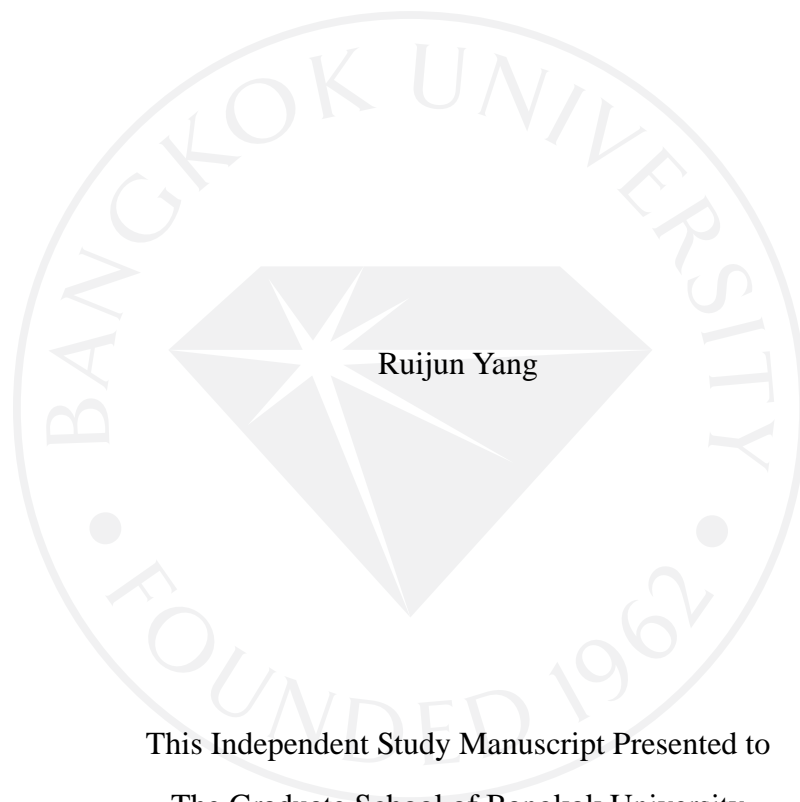


THE INFLUENCE OF EXPOSURE TO CSR INITIATIVES ON SELF-PERCEIVED  
CORPORATE REPUTATION, SATISFACTION, AND PURCHASING DECISION  
AMONG CHINESE CUSTOMERS: A CASE STUDY OF HAINAN AIRLINE  
COMPANY



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**This Independent Study has been approved by  
the Graduate School  
Bangkok University**

**Title: THE INFLUENCE OF EXPOSURE TO CSR INITIATIVES ON SELF-  
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OF HAINAN AIRLINE COMPANY**


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The Influence of Exposure to CSR Initiatives on Self-Perceived Corporate Reputation, and Satisfaction, and Purchasing Decision among Chinese Customers: A Case Study of Hainan Airline Company (115 pp.)

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#### ABSTRACT

The purpose of this survey research aims to investigate the influence of exposure to CSR initiatives on customer's perceived corporate reputation, satisfaction, and purchasing decision toward Hainan airline company. Two hundred questionnaires were distributed to samples, which have participated in CSR initiatives conducted by Hainan airline company in 2013. The means, standard deviation of data is being tabulated and analyzed by One-way Multivariate Analysis of Variance, Spearman Correlation, and Multiple Regression Analysis with the significance level of .05. The findings revealed the following results:

1. The samples' exposure to CSR initiatives significantly influenced their perceived corporate reputation towards Hainan airline. Besides that, there is also a significant correlation between different exposure to CSR initiatives and some dimensions of corporate reputation such as the exposure to CSR initiatives in economy dimension significantly influenced their self-perceived corporate reputation in respect to Manfred's two-dimensions. The exposure to CSR initiatives in social dimension, stakeholder dimension, voluntariness dimension and the combined dimension of environment and voluntariness significantly influenced customer's self-perceived corporate reputation in respect to Reputation Quotient,
2. The samples' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective are positively correlated with and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and

leadership.

3. The samples' self-perceived corporate reputation in all dimensions is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. Besides that, there is also significantly correlation between all the dimensions of corporate reputation and their satisfaction, attitude and intention to purchase of Hainan airline. In sum, the sample's personal affective are significant predicts to their satisfaction toward Hainan airline while their personal cognitive as significant predicts to all dimensions of corporate reputation and customer's satisfaction toward Hainan airline, attitude toward the CSR activity and their intention to purchase. The samples' self-perceived, social and environmental responsibility and market performance are significant predictors of sample's satisfaction toward Hainan airline. The samples' self-perceived, social and environmental responsibility and financial performance are predictors of samples' attitude toward the CSR activity. The samples' self-perceived, workplace environment, market performance and vision and leadership are significant predictors of sample's intention to purchase Hainan airline.

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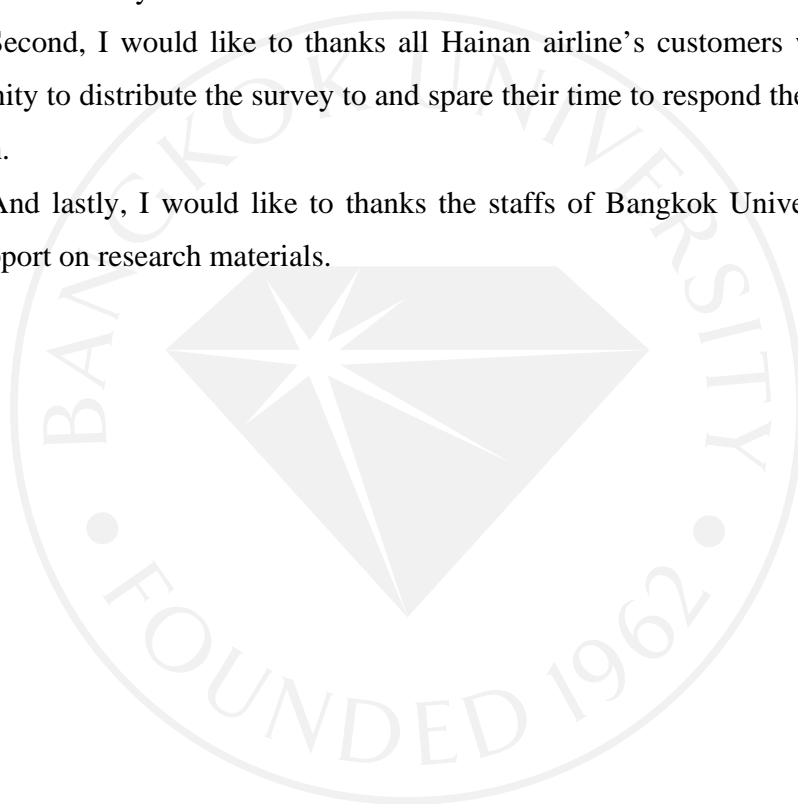
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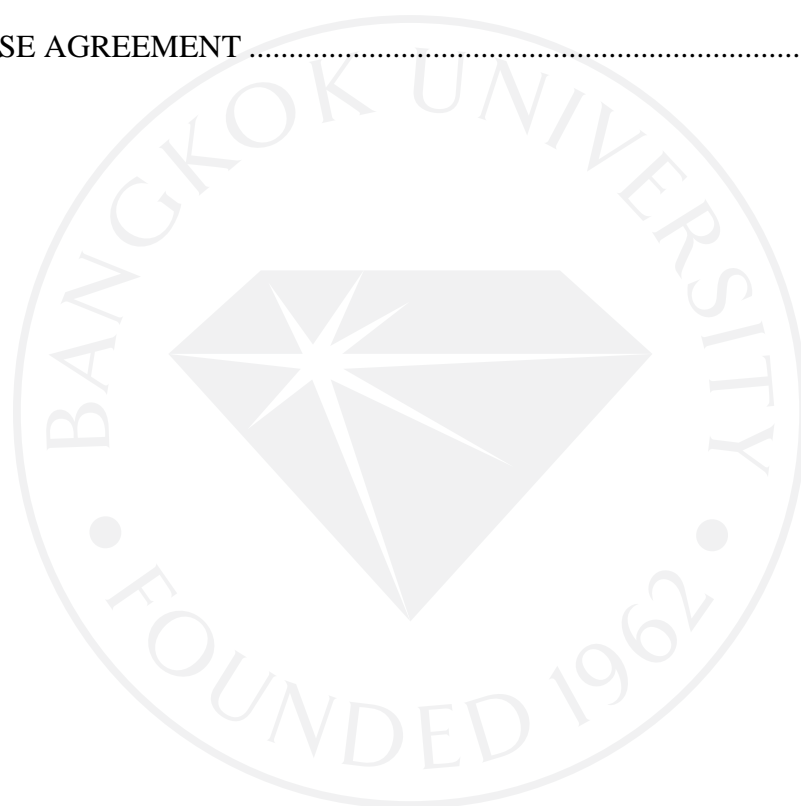


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# CHAPTER 1

## INTRODUCTION

### 1.1 Rationale and Problem Statement

With the fierce competition of market environment, corporate social responsibility (CSR) is an important strategic leading company business operation. After quickly browsing the website, we can find that corporate social responsibility is one of the most popular names to development in the Fortune 500. And 90% of Fortune 500 companies have explicated CSR initiatives as their business strategy (Luo & Bhattacharya, 2006). Therefore, CSR has been gaining momentum across business community due to a number of company recognizes that business are part of society (Chen & Lin, 2009).

However, there seems to be no common definition of CSR. Kotler and Lee (2005) argued that discretionary is a key element for the definition of CSR. Frankental (2001) also argued that CSR can be considered anything to anybody because of its vague and intangible. Due to the definition of CSR is a considerable complex concept, Dahlsrud (2006) concluded 37 existing definitions of CSR to find their similarities and differences, in order to standard the development of CSR in the different contexts. In addition, Dahrsrud considered that the definition by the Commission of the European Communities in 2001, that is the best one: “a concept whereby companies integrate social and environment concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Dahlsrud, 2006; Commission of the European Communities, 2001). Obviously, corporate social responsibility (CSR) has a significant influence on economic, society and our life. Therefore, Smith (2003) said that CSR is not merely the right thing to do but also the smart thing to do.

It is generally agreed that CSR is supposed to fulfil the obligation of company to society. Carroll (2008) claimed that there are four kinds of responsibilities for CSR: economic, legal, ethic and philanthropic. And the organization Business for Social Responsibility also said that business is operated in society which will meet or exceed the ethical, legal, commercial, and public expectations. Therefore, corporate social

initiatives undertake major activities to support social causes and fulfil commitment to corporate social responsibility (Kotler & Lee, 2005). Due to the positivity of CSR initiative, it is accepted by society and even it has become increasingly popular among American corporations (Nan & Heo, 2007). In order to create successful and good result, Dahlsrud (2006) followed and reasoned all of definitions that are respectively divided into five dimensions: environmental dimension, social dimension, economy dimension, stakeholder dimension, and voluntariness dimension. Under the five dimensions, CSR initiatives have more specific direction to develop.

Despite corporate social responsibility has a broad and complex concepts that contains a variety of ideas and practices, the recent definitions of CSR tend to pay attention on firms' responsibility toward its various stakeholders (Sweeney & Coughlan, 2008). Freeman (1984) proposed that stakeholders who can as group or individual affect or is affected by achievement of a corporation's purpose. Sweeney and Coughlan (2008) proposed that although the main stakeholders groups constituted employees, customers, shareholders, the local community and environment, customers are one of the most important groups of stakeholders to be considered in market decision because they have strong relationships with company. In the last two decades, stakeholder groups and customers have increasing attention to corporate practices so that they have also shown an intense interest in the field of CSR (Golob, Lah & Zlatko, 2008). Meanwhile, Luo and Bhattacharya (2006) said that CSR initiatives enable firms to influence customer's total purchase and consumption experience. In other words, this influence on customer's attitude toward the product is being shaped by the customer satisfaction. In addition, a company operates CSR initiatives which usually make good products. When customers feel a company makes high quality products, they are more likely to be satisfied with the company, promoting positive evaluation of the company (Kim, 2011).

Recent years many researches also focus on the influence between corporate social responsibility and reputation. Corporate reputation plays an important role on providing information to public's cognitive processing while creating positive or negative outcomes. What's more, the vital information of corporate reputation



exposes to public across business and in terms of public relations such as CSR initiatives. Bae and Cameron (2006) claimed that CSR initiatives can affect a bad reputation leading to the public' suspicious, while an effective CSR initiatives can promote good reputation perceived by people. At the same time, the research between reputation and customers also obtains significantly outcome. Walsh and Beatty (2007) claimed that reputation is a useful tool to ensure the production of quality service, which will directly impact customer satisfaction that is an attitude judgement after a purchase. Several authors said that corporate reputation is critical to influence consumer trust and loyalty. So companies with a good reputation have competitive advantage to attract more customers (Walsh & Beatty, 2007; Hong & Yang, 2009). It is clear that reputation is important.

Nevertheless, there are limited studies on the relationship among four factors including corporate social responsibility, reputation, satisfaction toward the services of the company, and purchase behaviour. Usually many researches only pay attention on one or two variables to study. In order to better study the influence of CSR on reputation, customer satisfaction and their purchasing decision, the research cannot ignore the internal and external condition.

Corporate social responsibility (CSR) is not easily operated, especially in China. Corporate social responsibility (CSR) in China is an issue of global concern (Tang, 2011). Despite there is a booming in the economy of China, Chinese economy is facing the problem of sustainable development. Another, consumer purchasing power is increased by commercial activities while a number of consumer dissatisfaction is rising (Gui, Chan, & Joy, 2008). Currently China's business sector has a low reputation even facing extensive criticisms at home and abroad due to its unsatisfactory CSR performance (Tang, 2011). On the other hand, although in recent years CSR has been introduced to China in accordance with corporate globalization, there is little know about the perceived role of CSR in China. For customers, there is little study devoted to the understanding of Chinese consumers, who are playing an important stakeholder in the field of CSR (Chu & Lin, 2013).

In the past few years, the airline sector is a truly global industry, which also has a large group of stakeholders. Especially in China market, there is huge numbers of population in the world, stimulating the demand of civil aviation to be greatly increased. At present China airline industry is rapidly developing at average rate of 15% per year (Zhang, 2008). China airline industry has the second market scale in the world. In 2014, there are 6 China airline companies enter into Fortune 500 companies. However, compared with advanced foreign airline companies, the service of China airline companies did not promote customer's satisfaction. On the other hand, although airline industry has the international cooperation, there are problems and crisis to trigger customer complaints, such as poor service for constant flight delays and mismanage on luggage transports. Particularly in 2014, the whole Asian airlines are under the shadow of safety and negative information. The airline industry in China is also facing a down economic benefit. These problems will influence on the image of airline companies and the trust and loyalty of customer. Fortunately, more and more airline companies in China realized this issue and utilized communication strategy to increase customer's trust in order to increase their purchase decision. For example, based on the 2013 CSR report of Hainan airline, Hainan airline gradually developed CSR initiatives and attended the programme of the Change for Good that was developed by UNICEF and associated with 12 airlines worldwide. During this programme, Hainan airline raised 10 million RMB in 5 years to feedback our society and supported UNICEF's work for children. We can see from here, airline industry in China have recognized the impact of CSR initiatives to achieve their long-term development. However, we also need to measure the effectiveness of CSR initiatives in the airline industry in China in relations to safety transportation, high energy consumption and high pollution etc.

Currently the main question is what impact CSR exposure in the airline. Chinese customers perceived do not have CSR initiatives of airline companies. Dose customer exposure to CSR initiatives of airline companies influence their satisfaction, attitude, purchase decision and which kinds of CSR initiatives will be effective to affect corporate reputation and customer satisfaction? These interested questions are

still attracting airline companies' attention to seek long-term development. Due to the following rationale, the research will study the following problem statements:

1. Does exposure to CSR initiatives influence customers' perceived corporate reputation toward the service of Hainan airline?
2. Does exposure to CSR initiatives influence customers' satisfaction toward the service of Hainan airline?
3. Are customers' perceived corporate reputation and satisfaction toward the company correlated with their purchasing decision to use the service of Hainan airline?

## **1.2 Objective of the Study**

1.2.1 To examine the influence of customer's exposure and participation to CSR initiatives on their self-perceived corporate reputation of Hainan Airline.

1.2.2 To examine the correlation between Manfred's corporate reputation toward Hainan and Reputation Quotient's corporate reputation as perceived by customers

1.2.3 To examine factors of corporate reputation predicting customers' satisfaction toward Hainan airline, attitude toward CSR activity, and intention to purchase.

## **1.3 Scope of Study**

The study will examine the relationship between corporate social responsibility participation and customer's perceived corporate reputation and service satisfaction and purchasing decision, in order to find the influencing factors of CSR initiatives to customer attitude and purchase behaviour.

There are more than 30 airline companies in China airline industry, among 6 airline companies have entered into Fortune 500 companies. Hainan airline ranks third in China airline industry that has 483 airplanes and 570 international flights. It devotes itself to all kinds of CSR initiatives and has a huge potential in the market (Hainan airline, 2013). Therefore, this study based on the CSR initiative of Hainan

airline that under the five dimensions to study independent variables and dependent variables. The respondents were passengers who have used the services of Hainan airline or will choose. The convenience sampling is used to measure the samples.

In addition, the study will use quantitative methodology and launch the survey of Hainan airline in China in order to examine the relationship between independent and dependent variables.

#### **1.4 Research Hypothesis**

The research examines CSR initiatives, corporate reputation and customer satisfaction. The research hypothesises include:

1.4.1 Customer's exposure to CSR initiatives in environment, social, economy, stakeholder and voluntariness dimensions significantly influence customers' self-perceived corporate reputation (Manfred's two-dimensions and RQ) toward Hainan airline.

1.4.2 There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership

1.4.3 Customers' self-perceived corporate reputations are significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

#### **1.5 Significance of the Study**

In recent years research focuses on corporate social responsibility (CSR) and customer satisfaction, which are the primary strategic missions of public relations and marketing. This study will further study the impact of customers' CSR participation on their relational satisfaction. Therefore, this research has the following significances:

1.5.1 Research will be significant for managing the communication in corporate social responsibility of the airline business and other business. A successful company needs to establish good reputation, identity and image to achieve competitive advantage, which from experienced by various stakeholders (Walsh & Beatty, 2007). During the process of developing CSR, it is also a process of communication and a company should communicate with different stakeholders. In addition, if CSR of company wants to achieve its purpose, there have to create a strong line of communication between companies and stakeholders (Podnar, 2008). Especially in China, most companies do not have complete communication system to face public no matter airline industry or other business, we need to constantly study and improve.

1.5.2 Research will be significant for increasing academic knowledge about the relationship between corporate social responsibility participation and customer's corporate reputation and service satisfaction and purchasing decision. There are scholars have examined the variables of customers' CSR participation, corporate reputation, satisfaction toward the company and their intention to purchase the services of Hainan airline, however, they usually focus on one or two variables to study. Therefore, the integration of various variables will provide a comprehensive viewpoint on the effectiveness of CSR on creating corporate reputation and the sales volume of the company. Besides that, the five dimensions of CSR are applied to analysis, which is different from other studies focusing on CSR initiatives. It not only studies CSR based on five dimensions- environmental dimension, social dimension, economy dimension, stakeholder dimension and voluntariness dimension, but also fills in the lacks of academic in CSR in China airline industry.

1.5.3 Research will be significant for society. Although there are different approaches to develop CSR, most people consider that companies have an obligation toward their employee and society that beyond business benefit (Tang, 2012). A company develops CSR without law demand that is aim to use its business to benefit or feedback society. Therefore, when the research studies the influence of CSR of airline industry in China, it is better to service for the society.

## 1.6 Definitions of Terms

1.6.1 *Corporate Social Responsibility (CSR)* is “a concept whereby companies integrate social and environment concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Commission of the European Communities, 2001).

1.6.2 *Corporate Social Responsibility Initiatives or Activities* undertake major activities to support social causes and fulfill commitment (Kotler & Lee, 2005). Five Dimensions of *Corporate Social Responsibility* that would be examined can be identified five dimensions (Dahlsrud, 2006).

1.6.2.1 Environmental dimension refers to “a company’s business influences on the natural environment, such as a cleaner environment, environment stewardship and environmental concerns in business operations” (Dahlsrud, 2006, p.4). Under the dimension, the researcher examines “Green Aviation” campaign which is project that aim at improving plane performance efficiency and reducing fuel consumption through installing winglets, upgrading the engine performance, installing carbon brakes and retiring planes ahead of schedule. The objective of project is to help lower emission and save fuel.

1.6.2.2 Social dimension includes “the relationship between business and society” (Dahlsrud, 2006, p.4). This dimension focuses on benefiting or contributing to a better society as a whole. The researcher examines “the Change for Good” campaign, which was launched in 2013 in Beijing-Haikou flight. The campaign cooperated with UNICEF and encouraged passenger to donate, in order to improve the life of poor children and helped them realize their potential. Hainan airline makes a plan to raise 10 million RMB in 5 years to give back to our society.

1.6.2.3 Economy dimension emphasizes “socio-economic or financial aspects, including describing CSR in terms of business operation” (Dahlsrud, 2006, p.4). This dimension pays attention on the common development of economy and society and achieves win-win condition. The researcher examines “Facing the Establishment of Ghana Airlines” campaign which is a project of establishing Ghana

AWA Airlines by cooperating with China-Africa Development Fund, the Ghana SAS Finance Group and the Ghana Social Insurance Fund. It does not only drive Ghana's economic development and facilitate travel for local people, but also improves the competitiveness of Hainan airline.

