



## CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE AS A CUSTOMER SATISFACTION AND RETENTION STRATEGY IN THE CHAIN RESTAURANT SECTOR

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### ABSTRACT

*CSR is a comprehensive concept, encompassing companies' socially accountable activities, its social responsiveness, and its conducive efforts that are ultimately helpful to the society. This study aims to reveal the precise role of corporate social responsibility (CSR) within the customer retention method by considering the mediating impact of brand attitude, service quality, and customer satisfaction whereas work the moderating impact of brand love in the chain restaurant industry.*

*The methodology used in this study is a quantitative method by distributing an online questionnaire consisting of 27 item statements with a five-point Likert-scale. The sample size used for this study was 225 people in Indonesia who are consumers of restaurants in Indonesia. This research data was processed using smartPLS 3.2.9 analysis tools and the research method in this study used Structural Equation Modeling (SEM) which is equation model with an approach based on variance or component-based structural equation modeling.*

*The results of this study show that economic, ethical and philanthropic CSR are important factors to improve brand attitude and service quality. Interestingly, the aforesaid relationship helps increase customer retention. Our research outcomes also show that brand love indirect effects in moderating impact on the relationship between attitude and customer retention. This research provides the restaurant chain industry with a deeper understanding and valuable insights into the corporate social responsibility strategy of restaurant chain companies, and shows that specific corporate social responsibility measures have an impact on customer brand attitude and customer retention.*

**Keywords:** *chain restaurant, corporate social responsibility, customer retention, customer satisfaction*

### INTRODUCTION

The competition that occurs between companies today is no longer about product competition but about how companies get positive perceptions from consumers. Consumers can judge a company from its corporate social responsibility. CSR affects the relationship between companies and stakeholders and has the potential to drive company performance through customer satisfaction (Sun and Price, 2015). CSR and customer satisfaction are related to the company's work strategy. Companies use substantial resources in providing satisfaction to customers (Durvasula et al., 2004) and maintaining customer satisfaction to make it more complex (Tarasi et al., 2011).

In order to ensure the enterprise's market triumph, it's far vital now no longer most effective to draw the variety of first-time customers, however additionally to have advanced provider performance which surpass the patron pride that contributes to common visits. When customers are happy with their post-buy options, they're capable of get back the goods of the commercial enterprise and permit their acquaintances to apply those merchandise too. Increasing the rate of customer retention is important for restaurant founders, because it guarantees their enterprise's long-term survival in an increasingly demanding and aggressive eatery industry. Corporate Social Responsibility (CSR) entails some activities of corporations that put social good above corporate self-interest. In addition, the excellent CSR activities of the company attract

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significant interest from current and future patrons. As a result, several businesses are making different attempts inside corporate social responsibility operations, in view that there's general perception that such operations ought to have a nice impact on the retention of current patrons while building a positive profile for the business within the general public.

In the extremely competitive, shedding light on factors which will have an effect on the positive post-purchase behavior of patrons is important. Scholarly writing in scientific discipline outlined however brand attitude, service quality and customer satisfaction, together in business, corporate social responsibility activities are a necessary condition for understanding customer decisions and post-purchase action. (Han et al., 2020).

In previous studies performed by Foroudi, 2019, the importance of the whole relationship with the client the buyout decision is confirmed. In addition, many studies have shown however the standard of service qualities together with the brand attitude are essential factors of satisfaction analysis and customer retention (Foroudi, 2019). Interestingly, past analysis has conjointly shown how corporate social responsibility take part in a vital character in shaping decision after winning the clients.

Though customer behavior highlights the significance of those principles, this research field still seems to be for the most part underdeveloped (Camilleri, 2014). The aim of this study is so to develop a bigger recognizing of the chain restaurants and its brand attitude or quality of service and the formation of relationships that help increase client satisfaction and loyalty. It's of utmost significance to line up a series of restaurants against CSR during an extremely competitive restaurant market. only a few empirical studies are allotted to research however restaurant corporate social responsibility is said to brand attitude, quality of service and satisfaction. Precisely, the close correlation in the middle of completely different corporate social responsibility measurements through brand attitude and service quality has not been mentioned within the restaurant chain industry.

Brand love is an entrenched variable that establishes and maintains a beneficial bond which connecting a brand and its sponsors (Chen & Quester, 2015). Today's consumers want to establish strong emotional relationships with brands that go beyond basic consumer buying activities. In this way, consumers establish a lifelong bond which treat the brand as the person closest to them through the brand's products and services, and eventually shape it a sense of connection, just like interpersonal relationships (Drennan et al., 2015). According to Song et al. (2019) which stated that academics and industry professionals pay special attention to understanding the unique love mechanism between a customer and a single brand/company. Look at the value of brand love in literature. Reduce the influence of brand preference on chain restaurant consumers. Investigating how brand love can increase/decrease customer loyalty is not only a necessary practice for educating chain restaurants' after-sales behavior, but also a pace in the righteous guidance for a chain restaurant loyalty strategy.

## **THEORETICAL FRAMEWORK AND HYPOTHESES FORMULATION**

CSR has become part of the company's business activities today. Everything related to CSR, such as the concept, motivation, strategy, costs and implementation of the CSR program must be carefully thought out so that the CSR activities carried out are truly on target and on purpose. Muharbiyanto (2010) explains several theories that can rationalize the reasons why companies have the desire to carry out CSR activities and the company's motivation to disclose their CSR activities, namely Economic Theory, Legitimacy Theory, Stakeholder Theory, and Institutional Theory.

