

Impact of ethical and philanthropy responsibility on customer's loyalty: A study on Jordanian food products companies

¹Omar Ahmad Ali Jarwan, ²Arifatul Husna Mohd Ariff, ³Fathiyyah Abu Bakar, ⁴Yazan Yaseen Yousef Alsmairat

¹*Tunku Puteri Intan Safinaz School of Accountancy (TISSA), Sintok, Universiti Utara Malaysia*

²*Tunku Puteri Intan Safinaz School of Accountancy (TISSA), Sintok, Universiti Utara Malaysia*

³*Tunku Puteri Intan Safinaz School of Accountancy (TISSA), Sintok, Universiti Utara Malaysia*

⁴*Faculty of Applied and Human Sciences, Universiti Malaysia Perlis*

Abstract

These days, the competition to attract investments is the main purpose of the companies and has become one of the most crucial factors affecting the continuity and development of companies in general. Corporate social responsibility leads to creating a competitive advantage for companies by improving their reputation of companies and increasing the loyalty of customers. Thus, customer loyalty is one of the most important factors that help and develop the competitive advantage of companies. In fact, modern trends are more focused on customers instead of products. This study is aimed at identifying the impact of the corporate social responsibility (ethical responsibility and philanthropy responsibility) on the customer loyalty dimension (attitudinal loyalty, behavioral loyalty and knowledge loyalty). The study targeted a sample of customers from Jordanian food product companies. The analytical descriptive method was applied and a questionnaire was used as the primary tool for collecting data and testing the hypotheses and answering the questions of the study. The findings indicate that there is a partial positive effect of social responsibility on the customer's loyalty. The study also showed that there is a positive relationship between social responsibility and customer loyalty. The study recommended that food product companies may adopt the philosophy of social responsibility within their marketing plans. In addition, the study recommended that it is important to establish an institutional and community culture to boost the social responsibility knowledge and customer's awareness of its importance.

Keywords: Ethical responsibility philanthropy responsibility, customer loyalty.

INTRODUCTION

There has become an agreement and general orientation to introduce the concept of social responsibility of the organization in order to improve performance and increase its effectiveness. Companies no longer rely solely on building their reputation on their financial positions, and their rating is no longer based solely on their profitability, as there has been a phenomenon that helps create a business environment capable of dealing with rapid developments in economic, technological and management aspects around the world., One of

the most prominent of these concepts was the concept of "corporate social responsibility" (Kopcewicz, Katarzyna, Mizera and Pypłacz, 2019). The role of private sector institutions has become central to the development process, as demonstrated by the successes of developed economies in this area. Private sector institutions are recognized as being far from society, and have been alerted to the need to expand their activities to include more productive social activities, such as community concerns and environment, and to take into account the three sides known to the World Business Council for Sustainable Development, namely economic

growth, social progress and the protection of the environment.

Corporate social responsibility (ethical and philanthropy responsibility) is a key element in the quality of companies' reputation, and participation in realistic and effective strategies for the delivery of social services (Umar and Alifiah, 2020). Furthermore, it enhances the organization's overall reputation, facilitating the organization's management mechanisms and increasing its ability to attract new customers and increase its market share. On the other hand, investing in social activity can enhance the company's value in the financial market and increase its access to capital (Iskandar, Hartati and Hasan Sakti, 2018).

Moreover, in addition to other advantages of building the ability to achieve better results in issues of organization and loyalty, employee retention, motivation for work, creativity and increased production, participation in social work with stakeholders in open dialogue mechanisms, effective disclosure and transparent demonstration will improve the company's relationships with communities and thus encourage business development.

Problem statement

Due to the requirements imposed by globalization on all business organizations, regardless of their nationality and location, business organizations are required to be socially responsible and achieve consensus in terms of their economic objectives and living and social requirements as a condition for ensuring their survival (Berger-Walliser and Scott, 2018), and this can only be achieved by gaining customer loyalty.

In order for business organizations to win the satisfaction and loyalty of customers, they should adopt the philosophy of social responsibility (Francés and Tomás, 2019), especially since the client has become eager to know which companies are making active efforts, as well as social responsibility efforts. The philosophy of social responsibility is based on the need to take into account social and ethical considerations in marketing practices, as well as the need to balance the contradictory interests of profitability and the interest of

society and achieve the satisfaction and loyalty of the public (Sarah and D'Souza, 2018).

