



# The Study of Corporate Social Responsibility Perception on Consumer Loyalty in Thai Organic Livestock Commodity

## การศึกษาการรับรู้กิจกรรมความรับผิดชอบต่อสังคมต่อความภักดีของผู้บริโภคในสินค้าปศุสัตว์อินทรีย์ของไทย

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### บทคัดย่อ

การศึกษาครั้งนี้มีวัตถุประสงค์ของเพื่อค้นหาปัจจัยภายในและปัจจัยภายนอกของผู้บริโภคในเขตกรุงเทพฯ เช่น การรับรู้การดำเนินกิจกรรมความรับผิดชอบต่อสังคมและคุณค่าการรับรู้ต่อการสร้างความภักดีในสินค้าปศุสัตว์อินทรีย์ไทย เป็นการวิจัยเชิงปริมาณโดยใช้แบบสอบถามเป็นเครื่องมือวิจัย เก็บรวบรวมข้อมูลจากกลุ่มตัวอย่าง จำนวน 400 คน ในร้านจำหน่ายสินค้าเกษตรอินทรีย์ นำข้อมูลที่ได้มาวิเคราะห์หาค่าเฉลี่ย ส่วนเบี่ยงเบนมาตรฐาน และค่าการวิเคราะห์ความถดถอยพหุคูณ ด้วยโปรแกรม SPSS ผลจากการวิจัย พบว่า องค์ประกอบของทั้งปัจจัยภายในและปัจจัยภายนอกของกลุ่มตัวอย่าง รวมทั้งการดำเนินกิจกรรมความรับผิดชอบต่อสังคมของสถานประกอบการ สามารถสร้างคุณค่าการรับรู้และพัฒนาต่อเนื่องกลายเป็นความภักดีในสินค้าปศุสัตว์อินทรีย์ไทยได้ ข้อเสนอแนะจากศึกษาครั้งนี้ผู้ประกอบการควร

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วางแผนดำเนินงานกลยุทธ์การตลาดและการลงทุนโดยมุ่งเน้นการดำเนินงานด้านกิจกรรมความรับผิดชอบต่อสังคมเป็นอันดับแรก เพื่อสร้างคุณค่าการรับรู้และความภักดีของผู้บริโภคในสินค้าปศุสัตว์อินทรีย์อันนำมาซึ่งการได้เปรียบทางการแข่งขันทางการตลาด

## คำสำคัญ

ความภักดีของผู้บริโภค ความรับผิดชอบต่อสังคม คุณค่าการรับรู้ สินค้าปศุสัตว์อินทรีย์

## Abstract

The purpose of the study aims to investigate external or internal factors such as CSR in process practices and consumer perceived value, which affect to consumer loyalty toward organic livestock commodity in Bangkok. Quantitative data was collected by survey method with structured questions which only targeted to organic consumers in organic shops. Data were analyzed based on validated 400 set of questionnaires and analyzed by mean and standard deviation analysis method using SPSS 13 for Windows statistical data package. The multiple regressions were used to examine the postulated hypotheses. The findings indicate that external or internal factors components affect the consumer loyalty toward Thai organic livestock commodity in Bangkok. CSR in process practices and consumers perceived value variable that affected the most. The companies of Thai organic livestock commodity should consider consumer loyalty toward organic livestock commodity. In addition, Entrepreneur should plan marketing strategies, allocate marketing investment and focus on CSR-in- process practices and consumer perceived value first and give the highest priority to build the consumer loyalty try to promote an effective marketing strategy to make the differentiation from their competitor in terms of CSR in process practices and consumers perceived value and then get more advantage in the market competition of organic livestock commodity.

## Keywords

Consumer Loyalty, Corporate Social Responsibility, Consumers Perceived Value, Organic Livestock Commodity

## Introduction

In the twentieth century, the agricultural industry has become one of the most important industries in the Thailand and changed in a more mechanical and yield orientated way. Also,