### **Economy Theory**

In Economic Theory, it is argued that a company will carry out CSR if the company benefits from these activities. Companies must also create social and environmental values to create optimal economic value in the long run. So, by creating social value, the company will also create good economic value in the long run.

Research conducted by Baron (2007) in Sari (2012) shows that managers will implement CSR if there is compensation. This compensation can come from consumers, where consumers are increasingly using products from companies, and can also come from investors, which is reflected in the high stock prices for companies that carry out CSR activities.

### **Legitimacy Theory**

According to Gray et al. (1995) in Sari (2012), legitimacy is a system that prioritizes the interests of society or is more pro-society. Community legitimacy is a strategic factor for the company in order to develop the company going forward. It can be used as a vehicle for building a corporate strategy, especially in relation to efforts to position the company in an increasingly advanced community environment. Therefore, legitimacy is a potential benefit or resource for the company to survive (going concern).

Legitimacy theory is one of the most frequently used theories to explain social and environmental disclosures since the 80s. Legitimacy theory is based on the notion of a social contract that is implied between institutions and society (Ardianto and Machfudz, 2011). By carrying out CSR activities, the company hopes to create a balance between the company's activities and the community's expectations of the company. This will then build a good corporate image in the eyes of the community so that the company's existence gets recognition and support from the community. Companies must behave in corridors that are socially acceptable to the surrounding environment in order to continue their business so that it can run successfully. Proponents of this theory argue that companies can legitimize themselves by voluntarily disclosing information about social and environmental activities in their annual reports.

### **Stakeholder Theory**

Stakeholders are usually defined as stakeholders are parties or groups with an interest, either directly or indirectly, in the existence or activities of the company. The concept of stakeholder or stakeholder has undergone many changes. In the past, those who were considered stakeholders were investors, customers, board of directors, management, and government, but now this concept has expanded to include employees, labor unions, and the general public.

Based on stakeholder theory, organizational management is expected to carry out activities that are considered important by their stakeholders and report back on these activities. This theory states that all stakeholders have the right to be provided with information about how organizational activities affect them (for example, through pollution reporting, sponsorship, safeguard initiatives, etc.), even though they do not always use this information (Deegan: 2004). Furthermore, Deegan (2004) states that stakeholder theory emphasizes organizational accountability far beyond simple financial or economic performance. The organization will choose to voluntarily disclose information about environmental, social and intellectual performance beyond its mandatory disclosure (financial performance). The main purpose of stakeholder theory is to help business managers acknowledge their stakeholder environment and lead the enterprise's bond with its domain.

### **Institutional Theory.**

Islam and Deegan (2008) in Sari (2012) reveal that this institutional theory is used to explain the existing organizational structure and to show that an operation or disclosure provisions applied by an organization arises because of pressure from stakeholders who expect certain practices. inside the organization. In this case, the organization or company is forced by the power of stakeholders to implement or adopt certain rules or policies, including the disclosure or disclosure of corporate social responsibility. For example, BUMN in carrying out their operations must follow and obey the rules made by the government as a very influential stakeholder in the company.

### **The Influence of Economic CSR on Brand Attitude and Service Quality**

Economic responsibility is the responsibility of a company to generate profits from economic activities, and it defines the maximization of earnings per share, maintaining a competitive advantage, and sustained profits as indicators of company success (Carroll, 1991). The major aspect of economic CSR relates the economic development/social growth (Han et al., 2020).

Wu and Wang (2014) investigated the impact of Starbucks' CSR perception on brand attitude and purchase intention based on 624 questionnaires. Their results showed that CSR companies have a positive impact on brand attitudes through good brand image perception. In addition, research by Huang, Yen, Liu and Huang (2014) shows that corporate social responsibility has a significant positive impact on service quality. Taking these into account, the following hypotheses are developed:

*H1: The economic CSR positively affects brand attitude.*

*H2: The economic CSR positively affects service quality.*

### **The Influence of Legal CSR on Brand Attitude and Service Quality**

Legal CSR means operating with integrity, meeting or exceeding all applicable legal requirements at the local, state, and federal levels (Lee et al., 2013). Beckwith and Lehman (1975) found that corporate social responsibility activities have a direct/indirect impact on the realization of corporate goals and contribute to the positive image of the company's products and services.

In the hospital environment, Tuan (2014) reported that corporate social responsibility is a reliable predictor of clinical governance and can bring high returns to patient service quality and hospital brand value. In line with previous research, the below hypotheses are proposed:

*H3: The legal CSR positively affects brand attitude.*

*H4: The legal CSR positively affects service quality.*

### **The Influence of Ethical CSR on Brand Attitude and Service Quality**

Ethical CSR is the company's responsibility to implement (without statutory regulations) the best practices required by members of society. These practices indicate that the company has healthy social customs, abide by ethical standards, and good corporate citizenship (Han et al., 2020). Creyer and Ross (1996) studied the impact of ethical and unethical corporate behavior on the perceived value of a company's products. After investigation, most consumers said that no matter how large or small the discount is, they would not buy any products or business service that are irresponsible to society. In doing so, it showed that ethical corporate social responsibility will lead to positive consumer attitudes and positive purchase intentions. Additionally, Poolthong and Mandhachitara (2009) stated that the company's ethical CSR will lead to positive consumer attitudes and positive purchase intentions with the attitude of private customers towards the bank. Therefore, this study proposes the following hypotheses:

