may contribute to increasing customer advocacy levels amongst their younger consumers in both Ireland and Spain as Yeh, Y. (2015 p. 828) found that a company's efforts to develop socially responsible activities will develop higher customer advocacy.
3.The Link between CSR Practices and CL	Both samples again turned out to be very similar. In the three scenarios of both samples, there is a significant number of respondents who are uncertain, agree or strongly agree.	male mor whe (294 fem bran prac	illar- In all three cases, the 24-year-old female and a respondents tended to be e uncertain or disagreeing reas the older respondents - categories), particularly ale, were more loyal to the di because of the CSR tices laid out in the three larios.	More disagreed in each case over agreeing therefore there is potential to improve. A considerable number of respondents who are either uncertain in all three scenarios, relating back to the highlighted point throughout that it could be due to the miscommunication of Coca Colas CSR practices. It could be of benefit to the brand to increase awareness as it could potentially result in an increase in loyalty of Irish and Spanish consumer.

## The Result of the Research Question:

The main research question that this dissertation aimed to answer was:

## **Question:**

Is there a Link between Coca Cola's CSR Practices and its Irish and Spanish

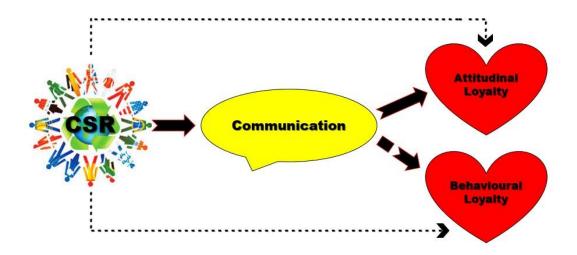
Customers Loyalty?

## **Answer:**

The findings indicate that there is a link however, not necessarily a direct link. With the mediation of communication to build both Irish and Spanish consumers awareness of Coca-Cola's CSR practices the CSR-Customer Loyalty link does become clearer. Therefore, Coca-Colas CSR practices are indirectly linked to Customer Loyalty once it is mediated by Communication.

It is also important to note that the Irish and Spanish consumers demonstrated very similar responses which could be due to their arguably similar PESTEL situations.

The researcher invented a conceptual model framework model which depicts the mediating role of "communication" in the CSR-Customer Loyalty relation.



**Figure 5.1:** Conceptual framework depicting the mediating role of "communication" in the CSR-Customer Loyalty relation.

This model was influenced by other authors who developed similar models with different mediators such as Pérez, A. and Rodríguez del Bosque, I. (2015) structural model estimation in the Spanish commercial banks, Inoue and Y., Funk, D. and McDonald, H. (2017) structural model with involvement mediating the relationship.

The conceptual framework depicted above was formed as a result of the research carried out. It was found that:

## Positive link (i.e. when communication is present):

If communication of Coca-Cola's CSR practices is present, the link between CSR and customer loyalty would be effective. In this scenario, the Irish and Spanish consumers awareness would increase, thus leading to improved CSR beliefs about the company, improving CCI with the company, ensuring the CSR practices are believed to be truly intrinsic, which will help to build more trust and inevitably lead to positive loyalty responses.

### No link (i.e. when communication is absent):

If communication of Coca-Cola's CSR practices is absent, the link between CSR and customer loyalty would be ineffective. In this circumstance, the Irish and Spanish consumers awareness would be poor, thus leading to uncertain CSR beliefs about the company, uncertain CCI with the company, the CSR practices would more likely be believed to be extrinsic due to improper knowledge of what the firm really does and why it does it, trust levels remaining the same and inevitably leading to poor loyalty responses as a result.

- It is important to note the strong arrow pointing from the commitment mediator box to the attitudinal loyalty box and the broken arrow pointing from the commitment mediator box to the behavioural loyalty box. The reason for this is that throughout the secondary and primary research it became clear that the link between CSR and customer loyalty demonstrated a somewhat stronger response to attitudinal loyalty in comparison to the behavioural loyalty. It could be indicated that there is a link to both when mediated by communication to increase CSR awareness however further behavioural studies would need to be carried out to clarify this to a greater extent.
- In the figure, there is a broken arrow which links CSR straight to both attitudinal and behavioural loyalty. This thin broken line suggests the presence of a very weak link between the two. However weak, it still must be noted that there is a small percentage of Coca-Cola consumers who are either highly involved in CSR, CSR enthusiasts or advocates of the brand who would search for the information on the companies CSR practices themselves without the company having to communicate their CSR practices and could base their loyalty on such. Through careful analysis of the data, these consumers made up a very small niche.

## **Concluding points:**

In conclusion, the findings of this study correspond with similar studies. For example, in a study carried out by Wigley (2008), it was found that participants exposed to information about a company's CSR activities are more knowledgeable about those activities and that increased knowledge positively impacts their attitudes and also their purchase intentions (behaviours). This result highly correlates with the results of this study as both researchers found that communicating CSR activities is critical as consumers who are aware of CSR practices have more positive attitudes and behavioural intentions (Öberseder et al., 2013).

Other authors with similar findings are, Fernández and Rajagopal (2013, p. 222) who also found that consumers have become more interested in firms' actions and have, in turn, begun to strongly consider them in their purchasing decision making. However, a lack of full awareness of what CSR entails, strong brand loyalty, and the absence of information regarding firms' CSR engagement are aspects that have seen to halt Mexican consumers from being highly influenced by CSR, in such a degree as to alter their shopping behaviour. The findings of Fernández and Rajagopal's study of Mexican consumers corresponds with this

study analysing Irish and Spanish consumers which is an interesting fact due to the differences between the 3 countries.

With regard to other international studies, Lacey and Kennett-Hensel (2010) found that the longer CSR is performed by a firm, the more likely it is that its customers will become at least generally aware of the companies CSR activities which further highlights the points made about the need for communication of CSR. They noted that this can differ with regards to different industries and consumers perceptions in diverse countries, therefore it is important for companies to always take this into consideration.

## 5.4 Recommendations

From the findings of this study, a list of recommendations has been formed. The following box lays out the recommendations for the Coca-Cola company and includes general recommendations for general marketing managers with regards to improving the link between CSR practices and customer loyalty in the countries of Ireland and Spain. The recommendations may be generalized to countries that have similar political, economic, social, legal and environmental situations as these countries, as both countries showed similar responses to the questionnaires.

#### Table 5.2 Recommendations

#### 1. Improve Communication of CSR activities:

Consistent with previous research, this study and particularly a study carried out by Wigley, S. (2008) indicated that many organizations are doing a poor job of communicating their good deeds to the public.

### A. What to do:

Develop more communication strategies highlighting CSR.

#### How to do it:

In agreement with Ramaseshan, B. and Stein, A (2014 p. 678) the author suggests that managers should develop more communication strategies that highlights the companies CSR practices in order to fill this significant gap between what consumers perceive and what the company intends the personality of their brand to be.

### B. What to do:

Improve global CSR campaigns.

#### How to do it:

- Managers must seek more efficient and effective communication tools for consumers.
   Lee, K. and Shin, D. (2010).
- Marketing managers should look more in-depth at models of CSR as there is potential
  to leverage Coca-Cola's CSR in practice but also more importantly in making
  consumers aware of it to a greater extent.
- Improve campaigns by promoting them through the various social media channels,
  Facebook, Instagram, Twitter, Snapchat etc. reaching the consumers, who in this
  study were in the age group of 18-28, who showed a considerable lack of awareness
  and knowledge, showing more uncertainty of Coca-Cola's CSR activities towards its
  employees, consumers and society, and viewing it as an extrinsic attribution rather
  than intrinsic. By specifically targeting this age group through social media, it could
  increase their awareness and change their views in a positive way.
- Even something as simple as tailoring emails to consumers where they receive
  information about a new product selection and related consumption benefits such as
  improved packaging etc. Even retailers who don't use loyalty programs can use the
  rich geo-segmentation data which can be availed of from tools such as Nielsen's
  PRIZM system to target CSR communications by zip-code such as that suggested by
  Blattberg, Kim, & Neslin (2008; pp. 197-206). This is both feasible and cost effective
  however not as effective as bigger ad campaigns, global competitions and challenges
  as suggested above, which should not be ignored.

### C. What to do:

Educate the consumers about the earths environmental concerns such as water shortages and climate change. Inform people about the future of the world and what Coca-Cola is doing to help prevent any environmental disasters or drastic changes. People want to know so they will listen and it will in time, increase loyalty and advocacy to the brand which inevitably will increase revenues and brand image, status and reputation.

#### How to do it:

- This is already evident through various initiatives at Coca-Cola but it's about taking
  the next step and integrating this further especially amongst the 18-28-year-old
  consumers as they are the ones who tend to need more knowledge about climate
  change, water shortages and other environmental concerns and especially what CocaCola is doing to help the environment. The company itself is doing a lot but until you
  go looking for the information not many people would be aware.
- Embrace the message of looking after the planet and part of the brand values through various short, creative and impactful TV and YouTube ad campaigns. For example, in the Coca-Colas sustainability report they tell stories about, for example, women they've helped to set up businesses in developing countries. Why not do a TV advertisement like this to demonstrate to consumers what Coca-Cola really does behind the scenes in many countries all over the world. If Coca-Cola can come up with such amazing stunts like the customised name on the bottle, I'm sure creating more impactful CSR initiatives that educate and resonate in people's hearts and minds will be an easy task to handle for the brand.
- Create a global competition where 5 lucky prize winners win an all-inclusive trip to
  some countries around the world where Coca-Cola operates to experience what it's
  like to be a Coca-Cola employee around the world. This campaign would help to
  raise awareness about CSR initiatives such as "women in the workplace" and how
  Coca-Cola helps fight the obesity crisis around the world. This could reinforce the
  brands fun, happy, caring and trustworthy persona and improve loyalty of the
  younger consumers due to its CSR initiatives. It could be a new way of employing
  young trendy ambassadors from all over the world to promote CSR initiatives
  through social media. It will also reinforce the campaign of "coming together" by
  choosing winners from different countries.

#### D. What to do:

Ensure people understand the reasons for increased product choice such as the lower calorie and healthier sweetened alternatives to the original Cola. Make people aware of the world's obesity crisis and what Coca-Cola is doing regarding their global campaigns and activities to fight this global epidemic.

## How to do it:

Maybe Coca-Cola could start a global challenge. For example, a steps challenge
(Coca Cola's global "Stepathon" Challenge) where people must reach a certain target
by tracking it on their phones. Even better, Coca-Cola could giveaway free
pedometers with every product bought for people to track their steps and try to reach
a daily target of 10,000 steps. From this, many other CSR campaigns could be created
with people from local areas getting involved whilst increasing awareness of CocaCola's CSR activities, increasing people's activity levels and reducing the worlds
obesity crisis. This would not only increase consumers loyalty to the brand but also

improve the brand image and reputation proving it to be the ethically responsible brand that it is.

## 2. Reinforce that the CSR practices are Intrinsic and not extrinsic in nature:

#### What to do:

Ensure the CSR is integrated with corporate values, brand values strategic support etc in order to improve consumers views so that they view CSR as an intrinsic attribution compared to "lip-service" (seeing CSR as an extrinsic attribution etc.).

### How to do it:

 When consumers become more aware of Coca-Colas genuine concern (intrinsic) for its employee's consumers and society, their CSR beliefs, trust and attitudinal loyalty should increase. Once they believe the CSR actions are intrinsic and not extrinsic, the more inclined they are to trust and identify with the brand. This can be done by again communication of their sincere efforts.

## 3. Ensure Country Specific CSR Communication:

#### What to do:

Tailor CSR communication to suit each country.

