

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE
MASTER OF BANKING AND FINANCE PROGRAMME**

**CORPORATE SOCIAL RESPONSIBILITY OF CUSTOMER
LOYALTY AT CB BANK: THE MEDIATING ROLE OF BRAND
IMAGE**

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ABSTRACT

The purpose of the study is to identify the effect of corporate social responsibility of CB Bank on customer loyalty through mediating role of brand image. Study focuses on the economic responsibility, ethical responsibility, legal responsibility, philanthropic responsibility, as CSR dimensions which effect on customer trust and customer loyalty. Structured questionnaire was applied for primary data collection. Data is collected based on 172 numbers of respondents who are employees of CB Bank. Required sample size was collected by simple randomly sampling method. By the use of descriptive research method, study explores the variables of economic responsibility, ethical responsibility, legal responsibility, and philanthropic responsibility as important CSR responsibility relating to brand image and customer loyalty of CB Bank. Regression analysis explains the strong variation of brand image by the effect of CSR responsibility. Apart from ethical factor, economic, legal and philanthropic responsibility have significant variation on brand image. In the analysis of CSR activities on customer loyalty variable the regression analysis explores the significant effect of economic and philanthropic variables on bank customer loyalty. The regression analyses explain the strong variation of brand image and customer loyalty by the effect of philanthropic responsibility of CB Bank. Study finds out that the brand image of CB Bank has partially mediating effect on the relationship between CSR activity and customer loyalty because the relationship still exists between CSR activity and customer loyalty.

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TABLE OF CONTENTS

	Page
ABSTRACT	i
ACKNOWLEDGEMENTS	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	v
LIST OF FIGURES	vi
ABBREVIATIONS	vii
CHAPTER I INTRODUCTION	1
1.1 Rationale of the Study	2
1.2 Objective of the Study	3
1.3 Scope and Method of the Study	3
1.4 Organization of the Study	4
CHAPTER II LITERATURE REVIEWS	5
2.1 Corporate Social Responsibility (CSR)	5
2.2 Theoretical Background of Corporate Social Responsibility (CSR)	5
2.3 CSR Activity, Brand Image and Customer Loyalty	7
2.4 Previous Studies	8
2.5 Conceptual Framework of the study	10
CHAPTER III CSR ACTIVITIES OF CB BANK	12
3.1 Profiles of CB Bank	12
3.2 CSR Activities of CB Bank	13
CHAPTER IV ANALYSIS OF THE EFFECT OF CSR ACTIVITIES ON CUSTOMER LOYALTY	17
4.1 Research Design	17
4.2 Demographic Profile Analysis	18
4.3 Descriptive Analysis on CSR Activities of CB Bank	19
4.4 Reliability Analysis of the Factors	26

4.5	Analysis of the Effect of CSR Activities on Customer Loyalty	28
4.6	Mediating Effect of Brand Image on the Relationship between CSR Activities and Customer Loyalty	35
4.7	Path Analysis of Mediating Effect of Brand Image on the Relationship between CSR Activities and Customer Loyalty	36
CHAPTER V	CONCLUSION	37
5.1	Findings and Discussion	37
5.2	Suggestions and Recommendations	40
5.3	Needs for Further Studies	41
REFERENCES		
APPENDIX		

LIST OF TABLES

Table No.	Title	Page
4.1	Demographic Profile Analysis	18
4.2	Economic Responsibility	20
4.3	Analysis on Ethical Responsibility	21
4.4	Analysis on Legal Responsibility	22
4.5	Analysis on Philanthropic Responsibility	23
4.6	Analysis on Customer Loyalty	24
4.7	Brand Image	25
4.8	Reliability Analysis	26
4.9	Relationship between CSR Activities and Brand Image	27
4.10	Relationship between CSR Activities and Customer Loyalty	28
4.11	Effect of CSR Activities on Brand Image	29
4.12	Effect of CSR Activities on Customer Loyalty	30
4.13	Combined Effect of CSR Activities on Customer Loyalty	32
4.14	Effect of CSR on Brand Image	33
4.15	Effect of Brand Image on Customer Loyalty	34
4.16	Mediating Effect of Brand Image	35

LIST OF FIGURES

Figure No.	Title	Page
2.1	Carroll's The Pyramid of Social Responsibility	6
2.2	Study Model of CSR on Customer Loyalty	9
2.3	Study Model of CSR on Customer Loyalty at StanBed Tours	9
2.4	Study Model of CSR on Brand Image and Brand Trust, Brand Loyalty, 10 and Purchase Intention	
2.5	Study Model of CSR, Trust effect on Customer Loyalty	10
4.1	Path Analysis of Mediating Effect of Brand Image	36

LIST OF ABREVIATIONS

AML	Anti-money Laundry
API	Application Programming Interface
ATM	Automated Teller Machine
CBM	Central Bank Myanmar
CSR	Corporate Social Responsibility
JICA	Japan International Cooperation Agency
POS	Point of Purchase
SME	Small and Medium Enterprise

CHAPTER I

INTRODUCTION

Corporate social responsibility (CSR) is today's practice of marketers as a modernized and strategic marketing tool and it has shown a distinct effect on consumers' behaviors (Yuanqionghe & Lai, 2012). CSR has a significant impact on customer trust on the corporate brand image. For today competition of banking industry and all other business sector, managers and marketers should have aware of perceived CSR as a key variable in restoring customer loyalty.

CSR and customer loyalty have been noticed and recognized by scholars and practitioners as significant and vital business benefits. (Raza, Bhutta, Iqbal, & Faraz, 2018). Being good corporate citizens, organizations can turn its customer into brand ambassadors. CSR impacts on customer attitudes and outcomes like attitudinal loyalty, purchase intention and word of mouth. Jugenheimer (1979) explains customer loyalty as biased behavioral response expressed over time by customers with respect to one or more alternative brands out of set of brands, is a function of psychological process. Customer loyalty is deeply held commitment of the consumers to rebuy and re patronizing the same product or service consistently in future no matter the marketing efforts (Oliver, 1999).

In today's global economy, corporate social responsibility (CSR) is a core component of corporate strategy. As a result, CSR emerge as a safeguard to protect financial scandals and diminish reputation of the banks (UKESSAYS, 2018). Banks are emphasized on social, ethical and environmentally responsible approaches to business activity which impact on the society. The five issues of stress of CSR in banking sector include perception toward CSR, drivers, impacts, CSR practices, and CSR reporting (Mohd, 2019).

The history of banking began with the first prototype banks which were the merchants of the world, who gave grain loans to farmers and traders who carried goods between cities. The World Bank was established in 1944 at the meeting of UN monetary and financial conference. The banking system plays an important role in the modern economic world (Nipun, 2020). The bank has played a significant role in financing (Sawe, 2019). Banks collect the savings of the individuals and lend them out to business- people and manufacturers. Bank loans facilitate commerce.

Manufacturers borrow from banks the money needed for the purchase of raw materials and to meet other requirements such as working capital.

Beginning in 1962, the Myanmar banking industry was subjected to years of nationalization (Maimonna, 2022). Myanmar's economy is still based on cash. Myanmar's banking sector reform appears to be progressing toward a major step with liberalization. Local Myanmar banks are participating in reform initiatives by expanding their branch network and introducing new financial products. Myanmar's ATM network has grown significantly since 2012. CB Bank (CB) and Kanbawza Bank (KBZ) have been at the forefront (Charltons, 2022). Mobile banking has emerged as a significant impact in financial technology (fintech), as banks sought to capitalize on the proliferation of smartphones following the liberalization of the telecom industry in 2014. (Charltons, 2022).

Today, there are 4 state-owned banks, 27 private banks, and 17 foreign banks branches in Myanmar (CBM, 2022). Competition in the Myanmar banking industry has risen to the point where even foreign banks among others local have been forced to change their strategies in order to maintain and enlarge their market shares. Long-term survival of organization is important. It is dependent upon the continual interactions and exchanges among organization and environment. This exchange give rise more responsibilities to societies. These broader responsibilities are known as corporate social responsibility (CSR). This CSR is the right things to do as the leadership practice. CSR is relating to the organizational values and ethics practices.

1.1 Rationale of the Study

This study attempts to deepen the understanding of how customer perceived on CSR activities of CB Bank connected with customer loyalty, and other customer-related outcomes of brand image. There are increasing demands of customers on bank products and services that forces to all organization by the effect of technological advancement and the globalization. When the financial sector liberalization in Myanmar, there are increasing numbers of local and international financial associations. This means customers have more powerful to choose services from various banks.

Like other private and public commercial banks, CB Bank takes part into the CSR activities. During the Covid-19 Pandemic period, CB bank actively took part in the Covid-19 Relief centers in Bago Region. CB Bank's SME loans are intended to

lend with cheaper interest rate to the development of the small and medium sector. There are many other social relationship marketing activities of CB Bank. society.

As of today, businesses are dynamic and very competitive. Expenditures on CSR could be far more effective even in a business sense, and yet to go far beyond the purpose of advertising by receiving the trust of society if these expenditures meet the very basic needs of society in general. Bank customers become more knowledgeable and choose to who contributes to society and environment among others. For that importance of CSR practices of CB bank, the study explores how the effectiveness of corporate social responsibility on customer loyalty and also finds out the mediating role of brand image effect on relationship between CSR responsibility and customer loyalty. The findings of the study would contribute to previous empirical researches of the effect of CSR, brand image, and customer loyalty. This will also help to marketers and practitioners of other private and public commercial banks as an important way of the practice of CSR in maintaining bank customers.