*H5: The ethical CSR positively affects brand attitude.*

*H6: The ethical CSR positively affects service quality.*

### **The Influence of Philanthropic CSR on Brand Attitude and Service Quality**

Philanthropic responsibility is equivalent to improving the quality of life of the entire community by providing the community with free resources, space and labor (Wang & Han, 2017). Moreover, it also refers to the degree to which the company's core values match the philanthropic expectations of community, whether it is voluntary service, educational sponsorship or community participation. Interestingly, previous studies have shown that the corporate image created through corporate philanthropic initiatives can be transformed into active brand attitude (Lii & Lee, 2012) and high-quality services (Bello, Jusoh, & Md Nor, 2020). Based on the above, we propose the following hypotheses:

*H7: The philanthropic CSR positively and affects brand attitude.*

*H8: The philanthropic CSR positively affects service quality.*

### **The Influence of Brand Attitude on Customer Satisfaction and Customer Retention**

Attitude refers to a person's psychological tendency towards a specific object, which can be favorable or unfavorable (Keller, 1993). Brand attitude indicates the positive or negative psychological tendency of consumers towards a particular brand and product/service (Manosuthi et al., 2020). Brand attitude is often regarded as an important structure in marketing, because the formation of consumer decision-making and brand choice behavior may be a function of brand attitudes (Manosuthi et al., 2020). A positive attitude towards a particular brand will produce a positive attitude towards the brand, they feel good about using branded products/services, and are committed to repurchasing branded products/services. (Han et al., 2017).

Previous studies on consumer behavior showed that positive attitudes towards brands can increase customer satisfaction with specific brands and promote brand loyalty (Foroudi, 2019). Recently, Wang et al. (2019) studied user behavior in the context of social media brand communities, and their results showed that brand attitudes and brand community participation in social media play a crucial role in shaping the purchase intentions of certain brand user important role for future purchase intention. In this context, Foroudi (2019) studied the potential role of brand attitudes in brand signatures and brand reputation. The author concludes that the attitude of hotel guests towards the hotel brand has made a significant contribution to improving the brand's reputation and performance. The brand attitude formed through the company's various marketing and social responsibility behaviors can affect the customer's decision-making process. Future behavior and behavior patterns (Yang, 2012). Additionally, it was shown that the evaluation of

customer satisfaction with branded products depends on brand attitude, which can ultimately increase customer retention (Han et al., 2017). Based on these, the following hypotheses are proposed:

*H9: The brand attitude positively and affects customer satisfaction.*

*H10: The brand attitude positively affects customer retention.*

#### **The Influence of Service Quality on Customer Satisfaction**

It is widely accepted that the favorable perceived quality of service will positively influence customers' future behavior (Cheng et al., 2014). Service quality is an important part of business performance and has an important impact on customer satisfaction and loyalty (Tariq, Najam, Maat, & Han, 2020). Customers constantly evaluate the value received of purchased products and services (Oliver, 2010), so customers are constantly looking for the maximum value of the products and services provided by various suppliers (McColl-Kennedy & White, 1997). At the same time, the quality of the product/service is critical to influencing the purchasing decision process. Service quality reflects customers' subjective perception of shared services and their attributes (Low & Lamb, 2000). Compared with competing brands, customers strive for higher brand value for brand products/services by evaluating the quality/performance of brand products/services (Keller, 2003). A high-quality brand meets customers' functional needs by providing unique product/service characteristics (Keller, 2003). The performance of products/services that meet or exceed customers' emotional needs and emotions directly improves their satisfaction evaluation and positive decision-making after purchasing products/services (Oliver, 2010). Given this, the following hypothesis is developed:

*H11: Service quality positively and affects customer satisfaction.*

#### **The Influence of Customer Satisfaction on Customer Retention**

Satisfying customer needs and wants has become a business mantra to keep and increase existing customers' spending (Kim, Kim and Hwang, 2020). Customer satisfaction according to Kotler & Armstrong (2016) can be interpreted as the discrepancy between customer expectations and the reality of corporate performance, so it can be interpreted that if the company's performance is above customer expectations, then the customer will feel satisfied with the company itself. In the increasingly competitive global market, improving customer satisfaction is the primary goal of various restaurant companies (Konuk, 2019). Customer satisfaction indicates the degree to which patron's expectations are fulfilled towards a specific product or service (Han et al., 2017). Oliver (2010) also argues that the key criterion of consumer satisfaction lies in the product evaluation process of the product or service. Satisfaction therefore refers to the customer's assessment of the effectiveness with which the product and the performance of its properties have satisfied their needs and desires (Al-Ansi et al., 2019).

There is no doubt that customer satisfaction is one of the main reasons for customer retention (Kim et al., 2020). Existing studies in multiple situations have identified an important relationship between customer satisfaction and customer retention (Kim et al., 2020). Especially in the retail sector, Kim et al. (2020) examined consumer satisfaction and loyalty behavior. The study found a significant relationship between honesty, customer satisfaction and loyalty. Konuk (2019) studied the impact of satisfaction on restaurant customer loyalty. The author concluded that customer satisfaction is formed by food quality and fair prices, and value perception leads to loyalty and reputation. So far, the results are consistent with the research of Jung and Yoon (2013) in the context of family restaurants, where authors concluded that customer satisfaction is the most important factor in determining their repeat purchase behavior. In short, satisfied customers show positive future behavior and brand loyalty. Based on this evidence, the following hypothesis is developed:

*H12: Customer satisfaction positively affects customer retention.*

#### **The Moderation Effect of Brand Love between Brand Attitude with Customer Satisfaction and Brand Attitude with Customer Retention**

Love is attachment to others (Shaver, Schwartz, Kirson, & O'Connor, 1987), and love is essential in interpersonal relationships (Guerrero & Andersen, 2000, pp. 171-183). Thus, love towards a precise brand, is an important idea in consumer behavior and marketing. Brand love can be understood as the emotional connection between a specific brand and its customers. However, brand love is used synonymously with the term "emotional brand loyalty" (Song et al., 2019). The

love triangle theory proposed by Sternberg (1986) is the most widely used theory in brand love research, which includes intimacy (feeling close to each other), passion (feeling romance or physical arousal), and participation (maintaining an ongoing relationship) create a triangle of love towards a precise brand. Similarly, customers' love to the brand is the main way for customer behavior to create a platform that benefits the brand (for example, recommendation, new sponsorship, loyalty). (Yang, 2010). Several empirical studies on brand love have showed that brand love has a positive effect on brand recommendation, trust, commitment, loyalty, longevity and loyalty (Batra et al., 2012). More precisely, the love for the brand has a positive effect on the decision-making process and the behavior of future consumers (Song et al., 2019).

Contemporary literature convincingly confirms the importance of brand love (Song et al., 2019). Batra et al. (2012) showed that brand love with multiple emotional elements has a significant impact on purchase decision and product/service recommendation. Similarly, Vlachos and Vrechopoulos (2012) found that customers' affection for a brand is strongly influenced by sponsoring customers' intentions of brand loyalty. In addition, in the field of restaurants and consumer behavior, it is concluded that consumers' love of a particular brand of wine has a great influence on consumers' loyalty to that brand (Drennan et al., 2015). For this reason, the author decided to use purchase intention and recommendation as part of measuring brand loyalty.

Brand love demonstrates the special relationship between the company and its customers, while opening up various possibilities for maintaining this liquidity. (Shaver et al. 1996). In addition, brand love is the foundation for building long-lasting high-quality relationships while increasing the chances of converting existing customers into regular customers (Song et al., 2019). Love can make consumers have a more positive attitude towards the brand, which will affect their future buying behavior (Roberts, 2005). Therefore, brand love strengthens the connection between customer retention/loyalty and its predictors (Han & Hyun, 2017). The fondness for a particular brand may evolve into a positive post-purchase behavior, which has a strengthening effect on cognition and judgment, also attachment/loyalty factors (Song et al., 2019), while providing a competitive advantage for specific brands (Yang, 2010). Given this evidence, we proposed the below hypotheses:

*H13: Brand love moderates the relationship between the brand attitude and customer satisfaction.*

*H14: Brand love moderates the relationship between the brand attitude and customer retention.*

## **RESEARCH METHODS**

### **Research Variable**

This study consists of four types of variables, namely independent variable, dependent variable, mediating variable and moderating variable according to Hair, et al (2019):

1. The Independent variable is the presumed cause of any change in the dependent variable. In this study, independent variables are economic corporate social responsibility, legal corporate social responsibility, ethical corporate social responsibility, and philanthropic corporate social responsibility.
2. Dependent variable presumed effect of, or response to, a change in the independent variable. Customer retention is the dependent variable in this study.
3. Mediating variables or can be called as an indirect effect is arranged by two interrelated relationships which are (a) treatment to the mediator, and (b) mediator to the outcome. In this study, brand attitude, service quality, and customer satisfaction as a mediating variable.
4. Moderating Variables is a third independent variable or also known as an interactive effect, that is able to change the relationship between a pair of dependent / independent variable, depending on its value. In this study, the moderating variable is brand love.

### **Population and Sample**

Population according to (Sekaran & Bougie, 2016) is a whole group of people, events, or interesting things investigated by researchers, whereas according to (Ferdinand, 2006), population is all elements and attributes of an individual or event that becomes the object of research by the researcher. The population in this study is unknown, which means everyone can join as long as they meet the criteria.

According to (Sekaran & Bougie, 2016) sample is a sub-population taken from the population, or in other words, a group of objects taken from a population that has certain

characteristics that are used as research objects, this sub-population will represent the entire population, whereas according to (Ferdinand, 2006) Sample is a selected member of a population that represent the characteristics of that population. The sample in this study are people who live permanently or temporarily in Indonesia and aged minimum 17 years old who have eaten in the restaurant in the past 4 months.

According to Ghozali (2005: 64) in the SEM method, the sample size is between 100-200. Guidelines for determining the sample size for SEM according to Solimun (2002: 78) are:

1. If the parameter estimation uses the maximum likelihood estimation method, the recommended sample size is between 100 and 200, with a minimum sample size of 50.
2. A total of 5–10 times the number of parameters in the model.
3. Equal to 5–10 times the number of indicators of all latent variables.

There are 27 indicators in this study, referring to the third point, so the sample size is at least  $5 \times 27$  or 135 samples. In this study, researcher used 225 samples.

### **Data Analysis Techniques**

Data analysis in this study will use smartPLS 3.2.9. Structural Equation Modeling (SEM) software is a method used to cover weaknesses in the regression method. According to research methods experts Structural Equation Modeling (SEM) is grouped into two approaches, namely the Covariance Based SEM (CBSEM) approach and Variance Based SEM or Partial Least Square (PLS) approaches.