Most of the previous studies (like; Pakistan and Taiwan) have examined the relationship between corporate social responsibility and customer loyalty (Shabbir, Shariff, Yusof Salman and Hafeez, 2018; Chang and Yeh, 2017). However, there is scarcity of research that examine the relationship between ethical and philanthropy responsibility on the customer's loyalty in Jordan.

Moreover, most of the previous studies have examined the relationship between corporate social responsibility and consumer purchasing decisions (Rahim, Jalaludin and Tajuddin, 2011; Ferreira, Avila and Faria, 2010; Gigauri, 2012). The current study categorised customer loyalty into three dimension (Bobălcă, 2013); attitudinal loyalty, behavioral loyalty and knowledge loyalty. Whereas, in this study, customer's loyalty is measured more comprehensively by adding a third dimension, which is knowledge loyalty.

Despite the importance of the topic of social responsibility of companies, we find that studies in Jordan are very few to establish the relationship between social responsibility, customer loyalty and impact, especially at the level of industrial companies, hence the research gap.

Based on the above, this study came to answer the following questions:

1. How do customers of Jordanian food industry companies understand the concept of ethical and philanthropy responsibility?
2. What is the relationship between ethical and philanthropy responsibility and customer's loyalty?
3. What is the impact of ethical and philanthropy responsibility on the loyalty of customers of food industry companies?

Importance of the study

1. Practical

The importance of this study lies in the fact that it establishes, in theory and in practice, the conceptual link between corporate social responsibility and customer loyalty. It addresses

a topic that receives great attention in modern management studies stemming from the challenges faced by business organizations in this era, especially in developing countries, and its importance lies in addressing an important sector. One of the sectors of the economy in Jordan, which is the industrial sector, represented by the most important manufacturers of food products, which was a catalyst in choosing this topic for study.

2. Theoretical

From a theoretical point of view, the current study provides additional ideas on the relationship between corporate social responsibility and customer loyalty. This study is also the basis for more in-depth future studies in this area. Also, this study emphasizes that the customer has become a strategic target that must be attracted and work by all means to earn his loyalty, especially since business organizations are experiencing a severe competitive situation.

Corporate social responsibility

The idea of corporate social responsibility has begun to emerge and develop among the academic community and executive directors of enterprises, and the idea of discussing the economic experience Friedman (2007) is that the social responsibility of the organizations is to take care of the executive directors and the owners of the institutions to achieve as much profits as possible for the owners of the company or shareholders, based on the theory that the institutions have found to investigate profits.

Subsequently, there was then a big debate about the concept of corporate social responsibility, and many schools emerged that adopted many definitions of this concept, with several positive definitions crystallized that poured into the spirit of the concept (Lindgreen & Swaen, 2010), and opposes (Friedman) and argues that institutions exist to serve communities and have a duty to maintain the environment in which they operate, and that organizations act as citizens with rights, and entail duties that must be performed to society.

On the other way, Abu Bakar and Yusof (2015), indicate that there is a two-point of corporate social responsibility; the Western perspective and the Islamic perspective. From the Western perspective; corporate social responsibility is

about doing business ethically and being accountable for the well-being of all stakeholders in the company as well as the company's reputation. Alternatively, from the Islamic perspective; corporate social responsibility is a broad and inclusive concept because it is developed and derived from Al-Quran and As-Sunnah.

There are many definitions of corporate social responsibility, and each definition looks at it from different perspective, but the common denominator among the majority of definitions is that corporate social responsibility is a concept whereby institutions incorporate social and environmental concerns into their business policies and activities, in order to improve their impact on society (Adam and Swaen, 2010; Windsor 2001; Eliza, 2019). Corporate social responsibility has been divided into several dimensions, such as: social, ethical, legal, environmental, responsibility and the economic responsibility (Carroll, 1991). In the current study, it will focus on the ethical responsibility and the philanthropy responsibility to explore these main two responsibilities and examine the relationship between these two dimensions and customer loyalty.