1.2 Objectives of the Study

In this study, there are four objectives:

- 1) To identify CSR activities of CB Bank
- 2) To examine the effect of CSR on customer loyalty and brand Image at CB Bank,
- 3) To examine the effect of brand image as a mediator between CSR and Customer Loyalty.

1.3 Scope and Method of the Study

This study is limited on the corporate social responsibility, brand image, and customer loyalty at CB bank. This study is conducted in the Yangon Region. Samples are chosen from the total bank account holders at CB Bank. In Yangon, there are numerous amounts of CB bank customers, and are unknown population. Since the customers of CB bank is many, unknown sample size calculation method of $n = z^2 \cdot [p \cdot q] / d^2$ was used to choose appropriate numbers of respondents. (n =sample size, p = est. proportion (50%), $q = 1 - p = 50\%$, $z = Z$ core of 1.29 for 1% marginal error). From that calculation, total 172 sample size was chosen. The CSR dimensions are adapted from the elements of Carrol Pyramid Model of CSR (economic responsibility, ethic responsibility, legal responsibility, and philanthropic responsibility). Secondary data

are from the articles from internet websites.

This study uses descriptive research method. The term descriptive research then refers to research questions, design of the study, and data analysis conducted on that topic (QuestoinPro, 2022). This research method describes the phenomena of the relationship between variables. There are two types of data: qualitative and quantitative data. This type of study is based on quantitative research type.

Survey information are mainly based on primary information. Questionnaire is a use of survey tool to collect information from the primary data sources. Respondents are from bank account holders of CB Bank. Convenience sampling method is used by the helps of managers of CB Bank branches to choose required numbers of respondents. Data are collected through questionnaires which are distributed into the respondents of CB Bank customers. These sample respondents' perceived options on that of the variables are measured in the extent of the use of Five-Point Likert Scales measurement (their agreeable from the range 1 = strongly disagree, to 5= strongly agree). This correlation research between variables is a type of descriptive research, used to measure the relationship between dimensions of CSR, brand image and customer loyalty. Linear regression analysis to explain the effect of brand image as a mediator between the relationship between CSR and Customer Loyalty.

1.4 Organization of the Study

In this research of the mediating effect of brand image on the relationship between CSR and customer loyalty, it includes five chapters: Chapter (1) is the introduction section with rationale of the study on CSR and customer loyalty, objectives, method and scope of study, and organization of the chapters. Chapter (2) is the theoretical background of CSR model, and relevant literature reviews to draw researcher's stud model. Chapter (3) is the profile and CSR practices of CB Banks, Chapter (4) is the analysis of survey information. And Chapter (5) is the conclusion on the survey findings.

CHAPTER II

LITERATURE REVIEW

In this section, it presents the theoretical background of CSR model. It also explains the definitions of each element of CSR. The last section presents the relevant literature reviews of previous studies. Based on these literatures, researcher tries to draw out an appropriate study model used in this study of the effect of corporate social responsibility of CB Bank on customer loyalty with the mediating role of brand image.

2.1 Corporate Social Responsibility (CSR)

In developing marketing concept for a period of time, it tends to the societal marketing concept. As explained by Phillip Kotler (2007), firms that have a significant belief in corporate social responsibility tend to be practicing the societal marketing concept. Whereas firms that begrudgingly meet their obligations in terms of environmental and/or charitable work, are still probably practicing the marketing concept (Kotler, Armstrong, & Agnihotri, 2010).

The difference between the two types of concepts is whether the organization involved really believes that a contribution to society – that is, improving overall society through their existence – is an equal goal to their own profit and growth intention and is equal to meeting the needs of customers. There are numerous factors that would influence of company to willingly be engaged in socially responsible activities, as well as legislative requirements.

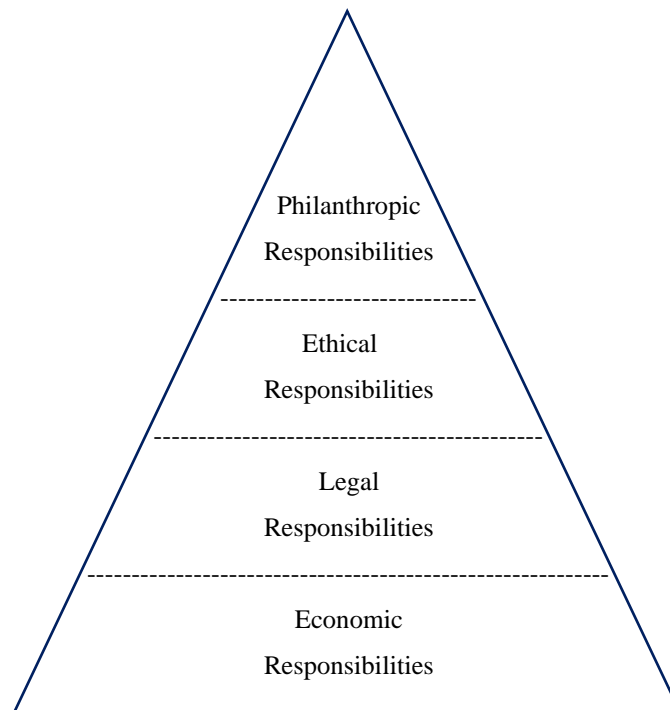
Some of the more common forces to impact a company's decision to engage in socially responsible actions are the following: government legislation, customers' expectations of firms in that industry, the extent of costs involved, the type of industry in which they operate, potential for a competitive advantage by brand image, strength of lobby groups, and possible related media coverage (either positive or negative).

2.2 Theoretical Background of Corporate Social Responsibility (CSR)

Carrol (1991) developed theory of CSR. It consists of four aspects of CSR (Ethical, Legal, Economic and Philanthropic). The second point of view relates the concept of CSR to the social responsibility of sustainable development. Kolk and Van

Tulder (2010) study CSR comprising three dimensions (economic, environment and social). A third approach of CSR, proposed by Parmar et al (2010), is related to stakeholder's approach which comprises several dimensions (customers, employees, ethical-legal, and shareholder, environment and society of CSR).

Figure (2.1) Carroll' The Pyramid of Social Responsibility



Source: Carroll, 1991

There are four main types of corporate social responsibility – environmental, ethical, philanthropic, and economical. CSR is extremely important now as consumers know about the negative externalities caused by production activities. Common CSR initiatives include donating to charity, providing disaster relief, promoting renewable energy, encouraging gender equality, addressing racial discrimination, etc.

2.2.1 Economic Responsibility

Carroll's model brings a clear definition on economic activity which is to be economically profitable. CSR organizations have an economic responsibility to society, that is, they need to be profitable to be sustained. While organization meeting customers' needs and wants, business operations should continue with financially

stable positions. This means being attentive to revenues, cost-effective, investing appropriately, and running effective marketing campaigns (Bureau, 2022). As of today, corporate social responsibility becomes a successful business strategy used by many organizations that attaches a social aspect to them. The economic benefits of CSR extend to both society and the company. Thus, it is necessary to carefully weigh the impacts of CSR initiatives and design them to maximize the positive effects.

2.2.2 Ethic Responsibility

The ethical responsibility in CSR activities is to be ethically responsible to the society. The ethical responsibilities of a business are important because the normative expectations society holds in law are not always sufficient. Sometimes the law does not provide guidance or dictate a business course of action. The ethical responsibility of a business has to do with the moral values and ethical beliefs of organizations. It usually covers all the stakeholders of the company – employees, suppliers, and investors. Issues like gender equality, reasonable working hours, high minimum wage, etc., fall under ethical CSR (Vaidya, 2022).

2.2.3 Legal Responsibility

The legal responsibility in CSR activities is to obey the law. For a business, these ground rules include laws, regulations, and fair business practices. These rules are established by lawmakers at federal, state, and local levels (Bureau, 2022). Legal systems are fundamental moral principles written as rules.

2.2.4 Philanthropic Responsibility

Corporate social responsibility (CSR) is typically assumed as a voluntary initiative rather than a legal mandate. These activities go above and beyond a society's expectations of what's required. Society will label a business as unethical if it does not meet philanthropic responsibilities. Businesses' donations and contributions made to charity are considered philanthropy. Helping malnourished children or rescuing people in war-torn regions come under this (Vaidya, 2022).

2.3 CSR Activity , Brand Image and Customer Loyalty

Conducting CSR activities make several benefits to the organization. It effects on corporate brand image, as well as increasing loyalty comparing to the same

organization which does not conduct any CSR activity. The followings are the effect of CSR activity, as follows.

2.3.1 Relationship between CSR Activity and Brand Image

Brand is a name, sign, symbol and/or design, to establish a uniqueness of the goods or services offered. Customer perceived brand image has always been an influential determinant of consumer behavior and marketing. The brand image is coming from various senses such as taste, touch, smell, sight, and customer feelings on the marketing mix elements. As such, the perception of brand image transcends into how customers identify both human and physical resources as well as features and attitudes of a firm.

The benefit of CSR reduces business cost and risk, gives brands a competitive advantage, improves company legitimacy and reputation, differentiates brands from competitors, improves employee and customer engagement, and finally these benefits lead to higher profit margin and boost business valuation (Bureau, 2022).

