
THE IMPACT OF STORE IMAGE AND CORPORATE SOCIAL RESPONSIBILITY (CSR) ON CUSTOMER SATISFACTION AND STORE LOYALTY IN MALAYSIAN RETAILS INDUSTRY

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Abstract:

Many businesses have continuously considered corporate social responsibility (CSR) as an important aspect of their business, following the growing concerns of stakeholders on the social and environmental issues over time. In order to sustain business in the competitive market, there is a need for the grocery retailers to examine the influence of store image and CSR on two dimensions of customer behaviour, namely customer satisfaction and store loyalty. Evidences gathered from 404 respondents dictated the significant roles of store image and CSR in promoting customer satisfaction and store loyalty in the perspective of grocery retail stores in Malaysia. These findings are useful for the retailers to design appropriate business strategies to ensure a sustainable business. This study also highlights the importance of CSR for the retailers to sustain their business in the long-term basis.

Keyword: Store Image, Corporate Social Responsibility (CSR), Customer Satisfaction, Store Loyalty, Malaysia, developing country.

INTRODUCTION

Media coverage and public concern about corporate social responsibility (CSR), specifically in the retail store industry, has increased dramatically in the past few years (Utgard, 2018). The retail stores are seen to commit themselves seriously into CSR-related activities, in order to demonstrate their socially responsible behaviors as good corporate citizens. This has been reflected in the number of firms communicated their CSR activities in both traditional and social media (Reilly & Hynan, 2014). Several prior literature have provided a solid understanding on how the so-called CSR initiatives, such as donating money to charitable causes are perceived by consumers and others (Park et al., 2017). In this view, perceived CSR is a result of public-purpose marketing and represents the extent of practices, which are seen as good actions to the society. CSR has brought a positive impact to several organizational outcomes, such as increased financial performance, enhanced customer satisfaction, loyalty and trust, as well as improved brand attitude (Sen. et al., 2006; Park et al., 2017). Following that, several researchers have suggested for inclusion of CSR as an important component that may influence consumer behavior, in addition to store image (Brown & Dacin, 1997; Gupta & Pirsch, 2008). According to Gupta and Pirsch (2008), both CSR and store image (measured by the corporate ability dimension), may provide an integrated understanding of the factors that may influence customer satisfaction and store loyalty.

Retail stores have contributed significantly in CSR-related activities, for examples, Target Stores donated over \$ 1 million each week to the communities, in which they located (Gupta & Pirsch, 2008). In Malaysian retails market, some retail stores also implement their own CSR policy, for example Giant has donated RM 470K to My Kasih Foundation's and Tesco has launched "The Greener Earth" Program. The encouraging efforts shown by firms to implement CSR-related activities have motivated researchers to examine the impact of CSR-related activities on consumer behavior. While many studies have explored this area of research from the perspectives of several developed countries, yet evidences from developing countries such as Malaysia has been limited. Schramm-Klein et al. (2016) also highlighted the limited exploration of the roles of CSR in the retails industry.

Therefore, this study examines the role of CSR in the conceptualisation of retails store image within the context of Malaysian retail grocery stores. This paper aims to demonstrate the role of CSR in influencing customer satisfaction and store loyalty. Furthermore, it seeks to prove the argument of Gupta and Pirsh (2008), who suggested that the construct of store image should include both corporate ability dimension and CSR as two important components that may affect the level of customer satisfaction and store loyalty. Findings of the study may inform the marketers on the possible sets of marketing strategies and activities that helps in enhancing customer satisfaction and promoting store loyalty. They also indicate the important role of CSR as an additional variable in influencing customer satisfaction and store loyalty.

Next, the paper reviews selected relevant articles to elaborate on each research construct, namely store image, CSR, customer satisfaction and store loyalty; and the relationship between the constructs. Then, the paper outlines the research framework as well as the hypotheses development, followed by explanation on research methodology. Subsequently, the paper proceeds with data analyses and findings, before the concluding remarks.