chemical adherence and intensive farming techniques have cause food safety and environment problems (Phairuang, Hata & Furuuchi, 2017). As a result, many countries start to search for new methods in agriculture and organic farming has got the challenge to develop all over the world, sustainable food production became more and more vital after facing with social and economic impacts of industrialized agriculture (Udomkun et al., 2017). Whereas, consumers of industrialized countries have shown a great attention towards organic products. Nowadays, Willer & Kilcher (2012) reported that organic livestock commodity is one of the fastest-growing segments of the healthy food market and sales volume have gained 10.5% in compound annual growth rate, organic product sales in 2009 grew by 5.3 percent overall, to reach 26.6 billion US dollars. Sundrum (2001) stated that organic livestock farming assigned itself the goal of establishing environmentally friendly production, sustaining animals in good health, and producing products of high quality, factors such as environmental sustainability, health issues and consumer satisfaction with conventional food and pressures from various stakeholders have imposed serious considerations towards the organic livestock commodity. As a support, Kotler (1997) reported that consumer loyalty is the key objective of consumer relationship management and describes the loyalty which is established between a consumer and products or brands. If the result from product or service is opposite to their expectations they ignore it immediately but if it is beyond their expectation it surely that they prefer to repurchase toward the same product or service again.

One of the approaches to enhance business survives and become sustainable is corporate social responsibility practices, this approach refers to practices of business reflecting the fundamental responsibility of business to the society and the environment. As a support, Mandhachitara & Poolthong (2011) found that corporate social responsibility has a significantly strong and positive association with attitudinal loyalty and also reported that perceived service quality mediated the relationship between CSR and repeat patronage intentions. As mentioned above, CSR is an important and essential issue for business to examine and look for a way to incorporate CSR approach into its business policy for actual implementation.

In this study, the researcher intends to investigate the effects of corporate social responsibility perception on consumer loyalty in Thai organic livestock commodity in Bangkok. It is expected that the findings would be indicative of the need for changes in business operation to include CSR-in-process practices in preparation for competitive pressure based on CSR in process practices, and to call for the development of CSR approach for Thai society be adopted by Thai businesses conducting business domestically or internationally as a concrete way to

demonstrate genuinely their social responsibility within their own country and to their trade partners. Due to the lack of consumer researches in Thai organic livestock commodity, this study can help market actors and policy makers to follow up the update buying behavior and attitude. Moreover, this comparison research can give an idea about organic livestock commodity studies to other scientist. Additionally, it can be an evidence of how organic livestock market changes on consumers sides in Thailand.

### **Research Objective**

To investigate the extent of relationships between these CSR-in-process practices, consumers perceived value, and consumer loyalty of organic livestock commodity in Bangkok.

### **Literature Review**

#### **1. Consumer loyalty and CSR-in-process practices**

Consumer loyalty is an important and essential issue for business. It may increase the life-time value of consumers and a strong relationship with consumer's loyalty; also there are some other variables that can impact upon consumer loyalty (Ostrowski, O'Brien & Gordon, 1993). Despite the importance of corporate social responsibility as an important construct in academia and a pressing item on corporate agenda, some contradictory results suggesting that CSR is far away from being the most dominant criteria in purchase behavior call for further research on the topic (Ankan & Güner, 2013). Kotler & Lee (2005) reported CSR-in-process practices consisted of 9 issues include: good corporate governance, fair business operations, anticorruption, respect of human rights, fair labor relations, responsibility to consumer, social and community development, environmental management, and innovativeness and openness. Jacoby & Kyner (1973) defined consumer loyalty as a function of both behavior and attitudes, consumer loyalty includes some degrees of commitment toward the quality of a goods that is a function of both positive attitudes and repetitive purchases. As a support, Mandhachitara & Poolthong (2011) in A model of consumer loyalty and corporate social responsibility reported that corporate social responsibility has a significantly strong and positive association with attitudinal loyalty and also reported that perceived service quality mediated the relationship between CSR and repeat patronage intentions (behavioral loyalty). Kaur & Soch (2013) defined consumer loyalty as action which the consumers tend to purchase more goods than other people, and willing to spend more and are less sensitive to price increases. In addition, Aaker & Biel (1992) stated that when consumers were loyal to the



particular product or service, it gave the benefits to those product or service by reducing the marketing costs, trade leverage, attracting more consumers and competitor's threats. According to literature review, the hypotheses in this research are as follows:

$H_1$  : CSR-in-process practices has a direct impact on consumer perceived value.