1.6.2.4 Stakeholder dimension points that the stakeholders are all of people influenced by company's operation, who are "employees, suppliers, customers and communities of the firm" (Dahlsrud, 2006, p.4). Especially customer is a special and important stakeholder to be studied their attitude and purchase behaviour in this research. Therefore, the researcher examines "Optimize Customer Experience" campaign which was a project to improve its online system for customers' complaint handling. In order to gain a quality management and passenger satisfaction, Hainan airline developed the channel of Feedback Card, website message e-mail, micro blog Weibo and instant messaging service WeChat to communicate with passengers.

1.6.2.5 Voluntariness dimension refers to "the action that is not prescribed by law and it is based on ethical values and even beyond legal obligations" (Dahlsrud, 2006, p.4). The researcher examines the "HNA Brightness Action" campaign that Hainan airline takes part in helping plateau area of people blindness prevention and treatment. What's more, Hainan airline encourages its employees to local villages and bring light and joy to more people through their own efforts (Hainan airline, 2013).

1.6.3 *Exposure to CSR Initiatives* refers to stress the concept of CSR among customer and investor and they increasingly demanded company to be socially and environmentally responsibility as awareness growing (Bu, Bloomfield & An, 2013).

1.6.4 *Corporate Reputation* referred to the overall estimation of a firm by its stakeholders, which is expressed by the cognitive and affective reactions of customers, investors, employees and the general public. Therefore, the dimension of corporate reputation that will be examined included: cognitive component and affective component (Manfred, 2004). In addition, Reputation Quotient is a primary instrument to measure reputation, which is assessed under the five dimensions: (1) Products and Services; (2) Workplace Environment; (3) Social and Environmental Responsibility



(4) Financial Performance; (5) Market performance; (6) Vision and Leadership. (Fombrun, 2001).

1.6.4.1 Cognitive component describes ‘the rational outcomes of high reputation, which includes performance, global reach and perception as one of the top competitors’ (Manfred, 2004).

1.6.4.2 Affective component “successfully identify items to assess the emotions that respondents have towards a company” (Manfred, 2004).

1.6.4.3 Products and Services are that “we are interested in buying and our perception of the companies that stand behind them” (Fombrun, 1996).

1.6.4.4 Workplace Environment contains material and social environment, which directly influences and stimulate employees (Liu, 2005).

1.6.4.5 Social and Environmental Responsibility is that enterprises have responsibility for contributing the society in addition to shoulder its own economic and interests (Liu, 2005).

1.6.4.6 Financial Performance is kind of reputation management tool due to high economic performance shows the inner quality of the enterprise to investors and creditors (Liu, 2005).

1.6.4.7 Market Performance is measurement based on famous product brands, impressive logo, growth potential and the ability of attracting customer (Liu, 2005).

1.6.4.8 Vision and Leadership is ability to keep staff or all stakeholders together and at the same time it maintains a clear vision to build strong reputation (Liu, 2005).

1.6.5 A *customer* is a person or group who can directly benefit from product or service. After that, they can respond their sense of product or service and give assessment (Niven, 2008).



1.6.6 *Customer Perspective* is a kind of analysis according to customer's view and insight, which enables companies to adjust core customer outcome measures satisfaction, loyalty, acquisition and profitability to target customers and market segment (Kaplan & Norton, 1996). The survey examines customer's satisfaction, attitude toward CSR activity, and their intention to purchase.

1.6.6.1 *Customer's self-perceived satisfaction* is "an evaluation of the perceived discrepancy between prior expectations and the actual performance of the product" (Oliver, 1999).

1.6.6.2 *Customers' attitude toward CSR activity* is not only can be affected by perceived motivations of company's CSR initiative, but also affect customer's purchase intentions (Wong, 2012).

1.6.7 *Customers' intention to purchase Behavior* is the willingness and the processes of decision while the act of people is involving in buying and using product or service (Sharma, 2014). The survey examines the intention to purchase Hainan airline service within one year based on their opinion.

## **CHAPTER 2**

### **LITERATURE REVIEW**

Chapter 2 aims to provide a synthesis of the past studies on corporate social responsibility (CSR), corporate reputation, customer satisfaction and their purchasing behavior. The chapter explores the concepts, principles, and the related theories to develop the theoretical framework and hypothesis.

The chapter summarizes the following topics:

1. A Summary and Synthesis of Past Studies
  - 1.1 The Relationship between CSR and Reputation
  - 1.2 The Relationship between CSR and Customer Satisfaction
  - 1.3 The Relationship between Customer Satisfaction on CSR and Purchasing Behavior
2. Concept of Corporate Social Responsibility (CSR)
  - 2.1 Definition of Corporate Social Responsibility (CSR)
  - 2.2 The Dimensions of Corporate Social Responsibility (CSR)
3. Concept of Corporate Reputation
  - 3.1 Definition of Corporate Reputation
  - 3.2 The Dimensions of Corporate Reputation
4. Concept of Customers' Satisfaction on the Service or Product Quality
5. CSR in China
6. The Implication of CSR in Airline Industry
7. Assumption of Stakeholder Theory
8. Assumption of Social Exchange Theory
9. Theoretical Framework
10. Hypothesis

## **2.1 A Summary and Synthesis of Past Studies**

### **2.1.1 The Relationship between CSR and Reputation**

There are many researches focusing on CSR and corporate reputation recent years. They are considered as increasing important for the achievement of corporate business objectives (Yeo, Goh & Tso, 2011). Though the definition of CSR is fuzzy (Podnar, 2008) and intangible (Frankental, 2001), CSR has its core value and common goals to encourage companies to have responsibility toward the society and environment that beyond their benefits and legal obligations (Podnar, 2008). Based on this concept, CSR initiatives build activities and operate all the actions of firm that will take their responsibility to impact environment, communities, consumers, employees and all other relevant stakeholders (Freeman, 2010). Argenti (2013) said that a company with CSR has ability to make a concerted attempt to reduce the negative social and environment footprint through thoughtfully developing strategy implemented. Its result is not merely temporary but has a long term development. On the other hand, the implement of CSR initiatives directly interact with product value, corporate's reputation or image and market development (Nan & Heo, 2007; Argenti, 2013).

Walsh and Beatty (2007) asserted that a good reputation plays an important role on achieving corporate success. A company with good reputation has competitive advantage, which from experienced by various stakeholders (Walsh & Beatty, 2007; Hong & Yang, 2009). And corporate reputation also can be recognized as the overall evaluation of organization by its stakeholders (Molina & Noguero, 2013). Kim and Yeonsoo (2010) said that reputation is vital information to affect the information of public cognitive about CSR program. If a company has a good reputation, people will be probably attracted to attend CSR program. On the contrary, CSR initiatives provide favorable conditions to promote corporate having a good reputation, like talent employee, customer loyalty and the value of market (Molina & Noguero, 2013, 2013). However, there is a need to be aware that communication can help strengthen corporate reputation, but also can generate reputational risk (Molina & Noguero, 2013).

In this context, a corporate should tightly combine reputation with CSR initiatives. They mutually promote to build trust and gain the most benefits in the market. Despite the risk and challenge, it is necessary to recognize the significant influence of CSR and reputation. Therefore, a corporate should implement CSR strategy to better communicate with stakeholders to improve long-term corporate image and reputation (Yeo, Goh, & Tso, 2011).

### **2.1.2 The Relationship between CSR and Customer Satisfaction**

For half a century, corporate social responsibility (CSR) gained a long-term and wide attention from scholars. Previous researches mainly pay attention on the relationship between corporate performance and competition. However, with rapid development of market, more and more scholars gradually focus on the relationship between CSR and customers (Carrigan & Attalla, 2001; Verschoor, 2006).

Currently, the definition of CSR mainly pays attention on a company's responsibility toward its various stakeholders (Sweeney & Coughlan, 2008) and CSR activities can influence the attitude and behaviors of stakeholders (Pelozo & Shang, 2010). Among that, Smissen (2012) said that consumers are very important stakeholder for companies and the success of company's CSR program greatly depends on customers. Many research found that customers are willing to focus on whether a corporate has performed its social responsibility. To a certain extent, a corporate performs the social responsibility or not, which is able to influence the attitude and purchase behaviors of customers (Brown & Dacin, 1997). Sen and Bhattacharya (2001) pointed out that the different levels of CSR directly influence on the evaluation of customers and purchase intention. Sen and Bhattacharya also asserted that the company evaluations of customer are more sensitive to negative CSR information than positive CSR information. Therefore, customers easily react negatively to negative CSR information. Conversely, there are more supportive react to the positive CSR information. It can be seen that CSR initiatives not only has directly relationship with customer satisfaction or loyalty but also can strength customer loyalty.

Customer satisfaction is recognized as an important part of corporate strategy, which based on the purchase and consumption experience of customer (Luo & Bhattacharya, 2006). It is the reason why market and corporate think highly of customer satisfaction, due to customer satisfaction is able to improve competitive advantage and retain customers (Lidfors & Berg, 2012). Accordingly, a company can gain a greater support through putting effort in social responsibility and transferring satisfaction into stronger loyalty (Sen & Bhattacharya, 2001; Lidfors & Berg, 2012). Despite CSR initiatives enable company to build customer satisfaction (Luo & Bhattacharya, 2006), Azizi, Saaghi, & Sardo (2014) said that CSR has a significant effect on customer satisfaction by the reduction of customer's positive perception of CSR initiatives and customer satisfaction gets down. In addition to positive promote, CSR actually harms customer satisfaction (Luo & Bhattacharya, 2006).

To sum up, many researches have studied the influence of CSR and customers' self-perceived reputation toward the company. However, most researches from a single perspective to study the relationship between CSR and customer response. Different industries have different characteristics so that these different industries are facing various social responsibilities. The diversity social responsibility also determines the demand of customer on CSR and CSR measurement. This theoretical study follows the airline industry to pay attention on the relationship between CSR and customer satisfaction that is critical to corporate long-term development. Considering the process of interaction between CSR and customer satisfaction, this study puts in an intermediate variable to better understand the influence of CSR on customer.

### **2.1.3 The Relationship between Customer Satisfaction on CSR and Purchasing Behavior**

According to Sharma (2014), customer buying behavior is the processes of decision while the act of people is involving in buying and using product or service. In addition, Peter and Olson (2004) asserted the process of decision is impacting the cognitive of customers who evaluate products to make a decision on purchase. Among

that, price and quality are both main factors to connect with customer loyalty and their purchase behavior (Thomas, Sandra, & Stiff, 1989). What's more, purchase behavior has two patterns due to it is affected by customer's decision: repeat purchasing pattern and unplanned purchased (Sumathi & Saravanavel, 2003).

Based on Kaniya, David and Chittipa (2013), the purchase behavior derives from the decision of a customer who has a belief and attitude about a particular product. The attitude and beliefs of customers toward product and service largely determine their future purchases. For most companies or service organizations gain economic success, the reason is that keep long-term relationship with customers who are willing to purchase and repurchase their offering (Paul, Gremler, & Gwinner, 2009). During this process, customer loyalty is considered an important matter of repeated purchases (Berg & Lidfors, 2012). For customer satisfaction, though most researches indicated it has little effect on purchase intention (Peterson, Wilson, & Brown, 1992; Voss et al., 2010), Oliver (1993) said satisfaction has a link with the phenomena of repeated purchase and positive word-of-mouth.

However, when customer satisfaction related with CSR initiatives, purchase intentions can be influenced by customer awareness of CSR activities of a company or brand (Berg & Lidfors, 2012). At the same time, there is a positive relationship between purchase intention and CSR, which reflects customer's attitude toward product and service (Kaniya, David, & Chittipa, 2013). Dubravka, Natasa, & Marja (2011) asserted that the motivation of customers participate CSR initiatives that creates influence on purchasing. So customers give more support for CSR activities, higher purchase intention for individual. At the same time, Sen and Bhattacharya (2001) indicated that CSR can affect purchase intention and high- CSR easily support customers' purchase intention.

It is can be seen that CSR and customers' attitude are important factors to purchase behavior or intention. However, customers have low level of awareness about CSR (Sen & Bhattacharya, 2001). This theoretical study should around customer satisfaction on CSR combining with communication strategy to influence purchase

behavior. Only considering the position of customers and the function of CSR initiatives can a company gain purchase behavior on its product or service.

## **2.2 Concept of Corporate Social Responsibility (CSR)**

### **2.2.1 Definition of Corporate Social Responsibility (CSR)**

Over the past decades, the concept of Corporate Social Responsibility (CSR) is sequentially growing in significance. Although CSR has become a term which covers a wide range of concept and interpretations, it is as an established academic field has consistently been discussed in the context of business theory. However, the definition of CSR is considered as fuzzy (Podnar, 2008) and intangible (Frankental, 2001). There are a lot of arguments to appear in academic world. Davis and Blomstrom (1975) suggested that during the process of CSR policymaker promote their own interest and simultaneously take measures to protect and promote the interests of the whole social obligation. Smith (1988) believed that due to the concept of CSR is vague, it has lost the significance. Smith also considered that CSR actually is a kind of instrument to publicity and conflict among corporate, government and customers. It can be seen that CSR is a considerable complex concept, which arouses widely debate and discussion among scholars.

Carroll (1991) pointed out that the concept of CSR should contain four pillars: economic, legal, ethical and philanthropic. This concept is widely accepted by society and scholars. Carroll emphasized that CSR is part of business strategy and philanthropic is the least vital element of CSR. With the globalization of market and the obligation of enterprise, more and more international organizations pay attention on the demarcation of CSR. Business for Social Responsibility describes CSR as “business’ commitment to contribute to sustainable economic development, working with employees, their family, the local community and society at large to improve their quality of life” (Business for Social Responsibility, 2012). Especially under the new era condition, CSR is considered as “a commitment to improve community well-being through discretionary business

practices and contributions of corporate resource” (Kotler & Lee, 2005, p. 3). Argenti (2013) said that in order to win the trust and loyalty of constituents around the world, CSR should effort as companies jockey in corporate marketing. Despite the various definitions and confusion come with CSR (Smissen, 2012), Dahlsrud (2006) concluded 37 existing definitions to find similarities and difference among them. Dahlsrud considered that the definition by the Commission of the European Communities in 2001 that is the best one: “a concept whereby companies integrate social and environment concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Dahlsrud, 2006; Smissen, 2012; Commission of the European Communities, 2001).

Therefore, based on above various definitions, the CSR can be defined as a company volunteered to takes responsibility of sustainable development that is benefit for improving economy, social and environment in accordance with obeying the foundation of law and ethics.

### **2.2.2 The Dimensions of Corporate Social Responsibility (CSR)**

With the change in time, CSR has specific requirement from obligation to strategy. The success of a company takes CSR as a whole of communication strategy and business strategy. Therefore, constituencies increasingly use CSR to analyze and critique corporate behavior from the general public to investors (Argenti, 2013). In addition, corporate achieves a wide range of benefit through adopting and implementing socially responsibility business practices that causes positive financial results (Kotler & Lee, 2005). Usually the benefit of CSR on a company mainly manifests in environment for business (Zhang & Breugelmans, 2012), image and reputation of corporate (Hong & Yang, 2009; Molina & Noguero, 2012), awareness of employee and customer (Korschun et al., 2014; Luo & Bhattacharya, 2006) and attitude of media (Argenti, 2013). According to Sweeney and Coughlan (2008), corporate responsibility is facing fields from economy, society and environment, however, more recent CSR pay attention on company’s responsibility toward its various stakeholders. The main stakeholder group contains



shareholder, customers, economy and local community (Sweeney & Coughlan, 2008). These factors promote different dimensions to be formed and developed. Under these dimensions, CSR initiatives can operate successfully. Kotler & Lee (2005) describes CSR initiative as undertake major activities to support social causes and to fulfill commitment to corporate social responsibility. CSR initiatives play an important role to strengthen brand position, improve corporate image, increase enthusiasm of employees, and increase appeal to investors (Kotler & Lee, 2005). Kotler and Lee (2005) identified six initiative types under which most corporate social responsibility practices and actions fit: 1) corporate cause promotions, 2) cause-related marketing, 3) corporate social marketing, 4) corporate philanthropy, 5) community volunteering, and 6) socially responsible business practices.

However, Dahlsrud (2006) proposed that it is worth noting that different circumstances demand different approaches. The different dimensions of CSR vary according to the environment and social context of business. Due to a confused definition of CSR, there is a critical problem to be generated in the competition, like diverging biases, talk about different CSR and prevent productive engagements (Dahlsrud, 2006). Therefore, Dahlsrud concluded and analyzed the existing CSR definitions based on different contexts and said “the challenge for business is not so much to define CSR, as it is to understand how CSR is socially constructed in a specific context and how to take this into account when business strategies are developed” (p.1). Especially, when company develops CSR initiatives, all kinds of activities are operated under the different or specific contexts. In addition, Luo and Bhattacharya (2006) said CSR initiatives enable firm to influence customer’s respond on product. Bae and Cameron (2006) also suggested that a company’s reputation and image can be improved by CSR initiatives. And market value, product evaluation, purchase intension are reflected by CSR initiatives during the process of fulfilling commitment (Kim, 2011; Luo & Bhattacharya, 2006; Golob, Lah, & Zlatko, 2008). Therefore, Dahlsrud (2006) followed and reasoned all of definitions that are respectively divided into five dimensions: environmental dimension, social dimension,

economy dimension and stakeholder dimension and voluntariness dimension. Under the five dimensions, CSR initiatives have explicated to develop itself own purpose and significance. In addition, through using frequency counts from Google, Dahlsrud found that four out of five dimensions have high dimension ratio above 80% and only environmental one has dimension ratio of 59% (Smissen, 2012).

In the environmental dimension, it refers to “a company’s business influence on the natural environment, such as a cleaner environment, environment stewardship and environmental concerns in business operations” (Dahlsrud, 2006, p.4). In other words, a social responsible company is to engage in business that interests environment (Scilly, 2015). During the process of company operation, Hainan airline insisted to improve plane performance efficiency and reduce fuel consumption. Therefore, Hainan airline developed the project of “Green Aviation” through installing winglets on fourteen 737NG planes, upgrading the engine performance of AirbusA330, installing carbon brakes and retiring planes ahead of schedule. Currently, the project not only has lower emission, but also has respectively saved 350 tons fuel, 225 tons fuel and 27tons fuel per year (Hainan airline, 2013).

In the social dimension, it includes “the relationship between business and society” (Dahlsrud, 2006, p.4). A company should aim to utilize its business to benefit or feedback society as a whole, for example consider the full scope of their impact on communities and contribute to a better society (Dahlsrud, 2006, p.4; Scilly, 2015). In 2013, Hainan Airline joined the Change for Good alliance and cooperated with UNICEF. Change for Good started in 1991 and was one of the most well-known and most enduring of UNICEF’s initiatives. It aimed to improve the life of poor children and help them realize their potential by working with airlines and encouraging passenger to donate. Hainan airline as the first aviation company attended this project and it made plan to raise money from passengers and donate 10 million RMB to UNICEF in order to support this project in China and worldwide (Hainan airline, 2013).

In economy dimension, it emphasizes “socio-economic or financial aspects, including describing CSR in terms of business operation” (Dahlsrud, 2006, p.4). Due to there are no costs for CSR in an ideal world, we are only considering the influence of finance (Scilly, 2015). In 2012, Hainan airline cooperated with China-Africa Development Fund, the Ghana SAS Finance Group and the Ghana Social Insurance Fund to establish Ghana AWA Airlines, due to West Africa and Ghana do not have developed road infrastructure. The airline will not only facilitate travel for local people, but also drive Ghana’s economic development (Hainan airline, 2013).

In stakeholder dimension, the stakeholders are all of people influenced by company’s operation, who are “employees, suppliers, customers and communities of the firm” (Dahlsrud, 2006, p.4). In order to establish a quality management and passenger satisfaction, Hainan airline devoted itself to improving its online system for complaint handling through the channel of Feedback Card, website message e-mail, micro blog Weibo and instant messaging service WeChat to communicate with passengers. This platform built a complete service quality information database to track passengers’ real feedback and respond it (Hainan airline, 2013).

In voluntariness dimension, “the action is not prescribed by law” and it is “based on ethical values and even beyond legal obligations” (Dahlsrud, 2006, p.4). In the past ten years, Hainan airline developed a long-term campaign of “HNA Brightness Action”. In China, cataracts are common problems on the Qinghai-Tibet plateau. However, due to the areas have backward medical conditions and poor roads, cataracts patients cannot receive treatment. Since 2003, Hainan airline took part in campaign that proposed by National Training Center, in order to help local people blindness prevention and treatment. In addition, Hainan airline encouraged its employees to join and go to the local villages. They hope that they can bring light and joy to more people through their own efforts (Hainan airline, 2013).