#### *Measurement Model (Outer Model)*

Analysis of the outer model is carried out to ensure that the measurement used is valid and reliable. In the analysis of this model, it specifies the relationship between latent variables and their indicators.

1. **Convergent Validity**  
Convergent Validity is an indicator that is assessed based on the correlation between the item score / component score with the construct score, which can be seen from the standardized loading factor which describes the magnitude of the correlation between each measurement item (indicator) and the construct. An individual reflexive measure is said to be high if it correlates  $> 0.7$  with the desired construct measured, meanwhile according to Chin as quoted by Imam Ghozali, the value of outer loading between 0.5 - 0.6 is considered sufficient.
2. **Discriminant Validity**  
Discriminant Validity is a measurement model with a reflexive indicator assessed based on cross loading the measurement with the construct. If the construct correlation with the measurement item is greater than the size of the other constructs, it shows their block size is better than the other blocks. Meanwhile, according to another method to assess discriminant validity, namely by comparing the value of the square root of average variance extracted (AVE)
3. **Composite Reliability**  
Composite Reliability is an indicator to measure a construct that can be seen in the latent variable coefficients view. To evaluate composite reliability, there are two measuring tools, namely internal consistency and Cronbach's alpha. In this measurement, if the value achieved is  $> 0.70$ , it can be said that the construct has high reliability.
4. **Cronbach's Alpha**  
Cronbach's Alpha is a reliability test that strengthens the results of composite reliability. A variable can be declared reliable if it has a Cronbach's alpha value  $> 0.7$ .

#### *Structural Model (Inner Model)*

Inner model analysis is usually also called (inner relation, structural model and substantive theory) which describes the relationship between latent variables based on the substantive theory. Inner model analysis can be evaluated by using the R-square for the dependent construct, the Stone-Geisser Q-square test for predictive relevance and the t test as well as the significance of the structural path parameter coefficients. In evaluating the inner model with PLS (Partial Least Square), it is started by looking at the R-square for each dependent latent variable. Then the interpretation is the same as the interpretation in regression. Changes in the value of the R-square can be used to assess the effect of certain independent latent variables on the dependent latent variables whether they have a substantive effect. In addition to seeing the R-square value, the PLS

(Partial Least Square) model is also evaluated by looking at the predictive relevance Q-square value for the constructive model. Q-square measures how well the observed value is generated by the model and its parameter estimates. Q-square value greater than 0 (zero) indicates that the model has a predictive relevance value, whereas if the Q-square value is less than 0 (zero), it indicates that the model lacks predictive relevance.

*Hypothesis Testing*

In testing hypothesis, it can be seen from the t-statistical value and the probability value. To test the hypothesis that is by using a statistical value, for alpha 5% the t-statistic value used is 1.96. So that the criteria for acceptance / rejection of the hypothesis is that Ha is accepted and H0 is rejected when the t-statistic is > 1.96. To reject / accept the hypothesis using probability, Ha is accepted if the p value is < 0.05.

**RESEARCH RESULTS AND DISCUSSION**

In this study, the respondents that were targeted by the study were those who were residing permanently or temporarily in Indonesia and aged minimum 17 years old who have eaten in the restaurant in the past 4 months. The number of respondents used in this study were 225 respondents. The following is the overview data of respondents.

**Table 1**  
**Respondents Overview**

No.	Classification	Category	Frequency	%
1	Gender	Male	113	50.2%
		Female	112	49.8%
2	Age	17 – 29 years old	217	96.4%
		30 – 39 years old	4	1.8%
		40 years old or more	4	1.8%
3	Recent Education	High School Graduate	143	63.6%
		Diploma Graduate	18	8%
		Bachelor Graduate	57	25.3%
		Others	7	1%
4	Monthly Incomes	< IDR 1,000,000	108	48%
		> IDR 1,000,000-IDR 4,000,000	84	37.3%
		> IDR 4,000,000-IDR 7,000,000	17	7.6%
		> IDR 7,000,000-IDR 10,000,000	7	3.1%
		> IDR 10,000,000	9	4%
5	Having Eaten at a Restaurant in the Last 4 Months	1-10 times	164	72.9%
		11-20 times	36	16%
		21-30 times	11	4.9%
		> 30 times	14	6.2%

Source: Processed Primary Data, 2021.

**Table 2**  
**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std Deviation
EC	225	5.00	15.00	12.1244	2.58647
LC	225	3.00	15.00	12.7600	2.46678
EtC	225	11.00	30.00	24.3778	3.44788
PC	225	6.00	15.00	11.8711	2.53833
BA	225	3.00	15.00	11.5511	2.68233
SQ	225	6.00	15.00	12.4267	2.00784
CS	225	6.00	15.00	11.9333	2.30295
BL	225	7.00	15.00	11.7200	2.12905
BR	225	3.00	15.00	10.8933	2.49235
Valid N (listwise)	225				

Source: Processed Primary Data, 2021.