LITERATURE REVIEW

The heightened concern and awareness of firms and their stakeholders on the growing numbers of social and environmental issues globally has seen an active participation of the firms in promoting CSR in a way to respond to the stakeholders' concerns. Following Brown and Dacin (1997) and Gupta and Pirsch (2008), it is of interest to examine the impact of store image, as well as CSR on two aspects of consumer behaviours, namely customer satisfaction and loyalty.

Store Image

Reviews of literature on store image have observed the variety of definition given on the concept. However, in the retailing field of research, store image is generally referred to the way in which a store is perceived by its shoppers (Pan & Zinkhan, 2006). It is a function of the salient attributes of a particular store that are evaluated and weighted against each other (Bloemer & de Reyter, 1998). Mazursky and Jacoby (1986) highlighted that store image were mainly centered on its relationship to store patronage as well as how store image develops. The closer the image to the customers' needs, the higher the probability that the customers will shop in the store.

Several studies have observed a number of components that assist a retailer in developing a powerful store image (Refer Table 1).

Table 1: A summary of components of store image

Researchers	Components of Store Image
Porter and Claycomb (1997)	Fashion, selection, customer service, merchandise quality, sale personnels, physical condition, store atmosphere.
Bloemer and de Reyter (1998)	Location, merchandise, store atmosphere, customer service, price, advertising, personal selling and sales incentive programs.
Ou, Abratt & Dion (2006)	Store location, easy access to the store and safe parking, appropriate merchandise, correct pricing, good levels of service and effective promotion.
Yun and Good (2007)	Effective store merchandising, service and shopping atmosphere.
Theodoridis and Chatzipanagiotou (2009)	Personnel, atmosphere, products, merchandising, in-store convenience.

Subsequently, Gupta and Pirsch (2008) reclassified these components as listed in Table 1 as the ‘corporate ability’ dimension of store image. Corporate ability reflects the firm’s skill in manufacturing and delivering the product or service (Gupta & Pirsch, 2008). It represents an integrated perspective in understanding the concept of store image that enable an overall picture of the store image to be seen.

Corporate Social Responsibility (CSR)

CSR is a multi-facet concept that has been studied in various field of research, including marketing. The basic idea of CSR relies on the changing perception on the role of firms in society from profit-oriented to society-oriented firms. As a socially responsible firm, the firm is expected to enhance economic growth as well as protecting the environment and promoting social responsibility (Carroll, 1991). Firms need to fulfil their economic, legal, ethical and philanthropic responsibilities in order to become good corporate citizens (Carroll, 1991). They have the economic responsibility to be profitable, the legal responsibility to follow the laws that guide their ability to achieve their economic requirements, an ethical responsibility that include a range of societal norms or standards, and a philanthropic responsibility referring to the interest of doing well for society, regardless of its impact on profit.

Baker (2004) defined CSR as the ways firms manage their business process to produce an overall positive impact on society. Factors that drive firms to be actively involved in CSR’s related activities, among others include greater stakeholder awareness of corporate ethical, social and environmental behavior; direct stakeholder pressures; investor pressure; peer pressure and an

increased sense of social responsibility. Brown and Dacin (1997) highlighted that CSR represents an important component of a firm's image that in turns impacted the consumer behavior. Drawing upon Brown and Dacin (1997)'s proposition and followed by Gupta and Pirsch (2008)'s paper, this study further examined the impact of the corporate ability dimension of store image, as well as CSR, on two dependent variables, namely customer satisfaction and store loyalty. Perhaps, the inclusion of CSR as a dimension of store image may enhance customer satisfaction and store loyalty.

Customer Satisfaction

Firms should consider customer satisfaction as one of the important elements in their business practices. A satisfied customer may help to increase firms' value (Homburg et al., 2005), thus ensure the sustainability of the businesses. Since customers interact with store establishments in a variety of different activities, retailers should focus on customers' buying experience in a way to successfully excel in their business transactions.