2.3.2 Relationship between CSR Activity and Customer Loyalty

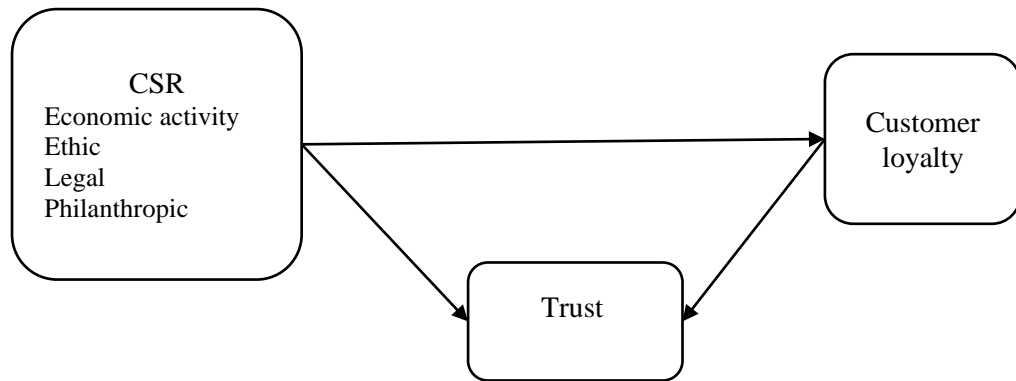
Customer loyalty is an ongoing positive relationship between a customer and a business. It's what drives repeat purchases and prompts existing customers to choose a company over a competitor offering similar benefits (Qualtrics, 2022). Loyalty is a result of multiple positive interactions that build up a feeling of trust over time. Customer loyalty can fluctuate over time. An individual may be strongly loyal at a certain point and become less so (or conversely, start off neutral and develop loyalty). Frequent customer survey is required to realize changing nature of customer loyalty level to the organization.

2.4 Previous Study

Raza, et al., (2018) conducted a study to explore the direct effect of CSR on customer loyalty while trust was taken as a mediator. In this research, it is proved CSR initiatives by the companies have a positive and significant effect on the customer loyalty. Moreover, trust also serves as a mediator between CSR and

Loyalty. Data collected from account holders of different banks of Pakistan. Structural equation modeling is examined by using PLS software.

Figure (2.2) Study Model of CSR on Customer Loyalty

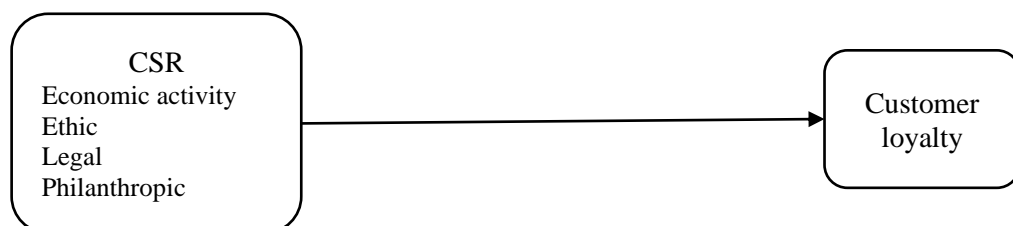


Source: Raza, et al., (2018)

The findings of this study would help scholars in developing more CSR based loyalty models. These findings can also aid commercial banks of Pakistan a better indulgence CSR initiative in their strategic planning process. Figure (2.2) shows the study model conducted by Raza, et al., (2018), as follows.

Bediako (2017) conducted a study to explore the impact of corporate social responsibility (CSR) on customer loyalty, specifically among Finnish tourists with StanBed Tours. Quantitative research data was obtained through a web-survey. In total 100 respondents completed the web- survey which was recorded and the findings were analyzed. The variables used to measure the impact of CSR on customer loyalty was taken from the theoretical framework and it includes the economic component of CSR, legal component of CSR, ethical component of CSR, philanthropic component of CSR and customer loyalty..

Figure (2.3) Study Model of CSR on Customer Loyalty at StanBed Tours

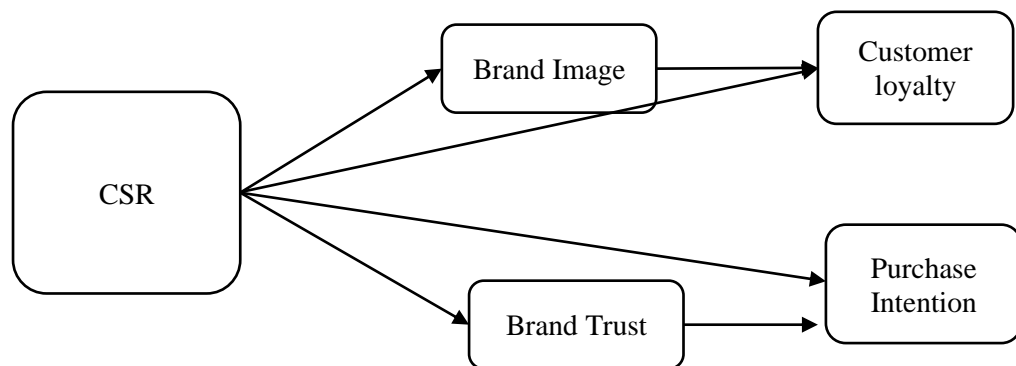


Soruice: Bediako (2017)

Results from their study indicate that customers were very much aware of the CSR activities that responsible companies should engage in. CSR has an effect on their loyalty to StanBed Tours ky and customers were willing to purchase trips from the company because of their engagement in CSR. Figure (2.3) shows the study model conducted by Raza, et al., (2018), as follows

Abd-El-Salam (2020) studied the loyalty through CSR, the mediating role of brand image and brand trust, brand loyalty, and purchase intention, based on consumers' perceptions in the context of the retail hypermarkets industry within the Egyptian market. a quantitative research methodology was used; the data were collected through a questionnaire.

Figure (2.4) Study Model of the effect of CSR on Brand Image , Brand Trust, Brand Loyalty, and Purchase Intention



Source: Abd-El-Salam (2020)

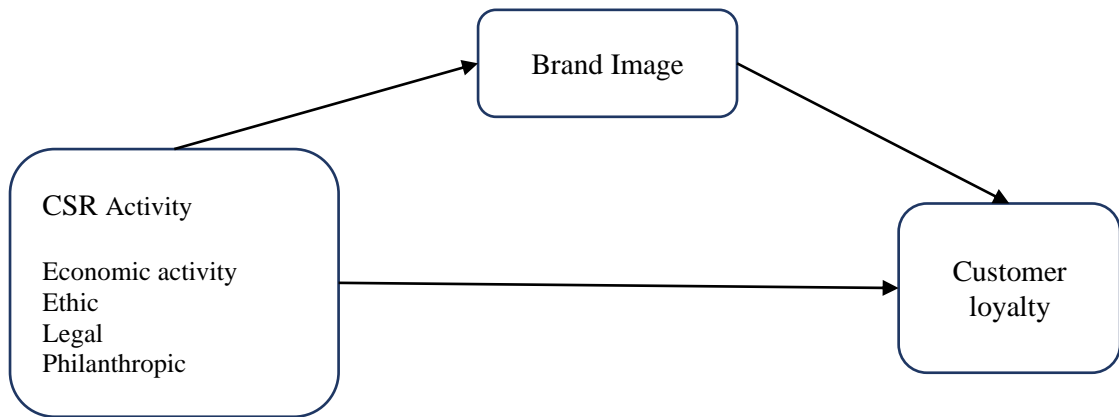
This study found that CSR activities influence directly brand image and brand trust and indirectly brand loyalty and purchase intentions through the mediating role of brand image and brand trust. There was no significant direct relationship between CSR and brand loyalty as well as between CSR and purchase intentions.

2.5 Conceptual Framework

In this study model, In this study model, the independent variable is CSR and dependent variable is customer loyalty. Brand image is taking part as mediating role. The CSR dimensions are economic responsibility, ethic responsibility, legal responsibility, and philanthropic responsibility.

Study tries to examine the relationship between CSR and customer loyalty, and finds out the mediating effect of brand image on this relationship.

Figure (2.5) Conceptual Framework of the Study



Source: Own Compilation, 2022

Economic Activity of CB Bank is relating to development and sustainable plan of the bank. It includes the success and growth of bank mainly depend on how well the bank can manage its risk portfolio.

Ethical Responsibility CB bank is following ethical code of conducts, there has comprehensive code of conduct published in the public webpage. Bank tries to be consistent with expectations of social and ethical norms. CB bank accepts to being a part of the country's development by contributing to social needs with honesty, integrity, moral principles and responsibility. There is clearly stated rules at CB bank to follow the anti-money laundry (AML) rules and regulations set by Central bank. CSR practices in the CB bank CB bank treats its employees fairly, safety at work without discrimination.

The philanthropic responsibility at CB Bank can be found in the area of charitable expectations of society. It includes consistently offers educational scholarships to the needy. The distinct charitable activities is the contributing social needs and offers Covid 19 healthcare center and related facilities. It is the philanthropic activities within the local community. There are also taking part in sponsorships to promote entrepreneur spirit and to create more opportunities for Myanmar citizens.

CHAPTER III

CSR ACTIVITIES OF CB BANK

In this section, it presents the CSR activities undertaken by CB Bank. It starts with reviewing the background history of CB Bank, and the later section presents the CSR Activities, which all are stated as follows.