#### How to do it:

- Marketing managers must ensure to take into consideration the diverse cultures in different countries and ensure they are clued into information such as the most popular media channels or social media channels in that country is, their humour, their likes and dislikes etc. in order to tailor their CSR media campaigns and initiatives in a way that will be accepted and liked in that country.
- This is consistent with previous research where CSR practices did vary across
  different countries and products. For example, in Hong Kong, legal responsibility is
  an important aspect (due to its legal culture that assumes respect for the law) as
  indicated in the study by He, Y. and Lai, K. (2012 pp.249-263.), while Shafer,
  Fukukawa, and Lee (2007) suggested that in Mainland China, efficiency and business
  survival take priority over ethical and socially responsible behaviour. Although in
  this study both countries showed similarities, it is important that marketing managers
  remember that other countries may not be so similar.

## **5.5 Study Limitations**

- Due to this study being a case study specifically focused on the Coca-Cola brand, this may reduce its external validity as to whether there is a link between the CSR practices of other global brands and customer loyalty.
- As the brand selected for this study, i.e. Coca-Cola, is well known to consumers and quite a larger than life brand, this is a limitation of the study as this brand could be considered to be not so representative of typical smaller brands with smaller CSR and marketing budgets.
- As the countries chosen for this study were both developed countries, it
  could be seen that the results of this research reduce its external validity in
  the context of the entire world.
- Due to time constraints and the specific nature of this study, it was not viable to explore branding fully.

# **5.6 Directions for Further Research**

The following is a list of recommendations for further research which is required in a number of areas that can be seen below.

**Table 5.3 Further Research** 

1.	Further investigate the mediating role of communication:	Other studies could test the mediating role of communication perhaps in combination with other proven mediator roles such as satisfaction, to further prove this mediator's viability. Future researchers could possibly test this new conceptual model in order to further prove its worth, its validity and reliability and whether it is generalizable to other industries both in similar countries and/or cross-culturally.
2.	Address the methodological and study limitations of this study:	Future research can potentially address limitations in this study through replicating this work in other demographic and cultural contexts as loyalty responses to CSR may differ due to factors such as age and culture. Future studies may incorporate a wider range of global brands to verify the result and increase the generalizability of the study instead of focusing on one company in a case study style. It is considered necessary to broaden studies to other industries and countries according to Shin, Y. and Thai, V. (2014, p. 389).
3.	Investigate the link between CSR and behavioural loyalty:	Future studies may concentrate on behavioural loyalty as an outcome of CSR activities mediated by the role of communication. For example, carrying out observational studies of Coca-Cola's CSR campaigns and their link to consumers repurchase behaviour.
4.	Analyse CSR dimensions separately:	Future scholars might find it interesting to analyse the role of each of the CSR dimensions on customer affective and conative responses independently as suggested in a study by Pérez, A. and Rodriguez del Bosque, I. (2014).  It may be interesting to identify which of the dimensions is perceived to have more weight in the overall valuation of social responsibility (Maignan and Ferrell, 2001).

## **5.7 Summary**

The aim of this study was to answer the key objective and research question which has been covered in chapter 5. The results found that the study and this study contributes to both the theoretical and managerial fronts of the CSR literature. The contributions of this study are two-fold. On the one hand, the product industry has been scarcely explored by previous scholars which is the main reason a multinational company such as Coca-Cola was investigated as a way of increasing generalizability of the research. On the other hand, the research carried out on consumers perceptions of CSR and how they link to their loyalty has also been scarcely researched in an Irish and Spanish context individually as well as crossculturally and significant the similarities are observed among Irish and Spanish consumers concerning their attitudinal and behavioural responses to Coca-Cola's CSR.

Despite the conflicting findings in previous literature, society today seems to be far more concerned about ethical issues in marketing, in comparison to 20 years ago. The more high-profile a brand is (such as Coca-Cola) the higher the expectation is, in the ethical behaviour the public would have on that brand which was observed in the findings of this study. This will, in turn, force branding to become more ethically accountable (Fan, 2005, pp. 12-13).

The implications of this research are valid both academically and practically, in both theory and practice therefore, the Coca-Cola company and similar industries marketing managers should find this knowledge useful as well as academics as this study forms the basis for further study in the area and contributes to academic research. The study offers a structural model to follow in order to reinforce the link between CSR and customer loyalty in a product based industry such as the non-alcoholic beverage industry and similar industries in Ireland, Spain and similar countries as referred to in section 5.3.

In conclusion, this study indicates that there is a link however, not necessarily a direct link. With the mediation of communication to build both Irish and Spanish consumers awareness of Coca-Cola's CSR practices the CSR-Customer Loyalty link does become clearer. Therefore, Coca-Colas CSR practices are indirectly

linked to Customer Loyalty once it is mediated by Communication. In this study Irish and Spanish consumers demonstrated very similar responses which could be due to their arguably similar PESTEL situations. The recommendations should be considered and further research should be carried out for several reasons already discussed which could include testing the model devised in this study.

# **Bibliography**

- Aaker, D. (2014). Aaker on Branding. 20 Principles that Drive Success.
- ABC News, (2015). *Spanish workers celebrate victory over Coca-Cola*. [online] Available at: http://www.abc.net.au/news/2015-10-25/spanish-workers-celebrate-victory-over-coca-cola/6883392 [Accessed 9 Dec. 2015].
- Administration Master's Thesis-One year program (FEAD01). Karlstad Business School.
- Ailawadi, K., Neslin, S., Luan, Y. and Taylor, G. (2013). Does retailer CSR enhance behavioral loyalty? A case for benefit segmentation. *International Journal of Research in Marketing*, 31(2), pp. 156-167.
- Aitchison, J. (1999) Cutting edge advertising, Prentice Hall Singapore
- Albayrak, T., Akzo, S. and Caber, M. (2012). The effect of environmental concern on scepticism on green purchase behaviour. *Marketing Intelligence Planning*.
- Amelia González, R., Lozano, G. and Larissa, F. (2013). LA CONTRIBUCIÓN DE COCA-COLA FEMSA A LA PAZ EN COLOMBIA. *Debates IESA*, XVIII(4), pp. 63-65.
- Anderson, J., and Anderson, B. (1993) 'The myth of persistence of vision revisited'. *Journal of Film and Video*, 45(1), pp. 3-12.
- Anon, (2017). [online] Available at: http://Hildebrand, D., Fernandes, D., Viols,A. and Soong, L. (2017). Consumer-company identification:development and validation of a scale. [Accessed 21 April. 2017].
- Anon, (2015). [online] Available at:

  http://www.boostem.org/pdf/BUSINESS/Beyond\_Branding.pdf
  [Accessed 8 Dec. 2015].
- Azmat, F. and Ha, H. (2013). Corporate Social Responsibility, Customer Trust, and Loyalty-Perspectives from a Developing Country. *Thunderbird International Business Review*, 55(3), pp. 253-270.
- Balmer, M. T., J and A. Greyer, S. (2006) Corporate Marketing. Integrating corporate identity, corporate branding, corporate. corporate

- communications, corporate image and corporate reputation. *European Journal of Marketing*, 40(7/8), pp. 730-741.
- Bowers, D. K. (1998) 'The new research tool', American Marketing Association, Chicago.
- Browns ell, A. and Reynold's, J. (2013). Coca-Cola in WWF tie for polar-bear activity. *marketingmagazine.co.uk*, p. 6.
- Bryman, A., and Bell, E. (2007) 'Business Research Methods'. Oxford University Press.
- Buzzle. (2017). Check the Advantages and Disadvantages of Convenience Sampling. [online] Available at: http://www.buzzle.com/articles/advantages-and-disadvantages-of-convenience-sampling.html [Accessed 13 Jul. 2017].
- Chasidy, R. and Cymer, W. (2015). The impact of brand strength on satisfaction, loyalty and WOM: An empirical examination in the higher education sector. *Journal of Brand Management*, 22(2), pp. 117-135.
- Chalkier, B. and Gautam, N. (2013). Efficient Water Management through Public-Private Partnership Model: An Experiment in CSR by Coca-Cola India. *VIKALPA*, 38(4), pp. 97-103.
- Chen, Y. (2010). Towards green loyalty: driving from green perceived value, green satisfaction, and green trust. *Sustainable Development*, 21(5), pp. 294-308.
- Coca-cola.ie. (2017). *Coca-Cola Polar Bears: History of Coca-Cola Adverts*. [online] Available at: http://www.coca-cola.ie/stories/our-coca-cola-polar-bears [Accessed 22 April. 2017].
- Coca-Cola (2012). The Coca-Cola Company 2012/2013 GRI Report. pp. 1-91.
- Coca-Cola 2013/2014 SUSTAINABILITY REPORT. (2013). pp. 1-101.
- Coca-Cola Sustainability Update 2015/2016. (2015). pp. 1-26.
- Cohen, L., Manion, L., & Morrison, K. (2000) *Research Methods in Education*, 5th Ed. London: Routledge.
- Coyle, M. (2015). *The Digital Dental Patient*. Master. The Digital Marketing Institute.
- Creswell J. W. & Clark, P. (2007) *Designing and Conducting Mixed Methods Research*. Thousand Oaks, CA: Sage.

- Creswell, J. W. (2009) 'Editorial: Mapping the Field of Mixed Methods Research', *Journal of Mixed Methods Research*, 3(2), pp. 95, 108.
- Cryer, E H and Ross, W T (1997) The influence of firm behaviour on purchase intention: do consumers really care about business ethics? Journal of consumer Marketing, 14:6, 421-33
- Cultural Branding | Crowdculture, Brand and Innovation Consultants, (2015).

  Home Cultural Branding | Crowdculture, Brand and Innovation

  Consultants. [online] Available at: http://culturalbranding.org/ [Accessed 8 Dec. 2015].
- Dare.uva.nl, (2015). [online] Available at: http://dare.uva.nl/cgi/arno/show.cgi?fid=213244 [Accessed 9 Dec. 2015].
- Davies, A. and Elliott, R. (2006). The evolution of the empowered consumer. *European Journal of Marketing*, 40(9/10), pp. 1106-1121.
- de Charangon, L. (1999), "Brand management through narrowing the gap between brand identity and brand reputation", Journal of Marketing Management, Vol. 15, pp. 157-79.
- de Sheraton, L. and Dolldom Riley, F. (1998), "Defining a 'brand': beyond the literature with experts' interpretations", Journal of Marketing Management, Vol. 14, pp. 417-43.
- de Chinatown, L. and Daniels, K. (1994), "Developing a more effective brand positioning", The Journal of Brand Management, Vol. 1 No. 6, pp. 373-9.
- de Sheraton, L. Harris, F. and dallol Riley, F. (2001), "Added value: its nature, roles and sustainability", European Journal of Marketing (in press).
- de Chinatown, L., Daniels, K. and Johnson, G. (1993), "Competitive positioning strategies mirroring sellers' and buyers' perceptions", Journal of Strategic Marketing, Vol. 1, pp. 229-48.
- Del Bono, A. (2015). *The Last Drop Staying Loyal*. [online] bevindustry.com.

  Available at:

  http://file:///C:/Users/Vanessa/Documents/MASTERS%20CLASSES/Re
  search%20Methods/Dissertation/Coca%20Cola%20Articles/Article%20-

%20coca%20cola%20loyalty.pdf [Accessed 20 Jul. 2017].