Oliver (1997, in Homburg et al. 2005) defined satisfaction as a result of a post-consumption or post-usage evaluation. Therefore, customer satisfaction can be referred to as the evaluation of the customers after a purchase or consumption of a product or services. In this case, customer satisfaction is believed to achieve when there is a matching between the expectations and perceived performance. Any discrepancy will lead to a dissatisfaction feeling. Specifically, 'customer satisfaction with store' is referred to as an individual's emotional reaction to personal evaluation of the total set of experiences encountered at the store (Anselmsson and Johansson, 2007).

Store loyalty

There have been many ways to define store loyalty. However, among the popular definition of store loyalty are the one given by Dick and Basu (1994) and Oliver (1999). The definitions highlighted the behavior that the customers exhibit in order to become loyal. This can be measured in terms of repeat purchasing frequency or relative volume of same brand purchasing (Gupta & Pirsch, 2008). Generally, loyalty can be measured in four phases; cognitive loyalty (the information available to the customers indicate that one brand is preferable to its alternatives); affective loyalty (attitude towards a brand is needed, based on several satisfying experiences); conative loyalty (a motivated intention to repurchase) and action loyalty (readiness to repurchase) (Oliver, 1999). Following the four phases of loyalty, Oliver (1999) defined loyalty as a deeply held commitment to rebuy or patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts, having the potential to cause switching behavior.

Loyalty, when viewed from the behavioral perspective, is measured using repurchase probability, long-term choice probability, or switching behavior. Whereas, from the perspective of attitudinal, it is measured by the repurchase intention, price tolerance, resistance against better alternatives and intention to recommend the product or service (Yi & La, 2004). For the purpose of this study, both behavioural and attitudinal perspectives of store loyalty are taken into consideration. Overall, it can be summarized that store loyalty is expressed by the intention to

perform a diverse set of behavior that hint a motivation to maintain a relationship with the retailer, for example, by allocating a higher proportion of budget to shop at a specific retail store, or engaging in positive word-of-mouth and repeat purchasing (Beneke et al., 2011).

The impact of Store Image and CSR on Customer Satisfaction and Store Loyalty

Store image and CSR have a significant influence over consumers' behaviour. A number of studies have documented a relationship between store image and CSR, respectively with customer satisfaction and store loyalty (Osman, 1993). For example, Helgesen and Nettet (2007) highlighted the importance of building a reputable store image by firms in a way to attract and retain their customers. This provides a link between store image and customer satisfaction. In the context of retail grocery stores in Denmark, Eskildsen et al. (2004) revealed a significant influence of store image on customer satisfaction. Several elements of store image such as service, variety, and price/value are seen to relate most often with customer satisfaction within the context of retail grocery stores.

In a similar vein, Theodoridis and Chatzipanagiotou (2009) examined the influence of store image attributes and customer satisfaction within retail groceries in Greece. Theodoridis and Chatzipanagiotou (2009) revealed that pricing and products represent the key determinants of customer satisfaction, followed by personnel and in-store convenience. No significant influence observed between atmosphere and merchandising on customer satisfaction (Theodoridis & Chatzipanagiotou, 2009). With regards to store loyalty, Huddleston et al. (2004) found the relationship between several elements of store image (namely grocery store price/value, convenience, product quality, store atmosphere and service) and loyalty. Helgesen and Nettet (2007) also observed a positive effect of the various elements of store image on loyalty.

Bloemer and de Reyter (1998) and Koo (2003) revealed that store image influence both customer satisfaction and store loyalty in the context of a retail store. Drawing upon 124 samples of customers in Switzerland, Bloemer and de Reyter (1998) indicated a significant correlation between store image and customer satisfaction and store loyalty. Koo (2003), who conducted a similar research in Korea also observed a similar finding. Koo (2003)'s study is based on a sample of 517 customers. Koo (2003) found that the overall customers' attitude towards store image (for examples, atmosphere, employee service, after sales services and merchandise) has strong influence on satisfaction and loyalty.