3.1 Profiles of CB Bank

The CB Bank was established on 21 August 1992 with the permission of the Central Bank of Myanmar. It started as a small bank with 33 employees and has around 7000 in 2016. In 2004, it became a public company. The CB Bank's head office is located in the Botahtaung township area of Yangon. It offers Consumer, Prestige, SME, and Coporate banking. It's products and services include corporate loans, corporate finance & advisory, syndicated loans, security agency services, project financing, international trade, POS services, API and network integration, cash management, treasury, internet banking, mobile banking and payroll service. In May 2013, CB Bank became the first bank in Myanmar to issue a debit card and permitted the first card-related financial transaction in Myanmar. In September 2012, Mastercard signed an agreement with CB Bank to license cards in the country, and this enabled local merchants and ATMs to accept the payment cards. The bank has the largest network of ATMs and foreign exchange counters in Myanmar.

After signing the contract with the Asian Development Bank (ADB) under the Trade Finance Program, CB Bank received \$12 million for its trade financing program in October 2015 It allowed the bank to issue a Letter of Credit agreement, which allowed exporters to ship products before receiving payment under CB Bank's trade finance lines, guaranteed by ADB.

CB Bank also started offering mobile banking services to personnel and corporate clients, which include basic banking functions, remote access banking services, and mobile airtime top-ups available through the app. It launched Easi Mobile Banking Agent for areas in Myanmar where there is no branch coverage. Mobile agents will be paid 30% of normal money transfers and 50% of other services. CB Bank partnered with Myanmar Post Office in 2017 to further expand its mobile agent services at post offices.

In 2016, CB Bank and several other banks started offering loans for SMEs in collaboration with the Japanese government and state-owned Myanmar Insurance. Furthermore, CB Bank was selected by the German KfW bank to provide 4.45 million in loans for SMEs in Myanmar based on a market study and due diligence offer for SME loans with or without collateral.

In January 2017, CB Bank signed an agreement with Diebold Nixdorf for systems, software, and services to expand its cardless cash withdrawal services and P2P offerings to self-service banking in Myanmar. CB bank, already hosting one of the largest ATM networks in Myanmar, has planned to double the number of terminals to expand its self-service network. The drivers have benefited from the program by obtaining access to ATM cards and bank accounts. In September 2017, it announced a partnership with telecom operator Ooredoo to launch, M-Pitesan, a mobile wallet that will offer nationwide money transfer and bill payment services. CB Bank launched the contactless payment system in collaboration with Visa and Mastercard, the payment service providers. The service helps users complete their payments through contactless POS machines for Visa and MasterCard.

In January 2018, CB Bank opened the first small and medium enterprise (SME) center in Mandalay. In April 2018, CB Bank opened the first small and medium enterprise (SME) center in Mandalay. Through SME centers, CB Bank aims to help SMEs apply for necessary loans. SME loan plans include SME-Credit Guarantee Insurance Loan (SME CGI Loan), SME Longterm Investment Loan Powered by JICA, SME Business Expansion Loan Powered by KfW, and SME Term Loan. In April 2018, CB Bank signed an agreement with KfW Development Bank (KfW) to extend loans of \$13.22 million to finance small and medium-sized enterprises in Myanmar.

In May 2019, CB Bank and Telenor Myanmar signed a partnership with Visa to launch the CB-Telenor co-branded Visa credit card, which aims to enhance financial services in Myanmar and expand benefits for Telenor Star Platinum users.

Mission

- To our individual customers, we are a trusted place to keep their investments and we help them fulfill their dreams through our financial solutions.
- To our business customers, we offer the best financial solutions for their

business operations and expansions.

- To our employees, we are a place where they can learn and grow.
- To our shareholders, we are a trusted venue for their investments and we deliver sustainable return.

Vision

- built on solid foundation of risk management and corporate governance
- Employees are proud working for
- Leads in technology and innovation and
- Listens to our customers to build long-term relationships and provide enhanced customer experience.

3.2 CSR Activities of CB Bank

In the intense competition in the banking sector, the management of CB bank is trying to compete with all other private and public commercial banks, in Myanmar. With the country openness and deregulation of financial laws, the representative offices of foreign banks are also entering to Myanmar.

Presently, CB Bank is practicing CSR activities of CB Bank with the belief of the cation which can help the country achieve prosperity. Furthermore, CB Bank also support to establish better education opportunities to younger generation for brighter future. Therefore, CB Bank always has been supportive of promoting education for younger generations who hold the future of our country, by means of providing financial assistance.

Apart from providing education loans, CB Bank has supported various regions in Myanmar, which were affected by natural disasters. CB Bank has been helping all the unfortunate victims by providing financial aid toward orphanages and effected schools throughout the decades by rebuilding and reconstructing for better learning environment.

(i) CSR through CB-KMA Foundation

The Corporate Social Responsibility platform of CB Bank is committed to being a part of the country's development by contributing to improvements in the

social, economic, and environmental conditions of the country while remaining mindful of religious, historical, and cultural contexts. CB Bank's corporate social responsibility activities play a critical role in our business strategy of responsible growth. It connects us to our core purpose of making people's lives better. CB Bank offers employees an opportunity to get more involved in their communities. This commitment illustrates the next evolution of corporate social responsibility at CB Bank and can be seen in the way we run our organization, where CB Bank creates an inclusive and supportive workplace for our employees. To improve the way bank carries out the bank's CSR efforts, CB bank management has formed the CB-KMA Foundation with bank partners. CB - KMA Foundation donates Medical Protective Clothing-Lakeland for amounted 900 set, and 2,000 set of globes, mask 1,500 set, operation dresses.

(ii) CSR for Community Support

CB Bank has donated 125,450,000 Kyat to the ministry of health department aiming for the relief of COVID-19 pandemic victims and its related medicines, and fund raising. Not only in cash supplies, bank also provide ICU Ventilator (Intensive Care Ventilator & Patient Monitor) a set and High Flow Therapy Unit which valued amounted to hundred million kyats.

(iii) Supporting & Providing Education

CB Bank believes education can help the country achieve prosperity. Furthermore, CB Bank also support to establish better education opportunities to younger generation for brighter future. Therefore, CB Bank always has been supportive of promoting education for younger generations who hold the future country, by means of providing financial assistance.

Apart from providing education loans, CB Bank has supported various regions in Myanmar, which were affected by natural disasters. CB Bank has been helping all the unfortunate victims by providing financial aid toward orphanages and effected schools throughout the decades by rebuilding and reconstructing for better learning environment.

(iv) Supporting the Environment

All managerial decisions at CB Bank are made with upmost concern of environmental impacts. CB Bank is keenly aware of the importance of reducing direct and indirect impacts on the environment. For instance, Banks have implemented policies to use double sided printing whenever possible while reducing unnecessary printing as much as possible. CB Bank employees are required to turn off all non-essential power outlets at the end of the work day while limiting the use of power to minimal during operation hours. CB deploy bank fleets with smart transportation (Routing) system efficiently to keep the consumption of diesel and gasoline as low as possible.

CHAPTER IV

ANALYSIS OF CSR ACTIVITIES AND CUSTOMER LOYALTY

In this section, it presents the demographic profiles of respondents, their socioeconomic information expressed statistically, including age, sex, employment, education, income, marriage and more. The second section presents the descriptive research analysis on the each of CSR dimensions of CB Bank that effect on customer satisfaction and loyalty. The last section presents the relationship of independent variables on dependent variable of customer satisfaction. It also presents which CSR dimension would be the most influential variable on that of customer satisfaction and loyalty.

4.1 Research Design

This study explores CSR activities of CB Bank on customer loyalty. There is two types of data: primary and secondary data. This study mainly based on primary data collection. To choose required sample size, simple randomly sampling method was applied from the total customers of CB Bank. Secondary data were based on CSR theories and previously prepared literatures from internet web site, journal articles, CB Bank websites, published and unpublished sources. Questionnaire was developed and transformed into google survey form. The research method was mainly based on descriptive research method. Data were mainly based on quantified data. Data is collected from 172 employees who are working in CB Bank by using sampling method. CB Bank customer 20% collected from the customer. Collected from the CB bank Kamayut branch in Yangon. By the use of five likert Scale Measurement, qualified data were transformed into quantified information. Questionnaires are designed with closed ended Yes-No questions, and opened ended interview with selected samples. Descriptive statistics explains respondents' demographic information in terms of frequency and percentage. For the reliable research study, reliability analysis is also conducted to examine consistency of questions in each CSR factor. Statistical analyses are also used to explain the relationship of each CSR dimension and customer satisfaction. Statistical analysis by the linear regression analysis is also conducted to examine the effect of each CSR dimensions on customer satisfaction, and then the effect of customer satisfaction on customer loyalty at CB Bank.

4.2 Demographic Profile Analysis

Table (4.1) explains the result from the analysis on the demographic profiles of CB participants of Bank customers in the study, as follows.

Table (4.1) Demographic Profile Analysis

Sr. No.	Demographic Profile	Number	Percentage
	Gender of Respondents		
1	Female	88	51
2	Male	84	49
	Total	172	100
Marital Status of Respondents			
1	Single	124	72
2	Married	48	28
	Total	172	100
Age of Respondents			
1	18-24 (years)	12	7
2	24-34	120	70
3	35-44	40	24
	Total	172	100
Important level of bank organizations operates on a socially responsible			
1	Very important	144	84
2	Somewhat important	8	5
3	Not so important	4	2
4	Extremely important	16	9
	Total	172	100
Proven track record of poor CSR, would you be put off purchasing their products			
1	Yes	148	86
2	No	24	14
	Total	172	100

Source: Survey data, 2022

According to Table (4.1), it explains that there are 88 numbers who are female with 51% percentage, and 84 are male respondents with 49%. Comparing male to female ratio, it is found as almost similarity of compositions of male and female in the study.