## **2.3 Concept of Corporate Reputation**

### **2.3.1 Definition of Corporate Reputation**

Corporate reputation is considered as the degree of trust and praise from social public. However, it is an intangible asset of a corporate and a source of competitive (Yeo, Goh, & Tso, 2011). There are a lot of definitions of corporate reputation on academic circle. Hong and Yang (2009) asserted that corporate reputation is a value outcomes after a collective assess a company's ability and provide to a representative group or stakeholders. Molina and Noguero (2013) also indicated that "corporate reputation can be considered as the overall evaluation of the organization by its stakeholders." Manfred (2004) considered that corporate reputation as "the overall estimation of a firm by its stakeholders, which is expressed by the cognitive and affective reactions of customers, investors, employees and the general public." Liu (2006) affirmed the influence of Manfred's proposes in China. Liu supported that corporate reputation is defined as an attitude construct composed of affective component and cognitive component.

The researcher has adopted Manfred's definition of corporate reputation. Manfred emphasized corporate reputation as a two dimensional construct. The definition of corporate reputation combines with two dimensional construct, which is better to roundly embody the overall definition.

### **2.3.2 The Dimensions of Corporate Reputation**

A strong reputation can create a strategic competitive advantage (Yeo, Goh, & Tso, 2011), which is also regarded as a reliable resource to evaluate a company. Another, due to the reputation develops from stakeholder perceptions about companies (Fombrun & Low, 2011), a good corporate reputation is more easily accepted and loved by public. Therefore, corporate reputation plays an important role to be studied its measurement method. Although most scholars widely believe corporate reputation is important, they have different opinions on reputation measurement. These measurements are measured by criteria following different concepts.

In the past 50 years, the research of corporate reputation measurement is considered to divide into three main streams (Li, 2006). First, Newell and Goldsmith (2001) put forward the Corporate Credibility scale to measure corporate credibility or trustworthiness that consumers perceive in a corporation. Obviously, the scale points to consumers and stresses components of credibility are expertise and trust (Newell & Goldsmith, 2001). Second, the Rotterdam Organizational Identification Test (ROIT) is one of the measurements of corporate reputation, which contains of six elements- perceived prestige, job satisfaction, goals and values, culture, organizational identification, and employee communication (Davies, Chun, Silvia, & Roper, 2003). Another, Corporate Personality Scale is mainly utilized to measure both internal and external perspectives of reputation (Davies, Chun, Silvia, & Roper, 2003), due to corporate character is defined as how stakeholder distinguishes an organization and expressed based on human characteristics (Chu & Davies, 2006). Therefore, this measurement scale has five main dimensions: competence, agreeableness, enterprise, chic and ruthlessness (Chu & Davies, 2006). Third, the most comprehensive measurement method of corporate reputation is Reputation Quotient (RQ) and Manfred.

Reputation Quotient is a primary instrument to measure reputation, which is developed by Harris Interactive (Fombrun et al., 2000b). The Reputation Quotient assesses how a representative group of stakeholders perceive to affect their behavior and company profit under the six dimensions: (1) Emotion Appeal; (2) Products and Services; (3) Vision and Leadership; (4) Workplace Environment; (5) Social and Environmental Responsibility; (6) Financial Performance. Actually, the RQ consist of 20 items to measure reputation and now is divided into six major categories. The total RQ is calculated by combining the attributes to give a direct and reliable result of measuring reputation (Yeo, Goh & Tso, 2011). At the same time our focus is on customers who are one of stakeholders. The RQ dimensions have closely associated with customers and their attitude.

For Manfred's two-dimensions, there are cognitive component and affective component. Manfred pointed out due to reputation can be understand as attitudinal

construct, attitude expresses subjective and emotional, and cognitive follows mindsets. For customers one of stakeholders, their perceptions of corporate reputation positively reflects their psychology, emotion and behavior toward that entity (Walsh & Beatty, 2007). Thus, a customer evaluate corporate reputation not only follow subjective perceptions of a company's attributes (like "high quality product") but also express disposition on these attributes (Manfred, 2004). More specifically, for cognitive component, it contains performance, global reach and perception to describe outcomes of high reputation that has strong persuasion. For affective component, it based brand, logo and management or successfully identify items to evaluate emotion that towards a company. Therefore, attitude construct is a kind of conceptualize to measure corporate reputation.

In this study, the perceptions of the most important stakeholder are customers who have strong relationship to important customer outcome variables (Walsh & Beatty, 2007). Especially, the study will examine the influence of CSR exposure on customer satisfaction and purchasing decisions. Manfred's two dimensions mainly embody the role and attitude of customer how to influence the measure of reputation. What's more, Manfred's two dimensions are a popular measurement in China market and accepted by various enterprises. Li (2005) stressed a structural model, which is made of component scale and drivers scale to influence corporate reputation. In addition, component scale and drivers scale are provided by Manfred's two-dimensions and Reputation Quotient respectively in this structural model. What's more, Liu (2006) examined the feasibility of this measurement approach of corporate reputation and the compatibility of being used in China. Especially, although RQ scale provides more details to study reputation directly and reliably, it based on the western market. Therefore, RQ scale and Manfred's two dimensions will be combined to become a structural model and used as instrument in this study. During the process of combining, we will also study how they influence each other and build the suited reputation measurement for this study.

## **2.4 Concept of Customers' Satisfaction on the Service or Product Quality**

Customer satisfaction has been considered an important role for corporate strategy in terms of the purchase and consumption experience of customer (Luo & Bhattacharya, 2006). Due to customer satisfaction stands for a modern approach for quality in business life and promotes the development of customer-oriented, a large number of companies take it as their performance indicator (Emrah, 2010). Therefore, customer satisfaction is able to improve competitive advantage and retain customers (Lidfors & Berg, 2012).

However, since customer satisfaction was proposed at the first time, there is still not a united explanation and definition to customer satisfaction. Oliver (1999) asserted that satisfaction is a kind of customers' sense and attitude that as a result related with the transformation of pleasure and displeasure after consumption. Thus, Oliver (1999) considered that the definition of customer satisfaction is "an evaluation of the perceived discrepancy between prior expectations and the actual performance of the product." In other words, customer satisfaction is generated by comparing their expectation with desires on the quality of product and service. Luo & Bhattacharya (2006) also affirmed the evaluation is in terms of customer's total purchase and consumption experience. Another, Johnson and Fornell (1991) considered that customer have an overall evaluation to product and service that generated in the prior process of consumption. It is also taken as an overall satisfaction across people and product. Fornell (1999) forwarded that this overall satisfaction has a remarkable positive effect on customer loyalty. In addition, Oliver (1999) said that there is an important factor of affective in the overall satisfaction that comes from long repeat purchase and utilization in the past. Actually, customer satisfaction is influenced by cognitive and affective to evaluate and respond customers' experience respectively (Kim, 2014). Westbrook and Oliver (1991) confirmed that customer satisfaction has cognitive and affective dimension. Oliver (1993) described the paradigm of cognitive and affective in satisfaction and said attribute satisfaction and dissatisfaction have significantly related to positive and negative affect and to overall satisfaction.



Based on the various kinds of customer satisfaction definitions and combined with this study, we will define customer satisfaction as during the prior process of repeat purchase and utilization to particular product or service, customers form an overall perception in terms of their own affection reaction and cognitive consumption. It is also as a result of comparing positive and negative affect with expectation after consumption.

It is can be seen that customer satisfaction not only leads to repeat purchase but also promotes people to accept other product in the same product line (Cardozo, 1965). Oliver (1993) also considered that a satisfactory purchase experience will appear to be one requirement for an interested product that cause to repeat purchasing. At the same time, the quality management will be steadily improved in order to achieve customer satisfaction (Emrah, 2010). Emrah (2010) said that customer satisfaction not only focuses on quality of product, which occurs in a variety of situation connecting with goods and services. Kim (2014) suggested that service quality is vital to help a company achieve competitive advantage and customer satisfaction also causes service quality.

In summary, since customer satisfaction plays an important role on the market especially for a success company, more and more scholars pay attention on the measurement of customer satisfaction. Customer satisfaction is defined by scholars as response to service or product quality, which can directly affect the improvement of quality and create competitive advantage. Finally, customer's attitude and purchase behavior are also as a part of the influence of customer satisfaction to be studied.

## **2.5 CSR in China**

CSR is an issue of global concern (Tang, 2012). Initially, CSR derived from western countries. However, with the worldwide economy market appearing in China's economy, China has awareness of requirement of socially responsible business practice (Tang, 2012). Gao (2009) said "corporate social responsibility was introduced into China from the West at the beginning of the twenty-first century." However, CSR in China is still at the beginning stage like other developing countries in Asia (Fang, 2010). Through



recognize of academic and commercial, the value and normal of CSR become to more specification.

In recent years, corporations in China frequently confronted with public criticism of lacking of social responsibility and ethical behavior. We can see Sanglu milk powder event in 2008 and gutter oil scandal of food safety in 2010. These unethical behaviors indicated that CSR and reputation of corporations in China are facing severe issue. And China market is in need of a power to strengthen and lead CSR. In 2012 PEW Research Center published “Growing concerns in China about inequality and corruption”, which shows Chinese public gradually pays attention on the issue of sustainability and responsibility. The research consist the topics of social inequality corruption and protecting the environment. It is can be seen that CSR is required for corporations in China evaluate the effectiveness of their corporate social responsibility in creating corporate reputation and enhancing customers’ purchasing decisions. In the World Economic Forum, from the report “Emerging best practices of Chinese globalizers-The corporate global citizenship challenge” in 2012 to the report “Is corporate social responsibility China’s secret weapon?” in 2015, they states CSR in China is developing at a rapid pace and China companies undertake and create different practices and experience for worldwide.

China’s policy and economy environment increasingly provide strategy and regulation to restrain business ethics under the impact of international scale. Since joining World Trade Organization (WTO) in 2001, not only technologies but also new business practices and traditions are imported in China market (Fang, 2010). However, due to the sever situation of social irresponsible behavior of business in China, abroad companies or organizations give different criticism. Under the pressure of government and the public, many companies in China begin to implement their social responsibility, like philanthropic donation and pollution control (Gao, 2009). Currently, CSR has become a crucial element of business conduct in China.

In addition, CSR is a performance of culture (Carroll, 1991). People who are in different countries and have different cultures, they will create different perceive and expectation on CSR (Gao, 2010). Particularly, China has the huge cultural diversity and different political economy for western countries. China culture advocates Confucianism and Chinese government also put forward to launch term “Harmonious Society” in 2005. This term proposals the concept of philanthropy, cooperation and giving back. Wang and Juslin (2009) said that “harmonious” has been considered as a kind of value traditional culture in China and it shaped the public attitudes and behaviors. Therefore, with “Harmonious Society” has achievement in China, CSR is more widely accepted and recognized.

At the present stage, in order to long-term develop, Chinese government plays an important role in the CSR initiatives (Tang, 2012). Government in China controlled all major sectors of the economy and formulates (Gao, 2009). In addition to the impact of culture, Chinese government issues regulations to define and guide CSR practices (Fang, 2010). Therefore, Chinese government is a vital stakeholder for companies operating in China. What’s more, NGOs as a common practice classified under CSR activities, it must operates and cooperate with government agency in China (See, 2009). Despite NGOs in China is not considered an equivalent with that in Western countries, NGOs still played a strong role towards CSR initiatives. In 2008 China had around 400,000 registered NGOs and close to 3 million based on unofficial estimate (Bu, Bloomfield, & An, 2013).

## **2.6 The implication of CSR in Airline Industry**

The airline sector is a truly global industry. It not only has extensive supply chain but also has one of the largest groups of stakeholders (“Building trust in the air”, 2011). Obviously, CSR is the best choice to respond airline’s stakeholder. However, the reality is CSR in airline industry has rather low attention from academics or public (Chen & Lin, 2009). In spite of this, there are a lot of airline companies devoting themselves to develop CSR in order to achieve corporate sustainability. Usually, airline companies’ CSR

dimensions consist of consumer responsibility, employee responsibility, environment responsibility, and society and community development (“Asia aviation”, 2011).

Accordingly, Chinese corporations have to deal with the problem of CSR. Especially the airline industry in China, it has the critical responsibility for society and national economy, due to the development of airline industry has the features of safety transportation, high pollution and high energy consumption. At the same time, the whole industry is facing the most severe problem on negative image and low satisfaction, which are caused by airplane safety, poor service for constant flight delays and mismanage on luggage transports. Therefore, airline industry is greatly in need of CSR strategy to support its long-term development. At present China airline industry is rapidly developing at average rate of 15% per year (Zhang, 2008). China airline industry has the second market scale in the world. In 2014, there are more than 30 airline companies in the China market and 6 China airline companies enter into Fortune 500 companies. Hainan airline ranks third in China airline industry that has 483 airplanes and 570 domestic and international flights routes. In 2013, there was 40% on average annual revenue growth and 42% on the growth of the number of passengers serviced. In addition, Hainan airline is one of the seven SKYTRAX Five-star Airlines in the world that is also the first and only airlines in China receiving this recognition. Hainan airline’s vision is for the public’s acceptance, participation, achievement and sharing (Hainan airline, 2013). It is can be seen that Hainan airline has the huge strength and potential and it devotes itself to developing CSR and concerning our society.

Based on the 2013 CSR report of Hainan airline, the airline managed corporate responsibility in various dimensions, such as social, economic, employee, passenger, environment and safety. Almost China airline companies fulfill their CSR following these factors, for example control aircraft fuel consumption, reduce noise pollution, community support and donation etc. Since 2003, Hainan airline developed a long-term campaign of “HNA Brightness Action.” Hainan airline took part in campaign that proposed by National Training Center, in order to help the plateau mountain area of people blindness

prevention and treatment. They hope that they can bring light and joy to more people through their own efforts. Besides that, Hainan airline transcends the boundaries of countries, cultures, beliefs, and languages to develop its responsibility that involves education assistance, child protection, environmentally friendly operations and the enhancement of community exchanges in Asia, Europe, North American and Africa. For example, Hainan airline participated in the “Change for Good” project that organized by UNICEF in cooperation with 12 airlines worldwide. During this program, Hainan airline raised 10 million RMB in 5 years to feedback our society and support UNICEF’s work for children.

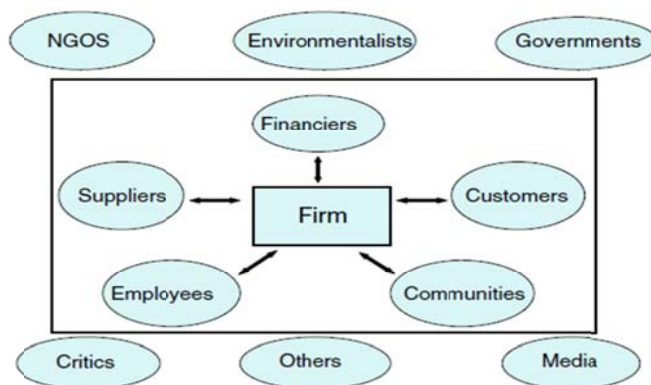
Nowadays, airline industry especially in China gradually organized CSR initiatives extensively. Through CSR initiatives, the good image and reputation of airline companies are improved, customers’ cognitive and affective toward airline have been developed as a result of CSR exposure. Actually, airline companies operates CSR is not challenges but opportunities. They not only keep regular customers and attract new ones, but also contribute more to this industry and the whole society.

## **2.7 Assumption of Stakeholder Theory**

Stakeholder theory was developed by R. Edward Freeman in 1984 (Freeman et al., 2010). The basic assumption of this theory highlights corporation has a strong relationship with stakeholder that more easily achieve business purpose; otherwise, corporate keeps away from stakeholder that difficultly develop. The stakeholder theory is popular appearing in market and many stakeholder theorists increasingly try to build and develop based on Freeman’s foundation. These development of stakeholder theorists remain similar circumspect and delimit stakeholder theory in specific ways (Philips, 2011). In addition, a typical definition of stakeholders is “those people and groups that affect or can be affected by an organization’s decisions, policies and operations.” (Post, Lawrence, & Weber, 2002, P. 8). Therefore, Freeman (1984) asserted that stakeholder theory is related with any business how to be successful, which in need of providing

value for employees, suppliers, customers, communities, shareholders and other people with money. The four elements on the various dimensions of stakeholder found by Donaldson and Preston: descriptive, managerial, instrumental and normative (Laczniaak & Murphy, 2012). In order to better understand stakeholder's role in theory, there is a stakeholder model created by Freeman (Fassin, 2008). Fassin (2008) confirmed that “the framework of stakeholder model illustrates visually the relationships among the firm.” With the constantly changing, finally the stakeholder model becomes specific and comprehensive in Figure 1.

Figure1. The version of the stakeholder model



Source: Fassin, Y. (2008). The stakeholder model refined. *Journal of Business Ethics*, 84,113-135.

Stakeholder theory is developing in market, which specifically mentioned virtues, like trust, responsibility and commitment (Laczniaak & Murphy, 2012). At the same time, the notion of stakeholder approach shows that it has the potential for leading companies to the better long-term performance and explicitly managing their various stakeholders (Laczniaak & Murphy, 2012). Actually, since Freeman created stakeholder theory, he had combined CSR with stakeholder theory to analyze (Phillips, 2011). Phillip (2011, p. 1) said “both academic and popular discussions of CSR commonly reference stakeholder

theory as a foundational perspective.” It is can be seen that stakeholder theory provides a huge help for company developing successfully.

## **2.8 Assumption of Social Exchange Theory**

Social Exchange Theory (SET) is “based on the notion that people think about their relationships in economic terms” (West & Turner, 2007). It is also considered as the most influential conceptual to understand individual’s workplace behavior (Cropanzano & Mitchell, 2005). Social exchange theory is proposed by Homans in 1958 and Blau in 1964 to study actions of individuals after material transaction or economic exchange (Kim, 2014). Kim (2014) considered that customers as one of individuals in the exchange process who are likely reward to their service provider. Usually, social exchange theory argued people to evaluate their relationship based on costs and rewards (West & Turner, 2010). However, Kim said the profit between costs and rewards that has different significance. West and Turner (2007) defined that costs are the elements of relational life with negative value and rewards are the elements of relational life with positive value. Although costs and rewards can be considered as tangible or intangible (Blau, 1964), people can calculate the worth of a particular relationship through formula:  $worth = rewards - costs$  (West & Turner, 2010). At the same time, Kim also concluded that satisfaction occurs when worth are greater than individuals’ worth expectation. On the contrary, dissatisfactions occurs when worth are less than individuals’ worth expectation.

Levine, Sang-Yeon and Ferrara (2010) said that people tend to seek and keep relationship due to it can generate profitable in the rewards more than that in the costs. Therefore, social exchange theory is developed assumption about human nature and the nature of relationship. For human nature, the assumption follows that human seek reward and avoid punishment, human are rational beings and the standards that human use to evaluate costs and rewards vary over time and from person to person. For the nature of relationship, it respectively follows that relationships are independent and relational life is a process (West & Turner, 2010). Thus, people are satisfied with their relationship when the rewards exceed the costs and more investments are put into this relationship to

achieve future worth (Levine, Sang-Yeon and Ferrara, 2010). In addition, in society exchange theory relationship plays an important role on explaining the fundamental notion of exchange. Cropanzano and Mitchell, (2005) said that there are two different concepts on relationships. One is that relationship might be considered as the series of interdependent exchanges that also can be defined transaction; another is that it also might be regarded as the interpersonal attachments, which is from interdependent exchanges. Later, Cropanzano and Mitchell provided four cells illustrated to describe two parts that exchanges different things in different ways in Figure 2.

Figure 2: Transactions and Relationships in Social Exchanges

		Type of Transaction	
		Social Exchange	Economic Exchange
Type of Relationship	Social Exchange	<b>Cell 1: Match</b> Social Transaction in a Social Relationship	<b>Cell 2: Mismatch</b> Economic Transaction in a Social Relationship
	Economic Exchange	<b>Cell 3: Mismatch</b> Social Transaction in an Economic Relationship	<b>Cell 4: Match</b> Economic Transaction in an Economic Relationship

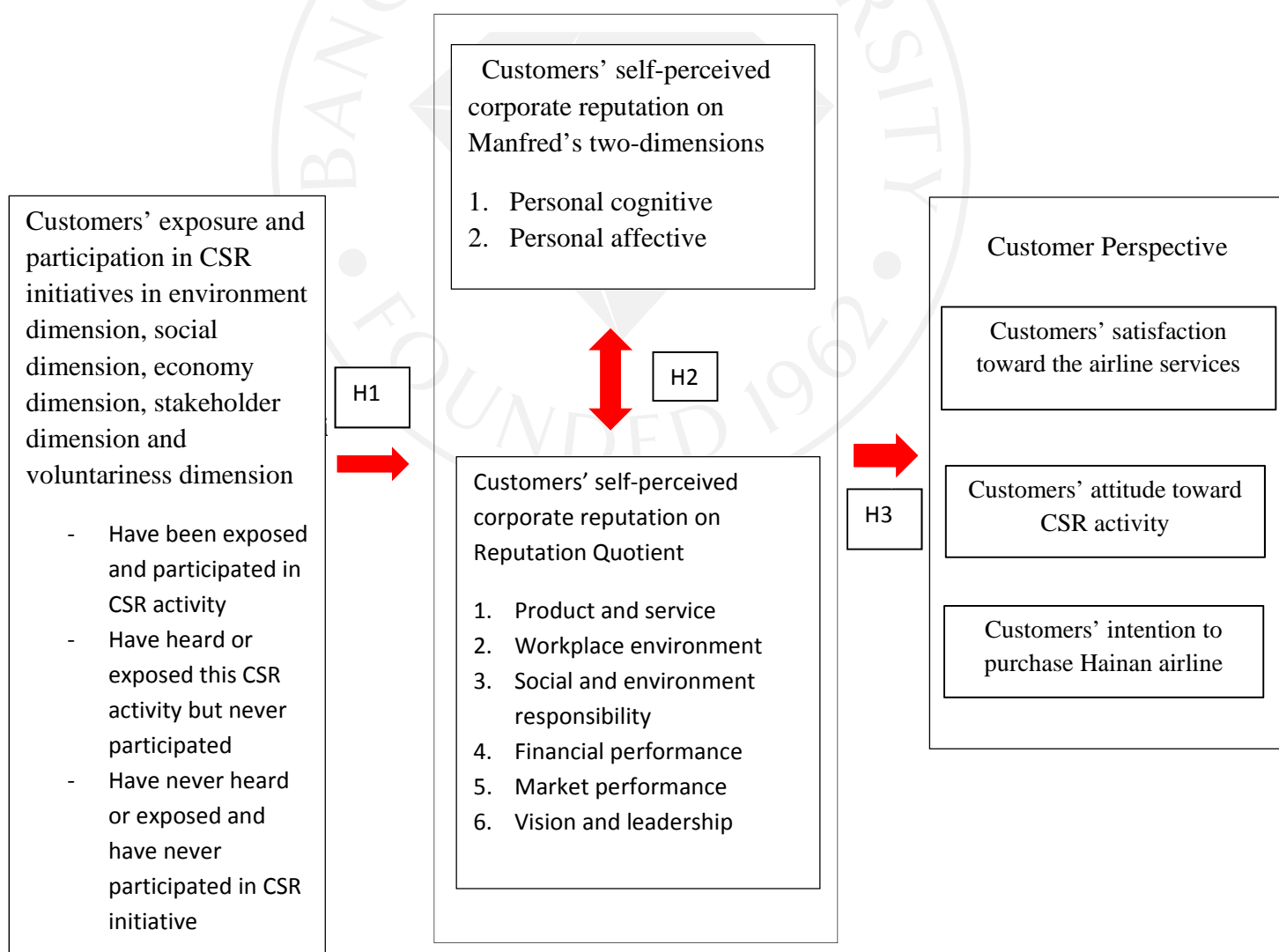
Source: Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management*, 31(6): 874-900.