- Demirbag-Kaplan, M., Yildirim, C., Gulden, S. and Aktan, D. (2015). I love to hate you: Loyalty for disliked brands and the role of nostalgia. *Journal of Brand Management*, 22(2), pp. 136-153.
- Denscombe, M. (2010) *The Good Research Guide: For Small-Scale Social*Research Projects. Maidenhead: Mcgraw-Hill Open University Press.
- Díaz Díaz, B. and García Ramos, R. (2015). *Corporate Social Responsibility:*Current and Future Perspectives in Spain.
- Domegan, C., and Flemin, D. (2007) 'Marketing Research in Ireland', *Theory and Practice*, 3.
- Du, S., Bhattacharya, C. and Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International Journal of Research in Marketing*, 24(3), pp. 224-241.
- Eisenhardt, K. M. (1989) 'Building theories from case study research', *Academy of Management Review*, 14(4), pp. 532-550.
- Esomar.org. (2017). World association for market, social and opinion research ESOMAR. [online] Available at: https://www.esomar.org/ [Accessed 10 Jul. 2017].
- Ethical branding and corporate reputation: Corporate Communications: An International Journal: Vol 10, No 4. (2015). *Corporate Communications: An International Journal*. [online] Available at: http://www.emeraldinsight.com/doi/abs/10.1108/13563280510630133 [Accessed 8 Dec. 2015].
- Fan, Y. (2005). ETHICAL BRANDING AND CORPORATE REPUTATION.

  Corporate Communications: An International Journal, 10(4), pp.341-350.
- Fan, Y. (2006). BRANDING THE NATION: WHAT IS BEING BRANDED? Journal of Vacation Marketing, 12(1), pp. 5-14.
- Fernández, A. and Rajagopal (2013). Influence of corporate social responsibility on consumers' shopping behavior and determining competitive posture of the firm. *Journal of Marketing Analytics*, 1(4), pp. 222-233.
- FRY, L. and SLOCUM, J. (2008). Maximizing the Triple Bottom Line through Spiritual Leadership. *Organizational Dynamics*, 37(1), pp. 86-96.

- Gallo, A. (2014). The CEO of Coca-Cola on Using the Company's Scale for Good. *Harvard Business Review*, pp. 2-5.
- Gertner, D. and Rifkin, L. (2017). Coca-Cola and the Fight against the Global Obesity Epidemic. *Thunderbird International Business Review*.
- Google Books, (2015). Beyond Branding. [online] Available at:

  https://books.google.ie/books?id=MMrpxsyErwYC&pg=PA104&lpg=P
  A104&dq=ethical+branding+ind+and+moore&source=bl&ots=NwBDZ
  RWqWu&sig=Rfj5gGuTOD8hKFvzs664h\_M5tCQ&hl=en&sa=X&ved
  =0ahUKEwjCwOiKydzJAhWE8RQKHf7PDj4Q6AEIMzAE#v=onepage
  &q=ethical%20branding%20ind%20and%20moore&f=false [Accessed
  11 Dec. 2015].
- Google Books. (2017). Outsourcing of PMO Functions for Improved

  Organizational Performance. [online] Available at:

  https://books.google.ie/books?id=8vWKDgAAQBAJ&pg=PA70&lpg=P

  A70&dq=leary+(1995)+offers+seven+guidelines+for+designing+a+usef
  ul+questionnaire&source=bl&ots=HYIEnY4Osm&sig=MphpkWIbbC3E

  t08Rysfa2KNiC7Q&hl=en&sa=X&ved=0ahUKEwj6jsCVvYLVAhXVF
  sAKHT8PD7QQ6AEIMjAB#v=onepage&q=leary%20(1995)%20offers
  %20seven%20guidelines%20for%20designing%20a%20useful%20quest
  ionnaire&f=false [Accessed 12 Jul. 2017].
- Guo, X. (2012). HOW BUSINESS AND MARKETING ETHICS CAN AFFECT HOTEL BRAND IMAGE Case: Chinese Hotel Chain. Bachelor's Thesis. Saimaa University of Applied Sciences Tourism and Hospitality, Imatra Degree Programme in Tourism.
- Haines, G. (2017). *Mapped: The world's most (and least) sociable countries*. [online] The Telegraph. Available at: http://www.telegraph.co.uk/travel/maps-and-graphics/mapped-theworlds-most-and-least-sociable-countries/ [Accessed 22 Aug. 2017].
- Handelman, J. and Arnold, S. (1999). The Role of Marketing Actions with a Social Dimension: Appeals to the Institutional Environment. *Journal of Marketing*, 63(3), p. 33.
- Harris, F. and De Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, 35(3/4), pp. 441-456.

- Hbr.org, (2015). *How Brands Become Icons: The Principles of Cultural Branding*. [online] Available at: https://hbr.org/product/how-brands-become-icons-the-principles-of-cultural/an/7745-HBK-ENG [Accessed 9 Dec. 2015].
- He, Y. and Lai, K. (2012). The effect of corporate social responsibility on brand loyalty: the mediating role of brand image. *Total Quality Management & Business Excellence*, 25(3-4), pp. 249-263.
- Hein, K. (2009). The New Look of Loyalty. Successful Promotions, pp.40-44.
- HERNANDEZ, M., G. (2009). Coca-Cola works to reduce its ecological footprint Initiatives include recycling water, reducing packaging and community outreach. *CARIBBEAN BUSINESS*, p. 36.
- Herold, M. (2017). Case Study Research: design and methods. [online]

  Managementissues.com. Available at:

  http://www.managementissues.com/index.php/organisatietools/83organisatietools/693-case-study-research-design-and-methods [Accessed 10 Jul. 2017].
- Hildebrand, D., Fernandes, D., Veloso, A. and Slongo, L. (2010). Consumer-company identification: development and validation of a scale. *BAR Brazilian Administration Review*, 7(3), pp.276-293.
- Hilton, S. (2003). How brands can change the world. *Brand Management*, 10(4/5), pp. 370-377.
- Holt, D. (2004). *How brands become icons*. Boston, Mass.: Harvard Business School Press.
- Huang, M., Cheng, Z. and Chen, I. (2017). The importance of CSR in forming customer–company identification and long-term loyalty. *Journal of Services Marketing*, 31(1), pp. 63-72.
- Huang, Y., Yang, M. and Wang, Y. (2014). Effects of green brand on green purchase intention. *Marketing Intelligence Planning*, 32(3), pp. 250-268.
- Ignatius, A. (2011). Coca-Cola CEO Muhtar Kent. *Harvard Business Review*, pp. 94-99.
- Infoscout.co. (2014). Coca-Cola Consumer Insights and Demographics / InfoScout.co. [online] Available at: http://infoscout.co/brand/cocacola [Accessed 11 Aug. 2014].

- Inoue, Y., Funk, D. and McDonald, H. (2017). Predicting behavioral loyalty through corporate social responsibility: The mediating role of involvement and
- commitment. Journal of Business Research, 75, pp. 46-56.
- Institute for Work and Health. (2009). *Research Excellence Advancing Employee Health*. [online] Available at: https://www.iwh.on.ca/wrmb/cross-sectional-vs-longitudinal-studies [Accessed 12 Jul. 2017].
- Jacques, A. (2012). At your community service: 5 companies with strong CSR initiatives. *Tactics*, pp. 12-13.
- Jonker, J. & Pennink, B. (2010) The Essence of research Methodology: A Concise Guide for Master and PHD Students in Management Science. New York: Springer.
- Kinnear, T., C. and Taylor, J. R. (1996) Marketing Research, an applied approach, New York: McGraw-Hill.
- Lacey, R. and Kennett-Hensel, P. (2010). Longitudinal Effects of Corporate Social Responsibility on Customer Relationships. *Journal of Business Ethics*, 97(4), pp. 581-597.
- Larkin, C. (2014). An Investigation to Determine the Effectiveness of Computer

  Animation as a Marketing Tool for Higher Education Providers. Master.

  Institute of Technology Sligo.
- Lee, K. and Shin, D. (2010). Consumers' responses to CSR activities: The linkage between increased awareness and purchase intention. *Public Relations Review*, 36(2), pp. 193-195.
- Lesliedechernatony.com, (2015). *Leslie de Chernatony | Publications*. [online]

  Available at:

  http://www.lesliedechernatony.com/publications.php#Vision [Accessed 6 Dec. 2015].
- Levy, D. (2006) 'Qualitative Methodology and Grounded Theory in Property Research', *Pacific Rim Property Research Journal*, 12, 4, pp. 369-388.
- Lexicon.ft.com. (2017). Customer Loyalty Definition from Financial Times

  Lexicon. [online] Available at:

  http://lexicon.ft.com/Term?term=customer-loyalty [Accessed 21 April. 2017].

- Libguides.usc.edu. (2017). Research Guides: Organizing Your Social Sciences

  Research Paper: Limitations of the Study. [online] Available at:

  http://libguides.usc.edu/writingguide/limitations [Accessed 18 Jul. 2017].
- LLC, U. (2015). Brand New: New Packaging for Coca-Cola in Spain. [online]

  Underconsideration.com. Available at:

  http://www.underconsideration.com/brandnew/archives/new\_packaging\_
  for\_coca-cola\_in\_spain.php#.VmmkA0qLTIU [Accessed 9 Dec. 2015].
- Lynn-library.libguides.com. (2017). *Library: Research Methods in the Social Sciences: Exploratory Design*. [online] Available at: http://lynn-library.libguides.com/c.php?g=549455&p=3771805 [Accessed 10 Jul. 2017].
- Madhavan, A. (2012). CSR at Coca-Cola. VIKALPA, 37(2), pp. 94-98.
- Mail Online, (2014). So, is this new 'Green' Coke all it's cracked to be? [online] Available at: http://www.dailymail.co.uk/health/article-2815775/Green-Coke-calorie-free-leaf-sweetener-South-America-sugar-regular-critics-warn-s-marketing-gimmick.html [Accessed 8 Dec. 2015].
- Mandhachitara, R. and Poolthong, Y. (2011). A model of customer loyalty and corporate social responsibility. *Journal of Services Marketing*, 25(2), pp. 122-133.
- Martínez, P., Pérez, A. and Rodríguez del Bosque, I. (2013). Exploring the Role of CSR in the Organizational Identity of Hospitality Companies: A Case from the Spanish Tourism Industry. *Journal of Business Ethics*, 124(1), pp. 47-66.
- Meinert, D. (2012). MODERN-DAY SIAVERY. HR Magazine, pp. 22-27.
- Mele, D. (2005). Corporate Social Responsibility in Spain: An Overview. *SSRN Electronic Journal*.
- Money Matters | All Management Articles. (2017). Advantages and

  Disadvantages of Sampling. [online] Available at:

  http://accountlearning.com/advantages-and-disadvantages-of-sampling/
  [Accessed 12 Jul. 2017].
- Moon, B., Lee, L. and Oh, C. (2015). The impact of CSR on consumer-corporate connection and brand loyalty. *International Marketing Review*, 32(5), pp. 518-539.

- Myfbcovers.com. (2017). *Food & Drinks Facebook Covers myFBCovers*. [online] Available at: http://myfbcovers.com/facebook-cover/food-drinks [Accessed 14 Jul. 2017].
- Neville, A. B., J. Bell, S. and Mengüç, B. (2005). Corporate Reputation, Stakeholders and the social performance-financial performance relationship. *European Journal of Marketing*, 39(9/10), pp. 1184-1198.
- Newberry, N. (2004). Cult Brands. Business Week, pp.64-67.
- NICHOLAS IND on branding NicholasInd.com, (2015). *Articles NICHOLAS IND on branding NicholasInd.com*. [online] Available at: http://nicholasind.com/articles/ [Accessed 9 Dec. 2015].
- Papafloratos, T. (n.d.). : Do Corporate Social Responsibility Initiatives Influence the Consumers? PhD Candidate. Panteion University of Political and Social Sciences, Athens, Greece.
- Patton, M. Q. (2002) Qualitative Research and Evaluation Methods, Thousand Oaks, CA: Sage Publications.
- Pérez, A. and Rodríguez del Bosque, I. (2014). An Integrative Framework to Understand How CSR Affects Customer Loyalty through Identification, Emotions and Satisfaction. *Journal of Business Ethics*, 129(3), pp. 571-584.
- Pérez, A. and Rodríguez del Bosque, I. (2015). Corporate social responsibility and customer loyalty: exploring the role of identification, satisfaction and type of company. *Journal of Services Marketing*, 29(1), pp. 15-25.
- Pérez, A. and Rodríguez del Bosque, I. (2015). Customer responses to the CSR of banking companies. *Journal of Product & Brand Management*, 24(5), pp. 481-493.
- Prezi.com. (2017). *Copy of PEST Analysis of Ireland*. [online] Available at: https://prezi.com/clyfisytrh9j/copy-of-pest-analysis-of-ireland/ [Accessed 11 Aug. 2017].
- Ramaseshan, B. and Stein, A. (2014). Connecting the dots between brand experience and brand loyalty: The mediating role of brand personality and brand relationships. *Journal of Brand Management*, 21(7-8), pp. 664-683.