In addition to store image, CSR also plays a significant role towards a greater level of customer satisfaction and store loyalty (Schramm-Klein et al., 2016; Park et al., 2017). As argued by Arnold et al. (1996), the definition of store image not only explains on the context of the attributes of the store but also include the context of the store role in the social environment. This has been further highlighted by Brown and Dacin (1997) and later by Gupta and Pirsch (2008), who emphasized the contributory roles of the corporate ability of store image as well as CSR in ensuring a higher level of customer satisfaction and store loyalty. According to Gupta and Pirsch (2008), a comprehensive measurement of store image should include the corporate ability (CA)

and CSR components, to present a truly holistic evaluation of the efforts done by the retail firms in order to establish a better consumers' perception. Prior to the argument brought forward by Brown and Dacin (1997) and Gupta and Pirsch (2008), the effect of CSR on customer satisfaction and store loyalty has been studied on a standalone basis. The corporate ability of store image is not included as an independent variable that may impact customer satisfaction and store loyalty.

Indeed, past research has demonstrated that socially responsible actions performed by firms enhance store reputation and image (Turban and Greening 1997). This will in turns affects the perceptions on product quality in a positive manner (Brown and Dacin, 1997). In the context of current study, retailers have spent a huge amount of budgets, in terms of money, time and effort, on CSR-related activities. Firms have been involved in a number of CSR-related activities such as donation drive, employee voluntarism and environmental management programmes to influence the overall perceptions by customers and non-customers regarding the retail stores' position as good corporate citizens (Anselmsson & Johansson, 2007). CSR covers a broader perspective including the following: the right between the sexes, ethical and religious groups; fair and equal treatment of all employees; human rights issues; and protection of the environment and community support. With such meaningful and noble activities, the retail stores are seen as 'good' by the stakeholders (Sen and Bhattacharya, 2001). Being seen as a 'legitimate' (socially and environmentally responsible) firm is very important in order to ensure the sustainability of the businesses in the long run basis.

Evidences from prior studies have demonstrated that thoughtful and meaningful CSR efforts can promote store loyalty (Maignan et al., 1999). CSR is also revealed to be positively related to consumer attitudes, thus affecting customer satisfaction (Luo & Bhattacharya, 2006). Lee (2019) documented a positive effect of economic and legal CSR on customer loyalty, while Han et al. (2019) acknowledged the role of environmental dimension of CSR in promoting loyalty. A negative perception of retailers' CSR will give an impact of consumers' evaluations of a firm (Handelman & Arnold, 1999). Specifically, unethical actions by retailers will reduce customer satisfaction rating of the service provided and loyalty. Owing to the importance of both store image and CSR in influencing customer satisfaction and store loyalty (Brown & Dacin, 1997; Gupta & Pirsch, 2008), these two components are examined in determining the customer satisfaction and store loyalty within the context of Malaysia's retail industry.

Research Framework & Hypotheses Development

This study examines the impact of corporate ability (CA) dimension of store image and corporate social responsibility (CSR) on customer satisfaction and store loyalty within the retail grocery stores in Malaysia. While evidences on these associations have been documented in a number of countries such as Denmark, Taiwan, Greece and a few others (Helgesen & Nettet, 2007; Theodoridis & Chatzipanagiotou, 2009; Chang & Luan, 2010), this study focuses on the association between the variables of interest within the retail grocery stores in Malaysia.

Based on the objectives of study and review of related literature, this study proposes the following hypotheses:

H1a: The corporate ability (CA) dimension of store image has a significant positive impact on customer satisfaction.

H1b: The corporate ability (CA) dimension of store image has a significant positive impact on store loyalty.

H2a: The corporate social responsibility (CSR) has a significant positive impact on customer satisfaction.

H2b: The corporate social responsibility (CSR) has a significant positive impact on store loyalty.

While the corporate ability's dimension of store image and CSR are the independent variables, customer satisfaction and store loyalty represent the dependent variables for the study.

RESEARCH METHODOLOGY

This study examined the opinion of respondents, who live in Klang Valley, Malaysia, based on convenience sampling. The choice of sample is considered beneficial, as many major grocery retail stores such as Tesco, Giant and Aeon are located within this region. List of all research variables used in this study as well as the definitions are summarised in table 2.