There are several positive aspects to the realization that corporate social responsibility shows its importance through the returns achieved for the three main parties that will reap the benefit from this commitment (Torné & Álvarez, 2020), and we mean by them: (society, the country and the organizations). For business organizations, there are many benefits represented in the material return, advanced performance, social acceptance, positive relationship with society, good reputation and others. As for society, the return that will be achieved due to the interest of business organizations of all kinds to adopt a certain style of corporate social responsibility (Estallo, Fuente and Gríful-Miquela, 2007), it can be concluded as follows:

1. Increasing social solidarity among the various segments of society while creating a high sense of belonging among individuals who special needs.
2. Social stability as a result of providing a kind of social justice for business organizations.
3. Improving the quality of life in society, both in terms of infrastructure and in terms of culture.

4. Increasing awareness of the importance of full integration between the various community organizations and the various stakeholder groups. Finally, the state is one of the main beneficiaries of the business organizations' awareness of their social role, which leads to alleviating the burdens that the state bears in order to perform its various tasks.

The next subsections discuss about ethical and philanthropy responsibility in more details.

1. Ethical Responsibility

The ethical responsibility in the management of institutions takes upon itself the transition of work from the concept of providing voluntary service, to a broader application based on adopting the concept of social responsibility that is based on the community's need for the service provided, and the ability to diagnose the sources of strength of the institution to sustain it and study its negatives with the aim of acceptance and continuous improvement, and adopting a policy change, draw the most appropriate scenarios, and measure the impact of its added services on society and the environment (Abdulalem and Rashid, 2018).

Furthermore, while institutions trying to promote ethical behavior, are supposed to know and be aware of the nature of the development of the moral commitment of their employees. Institutions are also supposed to absorb the ethical aspects. Ethics has become the basis of the economy and has become one of the pillars on which the economy is based because institutions have realized that ethics is no longer a marginal issue, rather, it is one of the conditions for success (Ferreira, 2019).

On the other hand, when the institution carries out certain activities, it should take into account the moral values of the community and conduct its business within social controls, principles and ethical rules. We can create from these social controls an investment in itself that leads to improving its social and economic performance, but in fact, the ethical and behavioral aspects were not framed After binding laws, but respecting them, it is considered necessary to improve the image of the institution in society and their acceptance of it. On the contrary, laws and legislation alone are not enough to control matters and protect society and provide trust and safety, but when it operates in an ethical environment and scope, it achieves

high efficiency in development and reform, as the institution is supposed to encourage and reward ethical behavior, and encourage commitment to ethical behavior in the institution with the following:

- The existence of an ethical code that gives a perception of how to deal with various situations and contributes to improving the ethical behavior of individuals, groups, departments and the institution.

- The existence of guiding principles for ethical behavior and these principles are necessary as they are the foundations on which each of the morals and values of individuals and laws are based. These guiding principles, in the context of judging ethical or unethical behavior, can look at the following:

- The benefit deriving from this decision is for the largest possible number of individuals or society in general and without harming the interests of others.

- Human rights, the decision must be ethical and not violate the basic principles of human rights and the related humanitarian aspects.

- Justice, the decisions taken must be just, fair and honest, and justice means a relative framework in which benefits and costs are distributed in a way that does not violate rights. Therefore, justice means that individuals are equal in rights and duties. Justice also includes that punishment is proportional to the harm done.

2. Philanthropic Responsibility

A growing number of businesses have discovered successful ways to support their communities while also accepting responsibility for their societal influence. Engaging in corporate philanthropy, or actions wherein firms voluntarily invest in social causes, is one of the most popular strategies to achieve these aims. Considering the concept of corporate philanthropy can be beneficial whether you're an established company leader or a business expert looking for methods to improve your firm's social effects (Rosy, 2018; Chen, Liu and Yang, 2021 and Chen, 2021).

Corporate philanthropy refers to acts that firms voluntarily undertake with the goal of reducing their overall impact on society. By deliberately

and generously using their resources, most organizations with corporate philanthropy initiatives achieve the overarching goal of good social impact (Shuili, Bhattacharya and Sen, 2011). Corporate philanthropic efforts often include monetary donations, product or service donations, in-kind donations, staff volunteer initiatives, and any other commercial arrangements aimed at supporting a social cause.