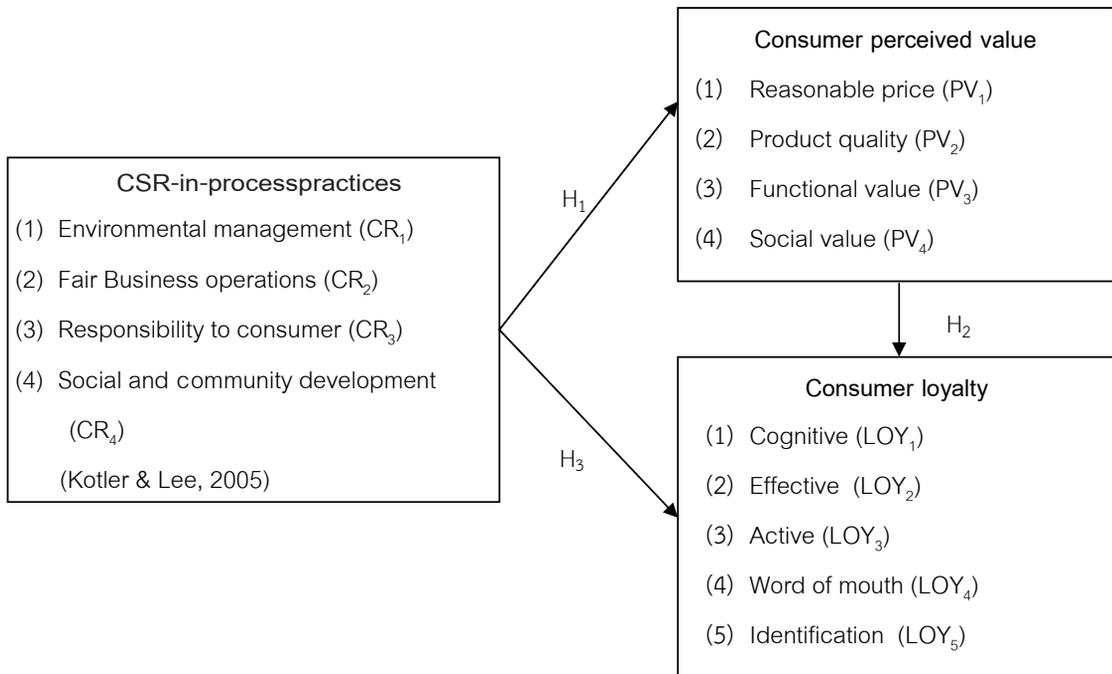
$H_3$  : CSR-in-process practices has a direct impact on consumer loyalty.

## 2. Consumers perceived value and consumer loyalty

Consumers perceived value is one of the approaches to enhance business survives and become sustainable like corporate social responsibility practices strategy. Akinci, Kiyimalioglu & Inana (2015) defined perceived value is the worth that a product or service has in the mind of the consumer. For the most part, consumers are unaware of the true cost of production for the products they buy; instead, they simply have an internal feeling for how much certain products are worth to them. In the research of consumer loyalty in the context of environmentally-friendly products in Thailand, Marakanon & Panjakajornsak (2016) found that perceived value and perceived risk had direct effect on consumer loyalty while perceived quality had no direct effect on consumer loyalty. Furthermore, perceived quality had direct effects on perceived value and perceived risk. As a support, Mustonen, Karjaluoto & Jayawardhena (2016) that both green image and perceived value are is one of the antecedents of consumer loyalty that a direct positive link with consumer loyalty and that environmental values are positively linked to the green image of the company. According to the research in Malaysia, Suki (2017) reported that product quality followed by corporate image, store image, and product price jointly affected consumer satisfaction in using green products. And they recommend marketers should aggressively promote the identification of green products and overcome the problem of just noticeable difference between green product and non-green product among consumers for business sustainability. Extant studies (Harris & Goode, 2004) define consumer loyalty as the ultimate aim of company in business relationships and also stated that consumer's loyalty is evidenced by the consumer's positive evaluation of the company, intention to continue the demonstration of positive evaluations through further actions, such as repurchasing and a willingness to recommend the company to others. According to literature review, the hypotheses in this research are as follows:

$H_2$  : Consumer perceived value has a direct impact on consumer loyalty.

## Conceptual Framework



**Figure 1:** Conceptual framework of the study of corporate social responsibility perception on consumer loyalty in organic livestock commodity

Based on the concept of Songsom (2014) and Keller (2008), this study aims to explore the relationship between (1) CSR-in-process practices and consumer perceived value, (2) CSR-in-process practices and consumer loyalty, (3) consumer perceived value and consumer loyalty. Moreover, this study combined these relationships and proposed a framework to apply in the Thai organic livestock commodity. The conceptual framework of this study was presented the relationship of CSR-in-process and its direct and indirect antecedents as presented in figure 1.