- Ray (2017). *Pestle Spain*. [online] Slideshare.net. Available at: https://www.slideshare.net/arnaubray/pestle-spain [Accessed 11 Aug. 2017].
- Reich, Z., A. (2002). *The Influence of Consumer and Brand Social Responsibility* on Brand Loyalty in Quick-Service Restaurants. Doctor of Philosophy Hospitality and Tourism Management. Virginia Polytechnic Institute and State University.
- Reynolds, J. (2007). Coke's CSR focus: better late than never. *Marketing Week.co.uk*, p. 9.
- Ries, A. and Trout, J. (1982) Positioning: the battle for your mind, Warner, NY.
- Roel Backes, S. (2017). Sustaining success at Coca-Cola. [online] foodanddrinktechnology.com. Available at: http://file:///C:/Users/Vanessa/Documents/MASTERS%20CLASSES/Re search%20Methods/Dissertation/Coca%20Cola%20Articles/Articel%20-%20Sustaining%20Success%20at%20Coca%20Cola.pdf [Accessed 20 Jul. 2017].
- Romani, S. and Grappi, S. (2014). How companies' good deeds encourage consumers to adopt pro-social behaviour. *European Journal of Marketing*, 48(5/6), pp. 943-963.
- Salmones, M., Crespo, A. and Bosque, I. (2005). Influence of Corporate Social Responsibility on Loyalty and Valuation of Services. *Journal of Business Ethics*, 61(4), pp. 369-385.
- Saunders, M., Lewis, P., & Thornhill, A. (2003) *Research Method for Business Students*, 3rd Edition. New York: Prentice Hall.
- Saunders, M., Lewis, P., and Thornhill, A. (2007) Research Methods for Business Students, 4<sup>th</sup> ed, Prentice Hall.
- Saunders, M., Lewis, P., and Thornhill, A. (2009) Research Methods for Business Students, 5<sup>th</sup> ed, Prentice Hall.
- Schultz, P.W., Gouveia, V.V., Cameron, L.D., Tankha, G., Schmuch, P., Franek, M. (2005), "Values and their relationship to environmental concern and conservation behaviour", *Journal of Cross-Cultural Psychology*, Vol. 36, pp. 457-475.
- Shearman, S. (2011). Coca-Cola to relaunch online loyalty scheme. *MarketingMagazine.co.uk*, p. 7.

- Shin, Y. and Thai, V. (2014). The Impact of Corporate Social Responsibility on Customer Satisfaction, Relationship Maintenance and Loyalty in the Shipping Industry. *Corporate Social Responsibility and Environmental Management*, 22(6), pp. 381-392.
- Slater, J. (2000). Collecting the Real Thing: A Case Study Exploration of Brand Loyalty Enhancement Among Coca-Cola Brand Collectors. Ohio University.
- Slideshare.net. (2017). Chapter 7 advertising-design-message-strategiesexecutional-framework.... [online] Available at:
  https://www.slideshare.net/KaoWinson/chapter-7advertisingdesignmessagestrategiesexecutionalframeworks-additional
  [Accessed 24 Aug. 2017].
- Socialresearchmethods.Net (2006) *Positivism & Post-Positivism*. Available at: <a href="http://www.Socialresearchmethods.Net/Kb/Positvsm.Php"><u>Http://www.Socialresearchmethods.Net/Kb/Positvsm.Php</u></a> [Accessed: July 15th, 2017].
- Staff, I. (2017). *Share of Wallet SOW*. [online] Investopedia. Available at: http://www.investopedia.com/terms/s/share-of-wallet.asp [Accessed 21 April 2017].
- Stanisavljević, M. (2017). Does Customer Loyalty Depend on Corporate Social Responsibility? *Naše gospodarstvo/Our economy*, 63(1).
- Study.com. (2017). What is a Pilot Study? Definition & Example Video & Lesson Transcript / Study.com. [online] Available at: http://study.com/academy/lesson/what-is-a-pilot-study-definition-example.html [Accessed 11 Jul. 2017].
- Suskie, Linda (1996) Questionnaire Survey Research: What works 2nd edition.

  Washington, D.C.: Assn for International Research. ISBN: 1882393058
- Suzuki, I., Kawakami, N., & Shimizu, H. (1998) 'Reliability and Validity of a Questionnaire for Assessment of Energy Expenditure and Physical Activity in Epidemiological Studies', *Journal of Epidemiology*, 8.3. Available at: <a href="http://Thenextweb.Com/Socialmedia/2012/01/24/The-Top-30-Stats-You-Need-To-Know-When-Marketing-To-Women/">http://Thenextweb.Com/Socialmedia/2012/01/24/The-Top-30-Stats-You-Need-To-Know-When-Marketing-To-Women/</a> [Accessed: June 11<sup>th</sup>. 2015].
- Sweeney, L. (2007). Corporate social responsibility in Ireland: barriers and opportunities experienced by SMEs when undertaking CSR. *Corporate*

- Governance: The international journal of business in society, 7(4), pp. 516-523.
- The Coca-Cola Company. (2017). *Coca-Cola Product Descriptions: The Coca-Cola Company*. [online] Available at: http://www.coca-colacompany.com/brands/product-description [Accessed 21 Jul. 2017].
- The Coca-Cola Company. (2017). *The Enduring History of Coca-Cola's Polar Bears*. [online] Available at: http://www.coca-colacompany.com/stories/coke-lore-polar-bears [Accessed 22 April. 2017].
- The New Exchange. (2017). *Outer Layers*. [online] Available at: https://jl00282.wordpress.com/dissertation-part-1/mixed-methodology-2/research-onion/outer-layers/ [Accessed 19 Jul. 2017].
- The WritePass Journal. (2017). *How to Write a Dissertation: Methodology The WritePass Journal*. [online] Available at: https://writepass.com/journal/2012/06/how-to-write-a-dissertation-methodology/ [Accessed 19 Jul. 2017].
- Thinkingbookworm.com, (2012). Dissertation Proposal Consumer Behavior Research: A Comparative Research Analysis of Buyer Behavior of Pepsi and Coca-Cola, the Case of China. [online] Available at: http://www.thinkingbookworm.com/blog/2012/03/dissertation-proposal-consumer-behavior-research-a-comparative-research-analysis-of-buyer-behavior-o.html [Accessed 12 Dec. 2015].
- Thomas, R. (1999). Developing an ethical image: Managing your reputation via corporate branding. *J Brand Manag*, 6(3), pp. 198-210.
- Thurmond, V. (2001) 'The point of triangulation', *Journal of Nursing Scholarship*, 33(3), pp. 254-256.
- Tradingeconomics.com. (2015). *Population female (% of total) in Ireland*. [online] Available at: https://tradingeconomics.com/ireland/population-female-percent-of-total-wb-data.html [Accessed 11 Aug. 2017].
- Unido.org. (2017). What is CSR? [online] Available at: http://www.unido.org/csr/o72054.html [Accessed 21 April. 2017].
- Uran, S. (2011). *PRICE PROMOTION, QUALITY AND BRAND LOYALTY*.

  Business

- van de Brink, D., Odekerken-Schröder, G. and Pauwels, P. (2006). The effect of strategic and tactical cause-related marketing on consumers' brand loyalty. *Journal of Consumer Marketing*, 23(1), pp. 15-25.
- Ways2gogreen.com. (2017). Reduce, Reuse, Recycle Ways2GoGreen.com.

  [online] Available at:

  http://www.ways2gogreen.com/ReduceReuseRecycle.html [Accessed 25 Aug. 2017].
- Wei, Y., P. Egri, C. and Yeh-Yun Lin, C. (2014). Do corporate social responsibility practices yield different business benefits in eastern and western contexts? *Chinese Management Studies*, 8(4), pp. 556-576.
- White, K., MacDonnell, R. and H. Ellard, J. (2012). Belief in a Just World:

  Consumer Intentions and Behaviors toward Ethical Products. *Journal of Marketing*, 76, pp. 103-118.
- Wigley, S. (2008). Gauging consumers' responses to CSR activities: Does increased awareness make cents? *Public Relations Review*, 34(3), pp. 306-308.
- Willmott, M. (2003). 'Citizen Brands Putting Society at the Heart of your Business'. *Brand Management*, 11(1), pp.81-86.
- Yeh, Y. (2015). Corporate social responsibility and service innovation on customer loyalty. *International Journal of Bank Marketing*, 33(6), pp. 823-839.
- Yin, R. K. (2009), Case Study Research: Design and Methods, CS: Los Angeles.
- Yuen, K., Thai, V. and Wong, Y. (2016). Are customers willing to pay for corporate social responsibility? A study of individual-specific mediators. *Total Quality Management & Business Excellence*, pp. 1-15.
- Zegler, J. (2011). *Coca-Cola sees green*. [online] beverageindustry.com.

  Available at:

  http://file:///C:/Users/Vanessa/Documents/MASTERS%20CLASSES/Re
  search%20Methods/Dissertation/Coca%20Cola%20Articles/Articel%20%20Coca%20Cola%20sees%20green.pdf [Accessed 20 Jul. 2017].

## **Appendices**

## **Appendix 1: Questionnaire (English)**



Your feedback on the Coca Cola brand is extremely important in helping me carry out my research.

#### Research Outline:

The purpose of this research is to gain an insight and understanding into the link between Coca Cola's Corporate Social Responsibility practices and customer loyalty behaviours.

All people residing in Ireland who are over the age of 18 and who are consumers of Coca Cola are invited to complete this survey questionnaire.

All data collected will be analysed and later used as part of my Masters in Marketing.

Your contribution to my research is **completely anonymous**. I will not ask any identification questions such as name or contact details and it is important to note that when you access this survey through SurveyMonkey, your IP address will NOT be stored.

If at any time you decide you do not want to be involved in this research you can leave the survey. It is important to note that your participation is entirely voluntarily and greatly appreciated.

The final study results will NOT make reference to any individual participants.