It is can be seen that social exchange relationships occur with various exchangeable objects in terms of different counterparts (Kim, 2014). Under the exchange models of relationships, current relationships are usually evaluated by individual through comparing the perceived interest of relationships with the perceived costs (Osborn, 2012). Therefore, Osborn confirmed that relationship satisfaction is occurring with when the perceived worth of relationships are greater than expectations for the relationships.



Consequently, this study attempts to research the relationship among CSR participation and customer's perceived reputation, satisfaction and purchase behavior toward company service. Especially, customer satisfaction and purchase behavior are as the outcome and purpose of study through investigating the variables to examine the influence factors. According to social exchange theory, there is a relationship building on CSR exposure and customer's perceived reputation, satisfaction and purchase behavior. Customer who is an important stakeholder will perceived the worth and cost of this relationship, then they respond their satisfaction and attitude on purchase behavior.

## 2.9 Theoretical Framework





## 2.10 Hypothesis

The justifications for hypotheses were made based on the preceding literature review, and the hypotheses concerning the direction and strength of the relationship were statistically tested. Therefore, based on the objective and research questions, it asks the following tests a related hypothesis.

H1: Customer's exposure to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influence customers' self-perceived corporate reputation (Manfred's two-dimensions and RQ) toward Hainan airline.

H1.1: Customer's exposure to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to Manfred's two-dimensions.

H1.2: Customer's exposure to CSR initiatives in environment, social, economy, stakeholder and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to Reputation Quotient.

H2: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

H2.1: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to product and service.

H2.2: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to workplace environment.

H2.3: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to social and environmental responsibility.

H2.4 There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to financial performance.

H2.5: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to market performance.

H2.6: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and their self-perceived corporate reputation in respect to vision and leadership.

H2.7: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to product and service.

H2.8: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to workplace environment.

H2.9: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to social and environmental responsibility.

H2.10: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to financial performance.

H2.11: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to market performance.

H2.12: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal affective and their self-perceived corporate reputation in respect to vision and leadership.

H3: Customers' self-perceived corporate reputations are significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

H3.1: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

H3.1.1: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions are significant predictors of their satisfaction toward Hainan airline.

H3.1.2: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions are significant predictors of their attitude toward the CSR activity.

H3.1.3: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions are significant predictors of their intention to purchase.

H3.2: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

H3.2.1: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their satisfaction toward Hainan airline.

H3.2.2: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their attitude toward the CSR activity.

H3.2.3: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their intention to purchase.



## **CHAPTER 3**

### **METHODOGY**

This chapter involves the research methodology and the sampling method to examine the relationship between corporate social responsibility participation and customer's perceived corporate reputation and service satisfaction and purchasing decision for airline industry of China. This chapter is composed of the following sections:

1. Research design
2. Population and sample selection
3. Research instrument
4. Instrument pretest
5. Data collection procedure
6. Demographic Data of the Samples
7. Data interpretation
8. Data analysis

#### **3.1 Research Design**

The study aims to examine the relationship between customers' participation in various corporate social responsibility initiatives of Hainan airline and their perceived reputation toward Hainan airline, satisfaction toward the company's CSR activity, and their purchasing behavior by conducting survey research. This study uses research of three scales. Section I examines the customer's perspective on CSR initiatives of Hainan airline in five dimensions, including. Environmental dimension, Social dimension, Economy dimension, Stakeholder dimension and Voluntariness dimension. Section II examine customer's self-perceived corporate reputation toward Hainan airline, by using the integration of Manfred's two dimensions scale and Fombrun's Reputation Quotient (RQ) scale. Section III examines the customer satisfaction, attitude and purchasing behavior measure that respectively developed by Kim (2014) and Wong (2012).

A survey research is conducted to collect the data in order to investigate the correlation between customer's CSR participation, perceived corporate reputation, service satisfaction, attitude towards the CSR initiatives and purchasing decision.

### **3.2 Population and Sampling Method**

The population of this study is the passengers who have used the services of Hainan airline or will intend to use the airline within one year before. The populations of this survey are 55 million people who used the services of Hainan in 2013 (Hainan airline, 2013). The sample is the passengers who are not limited by country and culture. However, the most significant target samples are Chinese passengers who have used Hainan service and have received news about Hainan CSR activities. Comrey and Lee (1992) suggested that during the process of a factor analysis, the sample sizes of 50 are very poor, 100 are poor, 200 are fair, 300 are good and 500 are very good. In this study, in order to enable the duration of course Independent Study, there are only 200-sample size to be selected by using simple random sampling method to conduct the survey, which is not including 50 of pre-test.

### **3.3 Research Instrument**

The questionnaire consists of 4 sections including: demographic data, the customers' self-perceived of CSR initiatives, corporate reputation, customer satisfaction and purchasing behavior are used as a research instrument.

#### Section 1: Personal demographic data

The first section contains demographic information and responders are asked to provide their personal details about sex, age, occupation, education background, and monthly income. The demographic items are founded in section 1 of Appendix A.

Section 2: Customers exposure and participation to various CSR initiatives of Hainan airline

The second section includes the customers' participation and exposure to various CSR initiatives of Hainan airline. The researcher defines the CSR initiatives of Hainan airline under the five dimensions and provides appropriate answers based on the situation of responders, which will help studying the influence of CSR initiatives in different dimensions to customer perception of Hainan airline. Therefore, the five CSR dimensions contain environmental, social, economy, stakeholder, and voluntariness dimension. The data is the nominal scale dividing the customers' into three groups, including those (1) who have been exposed and participated in CSR activity, (2) who have heard or exposed to this CSR initiative from the media publicity but never attend it before, and (3) who have never heard or being exposed to the media publicity and have never attends this CSR initiative before. The CSR initiatives of Hainan airline under the five dimensions are founded in section 2 of Appendix A.

### Section 3: Reputation Quotient Scale

The third section included the questions related to measure customer perceived corporate reputation toward Hainan airline. In this part, the questions based on both Manfred's two dimensions scale and Fombrun et al.(2000b)'s Reputation Quotient (RQ) scale to widely develop measurement and find mutual promoting factors. At the same time, the two scales were used by Liu (2005) in research. Among, there are 2-factors and 12-items for Manfred's scale and 6-factors and 36-items for Fombrun et al.'s Reputation Quotient (RQ) scale to measure corporate reputation together. In addition, the instrument utilized a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). For Fombrun et al.'s Reputation Quotient (RQ), it is considered be a valid, reliable measure of corporate reputation. Fombrun et al. asserted that due to the RQ of Cronbach's alpha exceeds 0.84, the items of RQ can be used as a reliable corporate reputation measurement (cited in Ying, 2014). For Manfred's scale, it is also valid measure due to these coefficients were significant at a level of  $\alpha = 0.001$  (Manfred, 2004). The Reputation Quotient items are founded in section 3 of Appendix A.

Table 3.1: The Reliability of Manfred's two dimension and Reputation Quotient

	<b>Factors</b>	<b>Cronbach's alpha</b>
<b>Manfred's two dimensions</b>	Personal cognitive	0.89
	Personal affective	0.90
<b>Reputation Quotient</b>	Product and service	0.88
	Vision and leadership	0.89
	Workplace environment	0.87
	Social and environmental responsibility	0.89
	Financial performance	0.89
	Market performance	0.90

Source: Liu Liang. (2005). The composition of corporate reputation and the research of driving factors measurement. *Journal of Marketing*, 129, 1-141.

Table 3.2: Manfred's two dimensions scale: 2-factors and 12-items

12 Items	2 Factors
Leading competitive position in the industry. Has is a large and powerful. Has a high reputation in the domestic. Has a strong business capacity. Has bright developing prospect in the future.	Personal cognitive
Is a likeable company. I agree and support the company in emotional aspect. I will feel sorry if the company goes bankrupt. I admire and respect the company. I trust the company. I care about the long-term development of company. I often pay attention and track the company's news and reports.	Personal affective

Source: Liu Liang. (2005). The composition of corporate reputation and the research of driving factors measurement. *Journal of Marketing*, 129, 1-141.



Table 3.3: Reputation Quotient: 6 factors and 36 items

36 Items	6 Factors
<p>Stands behind its products and services.</p> <p>Develops innovative products and services.</p> <p>Offers high quality products and services.</p> <p>Offers distinctive products and services.</p> <p>Offers products and services that are good value for money.</p> <p>Focuses on the need of customers.</p> <p>Treats customers' complaint equally.</p> <p>Has a perfect after-sale-service.</p>	Product and service
<p>Has excellent leadership.</p> <p>Has a clear vision for its future.</p> <p>Has high integrity.</p> <p>Recognizes and takes advantage of market opportunities.</p>	Vision and leadership
<p>Is well managed.</p> <p>Has safe and comfortable environment.</p> <p>Looks like a good company to work for.</p> <p>Looks like a company that would have good employees.</p> <p>Pays on attention n employee training.</p> <p>Has harmonious inside company.</p>	Workplace environment
<p>Supports good causes.</p> <p>Is an environmentally responsible company.</p> <p>Maintains a high standard in the way it treats people.</p> <p>Conforms to ethical and moral standards.</p> <p>Plays a positive role for local community.</p> <p>Is not only profit as motive.</p> <p>Is able to keep promise and abide by contract.</p> <p>Has higher transparency.</p> <p>Is honesty.</p>	Social and environmental responsibility
<p>Has a strong record of profitability.</p> <p>Looks like a low-risk investment.</p> <p>Tends to outperform its competitors.</p> <p>Looks like a company with strong prospects for future growth.</p>	Financial performance

(Continued)

Table 3.3(Continued): Reputation Quotient: 6 factors and 36 items

20 Items	6 Factors
Has capacity to retain customers Extends market share continuously	Market performance

Source: Liu Liang. (2005). The composition of corporate reputation and the research of driving factors measurement. *Journal of Marketing*, 129, 1-141.

#### Section 4: Customer satisfaction and purchasing behavior Scale

The fourth section examines the customer satisfaction, their attitude and purchase behavior toward CSR initiatives of Hainan airline. Respondents describe their level of satisfaction and attitude by selecting the most appropriate response and answer purchase decision as created by Kim (2014) and Wong (2012) from the customer's perspective. The customer satisfaction was measured by the questions based on Social Exchange Theory that also was used by Kim (2014). Another, the scale of customer attitude and purchase behavior derived from research that was used by Wong (2012). Therefore, the both scales in the questionnaire were adjusted to combine. All of these items are founded in section 3 of Appendix A.

Table 3.4: Items of customer satisfaction

<b>Items</b>
<b>Customer satisfaction</b>
I am satisfied with services provided.
My choice the service was a wise one.
It is right thing when I decide to obtain service.
The services are very good.

Source: Kim, S. H. (2014). A social exchange perspective: The mediating effect of customers' perceived overall justice and affect in the relationship between employee performance and customer satisfaction. *ProQuest Dissertations & Theses Global*. Retrieved from

<http://search.proquest.com/docview/1552722946?accountid=8488>.

Table 3.5: Items Standard Deviations of customer attitude and purchase behavior

Items	Standard Deviation
<b>Customer attitude</b>	
Support CSR initiatives due to money is going to help others	.788
Feel comfortable shopping at the store that they make an effort on CSR	.789
Support CSR initiatives due to money is going to help others	.788
Feel comfortable shopping at the store that they make an effort on CSR	.789
Will not support retailers if they engage in unethical behavior	.896
<b>Purchase behavior</b>	
Probability of buying products from social responsible retailer is high	.778
Continue buying product from social responsible retailer	.758
Avoid buying products from company that engaged in immoral actions	.832

Source: Wong, S. K. (2012). The study of customer perception on corporation social responsibility (CSR) towards consumer attitude and purchase behavior. *Journal of Marketing*, 57, 1-153.

### 3.4 Instrument pretest

Due to most respondents are Chinese customers, the questionnaire was translated into Chinese first and then do back translation. There were 50 pre-test questionnaires distributed to 50 customers, which tests and ensures the reliability of questionnaire. When it is used in research, the instrument and questions are clear for respondents to understand and respond. The researcher not only adjusted unclear words but also changed the 7-point Likert scale to a 5-point Likert scale. Later, the edited questionnaires were sent to 50 respondents in the public place and researcher used Cronbach's alpha coefficient to assess the reliability of the instrument that was provided as follow:

Table 3.6: The Reliability of instrument

	Cronbach's Alpha	N of Items
<b>The overall of Corporate Reputation</b>	<b>.876</b>	<b>24</b>
Personal cognitive	.866	5
Personal affective	.875	6
Product and Service	.852	5
Vision and leadership	.857	4
Workplace environment	.866	4
Social and environment responsibility	.857	5

Table 3.6 (Continued): The Reliability of instrument

Financial performance	.858	4
Market performance	.855	4
<b>Customer satisfaction of Hainan airline</b>	<b>.849</b>	<b>10</b>
Satisfaction	1.000	4
Attitudes towards the CSR activity	.716	3
Purchase behavioral	.716	3

After assessing result, we found that it is acceptable and this instrument is reliability, due to Cronbach's Alpha (the level of reliability) is higher than 0.7 level set of the reliability test which is considered to be acceptable (Liu, 2005).

### 3.5 Data Collection Procedure

The following procedures described data collection for the survey:

3.5.1 In this study, the original questionnaire is in English. In order to investigate the influence of Hainan airline especially in China market, researcher had translated questionnaire into Chinese. Later, the two versions were simultaneously given out among different responders. Certainly, in order to reduce misunderstand due to translation problem, the two version of original were constantly crosschecked and corrected before implement.

3.5.2 Due to this survey focuses on passengers who have used Hainan airline, the samples were selected to collect data at Bangkok Suvarnabhumi Airport. To begin with, the questionnaires were distributed to 50 samples to be pretested. After pretesting to 50 customers, there were no discrepancies to be found between the two visions of English and Chinese questionnaires. The questionnaire was proved the credibility and feasibility.

3.5.3 Then the questionnaires were distributed to passengers at Bangkok Suvarnabhumi Airport, who used the service of Hainan airline. The researcher filled up the questions independently and completed the survey within 10 to 15minutes.

3.5.4 During the process of completing questionnaires, it roughly spent two days to collect data and responders were selected randomly. Finally, there were 200 questionnaires to be returned and the raw data was entered in SPSS.

### 3.6 Demographic Data of the Samples

In this part, the point is the demographic information of the 200 customers responding to the questionnaire questions, including gender, age, levels of education, occupation and monthly income.

Table 3.7: The frequency and percentage of demographic information of the samples

<b>Demographic Information</b>	<b>Frequency (persons)</b>	<b>Percent</b>
<b>Sex:</b>		
Male	97	48.5
Female	103	51.5
<b>Total</b>	<b>200</b>	<b>100.0</b>
<b>Age:</b>		
18-24 years old	10	5
25-31 years old	57	28.5
32-38 years old	43	21.5
38-44 years old	32	16
45-51 years old	45	22.5
Over 51 years old	13	6.5
<b>Total</b>	<b>200</b>	<b>100.0</b>
<b>Level of Education:</b>		
Senior High School	60	30
Bachelor degree	85	42.5
Master degree	42	21
Higher than master degree	13	6.5
<b>Total</b>	<b>200</b>	<b>100.0</b>
<b>Occupation:</b>		
Student	66	33

(Continued)

Table 3.6 (Continued): The frequency and percentage of demographic information of the samples

<b>Demographic Information</b>	<b>Frequency (persons)</b>	<b>Percent</b>
Government officer	49	24.5
Employees of private enterprises	37	18.5
Freelance and entrepreneurs	20	10
Others	28	14
<b>Total</b>	<b>200</b>	<b>100.0</b>
<b>Monthly income:</b>		
Less than 2,000 RMB	60	30
2,001-4,000 RMB	43	21.5
4,001-6,000 RMB	29	14.5
6,001-8,000 RMB	22	11
More than 8,001 RMB	46	23
<b>Total</b>	<b>200</b>	<b>100.0</b>

As shown in Table 3.6, the descriptive analysis revealed that the demographic profile of sample is characterized by 48.5 percent of male (N=97) and 51.5 percent of female (N=103). Amongst these sample, 28.5% (N=57) are 25-31 years of age (N=57), followed by samples aged 45-51 years old (22.5%, N=45), 32-38 years old (21.5%, N=43) and 38-44 years old (16%, N=32), respectively. In respect to their education level, majority of the samples completed bachelor's degree (42.5%, N=85), followed by senior high school (30%, N=60) and master's degree (21%, N=42), respectively. In respect to their occupation, 33% of samples are student (N=66), followed by government officers (24.5%, N=49), employees of private enterprises (18.5%, N=37), respectively. In respect to their monthly income, 30% of samples earned less than 2,000 RMB per month (N=60), followed by those who earned more than 8,001 RMB (23%, N=46) and 2,001-4,000 RMB (21.5%, N=43)

### 3.7 Data interpretation

The data was analyzed mainly based on 5-Likert scale. However, for customers' exposure and participation with various CSR initiatives, it was analyzed under the five dimensions, details are as follow:

Table 3.8: Data Analysis for Customers' Participation with Various CSR initiatives under the five dimensions-- environment, social, economy, stakeholder, and voluntariness dimensions

Level of participation in CSR Initiatives	Group	Meaning
1. I have attended this CSR initiative.	1	Have attended
2. I have heard or exposed to this CSR initiative from the media publicity but never attend it before.	2	Have heard or Exposed but Never Attend
3. I have never heard or being exposed to the media publicity and have never attends this CSR initiative before.	3	Never heard and never being exposed

In addition, the following the analysis for corporate reputation and customer's satisfaction, attitude and purchase behavior, the statistic used is based on 5-Likert scale to specifically analyze data. The scores of corporate reputation and customer's satisfaction, attitude and purchase behavior on the questionnaire could both range from low of 1.00 to a high of 5.00. The descriptive data of each CSR dimension will be summarized in Chapter 4.

Table 3.9: Data Analysis for Customers' Perceived Corporate Reputation (personal cognitive personal affective, product and service, workplace environment, social and environment responsibility, financial performance, market performance, vision and leadership)

Opinion toward the statement	Score	Criteria	Meaning
Strongly agree with the statement	5	4.51 - 5.00	Strongly agree
Agree with the statement	4	3.51 – 4.50	Agree
Neutral with the statement	3	2.51 – 3.50	Neutral
Disagree with the statement	2	1.51 – 2.50	Disagree
Strongly Disagree with the statement	1	1.00 – 1.50	Strongly Disagree

The mean will be recoded from 5 scales to 3 scales.