## Research Methodology

### 1. Research Design

Quantitative research will be used in this study. The questionnaire will be designed to examine the components of factors affecting consumer loyalty toward Thai organic livestock commodity in Bangkok include CSR-in-process and consumer perceived value which are independent variables. The consumer loyalty toward Thai organic livestock commodity in Bangkok was the dependent variable. This study will be used to identify and clarify the independent variable that affects to the dependent variable in explainable and quantitative method.



**2. Research Instrument**

In order to achieve the purpose of the study, a quantitative research method was conducted in the process of research, so questionnaire is necessary. Therefore, this study established a questionnaire base on former literatures' questionnaire, and then modifies it in order to fit this research. The questionnaire in this study has two sections: Section 1 was about demographics and the section 2 was the question about the five measurement items in this study: CSR-in-process and consumer perceived value and consumer loyalty. The section 2 of questionnaire was used method of summated ratings: Likert scale. The criteria used to determine a mean range are as follows:

- Strongly agree = 4.21 to 5.00 .....(5)
- Agree = 3.41 to 4.20 .....(4)
- Neutral = 2.61 to 3.40 .....(3)
- Disagree = 1.81 to 2.60 .....(2)
- Strongly disagree = 1.00 to 1.80 .....(1)

**3. Population and Sample**

In this study, the research objects is the consumer of organic stores in Bangkok, every person who live in Bangkok having the potential to be the consumer of organic stores. The sample's selection was used convenience sampling, because the population in this study was very big, and the consumer has a high liquidity, this kind of sampling technique was suitable for large populations, and the scope includes the major district in Bangkok. Regarding to researcher focus on consumer who buy Thai organic livestock commodity in organic store in Bangkok. The researcher don't know the exact number. Therefore, the sample size calculates according to the way of population is unknown determined standardized score is 95% and level of acceptable error is 5% according to the method described by Sangren (1999) as follow:

$$n = Z^2 / 4e^2$$

n = sample size  
 Z = standardized score (descriptive statistics) or Z-statistic 95 %  
 E = level of acceptable error ± 5%

After conclude this formula the sample size is approximately equal to 400 samples. So, the sample size is 400 of consumer who buy Thai organic livestock commodity in organic store in Bangkok. Therefore, we collected 400 valid samples in order to complete the research.

#### 4. Reliability analysis

For the reliability test, this study was used the coefficient alpha to measure the consistency, Cronbach (1951) stated that reliability is defined as the extent to which a questionnaire, test, observation or any measurement procedure produces the same results on repeated trials. Therefore, this study was used the coefficient alpha to measure the consistency, the value of coefficient alpha should exceed 0.7. In addition, the researchers found 50 questionnaires for pre-testing and discovered a reliability result of 99 percent; typically an alpha should be at least 70 percent. In the Table 1, which was show the reliability of pre-test and actual test, the pre-test included 50 questionnaires, and actual test included 400 questionnaires. The result shows all of the Cronbach's alpha value in the above is higher than 0.7, thus the question of these variable in questionnaire is good reliable.

**Table 1**

Reliability test using Cronbach's Alpha

Variable	Pre-test	Actual
<b>CSR-in- process practices</b>		
1. Environmental management (CR <sub>1</sub> )	0.716	0.746
2. Fair operation practices (CR <sub>2</sub> )	0.822	0.832
3. Consumer issues (CR <sub>3</sub> )	0.794	0.727
4. Community involvement and development (CR <sub>4</sub> )	0.716	0.745
<b>Consumer perceived value</b>		
1. Reasonable price (PV <sub>1</sub> )	0.844	0.720
2. Product quality (PV <sub>2</sub> )	0.870	0.840
3. Functional value (PV <sub>3</sub> )	0.737	0.710
4. Social value (PV <sub>4</sub> )	0.805	0.722
<b>Consumer loyalty</b>		
1. Cognitive (LOY <sub>1</sub> )	0.791	0.722
2. Effective (LOY <sub>2</sub> )	0.736	0.750
3. Active (LOY <sub>3</sub> )	0.808	0.820
4. Word of mouth (LOY <sub>4</sub> )	0.824	0.730
5. Identification (LOY <sub>5</sub> )	0.808	0.810



## 5. Data Collection

In order to meet the objectives of this research, a survey was designed to examine the hypotheses state in the previous chapter. Based on previous studies, Bangkok is separated into six zones, 50 districts (khet), where include twenty nine organic stores. Data for this research was collected from Thai people who had consumption experience at Thai organic livestock commodity in twenty nine organic stores. 400 questionnaires were collected through questionnaires by quota sampling from customer of organic stores from May 2015 to June 2015. The questionnaire was filling by the consumers in organic stores from an intercept survey by face to face, this method can make sure the respondents are the consumer of organic stores, and during the interview with respondents, researcher can clearly explain the meaning of each question and let respondents more understand the topic, then filling the questionnaire with earnest.