While some firms run their own corporate philanthropy programs, others may focus on supporting the work of local community organizations, nonprofits, or other social initiatives aimed at helping society in some way. Consumers today expect a certain level of accountability and transparency from business entities, hence corporate philanthropy has grown in popularity in recent years. Companies have taken on more responsibility for their specific social effects, exerting their financial and societal influence to empower communities, thanks to increased levels of open conversation between customers and businesses via social media.

Despite the current state of the economy, corporate giving programs have become increasingly popular in recent years. While this may be due in part to the increasing social pressure that customers have placed on businesses (Wang, Choi and Li, 2008), it's important to highlight that businesses can gain from participating in these initiatives as well. As a result, many businesses choose to participate in corporate philanthropy programs in order to help communities while also increasing public impression of their brand. Here are a few of the most important advantages of working with corporate philanthropy:

Giving back to your community is a good thing to do. The most significant benefit of engaging with corporate philanthropy is being able to give back to your company's community. Committing to supporting the community organizations and individuals who work hard to improve society each day can be highly rewarding.

Philanthropy programs can improve a company's public reputation. Companies that engage in corporate philanthropy, support relevant social issues, and invest in communities, particularly underserved populations, are likely to attract the attention of

public stakeholders. As a result, such efforts can greatly boost a company's public image a benefit that can lead to increased involvement and profit.

Company sales can increase due to philanthropic efforts. Consumers are becoming more interested in supporting companies that are concerned about their social impact. Social accountability, generosity, and transparency can all help your business sell more.

Customers may become more loyal to company products. Participating in corporate philanthropy may boost client loyalty to your brand. With the market's recent shift toward supporting socially conscious enterprises, customers are increasingly seeking out products and services from companies that support positive social activities, even if they are more expensive than those produced by competitors. And this will be examined in the current study.

Connecting to communities can improve company culture. Employees may feel more involved in working for companies that have a defined social goal, connect with their communities, and grow their impacts. Furthermore, higher employee satisfaction, lower turnover, and increased productivity can all result from this form of involvement.

Philanthropic companies attract more talented candidates. When vacancies open up, a company that becomes known in the industry for its humanitarian initiatives and positive culture may be able to attract a bigger pool of skilled individuals. This is because highly competent applicants prefer to work for companies that have a good reputation and clearly stated values.

Customer loyalty

The idea of customer loyalty is not new, for a long time it was the responsibility of the institution to preserve its customers. How to build and maintain a strong relationship with the customer, and from this standpoint, we must refer to the history of marketing thought and its development to formulate the concept of loyalty and its position in the institution's activity and strategy in light of the various marketing perceptions that it builds in order to make the customer one of the most effective elements.

Loyalty is a deep commitment by the consumer to repurchase a particular product he loves, and this consumer recommends others to buy it, with a strong tendency not to switch from this brand, even in the event of promotional influences aimed at keeping him away from dealing with this product in favor of other products.

In the theory of cognitive learning (cognitive learning theory), a distinction was made between consumer loyalty that reflects his confidence and intention to repurchase as a result of his belief in the product and false brand loyalty resulting from the repeated purchases due to the lack of an alternative in stores. This theory called for brand loyalty to be measured by trends and not just by the intensity of purchase. In other words, this theory divides loyalty into two main dimensions:

1. Attitudinal Loyalty

Includes commitment to a specific brand and intent to repurchase.

It is the extent of psychological attraction of the client towards the company and the degree of his support and defense of the brand in front of others. It is the amount of positive emotion that the consumer has towards the mark, which can appear behaviorally if given the opportunity. It includes a good word and the intention to continue buying (Bandyopadhyay and Martell, 2007).

2. Behavioral Loyalty

Which includes the behavioral dimensions of the buying process, including the repeated buying behavior and the continuation of this behavior.

It is a behavior that reflects loyalty to the name and the brand (behavioral loyalty) as it was defined in the previous literature as the repeated purchase of a particular product by consumers (Bandyopadhyay and Martell, 2007).. Nevertheless, recent studies indicate that the customer may be loyal to a particular store and not to a particular brand, as the customer in the bank may be loyal to the individuals providing the service and not to the bank itself.