3 Levels	Perceived Corporate Reputation
3.67 – 5.00	Positive Reputation
2.34 – 3.66	Neutral Reputation
1.00 – 2.33	Negative Reputation

- Range  $(5 - 1) / 3 = 1.33$

Table 3.10: Data Analysis for Customers' satisfaction, attitude and purchase behavior

Opinion toward the statement	Score	Criteria	Meaning
Strongly agree with the statement	5	4.51 - 5.00	Strongly agree
Agree with the statement	4	3.51 – 4.50	Agree
Neutral with the statement	3	2.51 – 3.50	Neutral
Disagree with the statement	2	1.51 – 2.50	Disagree
Strongly Disagree with the statement	1	1.00 – 1.50	Strongly Disagree



The mean will be recoded from 5 scales to 3 scales

<b>3 Levels</b>	<b>Satisfaction</b>
3.67 – 5.00	High Satisfaction
2.34 – 3.66	Medium Satisfaction
1.00 – 2.33	Low Satisfaction

<b>3 Levels</b>	<b>Attitude toward CSR Initiatives</b>
3.67 – 5.00	Positive Attitude
2.34 – 3.66	Neutral Attitude
1.00 – 2.33	Negative Attitude

<b>3 Levels</b>	<b>Purchase Intention</b>
3.67 – 5.00	High Intention
2.34 – 3.66	Medium Intention
1.00 – 2.33	Low Intention

- Range  $(5 - 1) / 3 = 1.33$

With regard to test the validity of correlation among corporate reputation factors, Liu (2005) mentioned the standard of convergent validity assessment based on composite reliability and average variance extracted. Then they follow the measure and mean below:

Table 3.11: Data Analysis for Corporate Reputation Correlation

<b>3 Levels</b>	<b>Corporate Reputation Correlation</b>
>0.8	High
0.5-0.8	Middle
<0.5	Low

Source: Liu Liang. (2005). The composition of corporate reputation and the research of driving factors measurement. *Journal of Marketing*, 129, 1-141.

After collecting all necessary data, they were analyzed and summarized in reliable and easily interpretable from using the Statistical Package of Social Science (SPSS). The

statistic tools used in the research are explained respondent score and the total score of each measuring instrument. Finally, the means of score lead and help the analysis of data.

### **3.8 Data analysis**

The data was analyzed using SPSS (Statistical Package of Social Science). The statistics used for the present study included Multivariate Analysis of Variance (MANOVA), Spearman Correlation, and Multiple Regression.

Hypothesis 1: Customer's exposure and participation to CSR initiative in environment, social, economy, stakeholder, and voluntariness dimensions significantly influence customers' self-perceived corporate reputation (Manfred's two-dimensions and RQ) toward Hainan airline.

H1.1: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influenced customers' self-perceived corporate reputation in respect to Manfred's two-dimensions.

Independent variables: Environment, social, economy, stakeholder, and voluntariness dimensions that the Customers' participation in CSR initiatives (Nominal scale)

Dependent variables: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions (Interval scale)

Statistical analysis: One-way Multivariate Analysis of Variance (MANOVA).

H1.2: Customer's exposure and participation in CSR initiatives in environment, social, economy, stakeholders, and voluntariness dimensions significantly influenced customers' self-perceived corporate reputation in respect to Reputation Quotient.

Independent variables: Environment, social, economy, stakeholder, and voluntariness dimensions that the Customers' participation in CSR initiatives (Nominal scale)

Dependent variables: Customers' self-perceived corporate reputation in respect to Reputation Quotient (Interval scale)

Statistical analysis: One-way Multivariate Analysis of Variance (MANOVA).

The independent variable is environment, social, economy, stakeholder, and voluntariness dimensions that customer's exposure and participation in CSR initiatives. The lists of nominal scale are used to measure independent variable. The dependent variable is customers' self-perceived corporate reputation in respect to Manfred's two-dimensions and in respect to Reputation Quotient. The 5 points-interval scale will be used to discover the influence of customers' CSR participation on their self-perceived corporate reputation of Hainan Airline. Therefore, one-way MANOVA analysis will be utilized to determine if there are differences in customer self-perceived corporate reputation in respect to Manfred's two-dimensions and in respect to Reputation Quotient influencing customers' CSR participation.

Hypothesis 2: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

Statistical analysis: Spearman Correlation

Customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective have mutual influence with their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. The list of Likert scale was used to measure their positive correlation. Therefore, Spearman Correlation analysis will be utilized to determine the correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived

corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

Hypothesis 3: Customers' self-perceived corporate reputation is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

H3.1: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

Independent variables: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions (Interval scale)

Dependent variables: Customer's satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase (Interval scale)

Statistical analysis: Multiple Regression Analysis

H3.2: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

Independent variables: Customers' self-perceived corporate reputation in respect to Reputation Quotient (Interval scale)

Dependent variables: Customer's satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase (Interval scale)

Statistical analysis: Multiple Regression

The independent variable is customers' self-perceived corporate reputation in respect to Manfred's two-dimensions and their self-perceived corporate reputation in respect to Reputation Quotient. The lists of 5 points-interval scale are used to measure

independent variable. The dependent variable is customer's satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. Therefore, Multiple Regression will be utilized to determine the factors of corporate reputation predicting customers' satisfaction toward Hainan airline, attitude toward CSR activity, and intention to purchase.



## CHAPTER 4

### FINDINGS

This research entitled “The Influence of Exposure to CSR Initiatives on Self-Perceived Corporate Reputation and Satisfaction, and Purchasing Decision among Chinese Customers: A Case Study of Hainan Airline Company” uses questionnaire to collect data. The data collected from 200 samples were analyzed using descriptive such as sum, percentage, mean, standard deviation, and inferential statistics such as One-way Multivariate of Variance (MANOVA), Spearman Correlation and Multiple Regression. This chapter presents the data analysis covering all research objectives into three main parts respectively as follows:

Part 1: Summary on Finding of Descriptive Analysis

Part 2: Summary on Hypotheses Finding and Other Finding

Part 3: Conclusion of the Findings

#### 4.1 Summary on Findings of Descriptive Analysis

Table4.1: The Frequency and Percentage of the participation to various CSR Initiatives of Hainan airline.

Hainan airline’s CSR Initiatives	Frequency (%)		
	1	2	3
1. Environmental dimension (i.e. Green Aviation project)	1 (0.5%)	91 (45.5%)	108 (54.0%)
2. Social dimension (i.e. The Change for Good)	-	100 (50.0%)	100 (50.0%)
3. Economy dimension (i.e.Facing the Establishment of Ghana Airlines)	48 (24.0%)	96 (48.0%)	56 (28.0%)
4. Stakeholder dimension (i.e. Optimize Customer Experience)	119 (59.5%)	66 (33.0%)	15 (7.5%)
5. Voluntariness dimension (i.e. HNA Brightness Action)	1 (0.5%)	95 (47.5%)	104 (52.0%)

**Note:**

1. I have been exposed and participated in CSR activity.
2. I have heard or exposed to this CSR initiative from the media publicity but never attend it before.
3. I have never heard or being exposed to the media publicity and have never attends this CSR initiative before.

**\*\*Note:**

<b>Magic Union CSR Initiatives</b>	<b>Name of the Project</b>
1. Environmental dimension	“Green Aviation”
2. Social dimension	“The Change for Good”
3. Economy dimension	“Facing the Establishment of Ghana Airlines”
4. Stakeholder dimension	“Optimize Customer Experience”
5. Voluntariness dimension	“HNA Brightness Action”

As shown in Table 4.1, majority of the sample (54.0%, N=108) have never heard or being exposed to the media publicity and have never attends the environment dimension (i.e. Green Aviation project) before, followed by 45.5% of respondents (45.5%, N=91) have heard or exposed to the project from the media publicity but never attend it before. Only .05 percent (N=1) has attended the project.

Fifty percent of respondents (50.0%, N=100) have heard or exposed to the project from the media publicity but never attend the social dimension (i.e. The Change for Good) before; and same frequency 50% of respondents (50.0%, N=100) have never heard or being exposed to the media publicity and have never attends it before; but no one attended it.

Majority of respondents (48.0%, N=96) have heard or exposed to the project from the media publicity but never attend the economy dimension (i.e. Facing the Establishment of Ghana Airlines) before, followed by 28.0% of respondents (28.0%, N=56) have never heard or being exposed to the project from the media publicity and have never attended it before. Only 24.0 percent (N=48) has attended the project.

A majority of respondents (59.5%, N=119) have attended the stakeholder dimension (i.e. Optimize Customer Experience), followed by 33.0% of respondents (33.0%, N=66) have heard or exposed to the project from media publicity but never attend it before. Only 7.5% of respondents has never heard or being exposed to the media publicity and have never attends the project before.

The majority of respondents (52.0%, N=104) have never heard or being exposed to the media publicity and have never attends the voluntariness dimension (i.e. HNA Brightness Action) before, followed by 47.5% of respondents (47.5%, N=95) have heard or exposed to the project from the media publicity but never attend it before. Only .05 percent (N=1) has attended the project.

Table 4.2: Mean, standard deviation, and interpretation on the samples' perceived corporate reputation toward Hainan airline, according to Manfred's two dimensions scale.

Statements	$\bar{x}$	SD	Interpretation
<b>Personal cognitive</b>			
1. As far as I know the Hainan airline company occupies the leading competitive position in the industry.	3.25	.854	Neutral
2. As far as I know the Hainan airline company is a large and powerful.	3.07	.771	Neutral
3. As far as I know the Hainan airline company has a high reputation in the domestic.	3.18	.819	Neutral
4. As far as I know the Hainan airline company has a strong business capacity.	3.28	.822	Neutral
5. I believe the Hainan airline company has bright developing prospect in the future.	3.25	.843	Neutral
Total	3.21	.822	Neutral Reputation
<b>Personal affective</b>			
6. I think the Hainan airline company is a likeable company.	3.47	.862	Neutral
7. I agree and support the Hainan airline company in emotional aspect.	3.51	.814	Neutral
8. Compared with other enterprises in the industry, if the Hainan airline company goes bankrupt I will feel sorry.	3.46	.801	Neutral

(Continued)



Table 4.2 (Continued): Means, standard deviation, and interpretation on the samples' perceived corporate reputation toward Hainan airline, according to Manfred's two-dimensions scale.

Statements	$\bar{x}$	SD	Interpretation
9. I admire and respect the Hainan airline company	3.44	.830	Neutral
10. I trust the Hainan airline company.	3.36	.744	Neutral
11. I care about the long-term development of Hainan airline company.	3.31	.747	Neutral
12. I often pay attention and track the Hainan airline company's news and reports.	3.29	.726	Neutral
Total	3.41	.789	Neutral Reputation
Total mean of personal cognitive and personal affective	3.31	.805	Neutral Reputation

Table 4.3: Mean, standard deviation, and interpretation on the samples' perceived corporate reputation toward Hainan airline, according to Reputation Quotient scale.

Statements	$\bar{x}$	SD	Interpretation
<b>Product and service</b>			
1. I think the service of Hainan airline is high quality	3.01	.927	Neutral
2. I think the service of Hainan airline is distinctive.	3.22	.765	Neutral
3. I think the company highly focuses on the needs of customers according to their standpoint.	3.20	.791	Neutral
4. The company can equally treat customers' complaints.	3.25	.728	Neutral
5. The company is not afraid of trouble to make customer satisfaction.	3.30	.743	Neutral
Total	3.20	.791	Neutral Reputation
<b>Workplace environment</b>			
6. The company has modern management level	3.27	.735	Neutral
7. I think the airplanes of Hainan airline are safe and comfortable.	3.36	.730	Neutral
8. The Hainan airline looks like a company that would have good employees.	3.29	.773	Neutral

(Continued)

Table 4.3(Continued): Mean, standard deviation, and interpretation on the samples' perceived corporate reputation toward Hainan airline, according to Reputation Quotient scale.

Statements	$\bar{x}$	SD	Interpretation
9. I think the working relationship inside Hainan airline is harmonious.	3.30	.782	Neutral
Total	3.31	.755	Neutral Reputation
<b>Social and environmental responsibility</b>			
10. The company supports constructive social causes	3.32	.742	Neutral
11. I think the Hainan airline pays attention on environment protection.	3.22	.717	Neutral
12. I think the Hainan airline is honesty.	3.37	.766	Neutral
13. The Hainan airline maintains a high standard in the way it treats people.	3.30	.756	Neutral
14. I think the Hainan airline plays a positive role on stability and prosperity of the local community.	3.38	.746	Neutral
Total	3.32	.745	Neutral Reputation
<b>Financial performance</b>			
15. Hainan airline has a strong record of profitability.	3.39	.825	Neutral
16. Hainan airline looks like a low-risk investment.	3.40	.827	Neutral
17. I think the company tends to outperform its competitors	3.48	.763	Neutral
18. I predict the company with strong prospects for future growth.	3.40	.789	Neutral
Total	3.42	.801	Neutral Reputation
<b>Market performance</b>			
19. As far as I know the company has a famous product brand in market.	3.24	.726	Neutral
20. The brand and logo of company is impressive.	3.29	.690	Neutral
21. I believe the market share of company continuously extend no matter in domestic or international market.	3.32	.662	Neutral
22. I think the company has capacity to retain customers.	3.10	.882	Neutral

(Continued)

Table 4.3(Continued): Mean, standard deviation, and interpretation on the samples' perceived corporate reputation toward Hainan airline, according to Reputation Quotient scale.

Statements	$\bar{x}$	SD	Interpretation
Total	3.24	.740	Neutral Reputation
<b>Vision and leadership</b>			
23. About future the Hainan airline has a distinct developing plan	3.17	.724	Neutral
24. I think the senior manager (CEO) of Hainan airline has excellent leadership	3.17	.737	Neutral
25. I think the senior manager (CEO) of Hainan airline has high integrity.	3.27	.647	Neutral
26. I think the senior manager of Hainan airline is good at utilizing market opportunity	3.27	.714	Neutral
Total	3.22	.706	Neutral Reputation
Total perceived corporate reputation	3.29	.769	Neutral Reputation

As shown in Table 4.2, the descriptive analysis revealed that the overall mean of the perceived corporate reputation of sample in respect to personal cognitive and personal affective toward Hainan airline is neutral reputation ( $\bar{x}$ =3.31, SD= .805). When examining each variable, their personal affective is neutral reputation ( $\bar{x}$ =3.41, SD= .789) and their personal cognitive is neutral reputation ( $\bar{x}$ =3.21, SD= .822), respectively.

As shown in Table 4.3, the descriptive analysis revealed that the overall mean of the perceived corporate reputation of sample in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership toward Hainan airline is neutral reputation ( $\bar{x}$ =3.29, SD=.769). When examining each dimension, the sample perceived the financial performance to be neutral reputation ( $\bar{x}$ =3.42, SD=.801), social and environment responsibility to be neutral reputation ( $\bar{x}$ =3.32 , SD= .745 ), , workplace environment to be neutral reputation ( $\bar{x}$ =3.31 , SD= .755), market performance to be neutral reputation

( $\bar{x}$ =3.24,  $SD$ =.740 ), and vision and leadership to be neutral reputation ( $\bar{x}$ = 3.22,  $SD$ =.706), product and service to be neutral reputation ( $\bar{x}$ = 3.20,  $SD$ =.791), respectively.

According to the criteria, if the mean value between 2.34 to 3.66, it means the sample perceived corporate reputation toward Hainan airline is neutral reputation. There are eight key constructs of customers' perceived corporate reputation. Compared between personal affective and personal cognitive, the mean of personal affective ( $\bar{x}$ =3.41) is higher than the mean of personal cognitive ( $\bar{x}$ =3.21). The rest of customers' perceived corporate reputation, the mean of financial performance is highest ( $\bar{x}$ =3.42). The second highest of mean is social and environmental responsibility ( $\bar{x}$ =3.32). The third of mean is workplace environment ( $\bar{x}$ =3.31). The mean of market performance and vision and leadership follow them ( $\bar{x}$ =3.24 and  $\bar{x}$ =3.22, respectively). Finally, the lowest of mean is product and service ( $\bar{x}$ =3.20).

Table 4.4: Mean, standard deviation, and interpretation on the samples' satisfaction, attitude toward CSR activity, purchase decision

Items	$\bar{x}$	SD	Interpretation
<b>Satisfaction</b>			
1. Based on all the experiences with Hainan airline service, I am very satisfied with the service provided.	3.28	.710	Medium
2. I choose the service of Hainan airline was a wise one.	3.37	.666	Medium
3. Overall, I am satisfied with the service of Hainan airline	3.35	.678	Medium
4. Overall, the services that provided by Hainan airline are very good.	3.28	.710	Medium
Total	3.32	.691	Medium Satisfaction
<b>Attitudes towards the CSR activity</b>			
5. I will support Hainan airline CSR activities because I think part of my money is going to help others.	4.07	1.044	Neutral
6. I feel more comfortable get service on the Hainan airline that they make an effort on CSR	4.17	.863	Neutral
7. I will not support airline company if they engage in unethical behavior.	4.20	.855	Neutral

(Continued)

Table 4.4(Continued): Mean, standard deviation, and interpretation on the samples' satisfaction, attitude toward CSR activity, purchase decision

Items	$\bar{x}$	SD	Interpretation
Total	4.15	.920	Positive Attitude
<b>Purchase Behavioral</b>			
8. I intend to purchase Hainan airline service in the future.	3.30	.716	Medium
9. I intend to continue purchasing Hainan airline service.	3.36	.673	Medium
10. I have no intention to purchase Hainan airline.	3.35	.684	Medium
Total	3.34	.691	Medium Intention
Total for purchase decision	3.60	.767	Medium Intention

As shown in Table 4.4, descriptive findings revealed that the overall mean of the customers' satisfaction, attitude toward CSR activity, and purchase behavioral is medium intention ( $\bar{x}=3.60$ ). Examining each variable, samples has positive attitude towards the CSR activity ( $\bar{x}=4.15$ ,  $SD=.920$ ), followed by the mean of purchase behavior is middle intention ( $\bar{x}=3.34$ ,  $SD=.691$ ) and the lowest mean is satisfaction at the neutral ( $\bar{x}=3.32$ ,  $SD=.691$ ), respectively.

According the criteria, if the mean value between 2.34 to 3.66, it is mean the samples have "Medium Intention" to purchase the product or service of Hainan airline. There are three constructs of purchase decision. The highest mean of them is attitudes towards the CSR activity ( $\bar{x}=4.15$ ). The second highest mean of them is purchase behavioral ( $\bar{x}=3.34$ ). The lowest mean of them is satisfaction ( $\bar{x}=3.32$ ), respectively.

## 4.2 Summary on Hypotheses Findings and Other Findings

**H1: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influence customers' self-perceived corporate reputation (Manfred's two-dimensions and RQ) toward Hainan airline.**

H1.1: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to affective reputation and cognitive reputation.

Table 4.5: Summary of Wilks' Lambda tests the relationship between the exposure and participation to CSR initiatives and customers' self-perceived corporate reputation in respect to affective reputation and cognitive reputation

Effect	F	df	Error df	p
Environment dimension (i.e. Green Aviation)	.587a	4.000	298.000	.673
Social dimension (i.e. The Change for Good)	1.246a	4.000	298.000	.291
Economy dimension (i.e. Facing the Establishment of Ghana Airlines")	2.552a*	4.000	298.000	<b>.039</b>
Stakeholder dimension (i.e. Optimize Customer Experience)	1.669a	4.000	298.000	.157
Voluntariness dimension (i.e. HNA Brightness Action )	1.662a	4.000	298.000	.159

Note: a. Exact statistic, \* $p < 0.05$

As shown in Table 4.5, MANOVA analysis using Wilks' Lambda Test indicated that the exposure and participation to CSR initiatives in economy dimension (i.e. Green Aviation) ( $F_{(4, 200)} = 2.552^*$ ,  $p < .05$ ) significantly influenced customers' self-perceived corporation reputation in respect to cognitive reputation and affective reputation, but the exposure and participation to CSR initiatives in environment dimension (i.e. Facing the Establishment of Ghana Airlines") ( $F_{(4, 200)} = .587$ ,  $p > .05$ ), social dimension (i.e. The Change for Good) ( $F_{(4, 200)} = 1.246$ ,  $p > .05$ ), stakeholder dimension (i.e. Optimize Customer Experience) ( $F_{(4, 200)} = 1.669$ ,  $p > .05$ ) and voluntariness dimension (i.e. HNA Brightness Action ) ( $F_{(4, 200)} = 1.662$ ,  $p > .05$ ) did not significantly influenced customers' self-perceived corporation reputation in respect to cognitive reputation and affective reputation. Thus, hypothesis H1.1 was partially supported.

Table 4.6: Tests of Between-Subjects Effects of the exposure and participation to CSR initiatives and samples' self-perceived corporation reputation in respect to affective reputation and cognitive reputation

<b>Tests of Between-Subjects Effects</b>				
	df	Mean Square	F	Sig.
Environment dimension <b>(i.e. Green Aviation)</b>	2	.019	.114	.892
	2	.118	.787	.457
Social dimension <b>(i.e. The Change for Good)</b>	2	.391	2.330	.101
	2	.142	.945	.391
Economy dimension <b>(i.e. Facing the Establishment of Ghana Airlines)</b>	2	.240	1.432	.242
	2	.020	.132	.876
Stakeholder dimension <b>(i.e. Optimize Customer Experience)</b>	2	.496	2.960	.055
	2	.417	2.771	.066
Voluntariness dimension <b>(i.e. HNA Brightness Action )</b>	2	.035	.206	.814
	2	.147	.975	.380

Table 4.6 (Continued): Tests of Between-Subjects Effects of the exposure and participation to CSR initiatives and samples' self-perceived corporation reputation in respect to affective reputation and cognitive reputation

	df	Mean Square	F	Sig.
Environment & social dimension <b>(i.e. Green Aviation &amp; The Change for Good)</b>	2	.535*	3.187	<b>.044</b>
	2	.602*	4.000	<b>.020</b>
Environment & economy dimension <b>(i.e. Green Aviation &amp; Facing the Establishment of Ghana Airlines)</b>	3	.058	.345	.793
	3	.089	.591	.622
Environment & stakeholder dimension <b>(i.e. Green Aviation &amp; Optimize Customer Experience)</b>	1	.245	1.462	.229
	1	.445	2.960	.087
Environment & voluntariness dimension <b>(i.e. Green Aviation &amp; HNA Brightness Action)</b>	2	.071	.425	.654
	2	.063	.418	.659

Note: \* $p < 0.05$

As shown in Table 4.6, the Analysis of Variance test (MANOVA) revealed that customer's exposure and participation to CSR initiatives in environment dimension

( $F_{(2,200)} = .114, p > .05$ ), social dimension ( $F_{(2,200)} = 2.330, p > .05$ ), economy dimension ( $F_{(2,200)} = 1.432, p > .05$ ), stakeholder dimension ( $F_{(2,200)} = 2.960, p > .05$ ), voluntariness dimension ( $F_{(2,200)} = .206, p > .05$ ) did not significantly influenced the sample's self-perceived corporate reputation to affective reputation.