## 6. Data Analysis

In this study, data were analyzed for statistical outputs of frequencies, percentages, standard deviations, and correlations between independent variables and dependent variables using Chi-square test and Spearman rank correlation coefficient for statistical significant level of 0.05. In the other hand, descriptive statistics are used to describe the basic features of the data collected from the questionnaire include percentage and frequency which used for analysis of part 1 demographic data such as gender, age and education. Means and standard deviation are used for analysis of parts 2. Inferential statistics are used to test the hypothesis. Multiple regressions is used for test hypothesis 1 ( $H_1$ ): CSR-in-process practices has a direct impact on consumer perceived value, hypothesis 2 ( $H_2$ ): Consumer perceived value has a direct impact on consumer loyalty, and hypothesis 3 ( $H_3$ ): CSR-in-process practices has a direct impact on consumer loyalty.

## Result

### 1. Characteristics of respondents

This study collected total of 400 questionnaires. According to statistical analysis, most of the respondents (21.5%) were males and 78.5% were females. Most of them were in the age group of 43 - 48 years (41.3%). More than half were married (72.2%), and the majority (58.8%) had education at the Master degree level. The respondents came from different occupations, for example, 50.2% were business owner, 26.0% were state enterprise, 12.0% were government officer and 6.5% were company employee. Approximately 53.8% had monthly income in the range of THB 25,001 - 30,000 while 1.8% had income in the range of THB 10,001 - 15,000. Most of them (57.5%) were consumed meat, while 34.0 % were consumed milk and 8.5% were consumed pork.

## 2. Correlations result

In this study, this chapter presented the analysis results of the primary data collected from 400 qualified questionnaires which based on the conceptual framework of the research. The result of a correlation matrix for hypothesis testing indicates the relationship of CSR-in-process, perceived value and consumer loyalty shown in Table 2, 3 and 4. All the value was positive, and the range of the value was form 0.188 to 0.983, which means that all the variables in this study were positive correlated. According to the sig value to consider the hypothesis: If sig value is larger than 0.05, then accept the Ho; otherwise if the sig value is less than 0.05, then reject Ho. The details were show in following:

### 2.1 Correlations Result for CSR-in-process practices and consumer loyalty

The correlation analysis of the independent (CSR-in-process practices) and dependent variable (consumer loyalty) showing significant values shown Table 2 as follows: Inter-relationships reveal significant relationship between environmental management (CR<sub>1</sub>) and cognitive (LOY<sub>1</sub>) (r = 0.304), environmental management (CR<sub>1</sub>) and effective (LOY<sub>2</sub>) (r = 0.330), environmental management (CR<sub>1</sub>) and active (LOY<sub>3</sub>) (r = 0.352), environmental management (CR<sub>1</sub>) and word of mouth (LOY<sub>4</sub>) (r = 0.336), environmental management (CR<sub>1</sub>) and identification (LOY<sub>5</sub>) (r = 0.344). Interrelationships reveal significant relationship between fair operation practices (CR<sub>2</sub>) and cognitive (LOY<sub>1</sub>) (r = 0.376), fair operation practices (CR<sub>2</sub>) and effective (LOY<sub>2</sub>) (r = 0.408), fair operation practices (CR<sub>2</sub>) and active (LOY<sub>3</sub>) (r = 0.419), fair operation practices (CR<sub>2</sub>) and word of mouth (LOY<sub>4</sub>) (r = 0.411), fair operation practices (CR<sub>2</sub>) and identification (LOY<sub>5</sub>) (r = 0.417).

**Table 2**

Correlations result for CSR-in-process practices and consumer loyalty

CSR-in- process practices	Consumer loyalty									
	LOY <sub>1</sub>		LOY <sub>2</sub>		LOY <sub>3</sub>		LOY <sub>4</sub>		LOY <sub>5</sub>	
	Sig.	Result								
CR <sub>1</sub>	.304**	accept	.330**	accept	.352**	accept	.336**	accept	.344**	accept
CR <sub>2</sub>	.376**	accept	.408**	accept	.419**	accept	.411**	accept	.417**	accept
CR <sub>3</sub>	.365**	accept	.355**	accept	.369**	accept	.366**	accept	.363**	accept
CR <sub>4</sub>	.314**	accept	.294**	accept	.318**	accept	.305**	accept	.312**	accept