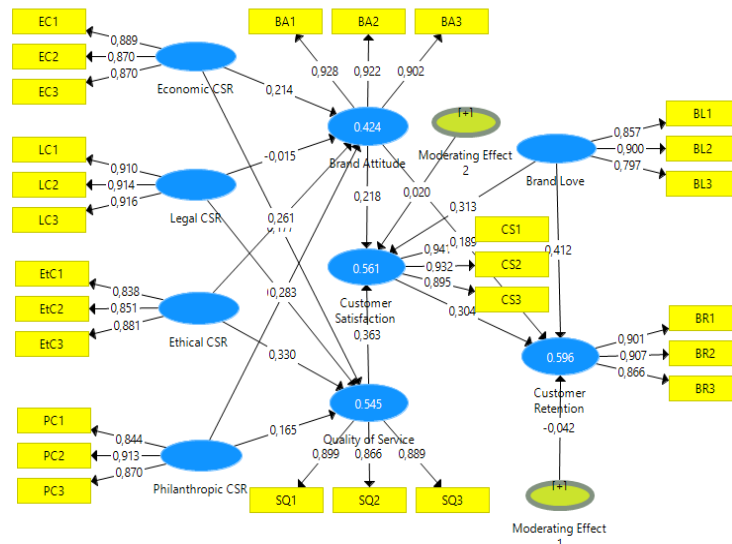
The results in table 4.1 above show that the number of observations in the study of each variable was 225 samples. The table shows that the Economic corporate social responsibility



variable has a minimum value of 5.00 and a maximum value of 15.00 with a mean value of 12.12 and a standard deviation of 2.59. Legal corporate social responsibility variable has a minimum value of 3.00 and a maximum value of 15.00 with a mean value of 12.76 and a standard deviation of 2.47. Ethical corporate social responsibility variable has a minimum value of 11.00 and a maximum value of 30.00 with a mean value of 24.38 and a standard deviation of 3.45.

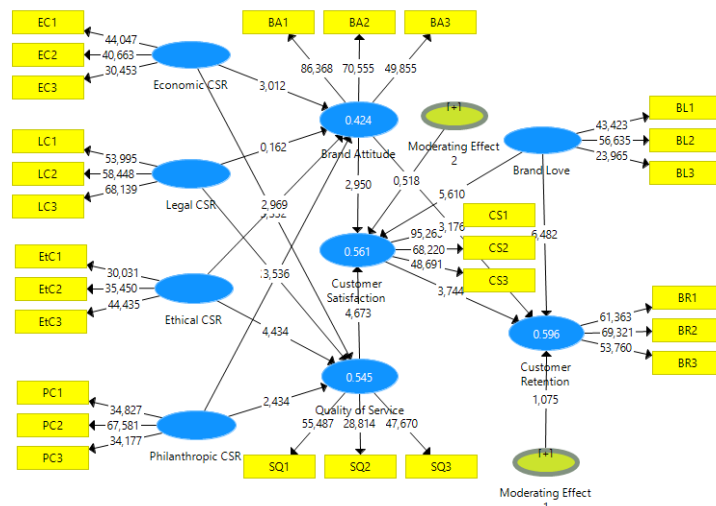
The results in the descriptive table show that the philanthropic corporate social responsibility variable has a minimum value of 6.00 and a maximum value of 15.00 with a mean value of 11.87 and a standard deviation of 2.54. The brand attitude variable has a minimum value of 3.00 and a maximum value of 15.00 with a mean value of 11.55 and a standard deviation of 2.68. The Customer satisfaction variable has a minimum value of 6.00 and a maximum value of 15.00 with a mean value of 11.93 and a standard deviation of 2.30. The table shows that the Quality of Service variable has a minimum value of 6.00 and a maximum value of 15.00 with a mean value of 12.43 and a standard deviation of 2.01. The variable Brand love has a minimum value of 7.00 and a maximum value of 15.00 with a mean value of 11.72 and a standard deviation of 2.13. The Customer retention variable has a minimum value of 3.00 and a maximum value of 15.00 with a mean value of 10.89 and a standard deviation of 2.49.

**Figure 1**  
**Results of the PLS Algorithm Process**



Source: Processed Primary Data, 2021.

**Figure 2**  
**Result of the Bootstrapping Process**



Source: Processed Primary Data, 2021.

**Hypothesis Test Results**

The next analysis after doing model analysis is hypothesis testing, this analysis is carried out by comparing the T-table value with the T-statistics value generated from the bootstrapping results in PLS. The effect between variables is considered significant at the 5% level if the T-statistic value is greater than T table 1.96 (Ghozali, 2012). The results of the PLS bootstrapping process can be seen in table 4.6.

**Table 3**  
**Hypothesis Test Results**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Brand Attitude -> Customer Retention	0.189	0.188	0.060	3.176	0.002
Brand Attitude -> Customer Satisfaction	0.218	0.212	0.074	2.950	0.003
Brand Love -> Customer Retention	0.412	0.421	0.064	6.482	0.000
Brand Love -> Customer Satisfaction	0.313	0.323	0.056	5.610	0.000
Customer Satisfaction -> Customer Retention	0.304	0.295	0.081	3.744	0.000
Economic CSR -> Brand Attitude	0.214	0.221	0.071	3.012	0.003
Economic CSR -> Quality of Service	0.177	0.179	0.053	3.332	0.001
Ethical CSR -> Brand Attitude	0.261	0.256	0.088	2.969	0.003
Ethical CSR -> Quality of Service	0.330	0.329	0.074	4.434	0.000
Legal CSR -> Brand Attitude	-0.015	-0.025	0.095	0.162	0.871
Legal CSR -> Quality of Service	0.176	0.175	0.069	2.553	0.011
Moderating Effect 1 -> Customer Retention	-0.042	-0.045	0.039	1.075	0.283
Moderating Effect 2 -> Customer Satisfaction	0.020	0.016	0.038	0.518	0.605
Philanthropic CSR -> Brand Attitude	0.283	0.289	0.080	3.536	0.000
Philanthropic CSR -> Quality of Service	0.165	0.163	0.068	2.434	0.015
Quality of Service -> Customer Satisfaction	0.363	0.361	0.078	4.673	0.000

Source: Processed Primary Data, 2021.