However, when environment dimension and social dimension are examined together, the finding indicated that customer's exposure and participation to CSR in the environment & social dimension ( $F_{(2, 200)} = 3.187^*, p < .05$ ) significantly influenced the samples' self-perceived corporate reputation in respect to affective reputation. Besides, the analysis showed that customer's exposure and participation to CSR initiatives in other combined dimension did not have significant influence on sample's self-perceived corporate reputation in respect to affective reputation, including environment & economy dimension ( $F_{(3, 200)} = .345, p > .05$ ), environment & stakeholder dimension ( $F_{(1, 200)} = 1.462, p > .05$ ) and environment & voluntariness dimension ( $F_{(2, 200)} = .425, p > .05$ ).

In respect to cognitive reputation that the samples' self-perceived corporate reputation, the findings revealed that customer's exposure and participation to CSR initiatives in environment dimension ( $F_{(2,200)} = .787, p > .05$ ), social dimension ( $F_{(2,200)} = .945, p > .05$ ), economy dimension ( $F_{(2,200)} = .132, p > .05$ ), stakeholder dimension ( $F_{(2,200)} = 2.771, p > .05$ ), voluntariness dimension ( $F_{(2,200)} = .975, p > .05$ ) did not have significant influence on sample's self-perceived corporate reputation in respect to cognitive reputation.

Despite of it, when environment dimension and social dimension are examined together, the finding indicated that customer's exposure and participation to CSR initiatives in the environment & social dimension ( $F_{(2, 200)} = 4.000^*, p < .05$ ) significantly influenced the samples' self-perceived corporate reputation in respect to cognitive reputation. Besides, the analysis showed that customer's exposure and participation to CSR initiatives in other combined dimension did not have significant influence on sample's self-perceived corporate reputation in respect to affective reputation, including environment & economy dimension ( $F_{(3, 200)} = .591, p > .05$ ), environment &



stakeholder dimension ( $F_{(1, 200)} = 2.960$ ,  $p > .05$ ) and environment & voluntariness dimension ( $F_{(2, 200)} = .418$ ,  $p > .05$ ).

H1.2: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

Table 4.7: Summary of Wilks' Lambda tests the relationship between customer's exposure and participation to CSR initiatives and samples' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

Effect	F	df	Error df	p
Environment dimension (i.e. Green Aviation)	.920a	12.000	290.000	.527
Social dimension (i.e. The Change for Good)	2.862a*	12.000	290.000	.001
Economy dimension (i.e. Facing the Establishment of Ghana Airlines)	1.599a	12.000	290.000	.091
Stakeholder dimension (i.e. Optimize Customer Experience)	2.257a*	12.000	290.000	.010
Voluntariness dimension (i.e. HNA Brightness Action)	2.176a*	12.000	290.000	.013
Environment & social dimension (i.e. Green Aviation & The Change for Good)	1.495a	12.000	290.000	.125
Environment & economy dimension (i.e. Green Aviation & Facing the Establishment of Ghana Airlines)	.673	18.000	410.607	.838
Environment & stakeholder dimension (i.e. Green Aviation & Optimize Customer Experience)	.502a	6.000	145.000	.806
Environment & voluntariness dimension (i.e. Green Aviation & HNA Brightness Action)	2.053a*	12.000	290.000	.020

Note: a. Exact statistic \* $p < 0.05$

As shown in Table 4.6, MANOVA analysis using Wilks' Lambda Test indicated that customer's exposure and participation to CSR initiatives in social dimension (i.e. The Change for Good) ( $F_{(12, 200)} = 2.862^*$ ,  $p < .05$ ), stakeholder dimension (i.e. Optimize Customer Experience) ( $F_{(12, 200)} = 2.257^*$ ,  $p < .05$ ) and voluntariness dimension (i.e. HNA Brightness Action) ( $F_{(12, 200)} = 2.176^*$ ,  $p < .05$ ) significantly influenced customers' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. In addition, it also revealed that the exposure to CSR initiatives in environment & voluntariness dimension (i.e. Green Aviation & HNA Brightness Action) ( $F_{(12, 200)} = 2.053^*$ ,  $p < .05$ ) significantly influenced customers' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

However, customer's exposure and participation to CSR initiatives in the remaining dimensions did not significantly influenced the sample's self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership, including environment dimension (i.e. Green Aviation) ( $F_{(12, 200)} = .920$ ,  $p > .05$ ) and economy dimension (i.e. Facing the Establishment of Ghana Airlines) ( $F_{(12, 200)} = 1.599$ ,  $p > .05$ ). At the same time, customer's exposure and participation to CSR initiatives in environment & social dimension (i.e. Green Aviation & The Change for Good) ( $F_{(4, 200)} = 1.495$ ,  $p > .05$ ), environment & economy dimension (i.e. Green Aviation & Facing the Establishment of Ghana Airlines) ( $F_{(4, 200)} = .673$ ,  $p > .05$ ), environment & stakeholder dimension ( $F_{(4, 200)} = .502$ ,  $p > .05$ ) and environment & stakeholder dimension (i.e. Green Aviation & Optimize Customer Experience) ( $F_{(4, 200)} = .502$ ,  $p > .05$ ) did not significantly influenced the sample's self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. Thus, hypothesis H1.2 was partially supported.

Table 4.8: Tests of Between-Subjects Effects of the exposure and participation to CSR initiatives and customers' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

<b>Tests of Between-Subjects Effects</b>				
		<b>df</b>	<b>F</b>	<b>Sig.</b>
<b>Environment dimension</b>	Product and service	2	.724	.487
	Workplace environment	2	1.120	.329
	Social and environmental responsibility	2	.262	.770
	Financial performance	2	1.981	.142
	Market performance	2	.724	.486
	Vision and leadership	2	1.183	.309
<b>Social dimension</b>	Product and service	2	5.436*	<b>.005</b>
	Workplace environment	2	1.579	.210
	Social and environmental responsibility	2	4.425*	<b>.014</b>
	Financial performance	2	1.114	.331
	Market performance	2	3.903*	<b>.022</b>
	Vision and leadership	2	1.590	.207
<b>Economy dimension</b>	Product and service	2	.169	.845
	Workplace environment	2	1.122	.328
	Social and environmental responsibility	2	.373	.689
	Financial performance	2	.829	.438
	Market performance	2	.974	.380
	Vision and leadership	2	.666	.515
<b>Stakeholder dimension</b>	Product and service	2	1.234	.294
	Workplace environment	2	.234	.792
	Social and environmental responsibility	2	.825	.440
	Financial performance	2	.809	.447
	Market performance	2	3.776*	<b>.025</b>
	Vision and leadership	2	1.507	.225
<b>Voluntariness dimension</b>	Product and service	2	.929	.397
	Workplace environment	2	.593	.554
	Social and environmental responsibility	2	.001	.999
	Financial performance	2	.880	.417

Table 4.8(Continued): Tests of Between-Subjects Effects of customer's exposure and participation to CSR initiatives and samples' self-perceived corporation reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

	Market performance	2	5.952*	<b>.003</b>
	Vision and leadership	2	2.314	.102
<b>Environment &amp; social dimension</b>	Product and service	2	1.146	.321
	Workplace environment	2	1.072	.345
	Social and environmental responsibility	2	.734	.482
	Financial performance	2	1.659	.194
	Market performance	2	5.051*	<b>.008</b>
	Vision and leadership	2	2.003	.139
	<b>Economy &amp; voluntariness dimension</b>	Product and service	4	1.078
Workplace environment		4	.981	.420
Social and environmental responsibility		4	.863	.488
Financial performance		4	.969	.426
Market performance		4	4.036*	<b>.004</b>
Vision and leadership		4	1.078	.370

Note: \* $p < 0.05$

As shown in Table 4.7, the Analysis of Variance test (MANOVA) revealed that customer's exposure and participation to CSR initiatives in social dimension ( $F_{(2, 200)} = 5.436^*$ ,  $p < .05$ ) significantly influenced the samples' self-perceived corporate reputation in respect to product and service. Customer's exposure and participation to CSR initiatives did not have significant influence on samples' self-perceived corporate reputation in respect to product and service, including environment dimension ( $F_{(2, 200)} = .724$ ,  $p > .05$ ), economy dimension ( $F_{(2, 200)} = .169$ ,  $p > .05$ ), stakeholder dimension ( $F_{(2, 200)} = 1.234$ ,  $p > .05$ ) and voluntariness dimension ( $F_{(2, 200)} = .929$ ,  $p > .05$ ). Besides, the analysis showed that customer's exposure and participation to CSR initiatives in other combined dimension did not have significant influence on samples' self-perceived corporate reputation in respect to product and service, including environment & social

dimension ( $F_{(2, 200)} = 1.146$ ,  $p > .05$ ) and economy & voluntariness dimension ( $F_{(4, 200)} = 1.078$ ,  $p > .05$ ).

When analyzing the relationship between customer's exposure and participation to CSR initiatives and samples' self-perceived corporation reputation in respect to workplace environment, the analysis showed that the samples' exposure and participation with CSR initiatives in all dimension did not have significant influence on their self-perceived corporate reputation in respect to workplace environment, including environment dimension ( $F_{(2, 200)} = 1.120$ ,  $p > .05$ ), social dimension ( $F_{(2, 200)} = 1.579$ ,  $p > .05$ ); economy dimension ( $F_{(2, 200)} = 1.122$ ,  $p > .05$ ); stakeholder dimension ( $F_{(2, 200)} = .234$ ,  $p > .05$ ), voluntariness dimension ( $F_{(2, 200)} = .593$ ,  $p > .05$ ), environment & social dimension ( $F_{(2, 200)} = 1.072$ ,  $p > .05$ ), economy & voluntariness dimension ( $F_{(4, 200)} = .981$ ,  $p > .05$ ).

In respect to social and environmental responsibility that self-perceived corporation reputation, the findings revealed that customer's exposure and participation to CSR initiatives in social dimension ( $F_{(2, 200)} = 4.425^*$ ,  $p < .05$ ) significantly influenced the samples' self-perceived corporate reputation in respect to social and environmental responsibility, but did not significantly influenced on the customers' exposure and participation in CSR initiatives in environment dimension ( $F_{(2, 200)} = .262$ ,  $p > .05$ ), economy dimension ( $F_{(2, 200)} = .373$ ,  $p > .05$ ), stakeholder dimension ( $F_{(2, 200)} = .825$ ,  $p > .05$ ), voluntariness dimension ( $F_{(2, 200)} = .001$ ,  $p > .05$ ). Besides, the analysis showed that customer's exposure and participation to CSR initiatives in other combined dimension did not have significant influence on samples' self-perceived corporate reputation in respect to social and environmental responsibility, including environment & social dimension ( $F_{(2, 200)} = .734$ ,  $p > .05$ ) and economy & voluntariness dimension ( $F_{(4, 200)} = .863$ ,  $p > .05$ ).

In respect to financial performance that self-perceived corporation reputation, customer's exposure and participation to CSR initiatives in environment dimension ( $F_{(2, 200)} = 1.981$ ,  $p > .05$ ), social dimension ( $F_{(2, 200)} = 1.114$ ,  $p > .05$ ), economy dimension ( $F_{(2, 200)} = .829$ ,  $p > .05$ ), stakeholder dimension ( $F_{(2, 200)} = .809$ ,  $p > .05$ ), voluntariness

dimension ( $F_{(2, 200)} = .880, p > .05$ ), environment & social dimension ( $F_{(2, 200)} = 1.659, p > .05$ ) and economy & voluntariness dimension ( $F_{(4, 200)} = .969, p > .05$ ) that did not significantly influenced the sample's self-perceived corporate reputation in respect to financial performance.

In respect to market performance that self-perceived corporation reputation, customer's exposure and participation to CSR initiatives in social dimension ( $F_{(2, 200)} = 3.903^*, p < .05$ ), stakeholder dimension ( $F_{(2, 200)} = 3.776^*, p < .05$ ) and voluntariness dimension ( $F_{(2, 200)} = 5.952^*, p < .05$ ) significantly influenced the samples' self-perceived corporate reputation in respect to market performance. Besides, the exposure to CSR initiatives in environment & social dimension ( $F_{(2, 200)} = 5.051^*, p < .05$ ) and economy & voluntariness dimension ( $F_{(4, 200)} = 4.036^*, p < .05$ ) also significantly influenced the samples' self-perceived corporate reputation in respect to market performance. However, customer's exposure and participation to CSR initiatives in environment dimension ( $F_{(2, 200)} = .724, p > .05$ ) and economy dimension ( $F_{(2, 200)} = .974, p > .05$ ) did not significantly influenced the sample's self-perceived corporate reputation in respect to market performance.

In respect to vision and leadership that self-perceived corporation reputation, the analysis showed that customer's exposure and participation to CSR initiatives in all dimensions did not significantly influenced the sample's self-perceived corporate reputation in respect to vision and leadership, including environment dimension ( $F_{(2, 200)} = 1.183, p > .05$ ), social dimension ( $F_{(2, 200)} = 1.590, p > .05$ ), economy dimension ( $F_{(2, 200)} = .666, p > .05$ ), stakeholder dimension ( $F_{(2, 200)} = 1.507, p > .05$ ), voluntariness dimension ( $F_{(2, 200)} = .2314, p > .05$ ), environment & social dimension ( $F_{(2, 200)} = 2.003, p > .05$ ) and economy & voluntariness dimension ( $F_{(4, 200)} = 1.078, p > .05$ ).

**H2: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.**

Table 4.9: Correlation Analysis between customers' self-perceived corporate reputation in respect to product and service, workplace environment, social and environment responsibility, financial performance, market performance, vision and leadership were positively correlated with their affective reputation and cognitive reputation.

Customers' self - perceived corporate reputation	Personal affective		Personal cognitive		Product and service		Workplace Environment		Social and Environmental Responsibility		Financial performance		Market performance		Vision and leadership	
	r	Sig.	r	Sig.	r	Sig.	r	Sig.	r	Sig.	r	Sig.	r	Sig.	r	Sig.
<b>Personal affective</b>	1.000	.	.780**	.000	.749**	.000	.742**	.000	.746**	.000	.843**	.000	.619**	.000	.845**	.000
<b>Personal cognitive</b>	.780**	.000	1.000	.	.643**	.000	.626**	.000	.584**	.000	.742**	.000	.537**	.000	.799**	.000
<b>Product and service</b>	.749**	.000	.643**	.000	1.000	.	.790**	.000	.908**	.000	.736**	.000	.430**	.000	.896**	.000
<b>Workplace environment</b>	.742**	.000	.626**	.000	.790**	.000	1.000	.	.838**	.000	.816**	.000	.542**	.000	.812**	.000
<b>Social and environmental responsibility</b>	.746**	.000	.584**	.000	.908**	.000	.838**	.000	1.000	.	.763**	.000	.352**	.000	.798**	.000
<b>Financial performance</b>	.843**	.000	.742**	.000	.736**	.000	.816**	.000	.763**	.000	1.000	.	.654**	.000	.866**	.000
<b>Market performance</b>	.619**	.000	.537**	.000	.430**	.000	.542**	.000	.352**	.000	.654**	.000	1.000	.000	.615**	.000
<b>Vision and leadership</b>	.845**	.000	.799**	.000	.896**	.000	.812**	.000	.798**	.000	.866**	.000	.615**	.000	1.000	.

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

As shown in Table 4.8, an analysis of Spearman Correlation revealed that samples' personal affective is positively correlated with personal cognitive ( $r = .780^{**}$ ,  $p < 0.01$ ). It also showed that personal affective is positively correlated with vision and leadership ( $r = .845^{**}$ ,  $p < 0.01$ ), financial performance ( $r = .843^{**}$ ,  $p < 0.01$ ), product and service ( $r = .749^{**}$ ,  $p < 0.01$ ), social and environmental responsibility ( $r = .746^{**}$ ,  $p < 0.01$ ), workplace environment ( $r = .742^{**}$ ,  $p < 0.01$ ), market performance ( $r = .619^{**}$ ,  $p < 0.01$ ). Among, vision and leadership ( $r = .845^{**}$ ,  $p < 0.01$ ), financial performance ( $r = .843^{**}$ ,  $p < 0.01$ ) are in the high correlation, product and service ( $r = .749^{**}$ ,  $p < 0.01$ ), social and environmental responsibility ( $r = .746^{**}$ ,  $p < 0.01$ ) and workplace environment ( $r = .742^{**}$ ,  $p < 0.01$ ) are in the middle correlation, respectively.

In respect to personal cognitive, Analysis of Spearman Correlation is showed that it positively correlated with vision and leadership ( $r = .799^{**}$ ,  $p < 0.01$ ), personal affective ( $r = .780^{**}$ ,  $p < 0.01$ ), financial performance ( $r = .742^{**}$ ,  $p < 0.01$ ), product and service ( $r = .643^{**}$ ,  $p < 0.01$ ), workplace environment ( $r = .626^{**}$ ,  $p < 0.01$ ), social and environmental responsibility ( $r = .584^{**}$ ,  $p < 0.01$ ) and market performance ( $r = .537^{**}$ ,  $p < 0.01$ ). Another, all of vision and leadership ( $r = .799^{**}$ ,  $p < 0.01$ ), personal affective ( $r = .780^{**}$ ,  $p < 0.01$ ), financial performance ( $r = .742^{**}$ ,  $p < 0.01$ ), product and service ( $r = .643^{**}$ ,  $p < 0.01$ ), workplace environment ( $r = .626^{**}$ ,  $p < 0.01$ ), social and environmental responsibility ( $r = .584^{**}$ ,  $p < 0.01$ ) and market performance ( $r = .537^{**}$ ,  $p < 0.01$ ) are in the high correlation.

In respect to product and service, Analysis of Spearman Correlation is showed that it positively correlated with all the customers' self-perceived corporate reputation, including environmental responsibility ( $r = .908^{**}$ ,  $p < 0.01$ ), vision and leadership ( $r = .896^{**}$ ,  $p < 0.01$ ), workplace environment ( $r = .790^{**}$ ,  $p < 0.01$ ), personal affective ( $r = .749^{**}$ ,  $p < 0.01$ ), financial performance ( $r = .736^{**}$ ,  $p < 0.01$ ), personal cognitive ( $r = .643^{**}$ ,  $p < 0.01$ ), market performance ( $r = .430^{**}$ ,  $p < 0.01$ ). Another, environmental responsibility ( $r = .908^{**}$ ,  $p < 0.01$ ) and vision and leadership ( $r = .896^{**}$ ,  $p < 0.01$ ) are in the high correlation. Workplace environment ( $r = .790^{**}$ ,  $p < 0.01$ ), personal



affective( $r=.749^{**}$ ,  $p<0.01$ ), financial performance( $r=.736^{**}$ ,  $p<0.01$ ), personal cognitive( $r=.643^{**}$ ,  $p<0.01$ ) are in the middle correlation. However, market performance ( $r=.430^{**}$ ,  $p<0.01$ ) is in the low high.

In respect to workplace environment, Analysis of Spearman Correlation is showed that it positively correlated with social and environmental responsibility( $r=.838^{**}$ ,  $p<0.01$ ), financial performance ( $r=.816^{**}$ ,  $p<0.01$ ), vision and leadership ( $r=.812^{**}$ ,  $p<0.01$ ), product and service ( $r=.790^{**}$ ,  $p<0.01$ ), personal affective ( $r=.742^{**}$ ,  $p<0.01$ ), personal cognitive ( $r=.626^{**}$ ,  $p<0.01$ ), market performance ( $r=.542^{**}$ ,  $p<0.01$ ). Among, environmental responsibility( $r=.838^{**}$ ,  $p<0.01$ ), financial performance ( $r=.816^{**}$ ,  $p<0.01$ ), vision and leadership ( $r=.812^{**}$ ,  $p<0.01$ ) are in the high correlation. And product and service ( $r=.790^{**}$ ,  $p<0.01$ ), personal affective ( $r=.742^{**}$ ,  $p<0.01$ ), personal cognitive ( $r=.626^{**}$ ,  $p<0.01$ ) and market performance ( $r=.542^{**}$ ,  $p<0.01$ ) are in the middle correlation.