Table 2: Measurements of the Research Variables

Type of Variable	Variables	Definition	References
Independent variable	Store image	The way the respondents perceived about the Malaysia's retail grocery store image based on the corporate ability dimension of store images.	Wu and Petroschus (1987)
Independent variable	Corporate social responsibility (CSR)	Perception of respondents over the CSR-related activities conducted by the retail grocery stores.	Brown and Dacin (1997); Sen and Bhattacharya (2001)
Dependent variable	Customer satisfaction	The level of satisfaction achieved by the customers on the products or services offered/ shopping experience provided by the retail grocery stores.	Eroglu and Machleit (1990); Spreng et al. (1996)
Dependent variable	Store loyalty	Customers' desire to patronize the retail grocery store.	Sirgy et al. (1991); Reichheld (2003); Folkes & Kamins (1999)

Store image is defined by the corporate ability dimension as suggested by Brown and Dacin (1997) and Gupta and Pirsch (2008). In this study, the store image is tested on the Malaysia's

retail grocery store, to determine the way the respondents perceived about the Malaysia's retail grocery store image. This is to determine the overall attitude of customers towards the retail grocery stores.

CSR is measured by the perception of respondents over the CSR-related activities conducted by the selected retail grocery store. The CSR-related activities of interest include community involvement and support, employee diversity, fair treatment of employees and environmental responsibility. Customer satisfaction is measured by the level of satisfaction achieved by the customers on the products or services/ shopping experience provided by the retail grocery stores. Finally, store loyalty is measured by the customers' desire to patronize the retail grocery store.

Research Instrument

The questionnaire developed for this study is divided into five (5) parts (Part A, B, C, D and E). In part A to part D, a scaled-response question is used to capture the intensity of feeling of respondents on their perceptions towards the variables of interest in the study. The format of questions included in part A to part D of the questionnaire is closed-ended in nature. Basically, respondents are asked to rate their perceptions on four aspects, namely store image, CSR, customer satisfaction and store loyalty, based on a seven Likert-scale (whereby 1 refers to strongly disagree and 7 refers to strongly agree) that is considered more reliable and provides a greater volume of data in comparison to many other scales. Furthermore, this scale can avoid the problem of developing pairs of dichotomous adjectives.

Table 3: Summary of Items Included in the Questionnaire

Variables	Items Included in the Questionnaire
Store Image (IV)	<ul style="list-style-type: none">• Pleasant atmosphere• Well-known product• High quality product• Good customer service• Helpful sales person• Unlimited product• Attractive layout• Prestigious• Informative advertising• Pleasant to shop in
CSR (IV)	<ul style="list-style-type: none">• Involve in communities• Hire a diverse pool of employee• Eco-friendly policies• Care for local community• Large selection of local product
Customer Satisfaction	<ul style="list-style-type: none">• Satisfied

(DV)	<ul style="list-style-type: none">• Pleased• Favourable• I like it so much• Contented• Delighted• Go out of my way
Store Loyalty (DV)	<ul style="list-style-type: none">• Loyal customer• Recommend to friends• Deserve• Continue visit

To capture respondents' views on corporate ability dimension of store image, 10 components of store image are included in the questionnaires. They are: (1) store atmosphere, (2) brand, (3) product quality, (3) customer service, (4) sales person, (5) product choice, (6) store layout, (7) prestige, (8) advertising, (9) shopping experience. Perception of respondents upon CSR-related activities performed by the selected retail grocery stores are evaluated based on the following items: (1) involvement in community, (2) employee diversity, (3) eco-friendly policies, (4) care for local community and (5) product selection.

Next, perception of respondents on the level of customer satisfaction achieved on the products/services and shopping experiences provided by the retail grocery stores are measured based on seven (7) criteria from 'satisfied', 'pleased', favourable and 'I like it so much', to 'contented', 'delighted' and 'go out of my way'. Finally, four (4) questions that asked respondents' perception on store loyalty are evaluated based on the following criteria: 1) loyal customer; 2) recommend to friends; 3) deserve and 4) continue visit.