Researcher: Vanessa Sleater
Institution: Institute of Technology Sligo
Contact Details: vanessasleater@gmail.com

Contact Details: vanessasleater@gmail.com
1. Do you purchase Coca Cola beverages? (If yes, please continue to complete this survey)
Yes
○ No
2. Are you Male or Female?
3. How old are you?
(18-28)
(29-38)
(39-48)
(49+)
4. Are you aware of the term Corporate Social Responsibility (CSR)?
Yes
○ No
O Sort of

5. The Coca Cola b	rand works wit	h/for organisa	tions such as th	e World Wild	life Fund
WWF)					
Yes Yes					
No No					
Don't know					
6. CSR beliefs (Coo	ca Cola's CSR t	owards Empl	oyees)		
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I believe that the Coca Cola brand treats employees fairly and complies with the Human and Workplace Rights standards	0	0	0	0	0
I believe that the Coca Cola brand enables the economic empowerment of women	0	0	0	0	0
I believe that the Coca Cola brand looks like a good company to work for	0	0	0	0	0
I believe that the Coca Cola brand is concerned to fulfill its obligations vis-a-vis its shareholders, suppliers, distributors and other agents with whom it deals	0	0	0	0	0
7. CSR beliefs (Coo	ca Cola's CSR t	towards Custo	omers)		
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I believe that the Coca Cola brand cares about the well-being of its customers	0	0	0	0	0
I believe that the Coca Cola brand behaves ethically/honestly with its customers	0	0	0	0	0
I believe that the Coca Cola brand provides low-calorie brand choices because it cares about the world's obesity crisis	0	0	0	0	0
I believe Coca Cola provides sufficient nutritional information on its packaging for its customers	0	0	0	0	0

## 8. CSR Beliefs (Coca Cola's CSR towards Society)

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree		
I believe the Coca Cola brand is a socially responsible brand	0	0	0	0	0		
I believe that the Coca Cola brand is concerned to improve general well-being of society	0	0	0	0	0		
I believe the Coca Cola brand has made a real difference through its socially responsible actions	0	0	0	0	0		
I believe the Coca Cola brand always respects the norms defined in the law when carrying out its activities	0	0	0	0	0		
I believe Coca Cola markets their brand responsibly	0	0	0	0	0		
I believe the Coca Cola brand directs part of its budget to donations and social works favouring the disadvantaged	0	0	0	0	0		
I believe the Coca Cola brand is concerned to respect and protect natural environment	0	0	0	0	0		
I believe the Coca Cola brand uses sustainable packaging	0	0	0	0	0		
I believe the Coca Cola brand is involved in sustainable agriculture	0	0	0	0	0		
I believe the Coca Cola brand tries to prevent climate change	0	0	$\circ$	$\circ$	0		
I believe the Coca Cola brand actively sponsor or finances social events (sport, music.)	0	0	0	0	0		
I believe respecting ethical principles in the Coca Cola brands relationships has priority over achieving superior economic performance	0	0	0	0	0		
9. Corporate Ability Beliefs							
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree		
Overall, the Coca Cola brand is of high quality	0	0	0	0	0		
The Coca Cola brand tastes good	0	0	0	0	0		

#### 10. CSR Attributions (Intrinsic) Strongly Disagree Disagree Uncertain Strongly Agree Agree The Coca Cola brand works with/for organisations such as World Wildlife Fund because it is genuinely concerned about being socially responsible The Coca Cola brand helps get people moving by supporting physical activity programs in every country where it does business because it is genuinely concerned about the obesity crisis 11. CSR Attributions (Extrinsic) Strongly Disagree Disagree Uncertain Strongly Agree This brand works with/for organisations such as World Wildlife Fund because it feels competitive pressures to engage in such activities The Coca Cola brand helps get people moving by supporting physical activity programs in every country where it does business because it feels competitive pressures to engage in such activities 12. Your CSR Support Do not support at all Do not support Uncertain Support Strongly Support To what extent do you support Coca Cola's partnership with the World Wildlife fund to "Protect the Polar Bear's"? 13. CSR Importance Not Important Not important at all Uncertain Important Very Important How important is environmental and social responsibility when buying a non-alcoholic beverage? 14. CSR Importance Never Uncertain Always Sometimes Do you think of CSR initiatives carried out by the Coca Cola company when purchasing the drink? 15. Customer Loyalty - Your satisfaction with the company Strongly Disagree Disagree Uncertain Agree Strongly Agree I am satisfied with the Coca Cola brand

16. Customer Loya	lty - Your ident	ification with	the company		
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I strongly identify with the Coca Cola brand	0	0	0	0	0
The Coca Cola brand fits my personality	0	0	0	0	0
My sense of this brand matches my sense of who I am	0	0	0	0	0
I feel good about being a customer of Coca Cola	0	0	0	0	0
17. Loyalty	0. 1.7				
I am loyal to the Coca Cola brand	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
18. Recommendation	on Behaviour				
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I would recommend the Coca Cola brand if somebody asked my advice	0	0	0	0	0
I talk favourably and say positive things about this brand to other people	0	0	0	0	0
16. Customer Loya	lty - Your ident	ification with	the company		
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I strongly identify with the Coca Cola brand	0	0	0	0	0
The Coca Cola brand fits my personality	0	0	0	0	0
My sense of this brand matches my sense of who I am	0	0	0	0	0
I feel good about being a customer of Coca Cola	0	0	0	0	0
17. Loyalty					
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I am loyal to the Coca Cola brand	0	0	0	0	0
18. Recommendation					
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I would recommend the Coca Cola brand if somebody asked my advice	0	0	0	0	0
I talk favourably and say positive things about this brand to other people	0	0	0	0	0

19. Repurchase Bel	naviour				
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
The Coca Cola brand is always my first choice when choosing a non-alcoholic beverage	0	0	0	0	0
I shall continue to buy the Coca Cola brand over the next few years	0	0	0	0	0
20. Your Commitm	ent to the Coca	Cola brand			
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
To me, Coca Cola is clearly the best brand on the market	0	0	0	0	0
21. Advocacy					
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I would like to try new products introduced under the Coca Cola brand name	0	0	0	0	0
If the Coca Cola brand did something I didn't like, I would be willing to give it another chance	0	0	0	0	0
22. CSR and Loyal	ty				
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I am loyal to the Coca Cola brand because I believe it is an ethical company (i.e. it always respects the norms defined in the law when carrying out its activities)	0	0	0	0	0
I am loyal to the Coca Cola brand because I believe it is environmentally responsible (i.e. it is concerned to respect and protect natural environment)	0	0	0	0	O
I am loyal to the Coca Cola company because I believe it is socially responsible (i.e., it directs part of its budget to donations and social works favouring the disadvantaged / it is concerned to improve general well-being of society).	0	0	0	0	0

23. Other	reasons for your loyalty to the Coca Cola brand
It tastes good	
O I love the bran	d
It brings me fo	belings of nostalgia
Other	
	Done
	Powered by SurveyMonkey
	See how easy it is to <u>create a survey</u> .

## **Appendix 2: Questionnaire (Spanish)**



Su opinión sobre la marca Coca Cola es muy importante en ayudarme a realizar mi investigación.

#### Esquema de investigación:

El propósito de esta investigación es obtener un conocimiento y comprensión en la relación entre las prácticas de Responsabilidad Social Corporativa de Coca Cola y cliente comportamientos de lealtad.

Todas las personas que son residentes en España que son mayores de 18 años y que son consumidores de Coca Cola están invitadas a completar este cuestionario.

Todos los datos recogidos serán analizados y más tarde como parte de mi maestría en Marketing.

Tu aporte a mi investigación es completamente anónima. No se pregunte cualquier duda de identificación tales como nombre o datos de contacto y es importante tener en cuenta que cuando usted accede a este estudio a través de SurveyMonkey, su dirección IP NO será almacenada.

Si en cualquier momento que usted decide que no desea participar en esta investigación se puede dejar la encuesta. Es importante tener en cuenta que su participación es totalmente voluntaria y muy apreciada.

Los resultados del estudio final NO hacen referencia a cualquier participantes individuales.

<u>Investigador:</u> Vanessa Sleater <u>Institución:</u> Institute of Technology Sligo <u>Contacto:</u> vanessasleater@gmail.com

Contacto: vanessasleater@gmail.com
* 1. ¿Consume usted productos de la marca Coca Cola? En caso afirmativo, por favor complete esta encuesta.
* 2. ¿Es usted hombre o mujer?
* 3. ¿En qué tramo de edad se encuentra?  (18-28) (29-38) (39-48) (49+)

* 4. RSC (Responsa	bilidad Social Co	orporativa) - (	Consciencia de	RSC	
	Lo ignoro por completo	No sé mucho	Sé algo	Sé bastante,	Estoy perfectamente informado
¿Estás informado sobre el significado del término Responsabilidad Social corporativa?					
* 5. La marca Coca		/para organiza	aciones tales co	mo Fondo Mu	ındial para la
Naturaleza (WWF					
* 6. Creencias sobre	e RSC - Emplead	OS	Ni de acuerdo ni en		
	Totalmente en desacuerdo	En desacuerdo	desacuerdo	De acuerdo	Totalmente de acuerdo
Creo que la marca Coca Cola trata a sus empleados de manera justa y coherente con los Derechos Humanos y del Trabajador	0	0	0	0	0
Creo que la marca Coca Cola ayuda al empoderamiento económico de la mujer	0	0	0	0	0
Creo que la marca Coca Cola parece una empresa buena para trabajar	0	0	0	0	0
Creo que la marca Coca Cola está preocupada por cumplir sus obligaciones frente a sus accionistas, proveedores, distribuidores y otros agentes con los que trata	0	0	0	0	0
* 7. Consciencia de	RSC - Cliente				
	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
Creo que la marca Coca Cola se preocupa por el bienestar de sus clientes	0	0	0	0	0
Creo que la marca Coca Cola se comporta de manera ética y honesta con los clientes	0	0	0	0	0
Creo que la marca Coca Cola ofrece una linea de productos bajos en calorías porque se preocupa por la pandemia de obesidad en el mundo.	0	0	0	0	0
Creo que la marca Coca Cola proporciona suficiente información nutricional en los embalajes de sus productos	0	0	0	0	0

## \* 8. Creencias sobre RSC - Sociedad

	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
Creo que la marca Coca Cola es una marca responsable desde un punto de vista social	0	0	0	0	0
Creo que la marca Coca Cola se preocupa por mejorar el bienestar de la sociedad	0	0	0	0	0
Creo que la marca Coca Cola ha impulsado cambios reales a través de sus acciones sociales	0	0	0	0	0
Creo que la marca Coca Cola siempre lleva a cabo sus acciones comerciales respetando el marco legal vigente	0	0	0	0	0
Creo que la marca Coca Cola comercializa su marca de manera responsable	0	0	0	0	0
Creo que la marca Coca Cola invierte parte de su presupuesto en donaciones y obras sociales que pretenden favorecer a sectores vulnerables de la sociedad	0	0	0	0	0
Creo que la marca Coca Cola se preocupa por elevar el nivel de bienestar social	0	0	0	0	0
Creo que la marca Coca Cola se preocupa por el respeto y la protección al medio ambiente	0	0	0	0	0
Creo que la marca Coca Cola emplea envases reciclables y sostenibles	0	0	0	0	0
Creo que la marca Coca Cola se involucra en políticas de agricultura sostenible	0	0	0	0	0
Creo que la marca Coca Cola intenta prevenir el cambio climático	0	0	0	0	0
Creo que la marca Coca Cola esponsoriza o financia eventos sociales (música, deporte)	0	0	0	0	0
Creo que para la marca Coca Cola los principios éticos son prioritarios respecto a la consecución de mejores resultados comerciales	0	0	0	0	O <sub>2</sub>

O. Creencias sobre	Habilidad Corp	oranva			
	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuero
En general, la marca Coca Cola es de alta calidad	0	0	0	0	0
La marca de Coca Cola sabe bien	0	0	0	0	0
0. Atribuciones so	obre RSC (Intrin	isecas)			
	Totalmente en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuero
La marca Coca Cola trabaja con'para organizaciones tales como el Fondo Mundial para la Naturaleza (WWF) porque se preocupa de manera sincera por ser responsable desde un punto de vista social	0	0	0	0	0
La marca Coca Cola ayuda a que las personas tengan vidas menos sedentarias mediante el apoyo a programas de actividad física en los diversos países en los que está presente porque está sinceramente preocupada por el aumento de la obesidad en el mundo.	0	0	0	0	0
11. Atribuciones s	obre RSC - (Ext	rínsecas)	Ni de acuerdo ni en desacuerdo	De acuerdo	Totalmente de acuerdo
La marca Coca Cola trabaja com/para organizaciones tales como el Fondo Mundial para la Naturaleza (WWF) debido a las presiones del mercado y de la competencia con otros fabricantes de productos similares	0	0	0	0	0
La marca Coca Cola ayuda a que las personas tengan vidas menos sedentarias mediante el apoyo a programas de actividad física en los diversos países en los que está presente debido a las presiones del mercado y de la competencia con otros fabricantes de productos similares		0	0	0	0