Marital Status explains that 124 respondents are single status, and 48 are married people. In term of percent, 72% of single respondents were more than married people respondents.

Age level analysis shows that 12 respondents are in the age range of 18-24 years, 120 respondents are in the age range of 24-34years. 40 respondents are in the age range of 35-44 years, respectively. According to the table, majority of respondents were more than 24 years.

In the analysis of the important level of bank organizations which operate on a socially responsible, 144 or majority of respondents reply very important of socially responsible, 8 were explaining somewhat important, 4 were not so important, and 16 were explaining extremely important.

In the analysis of poor CSR proven track record would they be put off purchasing their products, majority or 148 numbers of respondents saying Yes. This means they would emphasize CSR proven track record of organization.

4.3 Reliability Analysis of the Factors

Reliability coefficients measure the consistency of a measurement scale. It measures how consistent is the scale or instrument when multiple observations are taken. It is the true score variance to observed score variance. The reliability coefficient ranges from 0 to 1, with 1 being highly reliable and 0 being unreliable (Trived, 2020). If it is more than 70% or higher than 0.7 it is considered to be adequate. However, an acceptable value or moderate value is 0.5 or 50%.

Table (4.8) Reliability Analysis

Sr. No.	Factor	Cronbach's Alpha	No of Items	Comment of Consistency
1	Economic	.886	6	Good consistency
2	Ethical	.886	6	Good consistency
3	Legal	.887	6	Good consistency
4	Philanthropic	.884	6	Good consistency
5	Brand Image	.951	6	Excellent consistency
6	Customer Loyalty	.927	5	Excellent consistency
	Total	.903	35	Excellent consistency

Source: Survey data, 2022

In this reliability analysis test, the calculated coefficient alpha values of economic ethical, legal, and philanthropic variables are found to be more than 0.8. This higher alpha value indicates the stronger consistency of the survey questions in each factor. The coefficient alpha values of customer satisfaction and customer loyalty variables have stronger alpha value. And that, these questions were found to be excellent consistency.

4.3.1 Economic Responsibility of CB Bank

In the analysis of the economic responsibility of CB Bank, respondents were asked with total six questions which are relating economic responsibility characteristics. Table (4.2) explains the result from the analysis of the economic responsibility through customer rating by the Five Point Likert Scale measurement.

By the analysis, the result shows the overall mean value of 3.62, which is high, indicating most of respondents agree to that of economic responsibility is important element of CSR activities. The highest mean value of 3.79 is for economic activity indicates CB bank provides SME credit loans for the development of economic activity of the citizen. This means SME credit loans would be the most influential economic responsibility as agree by majority of respondents.

Table (4.2) Economic Responsibility

Sr. No.	Economic Responsibility	Mean	St. Dev:
1	CB Bank focuses on the talent development and employee engagement for sustainable plan of the bank.	3.63	0.81
2	The success and growth of bank mainly depend on how well the bank can manage its risk portfolio.	3.72	0.79
3	CB bank risk management committee regularly discusses sizable credit applications and set out guidelines to mitigate potential risks.	3.67	0.80
4	CB bank management closely monitors market developments, such as macro-economic, credit and industry risk factors	3.47	0.82
5	CB bank provides SME credit loans for the development of economic activity of the citizen.	3.79	0.70
6	Corporate social responsibility of CB bank can promote customer satisfaction which in turn increases bank revenues.	3.44	0.85
	Overall mean value	3.62	

Source: Survey data, 2022

According to Table (4.2), the lowest mean value of 3.44 for economic responsibility can explain Corporate social responsibility of CB bank can promote customer satisfaction which in turn increases bank revenues. In an average, most of respondents agree that economic activity is important CSR responsibility at CB Bank.

4.3.2 Ethical Responsibility of CB Bank

In the analysis of the Ethical Responsibility of CB Bank, respondents were asked with total six questions which are relating Ethical Responsibility. Table (4.3) explains the result from the analysis of the ethical responsibility through customer rating by the Five Point Likert Scale measurement.

By the analysis as shown in Table (4.3), the result shows the overall mean

value of 3.61, which is high and indicating the majority of respondents agreeable to that of ethical responsibility has also an important CSR responsibility of CB Bank. The high mean value of 3.72 is for ethic activity indicates the most of respondents agree CB bank has comprehensive code of conduct published in the public webpage. The openness at Web page about CB Bank ethic article would be the most influential ethical dimension as those of most agree of respondents.

Table (4.3) Analysis on Ethical Responsibility

Sr. No.	Ethical Responsibility	Mean	St. Dev
1	CB bank has comprehensive code of conduct published in the public webpage.	3.72	0.82
2	CB bank tries to perform in a manner consistent with expectations of social and ethical norms.	3.65	0.81
3	CB bank is committed to being a part of the country's development by contributing to social needs	3.56	1.02
4	CB Bank encourages to perform one's duties with honesty, integrity, moral principles and responsibility.	3.67	0.80
5	CB Bank prevents and avoids dealings or transactions that may lead to conflicts of interest.	3.60	0.75
6	CB bank tries to maximize profits and serving the interests of stakeholders	3.47	0.93
	Overall mean value	3.61	

Source: Survey data, 2022

The lowest mean value of 3.47 for ethical responsibility indicates respondents agree that trying to maximize profits and serving the interests of stakeholders. In an average, most of respondents agree that ethical responsibility is distinct factor at CSR responsibility at CB Bank.

4.3.3 Analysis on Legal Responsibility

In the analysis of the Legal Responsibility at CSR of CB Bank, respondents were asked to answer their perceived options upon total six questions. Table (4.4) explains the result from the analysis of the legal responsibility through customer rating by the Five Point Likert Scale measurement, as follows.

According to Table (4.4), the result shows the overall mean value of 3.70,

which is higher and indicating the agree of majority of respondents to that of legal responsibility has distinct CSR responsibility of CB Bank.

The highest mean value of 3.80 is for legal activity indicates the most of respondents agree to the statement of “CB bank treats its employees fairly, safety at work without discrimination”. This means the bank treating employee fairly and safety at work without discrimination would be the most legal responsibility at CB Bank.

Table (4.4) Analysis on Legal Responsibility

Sr. No.	Legal Responsibility	Mean	St. Dev
1	CB bank follows legal obligation to pay cheque and cash in accordance with the customer payment order.	3.74	0.87
2	CB bank is ensuring business ethics, supporting/ promoting law and regulations.	3.64	0.87
3	CB bank is ensuring compliance with labor rules and regulations in promoting labor conditions, health and safety.	3.72	0.73
4	CB bank follows the anti-money laundry (AML) rules and regulations.	3.60	0.84
5	Central bank regulations are influencing the attitudes towards CSR practices in the CB bank	3.72	0.76
6	CB bank treats its employees fairly, safety at work without discrimination	3.80	0.73
	Overall mean value	3.70	

Source: Survey data, 2022

The lowest mean value of 3.60 for legal responsibility indicates respondents agree to the statement of CB bank follows the anti-money laundry (AML) rules and regulations. In an average, most of respondents agree that legal responsibility is distinct factor at CSR responsibility at CB Bank.

4.3.4 Descriptive Analysis on Philanthropic Responsibility

In the analysis of the Philanthropic responsibility at CSR of CB Bank, respondents were asked to answer their perceived options upon total six questions. Table (4.5) explains the result from the descriptive analysis of the philanthropic

responsibility of CB Bank that Bank customer rating by the Five Point Likert Scale measurement, as follows.

According to Table (4.5), the overall mean value yield higher mean value of 3.65, indicating the agreeable of majority of respondents to that of philanthropic responsibility has shown distinct CSR responsibility of CB Bank.

The high mean value of 3.81 is for philanthropic activity indicates the most of respondents agree to the statement. This means CB bank participates in voluntary and charitable activities within the local community would be the most respectful philanthropic CSR responsibility at CB Bank.

Table (4.5) Analysis on Philanthropic Responsibility

Sr. No.	Philanthropic Responsibility`	Mean	St. Dev
1	CB Bank is performing in a manner consistent with the philanthropic and charitable expectations of society	3.63	0.72
2	CB Bank consistently offers educational scholarships to the needy	3.60	0.78
3	CB Bank understands social needs and offers Covid 19 healthcare center and related facilities.	3.63	0.81
4	CB bank offers financial support to employees for further studies.	3.65	0.89
5	CB bank participates in voluntary and charitable activities within the local community.	3.81	0.79
6	CB bank frequent takes part in sponsorships to promote entrepreneur spirit and to create more opportunities for Myanmar citizens.	3.58	0.82
	Overall mean value	3.65	

Source: Survey data, 2022

The lowest mean value of 3.58 is for Philanthropic responsibility indicates respondents agree to the statement of CB bank frequent takes part in sponsorships to promote entrepreneur spirit and to create more opportunities for Myanmar citizens”. In an average, most of respondents agree that Philanthropic responsibility is significant at one of dimension of CSR responsibility at CB Bank.

4.3.5 Customer Loyalty

In the analysis of the customer loyalty at CB Bank, respondents were asked to answer five questions. Table (4.6) reports the analysis on the descriptive analysis result of the analysis on customer loyalty level, as follows.

Table (4.6) reports that the overall mean value of 3.63 for customer loyalty is higher mean value. This means the most respondents are found to be higher loyalty level at CB Bank. The highest mean value of 3.74 is indicating that most respondents agree to the statement of “I am very likely to continue using CB Bank services, again”. This can be explained that customer pleased to continue use of CB Bank again.