3. Knowledge loyalty

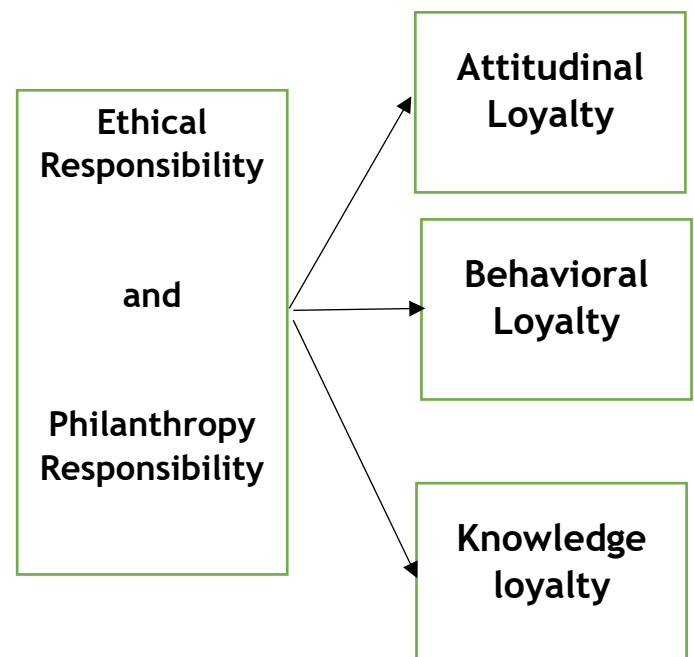
In the current study, the researcher added a third dimension of loyalty, which is the knowledge loyalty. Knowledge loyalty is the loyalty based on the information available to the customer

about the brand and product, such as: price, warranty and feedback (after sell service) (Chiou, Droge and Hanvanich, 2002).

Methodology

The methodology is the link between what is achieved from theoretical and applied knowledge accumulation, and where it can be embodied in business organizations.

1. Study framework



2. Hypothesis

Based on the study framework; the current study develops three main hypotheses to examine, as follow:

1. There is a positive relationship between ethical responsibility and philanthropy responsibility on the attitudinal loyalty.
2. There is a positive relationship between ethical responsibility and philanthropy responsibility on the behavioral loyalty.
3. There is a positive relationship between ethical responsibility and philanthropy responsibility on the knowledge loyalty.

3. Research design

This study followed the descriptive-analytical approach because it is compatible with the topic

of the research that measures the variables as in the study framework.

4. Population and sample of the study

A. Population

The study population consists of customers of Jordanian food manufacturing companies (the capital, Amman), considering that the industrial sector is one of the vital sectors in investments.

B. Sample

The study sample was selected from post graduate students (Accounting) at The University of Jordan in year 2017. Using the non-randomly sampling (quota sampling method) because it consistent with the research community and because it allows the researcher to collect information from community members who are in comfortable conditions (Sekaran 2006). Where a number of 220 questionnaires were distributed to postgraduate students.

5. Data Collection

The researcher on the current study develop questionnaire that will lead the research to achieve reliable result. First section of the questionnaire contained personal data (gender, age, educational qualification, Occupation, experience). In addition, the second part of the questionnaire to measure the relationship between ethical responsibility and philanthropy responsibility on the customer loyalty.

6. Measurement of the variable

This section contains the source of measuring the independent variables and the dependent variables, as follow:

A. Independent variables

1. Ethical responsibility

It is represented in the company's practices that comply with the customs of society and respect its traditions. It consists of five statements taken from the study (Khaled Zuraiqat 2010), where the table below shows those statements:

Table 1. *Statements of the ethical responsibility*

N	Statement
1	I think the company promotes its products ethically.
2	I believe that the company conducts its business in accordance with the ethical values of the local community.
3	I believe that the company respects the customs and traditions of the society in which it operates.
4	I believe that the mission and goals of the company align with the goals and values of the community.
5	I believe that the company provides fair and equal job opportunities for all.