In respect to social and environmental responsibility, Analysis of Spearman Correlation is showed that product and service ( $r=.908^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.838^{**}$ ,  $p<0.01$ ), vision and leadership ( $r=.798^{**}$ ,  $p<0.01$ ), financial performance ( $r=.763^{**}$ ,  $p<0.01$ ), personal affective ( $r=.746^{**}$ ,  $p<0.01$ ), personal cognitive ( $r=.584^{**}$ ,  $p<0.01$ ), market performance( $r=.352^{**}$ ,  $p<0.01$ ) were correlated with social and environmental responsibility in customers' self -perceived corporate reputation. Product and service ( $r=.908^{**}$ ,  $p<0.01$ ) and workplace environment ( $r=.838^{**}$ ,  $p<0.01$ ) are in the high correlation, and vision and leadership ( $r=.798^{**}$ ,  $p<0.01$ ), financial performance ( $r=.763^{**}$ ,  $p<0.01$ ), personal affective ( $r=.746^{**}$ ,  $p<0.01$ ) and personal cognitive ( $r=.584^{**}$ ,  $p<0.01$ ) are in the middle correlation. However, market performance( $r=.352^{**}$ ,  $p<0.01$ ) is in the low correlation.

In respect to financial performance, Analysis of Spearman Correlation is indicated that it positively correlated with vision and leadership( $r=.866^{**}$ ,  $p<0.01$ ), personal affective( $r=.843^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.816^{**}$ ,  $p<0.01$ ), social and environmental responsibility( $r=.763^{**}$ ,  $p<0.01$ ), personal cognitive( $r=.742^{**}$ ,  $p<0.01$ ),

product and service ( $r=.736^{**}$ ,  $p<0.01$ ) and market performance( $r=.654^{**}$ ,  $p<0.01$ ). Vision and leadership( $r=.866^{**}$ ,  $p<0.01$ ), personal affective( $r=.843^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.816^{**}$ ,  $p<0.01$ ) are in the high correlation. Another, personal cognitive( $r=.742^{**}$ ,  $p<0.01$ ), product and service ( $r=.736^{**}$ ,  $p<0.01$ ) and market performance( $r=.654^{**}$ ,  $p<0.01$ ) are in the middle correlation.

In respect to market performance, Analysis of Spearman Correlation is showed that financial performance( $r=.654^{**}$ ,  $p<0.01$ ), personal affective ( $r=.619^{**}$ ,  $p<0.01$ ), vision and leadership( $r=.615^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.542^{**}$ ,  $p<0.01$ ), personal cognitive ( $r=.537^{**}$ ,  $p<0.01$ ), product and service ( $r=.430^{**}$ ,  $p<0.01$ ), social and environmental responsibility( $r=.352^{**}$ ,  $p<0.01$ ) were correlated with market performance in customers' self -perceived corporate reputation. Financial performance( $r=.654^{**}$ ,  $p<0.01$ ), personal affective ( $r=.619^{**}$ ,  $p<0.01$ ), vision and leadership( $r=.615^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.542^{**}$ ,  $p<0.01$ ) and personal cognitive ( $r=.537^{**}$ ,  $p<0.01$ ) are in the high correlation. However, product and service ( $r=.430^{**}$ ,  $p<0.01$ ), social and environmental responsibility( $r=.35^{**}$ ,  $p<0.01$ ) are in the low correlation.

In respect to vision and leadership, Analysis of Spearman Correlation is showed that it positively correlated with product and service( $r=.896^{**}$ ,  $p<0.01$ ), financial performance( $r=.866^{**}$ ,  $p<0.01$ ), personal affective( $r=.845^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.812^{**}$ ,  $p<0.01$ ), personal cognitive( $r=.799^{**}$ ,  $p<0.01$ ), social and environmental responsibility( $r=.798^{**}$ ,  $p<0.01$ ) and market performance( $r=.615^{**}$ ,  $p<0.01$ ). Product and service( $r=.896^{**}$ ,  $p<0.01$ ), financial performance( $r=.866^{**}$ ,  $p<0.01$ ), personal affective( $r=.845^{**}$ ,  $p<0.01$ ), workplace environment ( $r=.812^{**}$ ,  $p<0.01$ ) are in the high correlation. Another, personal cognitive( $r=.799$ ,  $** p<0.01$ ), social and environmental responsibility( $r=.798^{**}$ ,  $p<0.01$ ) and market performance( $r=.615^{**}$ ,  $p<0.01$ ) are in the middle correlation. Thus, Hypothesis 2 is fully supported.

**H3: Customers' self-perceived corporate reputations are significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.**

H3.1: Customers' self-perceived corporate reputation in respect to Manfred's two-dimensions is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

Table 4.10: Multiple Regression Analysis indicating customers' self-perceived personal affective and personal cognitive as a predictors of customers' satisfaction toward Hainan airline

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Personal affective	1.038	0.035	1.094*	0.000
Personal cognitive	-2.11	0.039	-.204*	0.000

a. Dependent Variable: : Satisfaction toward Hainan airline

As shown in Table 4.10, the analysis of Multiple Regression Analysis showed that sample's personal affective (Beta=1.094\*,  $p < 0.01$ ) is a significant predictors of sample' satisfaction toward Hainan airline, and their personal cognitive (Beta=-.204\*,  $p < 0.01$ ) is a significant predictors of sample' satisfaction toward Hainan airline. However, sample's personal cognitive (Beta=-.204\*) and their satisfaction toward Hainan airline are negative relationship.

Table 4.11: Multiple Regression Analysis indicating customers' self-perceived personal cognitive and personal affective as a predictors of customers' attitude toward the CSR activity

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Personal affective	.099	.104	.096	.343
Personal cognitive	.416	.113	.372*	0.000

a. Dependent Variable: Attitude toward the CSR activity

As shown in Table 4.11, an analysis of Multiple Regression Analysis showed that sample's personal cognitive (Beta=.096\*,  $p < 0.01$ ) is significant predictors of sample' attitude toward the CSR activity, but personal affective (Beta=.096,  $p > 0.01$ ) is not a significant predictors of sample' attitude toward the CSR activity.

Table 4.12: Multiple Regression Analysis indicating customers' self-perceived personal cognitive and personal affective as a predictors of customers' intention to purchase

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Personal affective	.480	.105	.426*	0.000
Personal cognitive	.207	.114	.169	.071

a. Dependent Variable: intention to purchase

As shown in Table 4.12, the analysis of Multiple Regression Analysis showed that sample's personal cognitive (Beta=.426\*,  $p < 0.01$ ) is a significant predictors of sample's intention to purchase, but their personal affective (Beta=.169,  $p > 0.01$ ) is not significant predictors of sample's intention to purchase. Thus, Hypothesis 3.1 is partly supported.

H3.2: Customers' self-perceived corporate reputation in respect to Reputation Quotient is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.

Table 4.13: Multiple Regression Analysis indicating customers' self-perceived corporate reputation in product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership as significant predictors of their satisfaction toward Hainan airline

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Product and service	-.092	.109	-.119	.400
Workplace environment	-.109	.091	-.113	.230
Social and environmental responsibility	.517	.108	.624*	<b>.000</b>
Financial performance	.230	.095	.254	.017
Market performance	.267	.062	.272*	<b>.000</b>
Vision and leadership	.016	.126	.017	.899

a. Dependent Variable: : satisfaction toward Hainan airline

As shown in Table 4.13, the analysis of Multiple Regression Analysis indicated that social and environmental responsibility (Beta=.624\*,  $p < 0.01$ ) and market performance (Beta=.272\*,  $p < 0.01$ ) are significant predictors of sample's satisfaction toward Hainan airline. However, sample's corporate reputation toward product and service (Beta=-.119,  $p > 0.01$ ), workplace environment (Beta=-.113,  $p > 0.01$ ), financial performance (Beta=.254,  $p > 0.01$ ) and vision and leadership (Beta=.017,  $p > 0.01$ ) are not significant predictors of sample's satisfaction toward Hainan airline.

Table 4.14: Multiple Regression Analysis indicating customers' self-perceived corporate reputation in product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership as significant predictors of their attitude toward the CSR activity

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Product and service	-.029	.134	-.034	.830
Workplace environment	-.003	.111	-.003	.978
Social and environmental responsibility	-.359	.133	-.400*	<b>.008</b>
Financial performance	.886	.117	.905*	<b>.000</b>
Market performance	.041	.076	.039	.589
Vision and leadership	.145	.155	.144	.350

a. Dependent Variable: attitude toward the CSR activity

As shown in Table 4.14, the analysis of Multiple Regression Analysis indicated that social and environmental responsibility (Beta=-.400\*,  $p < 0.01$ ) and financial performance (Beta=.905\*,  $p < 0.01$ ) are significant predictors of sample's attitude toward the CSR activity. However, product and service (Beta=-.034,  $p > 0.01$ ), workplace environment (Beta=-.003,  $p > 0.01$ ), vision and leadership (Beta=.144,  $p > 0.01$ ) and market performance (Beta=.039,  $p > 0.01$ ), are not significant predictors of sample's attitude toward the CSR activity. However, social and environmental responsibility (Beta=-.400\*) and sample's attitude toward the CSR activity are negative relationship.

Table 4.15: Multiple Regression Analysis indicating customers' self-perceived corporate reputation in product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership as significant predictors of Customers' intention to purchase Hainan airline

<b>Independent Variables</b>	<b>b</b>	<b>SE<sub>b</sub></b>	<b>Beta</b>	<b>Sig.</b>
Product and service	.196	.116	.214	.094
Workplace environment	-.696	.097	-.609*	<b>.000</b>
Social and environmental responsibility	.236	.115	.240	.042
Financial performance	.086	.102	.080	.400
Market performance	.726	.066	.624*	<b>.000</b>
Vision and leadership	.397	.134	.361*	<b>.003</b>

a. Dependent Variable: intention to the CSR activity

As shown in Table 4.15, the analysis of Multiple Regression Analysis indicated that sample's corporate reputation toward workplace environment (Beta=-.609\*,  $p < 0.01$ ), market performance (Beta=.624\*,  $p < 0.01$ ) and vision and leadership (Beta=.361\*,  $p < 0.01$ ) are significant predictors of sample's intention to purchase Hainan airline. However, workplace environment (Beta=-.609\*) and sample's intention to purchase are negative relationship. Social and environmental responsibility (Beta=.240,  $p > 0.01$ ), product and service (Beta=.214,  $p > 0.01$ ) and financial performance (Beta=.080,  $p > 0.01$ ) are not significant predictors of sample's intention to purchase Hainan airline.

Thus, Hypothesis 3 is partly supported.

### 4.3 Conclusion of the Findings

Table 4.16: Summary of hypothesis testing

Hypothesis	Hypothesis Testing	<i>P</i> value	SPSS
H1.1  H1.2	Customer's exposure and participation to CSR initiatives in economy dimension significantly influenced customers' self-perceived corporation reputation in respect to cognitive reputation and affective reputation.  Social dimension, stakeholder dimension, voluntariness dimension and a combined dimension of environment and voluntariness significantly influenced customers' self-perceived corporation reputation in respect to Reputation Quotient	$p < .05$	One-way Multivariate Analysis of Variance (MANOVA).
H2	The samples' personal affective and personal cognitive are positively correlated with product and service, workplace environment, social and environment responsibility, financial performance, market performance, vision and leadership	$p < 0.01$	Spearman Correlation
H3.1.1  H3.1.2  H3.1.3  H3.2.1  H3.2.2	The samples' personal affective and personal cognitive are significant predictors of their satisfaction toward Hainan airline.  The samples' personal cognitive are significant predictors are significant predictors of their attitude toward the CSR activity.  The samples' personal affective are significant predictors of their intention to purchase.  The samples' social and environmental responsibility and market performance are significant predictors of sample's customers' satisfaction toward Hainan airline.  The samples' social and environmental responsibility and financial performance are predictors of sample' attitude toward the CSR activity	$p < 0.01$	Multiple Regression

(Continued)

Table 4.16(Continued): Summary of hypothesis testing

Hypothesis	Hypothesis Testing	<i>P</i> value	SPSS
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H3.2.3	The samples' workplace environment, market performance, and vision and leadership are predictors of their intention to purchase..	$p < 0.01$	Multiple Regression
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## CHAPTER 5

### DISCUSSION

This chapter presents the summary and discussion about the findings found from this survey research along with the theoretical explanation. Furthermore, this chapter also provides the limitations of the study, and recommendations for application and future research. This chapter also includes the following components:

5.1 Hypotheses Summary and Discussion

5.2 Conclusion of the Research

5.3 Limitations

5.4 Recommendation for Further Application

5.5 Recommendation for Further Research

#### 5.1 Hypotheses Summary and Discussion

The survey instrument tested three major hypotheses:

**Hypothesis 1: Customer's exposure and participation to CSR initiative in environment, social, economy, stakeholder, and voluntariness dimensions significantly influence customers' self-perceived corporate reputation (Manfred's two-dimensions and RQ) toward Hainan airline.**

H1.1: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to Manfred's two-dimensions.

H1.2: Customer's exposure and participation to CSR initiatives in environment, social, economy, stakeholder, and voluntariness dimensions significantly influenced customers' self-perceived corporation reputation in respect to Reputation Quotient.

Testing hypothesis 1.1, the findings analyzed by One-way Multivariate Analysis of Variance found that customer's exposure and participation to CSR initiatives in economy dimension significantly influenced samples' self-perceived corporate reputation in respect to Manfred's two-dimensions, but customer's exposure and participation to CSR initiatives in environment dimension, social dimension, stakeholder dimension, and voluntariness dimension did not significantly influenced on samples' self-perceived corporation reputation in respect to Manfred's two-dimensions. Thus, hypothesis 1.1 is partially supported. For customers one of stakeholders, their perceptions of corporate reputation positively reflects their psychology, emotion, and behavior toward that entity (Walsh & Beatty, 2007). Despite there is not a lot significant influenced between the exposure and participation to CSR initiatives and customers' self-perceived corporate reputation in respect to Manfred's two-dimensions, the testing also revealed that the exposure and participation to CSR in the a combined dimensions of environment and social significantly influenced customers' self-perceived corporate reputation in respect to Manfred's two-dimensions if environment dimension and social dimension are examined together. Thus, customer evaluate corporate reputation positive if they participated in more than two dimensions. Therefore, a company wants to gain an effective CSR initiative if they organize two dimension of CSR together.

Testing hypothesis 1.2, the findings analyzed by One-way Multivariate Analysis of Variance indicated that exposure and participation to CSR initiatives in social, stakeholders, and voluntariness dimensions significantly partly influenced customers' self-perceived corporate reputation in respect to Reputation Quotient. Hypothesis 1.2 is partly supported. This findings coincided with the concept of "companies integrate social and environment concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (Dahlsrud, 2006; Smissen, 2012; Commission of the European Communities, 2001). At the same time,

in this study the Reputation Quotient examined the primary instrument to assess how a representative group of stakeholders perceive to affect their behavior, especially it closely associated with customers and their attitude. After that, this testing revealed that the exposure and participation to CSR in the combined dimensions of environment and voluntariness significantly influenced customers' self-perceived corporation reputation in respect to Reputation Quotient. This findings also pointed that customer evaluate corporate reputation positive if they participated in more than two dimensions. Therefore, the different dimensions of CSR vary according to the environment and social context of business to combine and develop.

When analyzing the correlation between customer perception of various CSR initiatives and each dimension of their corporate reputation, the One-way Multivariate Analysis of Variance showed that the exposure and participation to CSR initiatives in social dimension significantly influenced the samples' self-perceived corporate reputation in respect to product and service; the exposure and participation to CSR initiatives in social dimension significantly influenced the samples' self-perceived corporate reputation in respect to social and environmental responsibility; the exposure and participation to CSR initiatives in social dimension, stakeholder dimension, voluntariness dimension significantly influenced the samples' self-perceived corporate reputation in respect to market performance. This finding supports the Stakeholder Theory, which points out all of business activities should be based on market and stakeholder's requirement. Otherwise, corporate keeps away from market and stakeholder that will difficultly develop.

The findings of hypothesis 1 also support the Stakeholder Theory that customer as one of stakeholder in the economic market who affect or can be affected by an organization's decisions, policies and operations." (Post, Lawrence, & Weber, 2002, P. 8). Corporation has a strong relationship with customer as stakeholder that more easily achieve business purpose. Any business wants to be successful, which in

need of providing value for employees, customers, communities and other people (Freeman, 1984). The theory predicts the development of CSR initiatives needs the participation of stakeholder and the positive factors to attract customer that cannot leave corporate reputation, market requirement and dimensions.

These results support some attributes of independent variables and dependent variables, but not support them fully. Therefore, the results of this study show portion support for hypothesis 1.

**Hypothesis 2: There is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.**

For testing hypothesis 2, the findings of correlation analysis revealed that there is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. Hypothesis 2 is fully supported. The findings coincided with the previous Manfred's study that a customer evaluate corporate reputation not only follow subjective perceptions of a company's attributes but also express disposition on these attributes (Manfred, 2004). Li (2005) stressed a structural model, which is made of component scale and drivers scale to influence corporate reputation. In addition, component scale and drivers scale are provided by Manfred's two-dimensions and Reputation Quotient respectively in this structural model. Thus, the findings also coincided with this structural model that the customers'

self-perceived corporate reputation in respect to personal cognitive and personal affective can be component scale actively correlated with the driver scale of customers' self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership.

When analyzing the correlation between customers' self-perceived corporate reputation in respect to product and service, workplace environment, social and environment responsibility, financial performance, market performance, vision and leadership were positively correlated with their affective reputation and cognitive reputation, the Spearman Correlation analysis showed that vision and leadership and financial performance are in high correlation with personal affective; all of vision and leadership, financial performance, product and service, workplace environment, social and environmental responsibility, market performance, personal affective are in the high correlation with personal cognitive. It predicted that not only analyze customers' affective and cognitive responds of different CSR dimensions, but also can find the outcomes related to costumers' affective and cognitive responds (Li, 2005).

Therefore, these results support all attributes of independent variables and dependent variables. Therefore, the results of this study show fully support for hypothesis 2.

**Hypothesis 3: Customers' self-perceived corporate reputation is significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase.**

For testing hypothesis 3, the analysis of Multiple Regression showed that customers' self-perceived corporate reputation is partly significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. Hypothesis 3 is partly supported. Oliver (1999) asserted that satisfaction is a

kind of customers' sense and attitude that as a result related with the transformation of pleasure and displeasure after consumption. Thus, customer's attitude and purchase behavior are also as a part of the influence of customer satisfaction to be studied. Especially, Kim (2014) found that customer satisfaction is influenced by cognitive and affective to evaluate and respond customers' experience respectively. This findings support the Social Exchange Theory, which explains satisfaction occurs when worth are greater than individuals' worth expectation (Kim, 2014). The theory suggests the relationship satisfaction is occurring with when the perceived worth of relationships are greater than expectations for the relationships, and argued people to evaluate their relationship based on costs and rewards (West & Turner, 2010).

When analyzing the correlation between customers' self-perceived corporate reputations are significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase, the Multiple Regression analysis showed that the samples' personal affective, personal cognitive, social and environmental responsibility and market performance are significant predictors of sample's customers' satisfaction toward Hainan airline; the samples' personal cognitive, social and environmental responsibility and financial performance are predictors of sample' attitude toward the CSR activity; the samples' personal cognitive, workplace environment, market performance and vision and leadership are significant predictors of sample's intention to purchase Hainan airline. This finding support Social Exchange Theory that stressed people are satisfied with their relationship when the rewards exceed the costs and more investments are put into this relationship to achieve future worth (Levine, Sang-Yeon and Ferrara, 2010). Therefore, customers are used to search worth from market, social and environment until the worth are greater than individuals' worth expectation (Kim, 2014). At the same time, the process is influencing on individual cognitive and it is also considered

as the most influential conceptual to understand individual's attitude and purchase behavior (Cropanzano & Mitchell, 2005).

Therefore, these results support some attributes of independent variables and dependent variables, but not support them fully. Therefore, the results of this study show portion support for hypothesis 3.

## **5.2 Conclusion of the Research**

The study mainly aimed to research the relationship between various exposure and participation to corporate social responsibility initiatives of Hainan airline and customers' perceived reputation toward Hainan airline, satisfaction toward the company's CSR activity, and their purchasing behavior by using a survey research. In this study, it not only focuses on CSR initiatives influenced corporate reputation, but also promotes other aspects of research development. Firstly, this study sought to extend the research of Dahlsrud (2006) that examined the dimensions of CSR initiatives based on environmental dimension, social dimension, economy dimension, stakeholder dimension, and voluntariness dimension. These dimensions using Stakeholder Theory stress the stakeholder role of customer to analysis CSR initiatives with new points. In addition, this study sought to extend the research of Manfred (2004) and Fombrun (1996) that provides a new measurement scope of corporate reputation that is suitable for Chinese situation to measure the influential factors and strength of CSR initiative to reputation. Furthermore, this study extended the research of Blau's (1964) Social Exchange Theory that sought to understand the customer's satisfaction and attitude how to form and influenced by CSR initiative and corporate reputation.