The preliminary questionnaire was pilot tested before it was distributed to respondents through online survey method (google survey). The refined questionnaire is then used in testing the larger sample in this study. The data collection period took 2 month. The survey link was emailed to the respondents, who live in Klang District. Out of 450 questionnaires sent, only 404 questionnaires were returned in complete manner with the response rate of 89.7%.

In determining how well the items in a set of variables are positively correlated to one another, Cronbach's alpha for each variable is computed. Generally, an alpha coefficient of 0.6 or higher is accepted. Table 4 provides the results of the reliability test performed. Overall, the Cronbach's alpha for all variables used in this study are higher than 0.6 (store image 0.939, CSR 0.89, store loyalty 0.913, customer satisfaction 0.946). As a result, the consistency of the variables used is accepted.

Table 4: Reliability Test (Cronbach's Alpha)

Variables	Cronbach's Alpha Coefficient	No. of Items
Store Image	0.939	10
Corporate Social Responsibility (CSR)	0.890	5
Customer Satisfaction	0.946	7
Store Loyalty	0.913	4

FINDINGS & ANALYSES

Findings of the study are based on the analysis made from 404 respondents. Their profiles are summarized in Table 5.

Table 5: Profile of Respondents

Item		Frequency	Percent (%)
Gender	Male	203	50.2
	Female	201	49.8
	Total	404	100
Age	Below 20 Years	31	7.7
	20-30 Years	171	42.3
	31-40 Years	157	38.9
	41 Years and Above	45	11.1
	Total	404	100
Name Of Favourite Retails Store	AEON	186	46.0
	GIANT	87	21.5
	TESCO	131	32.4
	Total	404	100

Respondents of the study consist of a balance between male (50.2%) and female (49.8%). Most of the respondents in this study fall between the age group of 21-30 years old (42.3%), followed by the age group of 31-40 years old (38.9%). Only 11.1% comes from the age group of 41 years old and above. Most of the respondents prefer to visit to the Aeon store (known as Jaya Jusco) (46%), followed by Tesco (32.4%) and Giant (21.5%).

The descriptive statistics for all items used in this study are provided in Table 6.

Table 6: Descriptive Statistics of Research Variables

Variables & Items	Mean	Standard Deviation
Store Image		
Pleasant atmosphere	4.696	1.011
Well-known brands	4.705	1.011
High quality product	4.594	1.042
Good customer service	4.322	1.096
Helpful sales person	4.230	1.140
Unlimited product	4.473	1.196
Attractive layout	4.530	1.092
Prestigious	4.426	1.010
Informative advertising	4.592	1.068
Pleasant to shop in	4.619	0.993
Corporate Social Responsibility (CSR)		
Involved with the communities	4.495	1.048
Hire a diverse pool employees	4.183	1.090
Eco-friendly policies	4.710	1.261
Care for local community	4.421	1.078
Large selection of local products	4.577	1.081
Customer Satisfaction		
Satisfied	4.688	1.024
Pleased	4.564	0.952
Favorable	4.532	0.979
Pleasant	4.577	0.990
I like it so much	4.822	0.944
Contented	4.705	1.068
Delighted	4.809	1.094
Go out of my way	3.634	1.087
Store Loyalty		
Loyal customer	4.344	1.193
Recommend to friend	4.547	1.089
Deserve	4.468	1.029
Continue visit	4.569	1.032

As shown in Table 6, all items used in this study have a mean of more than 4.0, which are above the average of 3.5. For store image, item 'well-known brand' scored the highest (mean: 4.705,) while 'helpful sales person exhibited the lowest score (mean: 4.230). This indicates that the respondents valued for branded items more in comparison to the attitude of sales person, when

discussing the issue of store image. Respondents seemed to be more concerned of the environmental aspect of CSR, based on the highest mean shown for the ‘eco-friendly policies’ of firms (mean: 4.710) for CSR measures. A majority of respondents also shown an average customer satisfaction with the item of ‘I like it so much’ reported the highest mean of 4.822. Loyal customers tend to recommend the store to friends (mean: 4.547) and continue to visit the store (mean: 4.569).