Table (4.6) Analysis on Customer Loyalty

Sr. No.	Customer Loyalty`	Mean	St. Dev
1	I am very likely to recommend CB Bank services.	3.67	0.88
2	I am very likely to continue using CB Bank services, again.	3.74	0.92
3	I think CB bank financial products services are very convenient and meet my requirements.	3.70	0.77
4	I am very interested in checking other financial products and services of CB Bank.	3.54	0.90
5	I am very eager to word-of-mouth to tell good CB Bank services to others.	3.49	1.00
	Overall mean value	3.63	

Source: Survey data, 2022

The lowest mean value of 3.49 is for customer loyalty indicates respondents agree to the statement of “I am very eager to word-of-mouth to tell good CB Bank services to others”. In an average, most of respondents agree that they have strong loyalty level of the products and services of CB Bank.

4.3.6 Brand Image

In the analysis of the Brand Image of CB Bank, respondents were asked to answer five questions. Table (4.7) reports the analysis on the descriptive analysis result of the analysis on brand image that how most of respondents perceived, as follows.

Table (4.7) Brand Image

Sr. No.	Brand Image	Mean	St. Dev
1	I trust the image of CB Bank.	3.81	0.90
2	The value of CB Band brand is as per my expectation.	3.65	0.94
3	To the full extent the products and services of CB bank has been successful to meet my needs.	3.63	0.89
4	The competitive interest rate and bank charges help build a good brand image of CB Bank.	3.74	0.76
5	The service quality of CB Bank helps to build a good brand image.	3.84	0.81
6	I am a loyal customer of CB bank for the use of financial products and services.	3.58	0.97
	Overall mean value		3.70

Source: Survey data, 2022

Table (4.7) reports that the overall mean value of 3.70 for brand image of CB Bank is high mean value. This means the most respondents are agreeable with brand image of CB Bank. The highest mean value of 3.84 is for the statement of “The service quality of CB Bank helps to build a good brand image” indicates majority of respondents agree the service quality of CB Bank as a distinct factor for the brand image of CB Bank. The lowest mean value of 3.58 for brand image indicates majority of respondent are loyal customer of CB bank for the use of financial products and services. In an average, majority of respondents agree that CB Bank has strong brand image, in Myanmar.

4.4 Descriptive Analysis on CSR Activities of CB Bank

This section analysis on the CSR activities of CB Bank. Respondents are rating their agreeable option based on 5-point Likert scale consist of 5 answer options which will contain two extreme poles and a neutral option connected with intermediate answer options. Respondents are expressing from 5 is being very satisfied, 4 is Satisfied, 3 is being Neither satisfied nor dissatisfied, 2 is being dissatisfied and 1 is being very dissatisfied. The interpretation of mean value is as

follows: 1.00 to 1.80 is being very low, 1.81 to 2.60 is low, 2.61 to 3.40 is moderate, 3.41 to 4.20 is high, and 4.21 to 5.00 is very high (Soisontes, 2015).

In the analysis of the relationship between CSR responsibilities, Pearson correlation analysis was conducted. The coefficient value ranges from 0 to 1. In common, correlation coefficient values close to 1 mean a strong relationship between two variables whereas correlation coefficient values close to zero indicate a weak relationship between independent variable and dependent variable.

Table (4.9) Relationship between CSR Activities and Brand Image

	Coefficient of Correlation
Image	1
Economic	.685**
Ethical	.663**
Legal	.674**
Philanthropic	.811**

** significant at 1% level

Source: Survey data, 2022

This study examines the nature of the relationship that exists between independent of CSR dimensions (named economic responsibility, ethical responsibility, legal responsibility, and philanthropic responsibility) and dependent variable (named brand image). Pearson correlation analysis explained that the relationship between independent variable of economic factor and dependent variable of brand image has strong and positive relationship and their relationship is significant value at 1% ($P < 0.01$, $r = 0.685$). The relationship between independent variable of ethical factor and dependent variable of brand image has strong and positive relationship and their relationship is significant value at 1% ($P < 0.01$, $r = 0.663$). The relationship between legal responsibility factor and dependent variable of brand image has strong and positive relationship 1% ($P < 0.01$, $r = 0.674$). The relationship between philanthropic responsibility factor and dependent variable of brand image has strong at 1% ($P < 0.01$, $r = 0.811$).

Table (4.10) Relationship between CSR Activities and Customer Loyalty

	Coefficient of Correlation
Loyalty	1
Economic	.663**
Ethical	.609**
Legal	.677**
Philanthropic	.761**

** significant at 1% level

Source: Survey data, 2022

According to Table (4.10), correlation analysis can explain that economic responsibility has positive and strong correlation with customer loyalty at CB Bank. And their relationship is significant at 1% level ($P < 0.01$, $r = 0.663$). Ethical responsibility has also positive and strong correlation with customer loyalty at CB Bank. And their relationship is significant at 1% level ($P < 0.01$, $r = 0.609$). Legal responsibility has also positive and strong correlation with customer loyalty at CB Bank. And their relationship is significant at 1% level ($P < 0.01$, $r = 0.677$). Philanthropic responsibility has also positive and strong correlation with customer loyalty at CB Bank. And their relationship is significant at 1% level ($P < 0.01$, $r = 0.761$).

4.5 Analysis of the Effect of CSR Activities on Customer Loyalty

In the analysis of the effect of CSR activities on brand image, Linear Regression analysis method was used.

Table (4.11) Effect of CSR Activities on Brand Image

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-.172	.222		-.774	.440		
Economic	.254***	.097	.199	2.620	.010	.334	2.991
Ethical	.112	.104	.095	1.073	.285	.248	4.025
Legal	.268*	.132	.212	2.030	.044	.177	5.650
Philanthropic	.970***	.111	.766	8.770	.000	.253	3.946
R	.823 ^a						
R Square	.677						
Adjusted R Square	.670						
Std. Error of the Estimate	.4651						
F	87.628***						

***, **, * significant at 1%, 10% level

Source: Survey data, 2022

In the above Table (4.11), the value of R square is about .677 or estimated about 82.3%. This implies that the specified model could be explain srrongly about the disinction of brand image. The specified model explains that variation of brand image is predicted by four CSR responsibilites as the value of adjusted R square is about 67%. The value of F is significant at 1% ($P < 0.01$, $F = 87.628$). This means the study model of the effect of CSR activity on brand image is valid.

According to Table (4.11), linear regression analysis explains that effect of CSR factor in terms of economic responsibility on brand image has significant at 5%, and its relationship to brand image is fairly variation ($P < 0.05$, $r = 0.254$). This means the 100% change in economic responsibility factor effect strongly on brand image by 25.4%.

The effect of ethical responsibility and legal responsibility on brand image are positive and poorly correlated factor, however their values do not show significant values.

The effect of CSR factor in terms of philanthropic responsibility on brand

image has significant at 1%, and its relationship to brand image is strongly variation ($P < 0.05$, $r = 0.970$). This means the 100% change in Philanthropic responsibility effect strongly on brand image by 97.0%.

Among these four CSR responsibilities, all the factors have found to be effective brand image. Among them economic responsibilities and philanthropic only the two factors which can distinctly increase brand image.

Table (4.12) Effect of CSR Activities on Customer Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
(Constant)	-.025	.242		-.105	.917	2.991 4.025 5.650 3.946
Economic	.263**	.106	.212	2.497	.014	
Ethical	.093	.113	.081	.822	.412	
Legal	.076	.144	.061	.526	.600	
Philanthropic	.755***	.121	.611	2.269	.000	
R				.773		
R Square				.598		
Adjusted R Square				.588		
F				62.034***		

***, **, * significant at 1%, 5% level

Source: Survey data, 2022

In the above Table (4.12), the value of R square is about .598 or estimated about 59.8%. This implies that the specified model could be explain srrongly about the disinction of customer loyalty. The specified model explains that varaition of customer loyalty is predicted by four CSR responsibilites as the value of adjusted R square is about 58.8%. The value of F is significant at 1% ($P < 0.01$, $F = 62.034$). This means the study model of the effect of CSR activity on brand image is valid.

According to Table (4.10), linear regression analysis explains that effect of CSR factor in terms of economic responsibility on customer loyalty has significant at 5%, and its relationship to customer loyalty is fairly variation ($P < 0.05$, $r = 0.263$). This

means the 100% change in economic responsibility factor effect strongly on customer loyalty by 26.3%.

The effect of ethical responsibility on customer loyalty is positive and poorly correlated factor, however it has not significant value. The effect of legal responsibility on customer loyalty is also positive and poorly correlated factor, however it does not have significant value.

The effect of CSR factor in terms of philanthropic responsibility on customer loyalty has significant at 1%, and its relationship to customer loyalty is strongly variation ($P < 0.05$, $r = 0.755$). This means the 100% change in Philanthropic responsibility effect strongly on customer loyalty by 75.5%.

Table (4.13) reports on the combined effect of CSR activities on customer loyalty by the use of linear regression analysis method.

Table (4.13)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
(Constant)	-.035	.263		-.134	.893	
CSR responsibility	0.895***	.071	.734	14.100	.000	1.000
R	.734					
R Square	.539					
Adjusted R Square	.536					
Durbin-Watson	1.869					
F	198.798**					

***, **, * significant at 1%, 5% level

Source: Survey data, 2022

The value of F is significant at 1% ($P < 0.01$, $F = 198.798$). This means the study model of the effect of CSR activity on customer loyalty is valid.