Note: r = correlation coefficient, \*\*p < .01 = highly significant level of 0.01



Inter-relationships reveal significant relationship between consumer issues ( $CR_3$ ) and cognitive ( $LOY_1$ ) ( $r = 0.365$ ), consumer issues ( $CR_3$ ) and effective ( $LOY_2$ ) ( $r = 0.355$ ), consumer issues ( $CR_3$ ) and active ( $LOY_3$ ) ( $r = 0.369$ ), consumer issues ( $CR_3$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.366$ ), consumer issues ( $CR_3$ ) and identification ( $LOY_5$ ) ( $r = 0.363$ ). Inter-relationships reveal significant relationship between community involvement and development ( $CR_4$ ) and cognitive ( $LOY_1$ ) ( $r = 0.314$ ), community involvement and development ( $CR_4$ ) and effective ( $LOY_2$ ) ( $r = 0.294$ ), community involvement and development ( $CR_4$ ) and active ( $LOY_3$ ) ( $r = 0.318$ ), community involvement and development ( $CR_4$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.305$ ), community involvement and development ( $CR_4$ ) and identification ( $LOY_5$ ) ( $r = 0.312$ ).

## 2.2 Correlations result for CSR-in-process practices and consumer perceived value

The correlation analysis of the independent (CSR-in-process practices) and dependent variable (consumer perceived value) showing significant values shown Table 3 as follows: Inter-relationships reveal significant relationship between environmental management ( $CR_1$ ) and reasonable price ( $PV_1$ ) ( $r = 0.399$ ), environmental management ( $CR_1$ ) and product Quality ( $PV_2$ ) ( $r = 0.326$ ), environmental management ( $CR_1$ ) and functional value ( $PV_3$ ) ( $r = 0.376$ ), environmental management ( $CR_1$ ) and social value ( $PV_4$ ) ( $r = 0.399$ ). Inter-relationships reveal significant relationship between fair operation practices ( $CR_2$ ) and reasonable price ( $PV_1$ ) ( $r = 0.327$ ), fair operation practices ( $CR_2$ ) and product quality ( $PV_2$ ) ( $r = 0.375$ ), fair operation practices ( $CR_2$ ) and functional value ( $PV_3$ ) ( $r = 0.340$ ), fair operation practices ( $CR_2$ ) and social value ( $PV_4$ ) ( $r = 0.363$ ).

**Table 3**

Correlations result for CSR-in-process practices and consumer perceived value

CSR-in- process practices	Consumer perceived value							
	$PV_1$		$PV_2$		$PV_3$		$PV_4$	
	Sig.	Result	Sig.	Result	Sig.	Result	Sig.	Result
$CR_1$	.399**	accept	.326**	accept	.376**	accept	.399**	accept
$CR_2$	.327**	accept	.375**	accept	.340**	accept	.363**	accept
$CR_3$	.356**	accept	.314**	accept	.373**	accept	.409**	accept
$CR_4$	.363**	accept	.292**	accept	.350**	accept	.387**	accept

Note:  $r$  = Correlation Coefficient, \*\* $p < .01$  = highly significant level of .01

Inter-relationships reveal significant relationship between consumer issues ( $CR_3$ ) and reasonable price ( $PV_1$ ) ( $r = 0.356$ ), consumer issues ( $CR_3$ ) and product quality ( $PV_2$ ) ( $r = 0.314$ ), consumer issues ( $CR_3$ ) and functional value ( $PV_3$ ) ( $r = 0.373$ ), consumer issues ( $CR_3$ ) and social value ( $PV_4$ ) ( $r = 0.409$ ). Inter-relationships reveal significant relationship between community involvement and development ( $CR_4$ ) and reasonable Price ( $PV_1$ ) ( $r = 0.363$ ), community involvement and development ( $CR_4$ ) and product quality ( $PV_2$ ) ( $r = 0.292$ ), community involvement and development ( $CR_4$ ) and functional value ( $PV_3$ ) ( $r = 0.350$ ), community involvement and development ( $CR_4$ ) and social value ( $PV_4$ ) ( $r = 0.380$ ).