*	12. Apoyo a RSC					
		Muy Poco	Poco	Normal	Mucho	Muchísimo
	¿Hasta qué punto apoya la asociación de Coca Cola con el Mundial para la Naturaleza (WWF) para "proteger el oso polar"?	0	0	0	0	0
*	13. Importancia de	RSC				
		Totalmente nada importante	Nada importante	Incierto	Importante	Muy Importante
	¿Cuán importante es la responsabilidad ambiental y social al comprar una bebida no alcohólica?	0	0	0	0	0
*	14. Importancia de	RSC				
		Nunca	No	No sé	A veces	Siempre
	¿Piensa en las iniciativas de Responsabilidad Social Corporativa llevadas a cabo por la empresa Coca Cola al comprar la bebida?	0	0	0	0	0
*	15. La lealtad del c	liente - Su satis	sfacción con la	empresa  Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
*	15. La lealtad del c  Estoy satisfecho con la marca Coca Cola			Ni de acuerdo ni en	De acuerdo	Muy de acuerdo
	Estoy satisfecho con la marca	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo  De acuerdo	Muy de acuerdo
	Estoy satisfecho con la marca Coca Cola	Muy en desacuerdo  liente - Su ider	En desacuerdo  outidad con la en	Ni de acuerdo ni en desacuerdo  npresa  Ni de acuerdo ni en	0	0
	Estoy satisfecho con la marca Coca Cola  16. La lealtad del c  Me identifico con la marca Coca	Muy en desacuerdo  liente - Su ider	En desacuerdo  outidad con la en	Ni de acuerdo ni en desacuerdo  npresa  Ni de acuerdo ni en	0	0
	Estoy satisfecho con la marca Coca Cola  16. La lealtad del c  Me identifico con la marca Coca Cola  La marca Coca Cola se adapta a	Muy en desacuerdo  liente - Su ider	En desacuerdo  outidad con la en	Ni de acuerdo ni en desacuerdo  npresa  Ni de acuerdo ni en	0	0
	Estoy satisfecho con la marca Coca Cola  16. La lealtad del c  Me identifico con la marca Coca Cola  La marca Coca Cola se adapta a mi personalidad  Mi sentido de esta marca coincide	Muy en desacuerdo  liente - Su ider	En desacuerdo  outidad con la en	Ni de acuerdo ni en desacuerdo  npresa  Ni de acuerdo ni en	0	0

17. Lealtad					
	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
Soy leal a la marca de Coca Cola.	0	0	0	0	0
* 18. Comportamient	to de Recomen	dación			
	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
Recomendaría la marca de Coca Cola si alguien me pidió mi consejo	0	0	0	0	0
Hablo favorablemente y digo cosas positivas sobre esta marca a otras personas	0	0	0	0	0
* 19. Comportamient	to de recompra				
	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
La marca Coca Cola es siempre mi primera opción al elegir una bebida sin alcohol	0	0	0	0	0
Seguiré comprando la marca Coca Cola en los próximos años	0	0	0	0	0
* 20. Compromiso					
	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
Para mi, Coca Cola es claramente la mejor marca del mercado	0	0	0	0	0
* 21. Abogacía			Ni de acuerdo ni en		
	Muy en desacuerdo	En desacuerdo	desacuerdo	De acuerdo	Muy de acuerdo
Me gustaría probar nuevos productos introducidos bajo la marca Coca Cola	0	0	0	0	0
Si la marca Coca Cola hizo algo que no me gustó, estaría dispuesto a darle otra oportunidad	0	0	0	0	0

## \* 22. RSC y fidelidad del cliente

	Muy en desacuerdo	En desacuerdo	Ni de acuerdo ni en desacuerdo	De acuerdo	Muy de acuerdo
Soy fiel a la marca Coca Cola porque creo que es una empresa ética (es decir, siempre respeta las normas definidas en la ley al llevar a cabo sus actividades)	0	0	0	0	0
Soy leal a la marca de Coca Cola porque creo que es ambientalmente responsable (es decir, se trata de respetar y proteger el medio ambiente natural)	0	0	0	0	0
Soy fiel a la compañía Coca Cola porque creo que es socialmente responsable (es decir, dirige parte de su presupuesto a donaciones y trabajos sociales que favorezcan a los más desfavorecidos / se trata de mejorar el bienestar general de la sociedad).	0	0	0	0	0

## \* 23. Soy leal a la marca Coca Cola por otras razones

0	Sabe bien
0	Me encanta la marca
0	Me trae sentimientos de nostalgia
$\bigcirc$	Otro



## **Appendix 3: Survey Results**

The following survey results did not generate enough valuable information to be input into chapter 4 but did generate some key points which can be seen in the first table in chapter 5.

## 3.1 Questionnaire Theme 1 – CSR

## 3.1.1 Corporate Ability Beliefs

The following figure shows dominantly through all age groups surveyed that the majority either agreed or strongly agreed that Coca-Cola is of high quality and tastes good.

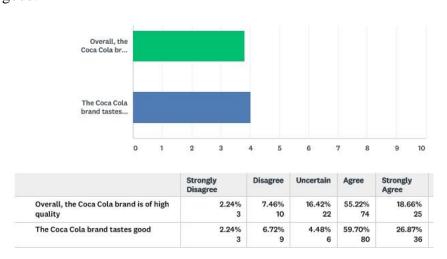


Figure 1: Irish Consumers Corporate Ability Beliefs

The following figure shows dominantly through all age groups surveyed that most of the Spanish respondents agreed that Coca-Cola is of high quality (76% agreed) and tastes good (73% agreed).

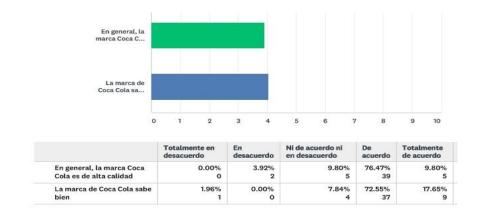


Figure 2: Spanish Consumers Corporate Ability Beliefs

## **Discussion:**

The majority of both Irish and Spanish consumers either agreed or strongly agreed that Coca-Cola is of high quality and tastes good.

## 3.2 Questionnaire Theme 2 - Customer Loyalty

## 3.2.1 Customer Satisfaction

The following figure shows the Irish respondents' satisfaction levels with the Coca-Cola brand.

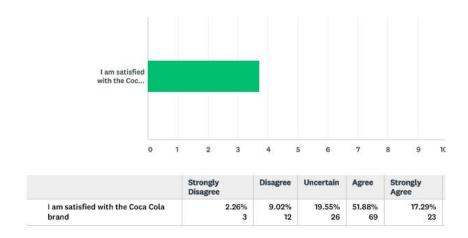


Figure 3: Irish Customers' level of Satisfaction with the Coca-Cola brand

As presumed, over half of the respondents (52%) agreed they were satisfied with the Coca-Cola brand, followed by 20% being uncertain, and 17% strongly agreeing to be satisfied, with only11% showing a negative response (2% of which strongly disagreed to being satisfied).

The following figure shows the Spanish respondents' satisfaction levels with the Coca-Cola brand.

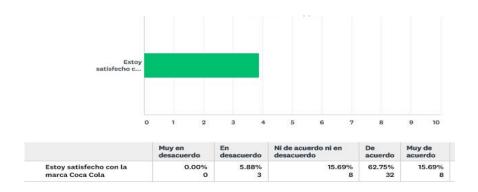


Figure 4: Spanish Customers' level of Satisfaction with the Coca-Cola brand

As presumed, over half of the respondents (63%) agreed to be satisfied with the Coca-Cola brand, followed by 16%% strongly agreeing to be satisfied, and also 16% being uncertain, with only 6% showing a negative response, which were made up of 18-28-year-old female respondents (0% of which strongly disagreed to being satisfied).

**Discussion:** The satisfaction levels of both samples were high. Customer satisfaction and Customer loyalty are highly correlated (Hallowell, 1996; Athanassopoulos et al., 2001; Hur et al., 2013) and as such customer satisfaction is a good basis for loyalty (Bloemer et al., 1998; Pont & McQuilken, 2005; Shin and Thai, 2014, p. 383). It is important to note that satisfaction has been found to be a mediator between CSR and customer loyalty in many cases.

As previously noted in chapter 2, brand loyalty has been a popular research area for decades, and concepts such as satisfaction, trust, repurchase behaviour, and positive brand image have been associated with brand loyalty as antecedents of the concept (Demirbag-Kaplan, Yildirim, Gulden, and Aktan, 2015, p.136). In this case, Irish and Spanish Coca-Colas consumers showed a high level of satisfaction with the brand.

### 3.2.2 Customer Loyalty

The figure below shows Irish respondents' responses to their customer loyalty levels.

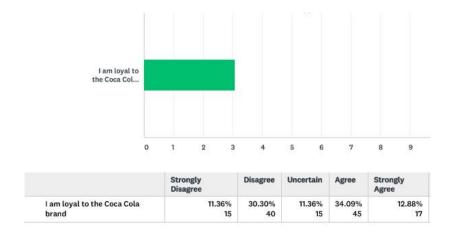


Figure 5: Irish Customers' level of Loyalty to the Coca-Cola brand

34% of respondents agree to be loyal to the Coca-Cola brand, followed by 30% disagreeing they are loyal. The responses of respondents varied a lot in age, however, it was found that the majority who disagreed and strongly disagreed were from the 18-28-year-old respondents.

The figure below shows Spanish respondents' responses to their customer loyalty levels.

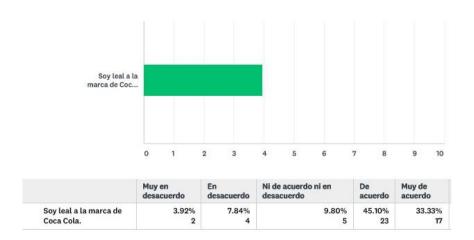


Figure 6: Spanish Customers' level of Loyalty to the Coca-Cola brand

45% of respondents agreed to be loyal to the Coca-Cola brand, followed by 33% strongly agreeing to be loyal. The majority of the 12% who disagreed and strongly disagreed were from the 18-28-year-old respondents.

**Discussion:** Both samples showed comparable results, where the majority of respondents agreed to being loyal to the brand, however, 30% of Irish people disagreed with being loyal to the brand, whereas only 8% of Spanish respondents disagreed. From the results above, it could be said that the younger respondents were more prone to switch products due to lower prices of non-brand name Colas, whereas the respondents over the age of 28 tended to be more loyal to one brand, which could be seen as typical of people in today's European societies.

**Key Point:** With all the previous key points in mind, Coca-Cola should take into consideration the findings from this and other studies, indicating that "CSR is also an effective way of enhancing brand loyalty in today's consumerist society because the consumer is paying increasingly more attention to social issues, such as environment protection, education and so on" (He and Lai, 2012 pp.249-263).

#### 3.2.3 Brand Commitment

The figure below shows the Irish respondents' commitment to the Coca-Cola brand.

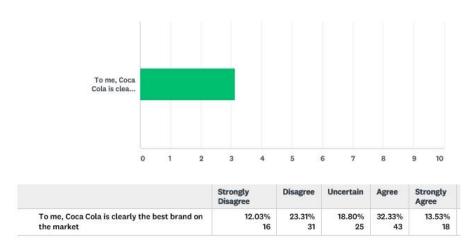


Figure 7: Irish Consumers' level of Commitment to the Coca-Cola brand

The above figure shows that 32% of respondents agreed that, to them, Coca-Cola is clearly the best brand on the market. The majority of respondents who agreed or strongly agreed were mainly females from all ages but particularly 18-28-year olds.