Results from Pearson correlation analysis, as shown in Table 7 indicated that store image (SI) is significantly positively related to customer satisfaction (CS, $r=0.798$) and store loyalty (SL, $r=0.744$), respectively. Corporate social responsibility (CSR) is also significantly positively related to customer satisfaction (CS, $r=0.747$) and store loyalty (SL, $r=0.709$), respectively. Overall, the correlation between the research variables falls within the acceptable level of correlation as suggested by Gujarati (2003). The results indicated that to a certain extent, store image and CSR have impacted customer satisfaction and store loyalty.

Table 7: Correlations Between Research Variables

		Store Image (SI)	Corporate Social Responsibility (CSR)	Customer Satisfaction (CS)	Store loyalty (SL)
SI	Pearson Correlation	1	.804**	.798**	.744**
	Sig. (2-tailed)		.000	.000	.000
CSR	Pearson Correlation	.804**	1	.747**	.709**
	Sig. (2-tailed)	.000		.000	.000
CS	Pearson Correlation	.798**	.747**	1	.785**
	Sig. (2-tailed)	.000	.000		.000
SL	Pearson Correlation	.744**	.709**	.785**	1
	Sig. (2-tailed)	.000	.000	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

The results implied that firms with higher level of store image received greater level of customer satisfaction and store loyalty, which support H1a and H1b. The finding seems to be in agreement with Huddleston et al. (2004), who found a significant association between several elements of store image and store loyalty. It also consistent with the evidence provided by Koo (2003) in

Korea, Eskildsen et al. (2004) in Greece, and Theodoratos and Chatzipanagiotou (2009) in Denmark, who revealed a significant association between store image and customer satisfaction. Apart from that, CSR is also observed to have a significant impact on the level of customer satisfaction and store loyalty, supporting H2a and H2b. In other words, firms that involve more in CSR received a higher level of customer satisfaction and store loyalty. The finding signifies the importance of CSR as one of the factors that influence customer satisfaction and store loyalty. Prior studies that have revealed similar finding include Brown and Dacin (1997), Handelman and Arnold (1999), Luo and Bhattacharya (2006), and Gupta and Pirsch (2008).

The findings indicated the changes in consumers' mindset. Rather than concerned on the store image only, there is an increasing numbers of studies documented the importance roles of CSR in promoting customer satisfaction and store loyalty. Therefore, retailers are expected to be actively involved in CSR in order to enhance the level of customer satisfaction and promote repetitive buying from the loyal customers. With the advancement of information technology, retailers should have utilised the social media to disseminate the relevant information to and engage with the consumers in order to sustain their business in the era of industrial revolution 4.0. The retailers should have also used data analytic to make use the available data for decision making, with the final aim of achieving customer satisfaction and loyalty. The appropriate combination of elements of store image and CSR may assist the retailers to achieve their target in the long-term basis.

CONCLUSION

This study provides evidence on the roles of store image and CSR in promoting customer satisfaction and store loyalty in the perspective of the Malaysian grocery retail stores. Overall, findings of the study dictated that the elements of corporate ability of store image such as high quality products, informational advertisement, attractive layout and CSR (for examples eco-friendly policy, involvement with community) led to a greater level of customer satisfaction and store loyalty. The findings are useful for the retailers to plan proper strategies to ensure their success in business sustainability in the long-term basis. Given the effect of globalisation and industrial revolution 4.0, the retailers have to compete with the changes in business models. Together with the greater awareness of stakeholders on the social and environmental issues surrounded the region, the retailers are expected to react actively to respond to the dynamic demands of stakeholders.

While this study focuses on the selected grocery retail stores in Malaysia, perhaps future studies could be widens to include other grocery retail stores in Malaysia that are originated from different countries (for examples Sogo, Marks and Spencer, Ben Independent Grocery Store, Jaya Grocer, and etc. Other than the influence of country of origins, similar studies can be conducted in other Asean or developing countries, so that the findings gathered in this study are comparable with finding revealed from other countries. Differences in macro-economic condition, legal system and culture may partly results in variation of findings that have yet to be explored.

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