### 2.3 Correlations result for consumer perceived value and consumer loyalty

The correlation analysis of the independent (consumer perceived value) and dependent variable (consumer loyalty) showing significant values shown Table 4 as follows:

Inter-relationships reveal significant relationship between reasonable price ( $PV_1$ ) and cognitive ( $LOY_1$ ) ( $r = 0.381$ ), reasonable price ( $PV_1$ ) and effective ( $LOY_2$ ) ( $r = 0.389$ ), reasonable price ( $PV_1$ ) and active ( $LOY_3$ ) ( $r = 0.430$ ), reasonable price ( $PV_1$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.397$ ), reasonable price ( $PV_1$ ) and identification ( $LOY_5$ ) ( $r = 0.417$ ). Inter-relationships reveal significant relationship between product quality ( $PV_2$ ) and cognitive ( $LOY_1$ ) ( $r = 0.378$ ), product quality ( $PV_2$ ) and effective ( $LOY_2$ ) ( $r = 0.381$ ), product quality ( $PV_2$ ) and active ( $LOY_3$ ) ( $r = 0.423$ ), product quality ( $PV_2$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.389$ ), product quality ( $PV_2$ ) and identification ( $LOY_5$ ) ( $r = 0.414$ ).

Inter-relationships reveal significant relationship between functional value ( $PV_3$ ) and cognitive ( $LOY_1$ ) ( $r = 0.410$ ), functional value ( $PV_3$ ) and effective ( $LOY_2$ ) ( $r = 0.415$ ), functional value ( $PV_3$ ) and active ( $LOY_3$ ) ( $r = 0.453$ ), functional value ( $PV_3$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.420$ ), functional value ( $PV_3$ ) and identification ( $LOY_5$ ) ( $r = 0.446$ ). Inter-relationships reveal significant relationship between social value ( $PV_4$ ) and cognitive ( $LOY_1$ ) ( $r = 0.374$ ), social value ( $PV_4$ ) and effective ( $LOY_2$ ) ( $r = 0.371$ ), social value ( $PV_4$ ) and active ( $LOY_3$ ) ( $r = 0.410$ ), social value ( $PV_4$ ) and word of mouth ( $LOY_4$ ) ( $r = 0.375$ ), social value ( $PV_4$ ) and identification ( $LOY_5$ ) ( $r = 0.401$ ).



Table 4

Correlations result for consumer perceived value and consumer loyalty

Consumer perceived value	Consumer loyalty									
	LOY <sub>1</sub>		LOY <sub>2</sub>		LOY <sub>3</sub>		LOY <sub>4</sub>		LOY <sub>5</sub>	
	Sig.	Result								
PV <sub>1</sub>	.381**	accept	.389**	accept	.430**	accept	.397**	accept	.417**	accept
PV <sub>2</sub>	.378**	accept	.381**	accept	.423**	accept	.389**	accept	.414**	accept
PV <sub>3</sub>	.410**	accept	.415**	accept	.453**	accept	.420**	accept	.446**	accept
PV <sub>4</sub>	.374**	accept	.371**	accept	.410**	accept	.375**	accept	.401**	accept

Note: r = Correlation Coefficient, \*\* p &lt; .01 = highly significant level of 0.01

This study shows the mean score ranking of score of CSR-in-process practices affecting consumer's loyalty toward Thai organic livestock commodity in Bangkok. In independent variables, the highest score of CSR-in-process practices dimension was fair operation practices (CR<sub>2</sub>) (3.71 ± 0.22) followed environmental management (CR<sub>1</sub>) (3.70 ± 0.23), 3.64 ± 0.22 was functional value (PV<sub>3</sub>) followed by 3.63 ± 0.22 of product quality (PV<sub>2</sub>) of perceived value dimension. In dependent variable, the highest score of consumer loyalty dimension was cognitive (LOY<sub>1</sub>) (3.75 ± 0.24) followed 3.69 ± 0.23, 3.68 ± 0.22, 3.62 ± 0.23, and 3.62 ± 0.22 of identification (LOY<sub>5</sub>) active (LOY<sub>3</sub>) word of mouth (LOY<sub>4</sub>) and effective (LOY<sub>2</sub>), respectively.

In this study, author used multiple regressions as the analysis method in order to do the hypothesis testing. From the hypothesis testing, there was highly significant (p < 0.01) in correlation analysis result of CSR-in-process practices and consumer loyalty, CSR-in-process practices and consumer perceived value, consumer perceived value and consumer loyalty. In addition, it can be said that CSR-in-process practices and consumer perceived value were impacted of consumer loyalty in this study. The details were show in following: hypothesis 1 (H<sub>1</sub>): CSR-in-process practices has a direct impact on consumer perceived value was accepted H<sub>1</sub>, hypothesis 2 (H<sub>2</sub>): Consumer perceived value has a direct impact on consumer loyalty was accepted H<sub>2</sub>, and hypothesis 3 (H<sub>3</sub>): CSR-in-process practices has a direct impact on consumer loyalty was accepted H<sub>3</sub>.