The figure below shows the Spanish respondents commitment to the Coca-Cola brand.

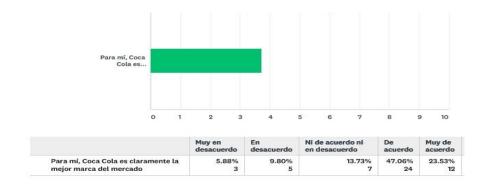


Figure 8: Spanish Consumers' level of Commitment to the Coca-Cola brand

Figure 8 shows that 47% of respondents agree that, to them, Coca-Cola is clearly the best brand on the market. The majority of respondents who agreed or strongly agreed were both 18-28-year-old male and females.

**<u>Discussion:</u>** From both samples, it was found that the higher percentage of respondents agreed that Coca-Cola is the best brand on the market and these were predominantly females of all ages; in particular, from the ages of 18-28.

Early research carried out by Keller and Aaker (1992) and Brown and Dacin (1997), indicated that the perception of socially responsible behaviour can strengthen the commitment towards a brand, since it transmits a character of differentiating values (Turban and Greening, 1997), respect for the consumers and concern to serve them correctly, as well as complying with quality standards; explaining why customers reward the company's CSR efforts with loyalty towards the particular firm (Maignan et al., 1999).

Commitment has also been an established mediator between perceived CSR and attitudinal loyalty (Bartikowski & Walsh, 2011; Lacey & Kennett-Hensel, 2010; Lacey et al., 2010).

Younger females showed more commitment to the brand and this seems to be due to having high CCI with the Coca-Cola brand. Highly committed customers are likely to help the company attract and retain other customers by engaging in positive word of mouth communication (Lacey & Kennett-Hensel, 2010)

Key Point: CSR can strengthen the commitment to the brand, as it transmits a character which respects consumers and serves them correctly. As many respondents are unaware of Coca-Cola's CSR practices, it was not initially clear whether the respondents who are committed to the brand are committed due to their CSR practices or for other reasons; however, through further analysis, it was found that many of the females who were aware of Coca-Cola's CSR activities did show commitment to the brand, whereas those who were unaware of Coca-Cola's CSR practices tended to be uncertain or show no commitment to the brand, which further indicated the need for a better communication of Coca-Cola's CSR activities.

## **3.3** Questionnaire Theme 3 - The link between CSR practices and Customer Loyalty

## 3.3.1 CSR and Customer Loyalty in Ireland.

This section presents a more in-depth analysis of the link between Coca Cola's CSR practices and Irish respondents Customer Loyalty.

## a. Loyalty due to Coca-Cola being an Ethical Company

25% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they are an ethical company, whereas 42% disagree/strongly disagree. The majority of respondents who were uncertain if they are loyal to the brand because they believe they are an ethical company, were predominantly 18-28-year-old females and males, but also included many females from the 29-38 age group and males from the 39-48 age group. The majority of respondents who agreed/strongly agreed were mainly female respondents from the all age categories but particularly the age categories of 29-38, 39-48, and 48+; just under 50% of respondents who disagreed/strongly disagreed were 18-27-year-old females.

### b. Loyalty due to Coca-Cola being Environmentally Responsible

24% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they are environmentally responsible, whereas 38% disagree/strongly disagreed. Again, the majority of respondents were uncertain whether they were loyal to the brand because they believed they were environmentally responsible; these were predominantly 18-28-year-old females and males, but also included many females from 29-38 age group and males from the 39-48 age group. The majority of respondents who agreed/strongly agreed were mainly female respondents from the all age categories but again particularly age categories of 29-38, 39-48, and 48+; just over 50% of respondents who disagreed/strongly disagreed were 18-27-year-old females

## c. Loyalty due to Coca-Cola being Socially Responsible

26% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they were socially responsible, whereas 38% disagree/strongly disagreed. Again, the majority of respondents who were uncertain whether they were loyal to the brand, because they believed they were socially responsible, were mainly the younger respondents, both females and males, but also included many females from all age groups; in this scenario, there were more males from the 39-48 age group.

The majority of respondents who agreed/strongly agreed were mainly female respondents from the all age categories and the respondents who disagreed/strongly disagreed were mainly 18-27-year-old females but included both genders from all age groups.

## 3.3.2 CSR and Customer Loyalty in Spain.

This section presents a more in-depth analysis of the link between Coca Cola's CSR practices and Spanish respondents Customer Loyalty.

## a. Loyalty due to Coca-Cola being an Ethical Company

31% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they are an ethical company, whereas 34% disagree/strongly disagreed. The majority of respondents who were uncertain in this instance were 18-28-year-old females and males; the majority of respondents who agreed/strongly agreed were both male and female respondents from the age categories of 29-38, 39-48, and 48+; over 50% of respondents who disagreed/strongly disagreed were 18-27-year-old females.

## b. Loyalty due to Coca-Cola being Environmentally Responsible

20% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they are environmentally responsible, whereas 34% disagree/strongly disagreed. Again, the majority of respondents who were uncertain whether they were loyal to the brand because they believe they are environmentally responsible were 18-28-year-old females and males; the majority of respondents who agreed/strongly agreed were both male and female respondents from the age categories of 29-38, 39-48, and 48+; approximately 60% of respondents who disagreed/strongly disagreed were 18-27-year-old females.

### c. Loyalty due to Coca-Cola being Socially Responsible

Lastly, 32% agree/strongly agreed to being loyal to the Coca-Cola brand because they believe they are socially responsible, whereas 34% disagree/strongly disagree. Very similar to the last 2 cases, the majority of respondents who were uncertain whether they were loyal to the brand because they believe they are socially responsible were 18-28-year-old females and males, the majority of respondents who agreed/strongly agreed were both male and female respondents from the age categories of 29-38, 39-48 and 48+; over half of respondents who disagreed/strongly disagreed were 18-27-year-old females.

## 3.3.3 Other reasons for Loyalty

The following figure illustrates other reasons for Irish consumers' loyalty to the brand.

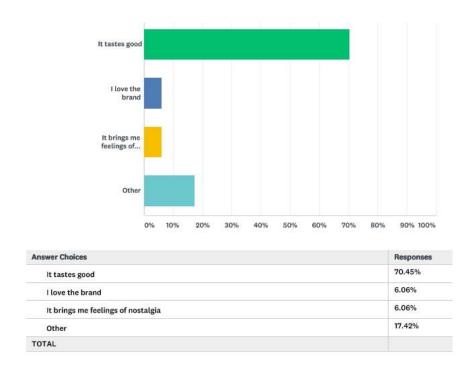


Figure 9: Other Reasons for Irish Consumers' Loyalty to the Coca-Cola brand

70% of respondents stated their loyalty to the brand to be due to the drink tasting good.

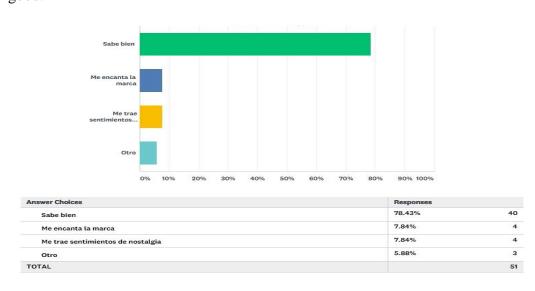


Figure 10: Other reasons for Spanish Consumers Loyalty to the Coca-Cola brand

78% of respondents stated their loyalty to the brand to be due to the drink tasting good; all ages and both genders.

<u>Discussion:</u> Over 70% of both sample respondents stated that another reason they were loyal to the brand was because it tastes good. A direct link between Coca-Colas CSR practices and Irish and Spanish consumers' loyalty is not very clear therefore, this study has found that CSR may not directly lead to loyalty unless it is mediated by communication.

## Appendix 4: Screenshot of Email to Coca-Cola Manager

Coca-Cola was contacted for an interview on behalf of the researcher. After multiple non-responses, the researcher also tried to contact a manager from the Coca-Cola company however, again there was no response.



## Appendix 5: Transcription of In-depth Interview with CSR Expert

## A. CSR

### Awareness of CSR

1. Do you believe most Irish people are aware of the term Corporate Social Responsibility (CSR) nowadays?

"I think there is a mixed awareness of CSR. There is probably a variance among the general public. I would guess there is a consumer group about 20% who are highly clued into CSR. Then a mix of medium and then another group about 20% who are quite unaware".

**2.** Do you believe the majority of Spanish people are aware of the term Corporate Social Responsibility (CSR) nowadays?

"Not aware of Spanish studies in this area. Would think there is quite a similar trajectory of Ireland and UK, where 20% are highly aware and then medium majority followed by 20% who are unaware".

3. Questions will be asked in general, not specific to any country however focusing on a view of European consumers.

4. Do you believe Coca-Cola consumers are aware that the Coca-Cola brand

#### Awareness of Coca-Cola's CSR

brand impact".

works with/for organisations such as the World Wildlife Fund (WWF)?

"I think some consumers are aware of this-but again it is probably quite mixed. For example, people who are aware of the work of the WWF and/or those who are WWF supporters would be more engaged with this. A lot of the Coca-Cola work with WWF is about consumer engagement, where there is a win-win, consumer engagement is enhanced and brand reputation is built. Not sure of the span of consumer impact-might be a niche group. I

believe there is potential to improve consumer awareness and subsequently

5. What sort of effect do you think being involved with these organisations has on the consumers?

"This can have many beneficial impacts on consumers. NGO's and NON-PROFITs can gain brand awareness, which can raise finance, gain publicity etc. The company can be viewed as more socially responsible, ethical and caring. They can deliver on their social contract. Financial contributions from the company can show they are committed to the good causes etc. Many companies engage with this activity whereby there is a link. E.G.

Concern and Tipperary bottled water has obvious mutual benefits, Pampers and UNICEF. Most companies will be careful to choose the correct fit when deciding on a good cause. Companies that are serious about this, should have a 360-degree approach, otherwise it could be seen as lip service or not genuine".

#### **CSR** beliefs

## Ethical - Legal - Philanthropic Responsibility

## **Employees**

- 6. Do you believe the Coca-Cola brand makes consumers aware of its CSR practices towards it employees?
  - "Don't think so I would say I strongly disagree".
- 7. What do you believe Coca-Colas motives are for being so socially responsible towards its employees?

"In services marketing the service profit chain by Heskett et al (1994) suggests happy internal customers means happy external customers. From my knowledge, I think COCA-COLA are genuine when it comes to employees. I know a few people who work with company and are happy. I think they got awards for great places to work. We should remember there is always room for improvement. Maybe this could be further academic research. There could be more models developed for internal CSR practices etc.as I don't think this area is overly researched".

#### Customers

8. Do you believe the Coca-Cola brand makes consumers aware of its CSR practices towards its customers?

"Yes, Coca-Cola has always used advertising quite well. The brand itself is central to all its advertising and promotional messages. But, if there was a prize to be awarded for best CSR and brand ad linkages, I don't think first prize would go to Coca-Cola.

At the moment SKY is running a good ad campaign about OCEAN Rescue and plastics polluting the marine life. This in my view might be a more effective promotion for a good cause. I know it's a media company but think the impact might be higher than say the Coca-Cola save the polar bear campaign.

Coca-Cola often use the polar bear in Christmas ads etc and the idea was good, but in practice the engagement, creativity and impact could be more fine-tuned and perhaps ultimately more effective.

As such a successful brand, it's a pity that this message was not delivered more effectively".