According to Table (4.11), linear regression analysis explains that effect of CSR on customer loyalty has significant at 1%, and its relationship to customer loyalty is strongly variation ($P < 0.05$, $r = 0.894$). This means the 100% change in CSR responsibility effects strongly on customer loyalty by 89.4%.

Table (4.14) reports on the combined effect of CSR activities on brand image of CB Bank by the use of linear regression analysis method. Table (4.14) explains the value of R square is about .648 or estimated about 64.8%. This implies that the specified model could be explain srongly about the disinction of brand image. The specified model explains that varaition of brand image is predicted by four CSR responsibilitas as the value of adjusted R square is about 64.6%. The value of F is significant at 1% ($P < 0.01$, $F = 312.743$). This means the study model of the effect of CSR activity on brand image is valid.

Table (4.14) Effect of CSR on Brand Image

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	-.419	.236		-1.778	.077	
CSR Responsibility	.899***	.064	.805	17.685	.000	1.000
R	.805 ^a					
R Square	.648					
Adjusted R Square	.646					
Durbin-Watson	1.713					
F	312.743***					

a. Dependent Variable: Image

***, **, * significant at 1%, 5%, 10% level

Source: Survey data, 2022

The value of F is significant at 1% ($P < 0.01$, $F = 312.743$). This means the study model of the effect of CSR activity on brand image is valid.

According to Table (4.14), linear regression analysis explains that effect of CSR responsibility on brand image has significant at 1%, and its relationship to brand image is strongly variation ($P < 0.01$, $r = 0.899$). This means the 100% change in CSR responsibility effects strongly on customer loyalty by 89.9%.

In the above Table (4.15), the value of R square is about .738 or estimated about 73.8%. This implies that the specified model could be explain strongly about the disinction of customer loyalty. The specified model explains that variation of customer loyalty is predicted by brand image as the value of adjusted R square is about 67%. The value of F is significant at 1% ($P < 0.01$, $F = 478.498$). This means the study model of the effect of CSR activity on brand image is valid.

Table (4.15) Effect of Brand Image on Customer Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.530	.145		3.651	.000
Brand Image	.838***	.038	.859	21.875	.000
R	.859 ^a				
R Square	.738				
Adjusted R Square	.736				
F	478.498***				

***, **, * significant at 1% level

Source: Survey data, 2022

According to Table (4.15), linear regression analysis explains that effect of brand image has significant at 1%, and its relationship to customer loyalty is strongly variation ($P < 0.01$, $r = 0.838$). This means the 100% change in brand image effects strongly on customer loyalty by 83.8%.

4.6 Mediating Effect of Brand Image on the Relationship between CSR Activities and Customer Loyalty

In the above Table (4.16), the value of R square is about .743 or estimated about 74.3%. This implies that the specified model could be explain strongly about the distinction of customer loyalty. The specified model explains that variation of customer loyalty is predicted by both effect of brand image and CSR activities as the value of adjusted R square is estimated to 74.0%. The value of F is significant at 1% ($P < 0.01$, $F = 244.370$). This means the study model of the effect of CSR activity and brand image on customer loyalty is valid.

Table (4.16) Mediating Effect of Brand Image

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
(Constant)	.276	.199		1.387	.167	
CSR Responsibility	.166*	.090	.122	1.850	.066	2.840
Brand Image	.743***	.064	.761	11.584	.000	2.840
R	.862 ^a					
R Square	.743					
Adjusted R Square	.740					
Durbin-Watson	1.954					
F	244.370					

***, **, * significant at 1%, 5%, 10% level

Source: Survey data, 2022

According to Table (4.16), linear regression analysis explains that effect of brand image has significant at 1%, and its relationship to customer loyalty is strongly variation ($P < 0.01$, $r = 0.743$). This means the 100% change in brand image effects

strongly on customer loyalty by 74.3%.

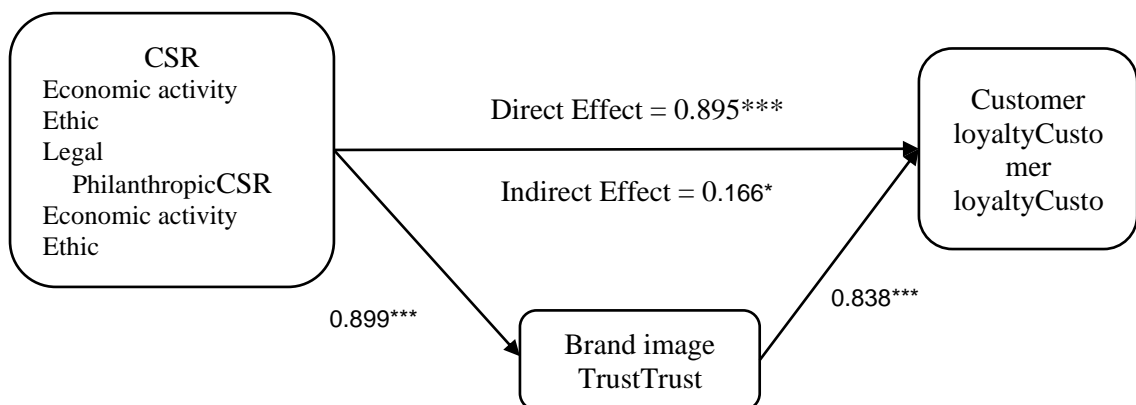
Linear regression analysis explains that effect of CSR responsibility has significant at 10%, and its relationship to customer loyalty is poorly variation ($P < 0.01$, $r = 0.166$). This means the 100% change in CSR activities effects strongly on customer loyalty by 16.6%.

By comparing Table (4.14) with Table (4.12), the direct effect of CSR on customer loyalty was reduced from .899 to .166.

4.7 Path Analysis of Mediating Effect of Brand Image on the Relationship between CSR Activities and Customer Loyalty

Mediation effect refers to the effect of variables that mediate the relationship between various independent variables and the outcome variable. In this study, the mediating effect of brand image on the relationship between the Relationship of CSR Activities and Customer Loyalty is tested. This test assesses whether a mediation effect is significant. It examines the relationship between the independent variable and the dependent variable compared to the relationship between the independent variable CSR and dependent variable Loyalty including the mediation factor of Brand Image of CB Bank. Mediation can be either complete or partial. The direct effect is not mediated, whereas the indirect effect is transmitted through one or more mediator variables.

Table (4.1) Path Analysis of Mediating Effect of Brand Image



Source: Survey data, 2022

As shown in above Figure, the direct effect of CSR responsibilities on Customer loyalty is significant. And there is also the significant indirect effect of CSR responsibilities on Customer loyalty. Between the mediating variable and customer

loyalty, there is also positive and strong effect of brand image on Customer loyalty. Therefore, it can be conclude that the focus strategy has partial mediation effect on the relationship between CSR responsibilities and Customer loyalty. The finding of the critical association among CSR responsibilities and brand image is the comprehension of how CSR responsibilities effect on customer loyalty. The implication of the result is that of the bank marketers should consider the important linking among CSR and brand image while promoting customer loyalty.

CHAPTER V

CONCLUSIONS

In this section, it presents the conclusion of the research analysis. It presents survey findings, suggestions and recommendation upon findings and the needs for further researches.

5.1 Survey Findings

According to gender analysis, survey includes comparing male to female ratio, it is found as almost similarity of compositions of male and female in the study. Marital Status explains that majority of respondents were single status, Age level analysis presents that majority of respondents are fallen in the age range of 24 to 40 years. In the analysis of the important level of bank being socially responsibility, majority of respondents agree on that of the importance of socially responsible. Having high aware on socially responsibility, the analysis of poor CSR proven track record would make them to put off purchasing their products. For that CSR track records are important for all business organizations.

In the analysis on the CSR activities of CB Bank, the descriptive research was used and respondents have to rate their agreeable option based on 5-point Likert scale consist of 5 answer options. With regards to the analysis of the economic responsibility of CB Bank, the overall mean value is higher, indicating most of respondents agree to that of economic responsibility is important element of CSR activities. With regards to the analysis of the ethical responsibility of CB Bank, respondents agree with higher value and indicating the majority of respondents agreeable to that of ethical responsibility as an important CSR responsibility at CB Bank. In the analysis of the legal responsibility at CSR of CB Bank, the overall mean value is also higher and indicating the most respondents agree with legal responsibility as distinct CSR responsibility of CB Bank. Descriptive analysis of the Philanthropic responsibility at CSR of CB Bank, the overall mean value is also higher mean value, indicating most respondents agree to that of philanthropic responsibility as distinct CSR responsibility of CB Bank. In the study at the customer loyalty at CB Bank, the higher overall mean value indicates the most respondents are with higher loyalty level at CB Bank. The analysis on their perceived brand image as well, the

higher overall mean value agree that CB Bank has strong brand image among other private commercial banks in Myanmar.

Reliability analysis also explains that all the coefficients of Cronbach's Alpha values are higher than 0.8 and thus, it indicates the stronger consistency of the survey questions in each factor. All these compositions of each question were found to be excellent consistency. With regards to the analysis on the relationship between CSR responsibilities and brand image, Pearson correlation analysis can explain that there are the relationship between CSR responsibility and brand image of CB Bank in different degree level.

Knowing that there are the importance of each CSR dimensions, their relationship on brand image and customer loyalty were analyzed by the use of Pearson correlation statistical calculation method. Study finds out that there have strong correlation between CSR Dimensions and Brand Image, also the strong relationship between CSR Dimensions and Customer loyalty.