2. Philanthropy responsibility

Which is represented in the fact that companies provide donation to support the community and also contribute to solving problems and achieving social welfare, and this dimension consists of four statements taken from the study (Khaled Al-Zuraiqat 2010), where the table below shows those statements:

Table 2. *Statements of the philanthropy responsibility*

N	Statement
1	I think the company makes donations to support the local community.
2	I think that the company contributes to solving problems and mitigating the damage that occurs to the local community during crises.
3	I believe that the company contributes to providing job opportunities for people with special needs.
4	I think that the company contributes to supporting the infrastructure of the local community (such as schools, health centers and roads)

B. Dependent variables

The current study has three dependent variables, as follow:

1. Attitudinal loyalty

It discusses the customer's attitude towards the products of a particular company without other companies, where the degree of loyalty is represented by the desire to continue buying and defending it, as well as advising others to buy

from its products. It consists of five phrases taken from the study of (Agustin and Singh, 2005; Aydin and Özer, 2005) and the following table shows those phrases.

Table 3: *Phrases related to measuring the dimension of attitudinal loyalty*

N	Statement
1	I want to continue buying this company's products.
2	I advise others to buy the products of this company.
3	I will buy the products of this company regardless of the price.
4	I speak positively to others about the products of this company.
5	I defend the products of this company when others criticize them.

2. Behavioral loyalty

It means that the consumer buys the same brand despite the availability of other acceptable alternatives, Neal. This variable consists of five statements taken from the study (Agustin and Singh, 2005; Aydin and Özer, 2005) and the following table shows those statements:

Table 4: *Phrases related to measuring the dimension of behavioral loyalty*

N	Statement
1	This company is my first choice to get the product.
2	I have a high preference for the products of this company.
3	I intend to increase the demand for this company's products in the future.
4	I feel my loyalty to this company because it is a national company.
5	I am not interested in competitors' offers.

3. Knowledge loyalty

It represents the information available to the consumer about the brand of the product such as price, warranty and after-sales services (feedback), which provides him with complete conviction of the benefits and value of these characteristics that are unique to that brand from other (Chiou, Droge and Hanvanich, 2002). In this variable, no statement was obtained to

explain it in the previous studies, as the expressions were formulated to fit the interpretation of this variable based on the researcher's experience in this field. There are a five statement that explain the knowledge loyalty, represented by follow:

Table 5: *Phrases related to measuring the dimension of knowledge loyalty*

N	Statement
1	The information written on the food products will constitute an important factor in my selection of the products of this company.
2	I think that the prices of the products of this company are clearly stated.
3	I think that this company is interested in informing its customers and informing them about the characteristics of the products it offers and the date of their validity and effectiveness.
4	There are official bodies and institutions affiliated with this company that customers resort to guarantee their rights when they are harmed by sellers.
5	I think that the company educates and trains its customers on how to use its products through its salesmen and promotional means.

The extent of the response varies according to the five-point Likert scale to identify the strength of agreeing or not agreeing, using a scale consisting of five categories as follows:

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
5	4	3	2	1

Statistical analysis:

In the current study, the researchers analyzed data related to response rate and sample characteristics, reliability analysis, descriptive analysis, correlation analysis, regression analysis, and test the hypotheses.

1. Response Rate

A number of 220 questionnaires were distributed to the study sample, the number of questionnaires that were not recovered was (6) questionnaires, and the response rate was (95%). The table below shows this:

Table 6: *Respond rate table*

Description	N	%
A questionnaire was distributed	220	100%
Retrieved questionnaires	214	97.2%
Questionnaires not answered	6	2.6%
Questionnaires are not valid for analysis	2	0.9%
Questionnaires are valid for analysis	211	95%

2. Sample Characteristics

Analyze the personalities of the study's sample, as the follow table:

Table 7: *Sample characteristics table*

Description		N	%
Gender	Male	135	0.64
	Female	76	0.36
Total		211	100
Age	Less than 25	120	56.9
	25-35	69	32.7
	35-45	20	9.5
	45-55	2	9
	55-65	2	9
Total		211	100
Education	More than 46	137	64.9
	46-52	7	3.3
	52-57	52	26.6
	57-62	15	7.1
Total	Degree High	211	100
Experience	diploma	54	25.6
	Master	39	18.5
	Phd	16	7.6
	102	48.3	
Total		211	100
Occupation	Less than 5	38	18
	5 – 10 years	126	59.7
	More than 10	23	10.9
	10-15	24	11.4
	Total	No experience	211
	Employee		
	Student		
	Other		
	None		