## Discussion

This study had the objective to investigate the impact of CSR-in-process practices on consumer loyalty toward organic livestock commodity in Bangkok. The finding of the study contributes to gaining a better understanding on consumer's loyalty toward the organic livestock industry of Thailand. According to the results, CSR-in-process practices of companies and consumer perceived value were found to have the significant impacts on consumer's loyalty in a positive direction. This result is similar to previous studies (Kim, Song, ChoongKi & Jin Young, 2017) indicating that CSR-in-process practices such as environmental management, fair operation practices consumer issues, and community involvement and development play an important role in consumer's loyalty toward firm performance. As a support, Mustonen, Karjaluoto & Jayawardhena (2016) that both green image and perceived value are is one of the antecedents of consumer loyalty which a direct positive link with consumer loyalty and that environmental values are positively linked to the green image of the company. Earlier work Intayos, Wingwon & Mongkonvisut (2017) research on the influence of service quality, trust and word-of-mouth toward revisit in physiotherapy clinic: a case study of eastern lanna culture, found that service quality had the direct effect toward consumer trust and consumer revisit, and word-of-mouth.

In the research of consumer loyalty in the context of environmentally-friendly products in Thailand, Marakanon & Panjakajornsak (2016) found that perceived value and perceived risk had direct effect on consumer loyalty while perceived quality had no direct effect on consumer loyalty. Furthermore, perceived quality had direct effects on perceived value and perceived risk. In particular, scholar also were found to have the influence consumer loyalty, both directly and indirectly, through both negative and positive emotional arousals (Tung, Chen & Schuckert, 2017). Ruangkalapawongse & Ruangkalapawongse (2017) reported that an antecedents affecting the intention to come to revisit the market are tourist activities include Thai tradition, materiality ensuring understanding, compassion activities travel destinations, and physical products (tourism and services).

In this research, the researcher found that CSR-in-process practices can influence consumer perceived value. In the research of how does corporate social responsibility create value for consumers?, Green & Peloza (2011) found that CSR can provide three forms of value to consumers: emotional, social, and functional. Each of these enhances or diminishes the overall value proposition for consumers. Further, value created by one form of CSR can either enhance or diminish other product attributes. The result consisted the research of Jung, Lee, Kim & Yang (2014) that concluded perceived quality and brand loyalty were positively related which if brand loyalty increase it will affect to increasing perceived quality too. These results agreed with literature reported by Yungyoo & Bunjongmanee (2017) on factors influencing consumer behaviors in buying



whey protein supplement for men in Prachuap Khiri Khan province and Phetchaburi province. The results indicated that the factors influencing consumer behaviors include source choose, the type of whey protein supplements buy, price to buy, the reasons for choosing, the frequency of purchase and the time of purchase. In the other hand, the result of this study found marketing campaign in term of promotion was not important variable for the relationship of perceived quality and brand association. Furthermore, the result of the multiple regression analysis showed the relationship of perceived value had a positive relation to consumer loyalty. While in previous studies, consumer perceived value is one of the most important factors to influence consumer loyalty.

## Conclusion

According to the 400 qualified questionnaires to this research, the researcher found that CSR-in- process practices play an important role in consumer loyalty toward Thai organic livestock commodity in Bangkok. From this study, we can develop a consumer loyalty in Thai organic livestock commodity in Bangkok. We concluded that CSR-in-process practices dimensions include environmental management, fair operation practices, consumer issues and community involvement and development was the most significant dimension for creating consumer loyalty in organic livestock commodity in Bangkok, followed by consumer perceived value dimensions such as reasonable price, product quality, functional value, and social value.

## Recommendations

Thai organic livestock companies should plan marketing strategies and allocate marketing investments and focusing on CSR-in- process practices and consumer perceived value first and has the highest priority to build the consumer loyalty which, it will affect to increase the profit and market share. Further research, should focus on other variables such as CSR-after-process, CSR-as-process, brand performance and brand preference as well as brand identity because they might have a significant influence on Thai organic livestock commodity market share in Thailand.

## Recommendation for future research

Future research could consider adding customer trust to the conceptual framework to study the relationship between customer trust and customer loyalty, customer trust and consumer perceived value. And also consider adding location to the conceptual framework, to study whether location affects consumer perceived value and consumer loyalty.



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