Detail analysis method by the use of linear regression analysis explains only the economic responsibility, legal responsibility, and philanthropic responsibility could vary to brand image. Philanthropic dimension has the greatest variation on CB Bank brand image.

The detail analysis by the linear regression analysis is also conducted. According to the analysis of the effect of CSR dimensions on customer loyalty also explains that only the two dimensions named economic responsibility and philanthropic responsibility can vary significantly customer loyalty.

Customer loyalty are influenced by many factors like company promotion, membership programme, and so on. In this study, the effect of CRM practices on the customer loyalty by the intervention role of brand image was tested. In the examination of the mediation effect indicated that brand image of CB Bank mediates the effect of CSR factors and customer loyalty.

Therefore, it can conclude that brand image has partial mediation effect on the relationship between CSR responsibilities and Customer loyalty. The finding of the critical association among CSR responsibilities and brand image is the comprehension of how CSR responsibilities effect on customer loyalty. The implication of the result is that of the bank marketers should consider the important linking among CSR and brand image while promoting customer loyalty.

5.2 Recommendations and Suggestions

With regards to the important level of bank organizations which operate on a socially responsible, the majority of respondents agree that this activity is very important and thus, it could be recommended to the management of CB bank to continue to socially responsible activates along with other marketing activities. There is also suggested that if the bank has poor CSR proven track record, majority would put off purchasing the products and services and thus, CB bank and other private commercial banks should have CSR proven track record to show off their customers.

Regarding to the analysis of the economic responsibility of CB Bank, there has higher agreeable to that of economic responsibility, especially in bank provides SME credit loans for the development of economic activity of the citizen. It could be suggested that CB bank management should have more closely monitors the market developments, such as macro-economic, credit and industry risk factors so as to provide economic responsibility to the community and bank shareholders.

Regarding to the analysis of the ethical responsibility of CB Bank, it could be recommended that CB Bank must continue maintaining ethical responsibility and it is also recommended to the openness at Web page about CB Bank ethic article that all the people could see how CB Bank is trying to be ethical responsibility. It could be suggested that CB bank should have more hard working to maximize profits and serving the interests of stakeholders because its lower agreement of majority of respondents in that statement.

. With regards to the analysis of the Legal Responsibility at CSR of CB Bank, it is strongly recommended the strong legal responsibility which has distinct CSR responsibility of CB Bank. It could also be recommended to that of bank treatment on employee with fairly and safety at work without discrimination would be the most legal responsibility at CB Bank.

In the analysis of the Philanthropic responsibility at CSR of CB Bank, it is strongly recommended that CB Bank philanthropic activity are most popular among customers. It could be recommended to CB bank to participate more in voluntary and charitable activities within the local community. From that, CB Bank will be more respectful philanthropic CSR responsibility among its customers.

Regarding to the analysis of the relationship between CSR responsibilities and brand image, study can explain strong relationship of CSR responsigilities and brand image. It is strongly recommended to CB Bank philanthropic responsibility and brand

image which has strong and positive relationship than other CSR responsibility. With regards to the analysis on the relationship between CSR activities and customer loyalty, philanthropic responsibility has also positive and strong correlation with customer loyalty and thus, it could be recommended to the management and marketers of CB Bank to empathise their current philanthropic responsibility actions.

In accordance to the analysis of the effect of CSR activities on brand image, linear regression analysis also can explain that among these four CSR responsibilities, all the factors only philanthropic factors which can distinctly increase brand image. The analysis of the effect of CSR on customer loyalty also reveals that philanthropic activities would be the strongest influence to both customer loyalty and CB Brand image.

This means there has chances to increase customer loyalty and CB Brand image in practitioners and management of CB Bank should have more careful activities so as to increase more brand image and customer loyalty.

By conclusion, there is the direct effect of CSR responsibilities on Customer loyalty there is also the significant indirect effect of CSR responsibilities on Customer loyalty by the mediating role of brand image. By this present of partial mediation effect on the relationship between CSR responsibilities and Customer loyalty, bank marketers and management should consider the important linking among CSR and brand image while promoting customer loyalty.

5.3 Needs for Further Studies

This study focuses on CSR activities practices by a commercial bank in Myanmar. There are many commercial banks. This study only focuses on CB Bank. Study is only limited on the Yangon region. Since there are many CB Bank branches around the country, further studies are needed to extend to other CB bank location to have more understanding on the intervening effect of brand image on the relationship between CSR activities and customer loyalty. Study only limit on small amount of CB Bank customers. Further studies also needed to extended to more numbers of CB Bank customers.

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SURVEY QUESTIONNAIRE

The effect of corporate social responsibility on customer loyalty: the mediating role of brand image

SECTION (A) DEMOGRAPHIC PROFILE OF RESPONDENTS

1. Gender of Respondents

- Male
- Female

2. Marital Status of Respondents

- Single
- Married

3. how old are you

- Under 18
- 18-24
- 24-34
- 35-44
- 45-54
- 55-64
- 65+

6. If a company had a proven track record of poor CSR, would you be put off purchasing their products?

- Yes
- No

SECTION (B) ANALYSIS ON CSR PRACTICES OF CB BANK

Sr. No.	Economic Responsibility	1	2	3	4	5
1	CB Bank focuses on the talent development and employee engagement for sustainable plan of the bank.	1	2	3	4	5
2	The success and growth of bank mainly depend on how well the bank can manage its risk portfolio.	1	2	3	4	5
3	CB bank risk management committee regularly discusses sizable credit applications and set out guidelines to mitigate potential risks.	1	2	3	4	5
4	CB bank management closely monitors market developments, such as macro-economic, credit and industry risk factors	1	2	3	4	5
5	CB bank provides SME credit loans for the development of economic activity of the citizen.	1	2	3	4	5
6	Corporate social responsibility of CB bank can promote customer satisfaction which in turn increases bank revenues.	1	2	3	4	5
7	Most of customers are willing to use more for products and services of CB bank when bank has committed in positive social and environmental impact.	1	2	3	4	5

Sr. No.	Ethical Responsibility	1	2	3	4	5
1	CB bank has comprehensive code of conduct published in the public webpage.	1	2	3	4	5
2	CB bank tries to perform in a manner consistent with expectations of social and ethical norms.	1	2	3	4	5
3	CB bank is committed to being a part of the country's development by contributing to social needs	1	2	3	4	5
4	CB Bank encourages to perform one's duties with honesty, integrity, moral principles and responsibility.	1	2	3	4	5
5	CB Bank prevents and avoids dealings or transactions that may lead to conflicts of interest.	1	2	3	4	5
6	CB bank tries to maximize profits and serving the interests of stakeholders	1	2	3	4	5

Sr. No.	Legal Responsibility	1	2	3	4	5
1	CB bank follows legal obligation to pay cheque and cash in accordance with the customer payment order.	1	2	3	4	5
2	CB bank is ensuring business ethics, supporting/promoting law and regulations.	1	2	3	4	5
3	CB bank is ensuring compliance with labor rules and regulations in promoting labor conditions, health and safety.	1	2	3	4	5
4	CB bank follows the anti-money laundry (AML) rules and regulations.	1	2	3	4	5
5	Central bank regulations are influencing the attitudes towards CSR practices in the CB bank	1	2	3	4	5
6	CB bank treats its employees fairly, safety at work	1	2	3	4	5

	without discrimination					
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Sr. No.	Philanthropic Responsibility`	1	2	3	4	5
1	CB Bank is performing in a manner consistent with the philanthropic and charitable expectations of society	1	2	3	4	5
2	CB Bank consistently offers educational scholarships to the needy	1	2	3	4	5
3	CB Bank understands social needs and offers Covid 19 healthcare center and related facilities.	1	2	3	4	5
4	CB bank offers financial support to employees for further studies.	1	2	3	4	5
5	CB bank participates in voluntary and charitable activities within the local community.	1	2	3	4	5
6	CB bank frequent takes part in sponsorships to promote entrepreneur spirit and to create more opportunities for Myanmar citizens.	1	2	3	4	5

SECTOIN (C) ANALYSIS ON BRAND IMAGE

Sr. No.	Brand Image	1	2	3	4	5
1	I trust the image of CB Bank.	1	2	3	4	5
2	The value of CB Band brand is as per my expectation.	1	2	3	4	5
3	To the full extent the products and services of CB bank has been successful to meet my needs.	1	2	3	4	5
4	The competitive interest rate and bank charges help build a good brand image of CB Bank.	1	2	3	4	5
5	The service quality of CB Bank helps to build a good brand image.	1	2	3	4	5
6	I am a loyal customer of CB bank for the use of financial products and services.	1	2	3	4	5

SECTION (D) ANALYSIS ON CUSTOMER LOYALTY

Sr. No.	Customer Loyalty	1	2	3	4	5
1	I am very likely to recommend CB Bank services.	1	2	3	4	5
2	I am very likely to continue using CB Bank services, again.	1	2	3	4	5
3	I think CB bank financial products services are very convenient and meet my requirements.	1	2	3	4	5
4	I am very interested in checking other financial products and services of CB Bank.	1	2	3	4	5
5	I am very eager to word-of-mouth to tell good CB Bank services to others.	1	2	3	4	5

Thank you.

Philanthropic Responsibility

CB Bank is performing in a manner consistent with the philanthropic and charitable expectations of society

CB Bank consistently offers educational scholarships to the needy

CB Bank understands and offers Covid 19 healthcare center facilities.

CB bank offers financial support to employees for further studies.

CB bank participates in voluntary and charitable activities within the local community.