3. Reliability Analysis

To ensure the degree of reliability, the questionnaire was tested depending on the reliability scale, where the above table shows that the reliability coefficient (Cronbach alpha) was with a high degree of reliability, where the

reliability coefficient for the expressions constituting the independent variable was ethical (0.65), philanthropy responsibility (0.70), As for the dependent variable; attitudinal loyalty (0.69), behavioral loyalty (0.73) and knowledge loyalty (0.73). Note that the minimum value of the alpha coefficient should be (0.60). The following table shows the degree of reliability of the independent and dependent variables:

Table 8: *Reliability analysis table*

Description	Variable	Cronbach Alpha
Independent Variable	Ethical responsibility	0.65
	Philanthropy responsibility	0.70
Dependent Variable	Attitudinal loyalty	0.69
	Behavioral loyalty	0.73
	Knowledge loyalty	0.73

4. Descriptive Analysis:

The table below shows the means and standard deviations of the study variables:

Table 9: *Descriptive analysis table*

Variable	Sample	Mean	SD
Ethical responsibility	211	3.69	0.75
Philanthropy responsibility	211	3.87	0.68
Attitudinal loyalty	211	3.73	0.71
Behavioral loyalty	211	3.48	0.80
Knowledge loyalty	211	3.60	0.77

The above table shows the means and standard deviations of the study variables. We find that the standard deviation of all variables is less than one. It is clear from the table that the mean value of ethical responsibility was 3.69 and the standard deviation was 0.75. In addition, the mean value of philanthropy responsibility was 3.87 and the standard deviation was 0.68. Overall, the mean value for independent variables indicates moderate level of expectation of ethical responsibility and philanthropy responsibility level among the sample,

In contrast, for the dependent variables; the mean of the attitudinal loyalty variable was 3.73 with 0.71 standard deviation. As for the

behavioral loyalty, the mean value was 3.48 and the standard deviation was 0.80. Eventually, the last variable which is knowledge loyalty, the mean was 3.60 with standard deviation of 0.77. The results show that attitudinal loyalty is the highest element in customer’s loyalty.

5. Correlation Analysis

The analysis between the variables was used in order to identify the correlation between the independent variables and the dependent variables. Whenever the ratio of correlation is close to the number one, this means that the correlation is strong between the variables, and the lower the degree of correlation from the correct one, the weaker the relationship between the variables and the relationship may be direct or inverse. It is considered medium if it ranges between (0.30–0.70), but if the correlation ration is more than (0.70), the relationship is considered strong between the variables. The table below, clarify the Correlation Analysis between the variable:

Table 10: *Correlation Analysis table*

Variable	ER	PR	AL	BL	KL
Ethical responsibility (ER)	1				
Philanthropy responsibility (PR)	0.305	1			
Attitudinal loyalty (AL)	0.347	0.249	1		
Behavioral loyalty (BL)	0.229	0.245	0.480	1	
Knowledge loyalty (KL)	0.296	0.244	0.347	0.323	1

6. Regression Analysis and Study Hypotheses

Multiple regression analysis was used, which aims to identify the effect of corporate social responsibility (Ethical and philanthropy responsibility) on customer loyalty. The Beta coefficient was used to find out the expected change in the dependent variable due to the change in one section of the independent variable. It was also relied on R² to identify the ability of the model to explain the relationship between the independent variables and the dependent variable. In addition, F- test is used to identify the significance of the regression model.

The significance level of 0.05 was relied upon to judge the extent of the significance of the effect, where the calculated level of significance was compared with the value of the adopted significance level, and the effects are considered statistically significant if the value of the calculated significance level is smaller than the approved significance level (0.05) and vice versa.

1. The relationship between ethical and philanthropy responsibility on the attitudinal loyalty.

Through regression analysis, the following table examines the level of relationship between the independent variables and the dependent variable (Attitudinal loyalty):

Table 11: *Regression analysis table (Attitudinal loyalty)*

Description	Coefficient
Ethical responsibility	0.221
Philanthropy responsibility	0.275
R ²	0.206
Adjusted R ²	0.19
F change	0.64623

First hypothesis test:

There is a positive relationship between ethical responsibility and philanthropy responsibility on the attitudinal loyalty.