The results of the hypothesis test show that the first hypothesis in this study which states that economic CSR positively affects brand attitude is accepted. This is evidenced by the t value of  $3.102 > 1.960$  with a significance of 0.003 which is smaller than 0.05. The coefficient value of 0.214 has a positive direction, which means that the better the economic CSR, the higher the brand attitude. The results of the study proved that the second hypothesis in this study which states that economic CSR positively affects service quality is accepted by the empirical research results as evidenced by the t value of  $3,332 > 1,960$  and a significance value of  $0.001 < 0.05$ . The coefficient value is 0.177 with a positive direction, which means that the better the economic SCR, the better the service quality.

Based on the results of the data received, we can see that economic csr is very important. Its main function is to earn profits. To earn profits means to understand the needs and demands of consumers whether it be regarding the quality of the product or its price. While understanding the perspective of the consumer and meeting their needs and demand to earn a profit is the economic responsibility of a business. The economic growth of a business is not restricted to itself but affects the society as a whole.

Based on table 3, it is known that the third hypothesis in this study is not accepted. This is evidenced by the t value of legal CSR variable towards brand attitude of  $0.162 < t$  table (1.960) and a significance value of  $0.871 > 0.05$ . The results also showed a coefficient value of 0.015 in a negative direction. So, it can be concluded that the second hypothesis in this study which states that the legal CSR positively affects brand attitude is not accepted by the empirical research results. The results showed that the fourth hypothesis in this study which states that legal CSR positively affects service quality is accepted by the empirical research results. This is evidenced by the t value of  $2.553 > t$  table (1.960) and a significance value of  $0.011 < 0.05$ . The coefficient value of 0.020 has a positive direction, which means that the higher the legal CSR, the higher the service quality.

Based on the results of the data received, some people disagree with legal csr which affects brand attitude, but agree with legal csr which affects service quality. In my point of view, legal csr are not only liable to the individuals in the society but also to the businesses in the society. As

business is an entity itself, it must also follow laws and rules. Every business has a responsibility to operate within the boundaries set by the various commissions and agencies at every level of the government. These rules and regulations are set for maintaining balance and the greater good of the society.

Based on the results of the analysis in table 3, it can be seen that the results of the hypothesis test show that the coefficient path between ethical CSR and brand attitude has a parameter coefficient of 0.261 with a positive direction, which means that the higher the ethical CSR, the higher the brand attitude. The results of the hypothesis test show that ethical CSR towards brand attitude has a t value of  $2.969 > 1.960$  with a significance of 0.003 less than 0.05. This means that the ethical CSR positively affects brand attitude, so that the fifth hypothesis in this study is accepted by the results of empirical research. The next hypothesis states that ethical CSR positively affects service quality is accepted by the empirical research results. This is evidenced by the t value of  $4.434 > t$  table (1.960) and a significance value of  $0.000 < 0.05$ . The coefficient value is 0.330 with a positive direction, meaning that the higher the ethical CSR, the higher the service quality.

Based on the results of the data received, we can see that ethical csr is necessary. The important reasons why a company must do ethical csr, namely to gain social benefits, prevent conflict and competition, business or business continuity, natural resource management and community empowerment.

The results of hypothesis testing indicate that the seventh hypothesis in this study which states that philanthropic CSR positively affects brand attitude is accepted. This is evidenced by the t value of  $3.536 > 1.960$  with a significance of 0.000 which is smaller than 0.05. The coefficient value of 0.283 has a positive direction, which means that the better the philanthropic CSR, the higher the brand attitude.

The results showed that the eighth hypothesis in this study which states that philanthropic CSR positively affects service quality is accepted by the results of the empirical study. This is evidenced by the t value of  $2.434 > t$  table (1.960) and a significance value of  $0.015 < 0.05$ . The coefficient value of 0.165 has a positive direction, which means that the higher the philanthropic CSR, the higher the service quality.

Based on the results of the data received, we can see that philanthropic csr is very important. Philanthropy can connect a company with the communities in which it operates and create an internal culture that increases retention.

Based on the research results it is known that the ninth hypothesis in this study which states that brand attitude positively affects customer satisfaction is accepted. This is evidenced by the t value of  $2.950 > 1.960$  with a significance of 0.003 which is smaller than 0.05. The coefficient value of 0.218 has a positive direction, which means that the better the brand attitude, the higher the customer satisfaction. The tenth hypothesis in this study which states that brand attitude positively affects customer retention is accepted by the empirical research results. This is evidenced by the t value of  $3.176 > 1.960$  and a significance value of  $0.002 < 0.05$ . The coefficient value is 0.189 with a positive direction, which means that the better the brand attitude, the better the customer satisfaction.

Based on the results of the data received, we can see that brand attitude is necessary. Some of the benefits that will be felt by a company when prioritizing brand attitude are helps customers remember a brand because of the unique qualities it offers, differentiates the brand from its competitors, assures customers of the quality it offers, creates a positive image of the brand/product, and helps when trying to launch a new product with the same brand.

The results showed that the eleventh hypothesis in this study which states that service quality positively affects customer satisfaction is accepted. This is evidenced by the t value of  $4.673 > 1.960$  with a significance of 0.000 which is smaller than 0.05. The coefficient value of 0.363 has a positive direction, which means that the better the service quality, the higher the customer satisfaction.