# 9. What do you believe Coca-Colas motives are for being so socially responsible towards its customers?

"It's probably a mixture, some is altruistic, some is brand management and building brand reputation. CSR can be seen as something that is in vogue, but perhaps to be highly effective it should be highly integrated across the whole corporation and the brand. I know currently Coca-Cola is working on replacing plastics, and water and carbon use, which is good, but there is still more potential for leadership. Coca-Cola has the skills, creativity and resources to lead out and set standards for the food and beverage sector.

Consumer engagement is very much in focus among marketing professionals. All activities that enhance engagement with consumers are important aspects of the work of marketing professionals.

Branding is about winning consumer hearts and minds, CSR appeals to both the cognitive and emotional layers of consumer buyer behaviour. Many studies have confirmed that consumers want to support companies that care about people and planet. Companies who ignore CSR and ethics may face a consumer boycott, no company wants to be in this position. Ultimately, it's about brand trust. A trusted brand with a good reputation has lots of goodwill. It has to be genuine as consumers are intelligent, and should be served. Brands serve individual customers and collectively via society. It can be argued that the Societal Marketing Concept is now more relevant, as

consumers are more demanding, and company trust has to be earned and maintained".

### **Society**

10. Do you believe the Coca-Cola brand makes consumers aware of its CSR practices towards society?

"Yes, to a certain extent, but this is not exhausted. Similar to above, companies may hesitate to overdo this, in case they think, that consumers might view this a just a sales tactic. I think it is all about the brand. If the brand values reflect ethics and CSR then any reference to CSR practices etc. are aligned. If the brand values are not CSR rooted, and intensive ads refer to CSR activities, then this is misaligned and problems will occur. Hence, we are back to corporate values, brand values and if there is integration, strategic support etc compared to lip-service etc".

11. What do you believe Coca-Colas motives are for being so socially responsible towards society?

"I would say they are genuine, building brand reputation etc. they are happy to engage with CSR actions. All companies will probably have critics, but corporations are there to make a profit-how the profit is made is important. This is where genuine buy-in to CSR is different to 'jumping on the bandwagon', if it's integrated and strategic that's where to start. Just like quality, this needs to be continually improved. Some studies might suggest authentic CSR could increase profits, sales and market share-there could be an added commercial benefit".

### **Corporate Ability Beliefs**

12. Do you think Coca-Cola consumers are more interested in choosing the brand for the quality and taste of the beverage over the CSR practices carried out by the company?

"A niche set of consumers will buy the product for CSR reasons exclusively. I think most consumers will focus on quality and taste, but among competitors, if those are equal then CSR practices can give a company the commercial edge.

Some companies build their brand on CSR activities. As Coca-Cola is an already established brand, this is what makes it for a really interesting case study for CSR. A sugary beverage in a world with obesity and healthy eating is a challenge. The company has responded with healthier alternatives, etc. So, you could say CSR is evident in product selection. Water and Carbon issues are also in focus at the company but maybe not at a consumer level. There are more CSR opportunities that could be taken on board by the company that could help brand reputation in the future".

#### **CSR Attributions**

13. Do you think Coca-Cola carries out CSR practices Intrinsically or Extrinsically?

"Don't have a lot of knowledge on intrinsic, but would think they do both, but perhaps to a limited extent. Think there is much potential to do a lot more.

Think about all the areas of impact and how there is so much opportunity. Real possibility for leadership in the marketplace etc".

14. Do you believe their CSR practices are portrayed as Intrinsic or Extrinsic to consumers?

"I think in terms of consumers it's probably extrinsic. Think for example of the WWF and other projects.

I do think as referred to previously, there is opportunity for more of both".

## **CSR Support**

15. To what extent do you believe consumers support Coca-Cola's partnership with the World Wildlife fund to "Protect the Polar Bear's"?

"I think I checked the relevant website a few times and what I recall the response was ok but not outstanding. An examination of this could be an interesting case study. Perhaps there was scope to embed the campaign in a more exciting and creative manner.

I don't think this had the same impact as 'name on bottle' promotion.

Consumers could donate to the WWF-but maybe the campaign needed more of a buy-in, more imagination might have increased impact".

## **CSR Importance**

# 16. What importance do you think consumers place on environmental and social responsibility when buying a non-alcoholic beverage?

"Not sure if this link is direct or indirect. For some consumers, possibly a minority this is essential. For other consumers, another minority this is not relevant. For the majority of consumers this is partially relevant. For marketing professionals working with a brand who is serious about CSR this could be a key part of their role. It's a marketing job, making the consumer more aware of environmental and social issues. If it's not on the consumer horizon, it may become the role of the CSR marketer to make it relevant-this could give a brand a competitive edge, once the company is holistic and genuine. We know new brands can be built on CSR but it's a bit different for established successful brands. The role of consumer advocacy may come into play here. The marketer needs to see everything in business through the eyes of consumers! This does involve challenge and leadership. Coca-Cola is very well placed to take on this brand leadership role".

# 17. Do you think consumers think of CSR initiatives carried out by the Coca-Cola company when purchasing the drink?

"Some consumers do, others don't. We need to remember if all things are equal such as price, quality etc. then CSR can help differentiate brands. If we think of our world today, there are numerous issues that are directly relevant to Coca-Cola and people that the company can engage with. Coca-Cola has some really old ads where it brings all people from around the world together. When I think of Coca-Cola as a brand personality it's a

young, trendy, fun-loving, but also a caring, genuine person who respects others and cares about the planet. Does the company currently articulate this brand persona fully, in its CSR activities? Partially yes, but there is room for improvement. Once again, it's about leadership. Coca-Cola is universally understood and a loved brand, the company has engaged in CSR activity to a reasonable extent. If you think of models of CSR, there is still potential to leverage CSR in practice to a greater extent. This could be interesting when you think of different international markets where the company has a core CSR strategy but variances can occur to fit local consumer demands".

## **B.** Customer Loyalty

## **C-C** identification

# 18. To what extent do you believe Customer-Company Identification leads to loyalty?

"This is hugely important. In my view, there is a very strong link. Many consumers love brands and have psychological ownership of the brand. Think of brand loyalty. It's really interesting when you consider taste tests between Coca-Cola and Pepsi- (some reports suggest that Coke fans, when given a blind taste test, they prefer Pepsi). As a marketing lecturer, I often refer to Coca-Cola as a brand who is quite good at marketing-they are cool, relevant, distinctive, engaging and know how to build relationships. The next phase of building the identification link might be doing more to further embed CSR with the brand both intrinsically and extrinsically. This could a way for the brand to build its reputation for the future".

## **Attitudinal and Behavioural Loyalty**

# 19. What's your opinion on Coca-Cola's CSR practices leading to Attitudinal Loyalty and/or Behavioural Loyalty?

"This is a really interesting question, given what we know from theory that there can be a gap between attitude and behaviour. I think Coca-Cola in general would have good attitudinal and behavioural loyalty, but I am not sure what is the precise loyalty impact with regards to CSR. Perhaps current

CSR practices might boost attitudinal CSR but perhaps behavioural loyalty might be effected to a lesser extent. This could be the subject of a more investigation".

### Advocacy

20. Do you think that with more ethical consumers emerging, if Coca-Cola did something wrong, consumers would give it another chance or do you think it would affect the brand reputation and customer loyalty more nowadays than in the past?

"When I think of this I recalled the recent Volkswagen emissions scandal. So, I would say that a strong brand, can withstand a certain amount of negative publicity. Even with the strongest brands, this is only to a limited extent. Negative publicity can go viral very quickly and this could destroy the reputation of a brand. Once this occurs it can be costly to recover. Customer loyalty would be effected".

## C. CSR and Customer Loyalty

21. What's your opinion on consumers being loyal to the Coca-Cola brand due to it being an ethical company (i.e. it always respects the norms defined in the law when carrying out its activities)

"This is difficult to answer. I would guess that some consumers are highly responsive to CSR efforts, but a lot of consumers simply love the Coca-Cola brand. Without in-depth investigation, we don't know if the loyalty is due to the brand itself or the CSR with the brand. The CSR effect may be an essential ingredient to brand success or may be incidental to brand success. Meeting the legal requirements and standards is very basic CSR. A truly genuine CSR brand will go way beyond this to strategic level etc. I think at least in theory as consumers are more aware of CSR, and the consequences of poor practice then CSR expectations will rise".

22. What's your opinion on consumers being loyal to the Coca-Cola brand due to it being environmentally responsible (i.e. it is concerned to respect and protect natural environment)

"I think this varies amongst consumers. Many are very concerned about the planet, others less so. The reality is that companies and brands who want to be successful cannot afford to disrespect the planet. Ultimately people are effected by environmental damage etc. There are numerous ways Coca-Cola can help-we see some work here, but this is not exhaustive. Much more could be done. Herein, we can see the educational and advocacy role for Coca-Cola. If consumers are not aware of issues about the planet then they are not concerned. Socially responsible marketers take account of the supply chain and the value chain and tell consumers how the brand respects the earth's resources. Here the principle of sustainability is evident. Again, think of the brand personality-Coca-Cola has a strong image and identity. It would not be too difficult to further embrace the message of looking after the planet and part of the brand values. This is already evident through various incentives at Coca-Cola but it's about taking the next steps and integrating this further".

23. What's your opinion on consumers being loyal to the Coca-Cola company due to it being socially responsible (i.e., it directs part of its budget to donations and social works favouring the disadvantaged / it is concerned to improve general well-being of society).

"I am not sure what is the exact impact of this-it is good for the company and the image.

From a critical perspective, it would be interesting to find out what percentage of sales or profits are donated. I know this is a commercial brand and not a charity, but is there scope to do some more work here? Financial donations to good causes is welcome, but all companies need to constantly review why and how they are doing in this regard. It would be interesting to examine the contributions of various global brands and see what is the percentages across sectors etc. I think consumers welcome such donations, but not sure if this is a key decision criterion or an add-on. Marketers need

to make sure that donations are good value for money for the company and ones that make a real difference within communities. Furthermore, integration is key here. On its own, while such donations help, it would be viewed as lip-service if a company does not deliver CSR throughout its value-chain and across all marketing activities".

## 24. Do you think consumers are more loyal to the Coca-Cola brand for other reasons such as?

- -The taste
- -The brand
- -Feelings of nostalgia
- -Other.

"I think all of the above have a very strong impact on loyalty. These do not exclude CSR but if these are not present I am not sure that CSR on its own would deliver loyalty. Customer loyalty can be a combination of overlapping factors where the functional side of the brand has to work, equally no great brand is ever really established without great emotional connectivity. So, I guess the question might be where does CSR fit? Is CSR part of the functional or the emotional side of the brand?

I would say at least theoretically that CSR is both at functional and emotional levels.

Think about the basic Coca-Cola brand-the sourcing of ingredients, the production of the container etc all has CSR components inherently attached.

In addition, when people emotionally connect with the Coca-Cola brand, then herein is also a role for CSR. If people love the Coca-Cola brand and are authentically loyal to a brand, then CSR can make a useful contribution at this level also. Coca-Cola is about people, happiness and sharing the fun. In a world, full of ecological issues and consumers wanting higher standards, there is an opportunity to respond in a way that Coca-Cola can-it knows about connectivity, relationships and engagement. It's all about advocacy, attitude and altruism. If any brand can excel at CSR, Coca-Cola

has real potential. It's time for them to further meet this leadership challenge"!

## **Appendix 6: Summary of the Study**

The following figure summarizes this study.

Figure: Summary of the study determining the link between CSR and Customer Loyalty - A case study on Coca-Cola comparing Irish and Spanish consumers responses.

Author	Setting	Aspect of CSR	Discovered	Loyalty	Key Finding
			Mediator	Outcomes	
Sleater, V. (2017)	Non- Alcoholic Beverage Industry	CSR perceptions	CSR awareness achieved through communication	Loyalty	There is an indirect link between Coca Colas CSR practices and customer loyalty when mediated by "communication" of the companies CSR activities which builds consumers awareness of CSR practices.