Description	Direction
There is a positive relationship between ethical responsibility Attitudinal loyalty	Supported
There is a positive relationship between ethical responsibility Attitudinal loyalty	Supported

2. The relationship between ethical and philanthropy responsibility on the behavioral loyalty.

Through regression analysis, the following table examines the level of relationship between the independent variables and the dependent variable (Behavioral loyalty):

Table 12: *Regression analysis table (Behavioral loyalty)*

Description	Coefficient
Ethical responsibility	0.057
Philanthropy responsibility	0.230
R ²	0.173
Adjusted R ²	0.157
R ²	0.173
F change	10.773

Second hypothesis test:

There is a positive relationship between ethical responsibility and philanthropy responsibility on the Behavioral loyalty.

Description	Direction
There is a positive relationship between ethical responsibility Behavioral loyalty	Not supported
There is a positive Behavioral between ethical responsibility Behavioral loyalty	Supported

3. The relationship between ethical and philanthropy responsibility on the knowledge loyalty.

Through regression analysis, the following table examines the level of relationship between the independent variables and the dependent variable (knowledge loyalty):

Table 13: *Regression analysis table (knowledge loyalty)*

Description	Coefficient
Ethical responsibility	0.146
Philanthropy responsibility	0.255
R ²	0.186
Adjusted R ²	0.171

R ²	0.186
F change	0.70860

Third hypothesis test:

There is a positive relationship between ethical responsibility and philanthropy responsibility on the knowledge loyalty.

Description	Direction
There is a positive relationship between ethical responsibility knowledge loyalty	Supported
There is a positive relationship between ethical responsibility knowledge loyalty	Supported

Discussion

The study considers that the relationship between ethical responsibility and philanthropy responsibility and customer loyalty is a natural-oriented relationship because the institutions' social role, their interest of society and their commitment to the laws when practicing their industrial activities increases the loyalty of customers to them, which leads to their continuity and strengthens their competitive position in the sector in which they operate.

The results of this study showed that there is a positive relationship between ethical and philanthropy responsibility on the customer loyalty, and this result partially agrees with the result that came out from previous study (Khokhar, 2009). Khokhar (2009) in his study of the impact of corporate social responsibility on customer loyalty and purchasing intent in Pakistan, which showed that companies that perform a corporate social responsibility function can create customer loyalty as well as increase purchases.

It also partially agrees with a study of (Islam, Haider and Saeed, 2013), which was also conducted in Pakistan and related to the study of the impact of social responsibility on customer loyalty, where the results of the study proved the existence of a positively impactful relationship between social responsibility and customer loyalty.

As mentioned above, the current studies support the relationship between corporate social responsibility and customer loyalty. As ethical and philanthropy responsibility is a main part from the corporate social responsibility; that noticed the result of the current study are consistent with the previous studies in terms of the existence of these relationship.

Conclusion

Through the foregoing, the study found that there is a positive relationship between ethical responsibility and philanthropy responsibility on the customer loyalty. In addition, a consistency in the relationship between the independent variables and the dependent variables, that's lead to the nature of the independent variables (ethical and philanthropy) are very much like each other to adopt philanthropy responsibility on the future research.

From the researcher perspective; the customer loyalty came from the philanthropy responsibility that lead to the consumer satisfaction. Ariff, Zijl and Islam (2016) indicated that the consumer satisfaction is one of the measurement of intellectual capital. Therefore, it is expected that there is a relationship between philanthropy responsibility and intellectual capital with customer loyalty as mediator. This is worth for further exploration.

Based on the results, the following recommendations can be made:

The current study highly recommends the future study to focus on the philanthropy responsibility because of the scarcity of studies that have been studied, especially scarcity of the studies that have been examined the relationship between corporate philanthropy responsibility and firm's performance. In addition, the study recommends that business companies should adopt the philosophy of ethical and philanthropy responsibility within their plans in marketing, so that that companies can evaluate them and measure their returns. Eventually, the important to work on building a societal and institutional culture to enhance knowledge of social responsibility and increase customers' awareness of its importance in terms of achieving the interests of societies in their different categories, and combating business

practices that contradict the ethical principles in the Jordan.

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