Based on the results of the data received, we can see that service quality is very important. In a rapidly changing business environment, the influence of service quality on customer satisfaction is the focus of attention of business people. The quality of service is expected to play an important role in the industrial world of the millennial era. Service quality is a determining variable to create customer satisfaction. Service quality has several dimensions, including

responsiveness, empathy, assurance, reliability, and tangibles. Responsiveness is a company that is responsive in serving consumers, paying attention to what they say and feel. Empathy is the company's ability to feel from the consumer's side. Assurance is the security provided to consumers when conducting business transactions. Reliability is the company's ability to maintain the trust that has been given by consumers. And Tangible are facilities provided to consumers, both equipment facilities and non-equipment facilities.

The twelfth hypothesis in this study which states that customer satisfaction positively affects customer retention is accepted by the results of empirical research. This is evidenced by the  $t$  value of  $3,744 > 1,960$  and a significance value of  $0,000 < 0,05$ . The coefficient value is  $0.304$  with a positive direction, which means that the better the customer satisfaction, the better the customer retention.

Based on the results of the data received, we can see that customer satisfaction is very important. Some of the benefits that will be felt by a company when prioritizing customer satisfaction are obtaining a positive impact on customer loyalty, having the opportunity to become a source of profit in the future, especially by reordering, cross selling, and up selling.

The output of the effect of brand attitude on customer satisfaction through brand love in table 4.6 shows that the coefficient value is  $0.020$  and the variable  $t$  value is  $0.518 < t$  table ( $1.960$ ) and the significance value is  $0.605 > 0.05$ , which means that there is an indirect effect of brand attitude to customer satisfaction. Then, the thirteenth hypothesis in this study which states that brand love moderates the relationship between brand attitude and customer satisfaction is not accepted by the results of empirical research. The fourteenth hypothesis in this study which states brand love moderates the relationship between brand attitude and customer retention is also not accepted by empirical research. This is evidenced by the  $t$  value of  $1.075 < t$  table ( $1.960$ ) and the  $t$  value of  $0.283 > 0.05$ . In addition, the analysis results also show that the regression coefficient value of  $0.042$  has a negative direction.

Based on the results of the data received, the reason why the moderation results obtained are not positive is because many respondents think that even though they like to eat at the restaurant, it is not certain that this place will be their first choice in choosing a restaurant. Also, respondents are enthusiastic about eating at the restaurant, but the next meal will not necessarily take place at the restaurant.

## CONCLUSION

In this study, we tried to explain the impact of the corporate social responsibility of chain restaurants on customer retention. Other pivotal elements which are brand attitude, service quality, customer satisfaction, and brand love in forming retention strategy for customer were conjointly desegregated into the planned theoretical skeleton. In the context of chain restaurants, scientific literature ignores empirical research on corporate social responsibility and its relationship with the construction of variables that affect post-purchase behavior. The conceptual framework of the existing study gives precious perception at the effect of chain restaurant CSR on the customer retention process. Our conceptual version satisfactorily defined the variance in chain restaurant retention. Additionally, the association between brand attitude and retention was below the significant influence of brand love. This research will be further developed by integrating various aspects such as corporate social responsibility, brand attitude, quality of service, satisfaction of the customer and brand love into the conceptual skeleton of the restaurant chain industries.

Our research also lay out meaningful insights for managers of restaurant and shows that precise corporate social responsibility measures can infect customers' love of the brand, which in turn has a significant impact on brand attitude and strategy of retention for customer. Videlicet, increasing brand love will eventually strengthen attitudes – retention relationship. Chain restaurant practitioners who promote/practice social responsibility management need to develop effective strategies to increase the level of customer love for the brand. Through various services/channels in social networks to promote corporate social responsibility activities, chain restaurants will be able to create interactive content that interacts and actively communicate with customers in the future. Directing the efforts of chain restaurants to customer-centric activities is very valuable for increasing customers' love of the brand. Secondly, incorporating the enterprise's CSR actions into

the enterprise's strategy of marketing could become one of the most chief strategies for further development to increase the love for the customer's brand.

Based on the results of data processing and testing that have been conducted, this research had few limitations need to be pointed out. First of all, this research has a limited research scope. This research only focused on chain restaurant business. In other words, you should be careful when interpreting the results, because the consumer behavior of product buyers in chain restaurants is different from that of other products. Comparing consumer behavior after purchase is an excellent opportunity to discover future research. Secondly, other variables, for example image of the brand, emotional evaluation of the company's corporate social responsibilities practice, and previous CSR experienced may also be factors that may be related to the customer's perceived CSR. To fully understand the corporate social responsibility and customer behavior of chain restaurants, future research should add these factors to the model and evaluate the impact of these factors. After all, the selected chain restaurant as a sample is a large-scale chain restaurant, and doesn't represent restaurant chains of different structures and scales. In this context, it seems necessary to conduct systematic checks through further random samples in future studies.

Based on conclusions above, then some suggestions can be proposed. For restaurant owners, it is necessary to have a good strategy to maintain customer satisfaction, so that customers do not switch to other places. Then for the implementation of corporate social responsibility, it will further increase social and environmental activities because in addition to providing benefits to the community in general, it can also provide sustainable benefits for restaurant owners. For further research, it is hoped that in future studies to use a different place, as well as a different type of industry as the object of research. Researchers are also advised to increase the number of research samples so that the research results can be generalized more broadly.

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