The research undertaken here revealed that participants who were exposed to the CSR initiative in economy dimension, social, stakeholders and voluntariness dimensions that had significant influenced customer's self-perceived corporate



reputation. At the same time, environment & voluntariness dimension, environment & social dimension that also had significant influenced customer's self-perceived corporation reputation when suitable dimensions are examined together. These findings stated that customer understands CSR initiatives from various aspects and single aspect of CSR initiatives cannot create significant impact. In addition, customers' self-perceived corporate reputations in environment dimension, social dimension, and economy dimension are mainly significant predictors of their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. According to the Social Exchange Theory, people tend to seek and keep relationship as it can generate profitable rewards more than that in the costs (Levine, Sang-Yeon and Ferrara, 2010). Usually, the theory argued people to evaluate their relationship based on costs and rewards (West & Turner, 2010). West and Turner (2007) defined that rewards are the elements of relational life with positive value. Thus, people are satisfied with their relationship when the rewards exceed the costs and more investments are put into this relationship to achieve future worth (Levine, Sang-Yeon and Ferrara, 2010). The findings of this study support this theory and explain CSR initiatives in an environment dimension, social dimension, and economy dimension more easily help customer gain rewards and satisfaction. During the process of exchange, firm actions and outcomes might translate into reputations and customer's satisfaction.

These findings of hypothesis 1 support the Stakeholder Theory and the finding expands of previous study. The customer as one of stakeholders in the economic market can be affected by an organization's decisions, policies and operations (Post, Lawrence, & Weber, 2002, P. 8). Corporation has a strong relationship with customer as stakeholder in more likely to achieve business purpose. The theory predicts the development of CSR initiatives needs the participation of stakeholder and the positive

factors to attract customer that cannot leave corporate reputation, market requirement and dimensions.

According to hypothesis 2, the findings of correlation analysis revealed that there is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. It is predicted that not only customers' personal affective and cognitive responds different to CSR dimensions, but also can find main factors which cause differences of affective and cognitive responds (Li, 2005). These findings of hypothesis 3 support the Social Exchange Theory, environment dimension, social dimension, and economy dimension of CSR initiatives can significantly influence customer's satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. Customers more focus on some basic aspects of CSR and they can gain and feel more positive information.

### **5.3 Limitations**

1. The limitation of the instrument due to the questionnaire consists of four parts, there are too many contents for customers to answer. Moreover, some parts of the questions related with CSR initiatives or corporate reputation that is applied by professional statement, it is difficult to be understood by respondents. Thus, respondents cannot answer the questionnaire directly through their truly thoughts. This may affect and distort the result of the study.

2. The limitation of the study is that there are some CSR initiatives that was extensively promoted in China, so many respondents may not be exposed to some CSR initiatives yet. When they were answering the questionnaire, they couldn't have

deep understand and couldn't perceived the true feeling in those CSR initiatives, which may affect the accuracy of this study.

3. The limitation of data period collection is also another factor influencing the result of research. Researcher conducted and distributed questionnaires during the time of May 2015. So the research only can represent the specific time period, cannot represent all the times.

#### **5.4 Recommendation for Future Application**

1. Findings from Hypothesis 1 suggest that there is significantly relationship between socially responsible business practice of CSR initiatives and customers' perceived corporate reputation towards Hainan airline. Besides that, there is also significantly correlation between different CSR initiatives dimension and some dimensions of corporate reputation. The finding also suggests that Hainan airline wants to develop a CSR initiative and cannot focus on the single dimension. An excellent of CSR initiative should consider organize variety of dimensions or multi-dimension CSR.

2. Findings from Hypothesis 2 suggest that there is a positive correlation between customers' self-perceived corporate reputation toward Hainan airline in respect to their personal cognitive and personal affective and their self-perceived corporate reputation in respect to product and service, workplace environment, social and environmental responsibility, financial performance, market performance, vision and leadership. The finding also suggests that Hainan airline can use these findings by focusing on reputation factors to adjust corporate management. A company cannot always balance the reputation from cognitive and affective respond, however, it can based on the interaction of Manfred's two-dimensions and Reputation Quotient to adjust.

3. Findings from Hypothesis 3 suggest that there is significantly relationship between customers' self-perceived corporate reputation and their satisfaction toward Hainan airline, attitude toward the CSR activity, and intention to purchase. Besides that, there is also significantly correlation between the other dimension of corporate reputation and each dimension of satisfaction, attitude and intention to purchase of Hainan airline. The finding also suggests that Hainan airline can use this finding by focusing some significant factors of corporate reputation, which can effectively influence the customers' satisfaction, attitude and purchase intention towards the services of organization.

### **5.5 Recommendation for Future Research**

1. This kind of research requires more time to collect the customer's data due to a large number of survey pages or confusing and professional contents in the questionnaire. Some of respondents did not have good condition or enough time to fulfill the survey. Therefore, it can be designed more carefully and appropriately.

2. This kind of research, may add new variables about income and education because different levels of these variables can affect customer thinking of CSR initiatives and their satisfaction and attitude. Thus, it needs to better control a lot of variables orderly and logically.

3. This kind of research, which is lack of survey about CSR initiatives in China and people have little information sources about it as CSR is still a field developed in Chinese academic and marketing. Therefore, a research needs to make sure that there are a lot of sources and sample to control and support this topic.

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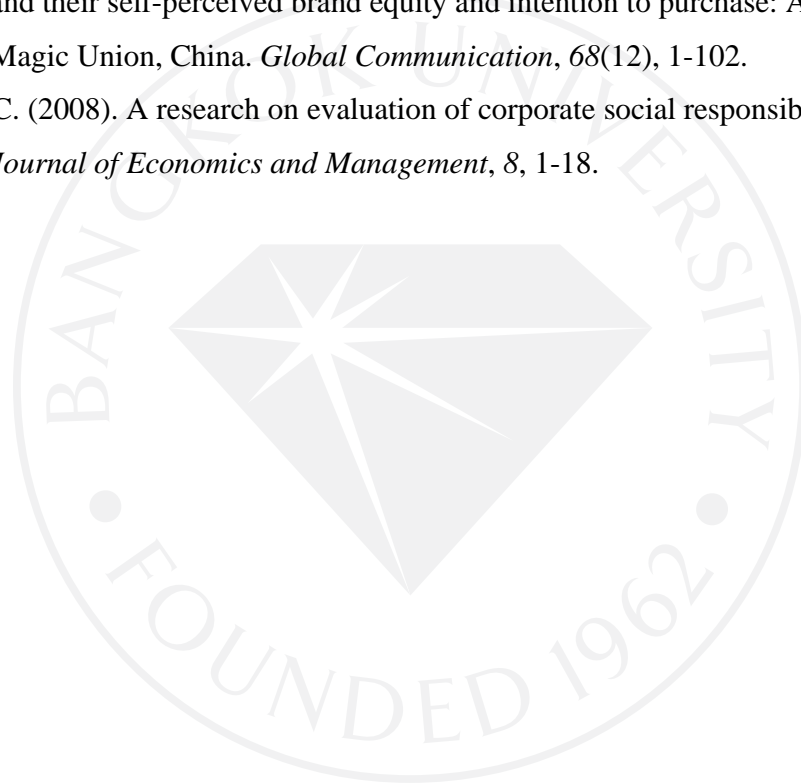
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## APPENDIX A

### Questionnaire in English

This questionnaire is a partially fulfillment for the course ICA 600 Independent Study, Master's Degree in Global Communication, Bangkok University. This survey aims to examine the relationship between customers' participation in various corporate social responsibility initiatives of Hainan airline and their perceived reputation toward Hainan airline, satisfaction toward the company's CSR activity, and their purchasing behavior. Please choose the answer that can best represent your opinion. Your responses will remain anonymous. Thank you in advance for your time and effort. Your answers will be treated confidentially for the researcher will be using the results of the surveys for educational purpose only.

#### Part I: Data about demographic profile of the sample.

Please place a cross mark (✓) next the appropriate answer that can best represent your demographic profile.

1. Sex:
  - 1. Male
  - 2. Female
2. Age:
  - 1. 18-24 years old
  - 2. 25-31 years old
  - 3. 32-38 years old
  - 4. 38-44 years old
  - 5. 45-51years old
  - 6. Over 51 years old
3. Level of Education
  - 1. Senior High School
  - 2. Bachelor degree
  - 3. Master degree
  - 4. Higher than master degree
4. What is your current occupation?
  - 1. Student
  - 2. Government officer
  - 3. Governmental enterprise
  - 4. Employees of private enterprises
  - 5. Freelance and entrepreneurs
  - 6. Others (please specify): .....
5. Monthly income
  - 1. Less than 2,000 RMB
  - 2. 2,001-4,000 RMB
  - 3. 4,001-6,000 RMB
  - 4. 6,001- 8,000 RMB
  - 5. More than 8,001 RMB

**Part II: This part of questionnaire would like to ask about your participation and exposure to various CSR initiatives of Hainan airline under the five dimensions. Place a check mark (✓) on the table provided. You can select the following choices to describe your participation and exposure.**

- 1. I have been exposed and participated in CSR activity.**
- 2. I have heard or exposed to this CSR initiative from the media publicity but never attend it before.**
- 3. I have never heard or being exposed to the media publicity and have never attends this CSR initiative before.**

<b>Hainan airline CSR Initiatives in five dimensions</b>	<b>Description of the activities (What? How? Where? Benefits?)</b>	<b>1</b>	<b>2</b>	<b>3</b>
1. Environmental dimension	The project of “Green Aviation” to improve plane performance efficiency and reducing fuel consumption through installing winglets, upgrading the engine performance, installing carbon brakes and retiring planes ahead of schedule. The objective of project is to help lower emission and save fuel.			
2. Social dimension	“The Change for Good” Campaign, which is launched in 2013 in Beijing-Haikou flight. The campaign works with UNICEF and encourages passenger to donate, in order to improve the life of poor children and help them realize their potential. Hainan airline makes a plan to raise 10 million RMB in 5 years to feedback our society.			
3. Economy dimension	The project of “Facing the Establishment of Ghana Airlines” is to help establish Ghana AWA Airlines by cooperating with China-Africa Development Fund, the Ghana SAS Finance Group and the Ghana Social Insurance Fund. It not only drives Ghana’s economic development and facilitate travel for local people, but also improves the competitiveness of Hainan airline.			

4. Stakeholder dimension	The project of “Optimize Customer Experience” to improve its online system for the customers’ complaint handling. In order to gain a quality management and passenger satisfaction, Hainan airline develops the channel of Feedback Card, website message e-mail, micro blog Weibo and instant messaging service WeChat to communicate with passengers.			
5. Voluntariness dimension	The “HNA Brightness Action” campaign that Hainan airline takes part in helping plateau area of people blindness prevention and treatment. What’s more, Hainan airline encourages its employees to local villages and bring light and joy to more people through their own efforts			

**Part III: This part of questionnaire would like to ask about your perceived reputation toward Hainan airline based on your participation or exposure to Hainan airline’s CSR initiatives. Place a check mark (✓) on the table provided. Use the following choices to describe your answer:**

5. Strongly agree with the statement
4. Agree with the statement
3. Neutral – Not supporting any options of agree and disagree
2. Disagree with the statement
1. Strongly disagree with the statement

Statements	5	4	3	2	1
<b>Please according to your personal cognitive to the enterprise and select the appropriate option following statements.</b>					
1. As far as I know the Hainan airline company occupies the leading competitive position in the industry.					
2. As far as I know the Hainan airline company is a large and powerful.					
3. As far as I know the Hainan airline company has a high reputation in the domestic.					
4. As far as I know the Hainan airline company has a strong business capacity.					
5. I believe the Hainan airline company has bright developing prospect in the future.					
<b>Please according to your personal affective to the enterprise and select the appropriate option following statements.</b>					
6. I think the Hainan airline company is a likeable company.					

7. I agree and support the Hainan airline company in emotional aspect.					
8. Compared with other enterprises in the industry, if the Hainan airline company goes bankrupt I will feel sorry.					
9. I admire and respect the Hainan airline company.					
10. I trust the Hainan airline company.					
11. I care about the long-term development of Hainan airline company.					
12. I often pay attention and track the Hainan airline company's news and reports.					

<b>What is your perceived toward the corporate reputation of Hainan airline company?</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
<b>Product and service</b>					
1. I think the service of Hainan airline is high quality					
2. I think the service of Hainan airline is distinctive.					
3. I think the company highly focuses on the needs of customers according to their standpoint.					
4. The company can equally treat customers' complaints.					
5. The company is not afraid of trouble to make customer satisfaction.					
<b>Workplace environment</b>					
6. The company has modern management level					
7. I think the airplanes of Hainan airline are safe and comfortable.					
8. The Hainan airline looks like a company that would have good employees.					
9. I think the working relationship inside Hainan airline is harmonious.					
<b>Social and environmental responsibility</b>					
10. The company supports constructive social causes					
11. I think the Hainan airline pays attention on environment protection.					
12. I think the Hainan airline is honesty.					
13. The Hainan airline maintains a high standard in the way it treats people.					
14. I think the Hainan airline plays a positive role on stability and prosperity of the local community.					
<b>Financial performance</b>					

13. Hainan airline has a strong record of profitability.					
14. Hainan airline looks like a low-risk investment.					
15. I think the company tends to outperform its competitors					
16. I predict the company with strong prospects for future growth.					
<b>Market performance</b>					
17. As far as I know the company has a famous product brand in market.					
18. The brand and logo of company is impressive.					
19. I believe the market share of company continuously extend no matter in domestic or international market.					
20. I think the company has capacity to retain customers.					
<b>Vision and leadership</b>					
21. About future the Hainan airline has a distinct developing plan					
22. I think the senior manager (CEO) of Hainan airline has excellent leadership					
23. I think the senior manager (CEO) of Hainan airline has high integrity.					
24. I think the senior manager of Hainan airline is good at utilizing market opportunity					

**Part IV: This part of questionnaire would like to ask about your opinion on your satisfaction toward the airline service, your attitude toward the CSR activity, and your intentions to purchase the services of Hainan airline. Place a check mark (✓) on the table provided. Use the following choices to describe your answer:**

5. Strongly agree with the statement
4. Agree with the statement
3. Neutral – Not supporting any options of agree and disagree
2. Disagree with the statement
1. Strongly disagree with the statement

Items	5	4	3	2	1
<b>Satisfaction</b>					
1. Based on all the experiences with Hainan airline service, I am very satisfied with the service provided.					
2. I choose the service of Hainan airline was a wise one.					



3. Overall, I am satisfied with the service of Hainan airline					
4. Overall, the services that provided by Hainan airline are very good.					
<b>Attitudes towards the CSR activity</b>					
5. I will support Hainan airline CSR activities because I think part of my money is going to help others.					
6. I feel more comfortable get service on the Hainan airline that they make an effort on CSR					
7. I will not support airline company if they engage in unethical behavior.					
<b>Purchase Behavioral</b>					
8. I intend to purchase Hainan airline service in the future.					
9. I intend to continue purchasing Hainan airline service.					
10. I have no intention to purchase Hainan airline.					

## APPENDIX B

### Questionnaire in Chinese

您好！对于您在百忙之中抽空填写此份问卷，我们不胜感激。本问卷旨在调查您的看法对海南航空公司各个企业社会责任活动，海南航空企业声誉，顾客满意度和购买行为的联系和影响。请按照您的实际情况填答即可。问卷调查的结果纯为学术研究之用并保证严格保密。感谢您的热心参与，谢谢您！

#### 第一部分：人口数据样本

请根据您的实际情况填写个人资料，在相应选项的数字代码前面打（√）。

1. 性别:

1. 男                       2. 女

2. 年龄:

1. 18-24 岁  
 2. 25-31 岁  
 3. 32-38 岁  
 4. 38-44 岁  
 5. 45-51 岁  
 6. 51 岁以上

3. 文化程度

1. 高中  
 2. 大学  
 3. 硕士  
 4. 硕士以上

4. 目前的职业是什么？

1. 学生  
 2. 公务员  
 3. 国有企业  
 4. 私人企业员工  
 5. 自由职业  
 6. 其它: .....

5. 月收入

1. 低于2,000 RMB  
 2. 2,001-4,000 RMB  
 3. 4,001-6,000 RMB  
 4. 6,001- 8,000 RMB

5. 高于8,001 RMB

第二部分：这部分问卷将基于企业社会责任的 5 个维度调查您对海南航空公司各种企业社会责任活动的参与和了解。请在相应选项的数字代码前面打（✓）。您可以选择下列选项描述您的参与和了解。

1. 我曾经参加过这个企业社会责任活动。
2. 我曾经从媒体中听过或了解这个企业社会责任活动，但从未参加过。
3. 我不曾听说或从媒体里了解到这个企业社会责任，也没有参加过。

五个维度下的海南航空企业社会责任活动	活动内容 (什么? 怎么做? 地点? 利益?)	1	2	3
1. 环境维度	“绿色航空”项目主要通过安装机翼，提高发动机性能，安装碳刹车和提前退休年龄飞机来提高飞机性能。同时，该项目目的是帮助降低排放和节省燃料。			
2. 社会维度	2013年“零聚爱心”活动被开展在北京到海口的航线上。该活动是与联合国儿童基金会合作，鼓励乘客捐赠来帮助提高贫困儿童的生活条件并且帮助他们意识到自己的潜能。海航计划在5年内筹集1000万人民币来反馈我们的社会。			
3. 经济维度	“筹建加纳航空，助力非洲发展”项目中，主要通过中非发展基金会，加纳SAS金融集团，加纳社保基金共同合作帮助建立加纳航空公司。这不但促进加纳的经济发展和为当地人出行提供便利，而且也提高了海航的竞争实力。			
4. 利益相关者维度	“优化客户体验”项目通过改善在线客户投诉处理系统，来获得管理质量和乘客满意度。比如海航采用反馈卡，微博，微信，邮件和即时通讯来与乘客交流。			
5. 自愿维度	“海航光明行”活动中海航来到青海等高原地区，帮助当地人对白内障的治疗和预防。并且，海航也鼓励自己的员工来到当地村落，通过自己的努力给当地人带来更多的光明和快乐。			

第三部分：这部分问卷将基于您对海南航空企业社会责任活动的参与或了解，调查您对海南航空声誉的感知。请在相应选项的数字代码前面打（√）。使用下列选项描述您的回答。

1. 非常不同意
2. 不同意
3. 不置可否
4. 同意
5. 非常同意

题目	5	4	3	2	1
<b>请依照您个人对该企业的理性认知，对下列叙述选取适当的选项</b>					
2. 据我所知海航在主要行业中占据了领先的竞争地位					
2. 据我所知海航是大规模，有实力的公司					
3. 据我所知海航在国内的知名度很高					
4. 据我所知海航的经营能力很强					
5. 我相信该公司在未来有光明的发展前景					
<b>请依照您个人对该企业的情感倾向，对下列叙述选取适当的选项</b>					
6. 我觉得海航是一家令人喜爱的公司					
7. 我在情感上认同和支持海航					
8. 与行业中其他企业相比，如果海航倒闭的话我会更感到遗憾					
9. 我欣赏和尊敬海航					
10. 我认为海航是值得信任的					
11. 我关心海航的长期发展					
12. 我经常关注会关注和追踪海航的有关新闻和报答					

你对海南航空声誉有怎么样的感知？	5	4	3	2	1
<b>产品和服务</b>					
6. 我认为海航的服务是高质量的					
7. 我认为海航所提供的服务是独特的					
8. 我认为海航是站在消费者立场行高度关注消费者需求的					
9. 海航能平等对待消费者的抱怨.					
10. 海航为使公众满意不怕麻烦					

<b>工作环境</b>					
6. 海航是现代化管理水平较高的					
15. 我认为海航的飞机是舒适安全的					
16. 海航看似拥有很多具有高素质的优秀员工					
17. 我认为海航内部的工作是和谐的					
<b>社会责任和环境</b>					
18. 海航支持社会慈善捐赠活动和社会公益活动					
19. 我认为海航重视环境保护					
20. 我感觉到海航是诚实的，提供的信息是真实可信的					
21. 我认为海航各项政策和行为符合伦理道德标准					
22. 我认为海航对当地社区的稳定和繁荣起到了积极的作用					
<b>财务业绩</b>					
13. 海航近年来一直保持良好的利润记录					
21. 我认为海航经营风险是适度的					
22. 我认为海航比其他竞争对手优秀					
23. 我预测海航业绩在未来几年有良好的发展趋势					
<b>市场表现</b>					
24. 据我所知海航有众所周知的品牌					
25. 海航的名称和图表令人印象深刻					
26. 我相信海航在国内或国际市场中所占份额会不断扩大					
27. 我认为海航挽留顾客的能力较高					
<b>愿景与领导</b>					
21. 关于未来海航有清晰的规划					
25. 我认为海航高层管理者（CEO）有优秀的领导才能					
26. 我认为海航高层管理者（CEO）的诚信度高					
27. 我认为海航高层管理者善于识别和利用市场机遇					

第四部分：这部分问卷将调查您满意度观点针对航空服务，社会责任活动的态度和购买海南航空服务的意向。请在相应选项的数字代码前面打（√）。使用下列选项描述您的回答。

1. 非常不同意
2. 不同意
3. 不置可否
4. 同意
5. 非常同意

项目	5	4	3	2	1
<b>满意</b>					
1. 基于选择海航服务的经验, 提供的服务我非常满意。					
2. 我选择海航服务是明智的					
3. 总的来说, 我对海航服务感到满意					
4. 总的来说, 海航提供的服务非常好					
<b>对社会责任活动的态度</b>					
5. 我会支持海航社会责任活动因为我觉得我花的钱能帮助他人					
6. 如果我知道海航有在企业社会责任上努力, 我会在选择服务时感觉良好					
7. 如果海航有不道德的行为, 我都不会支持					
<b>购买行为</b>					
8. 我选择海航服务可能性很高					
9. 我将继续选择海航服务					
10. 我不会选择海航服务					

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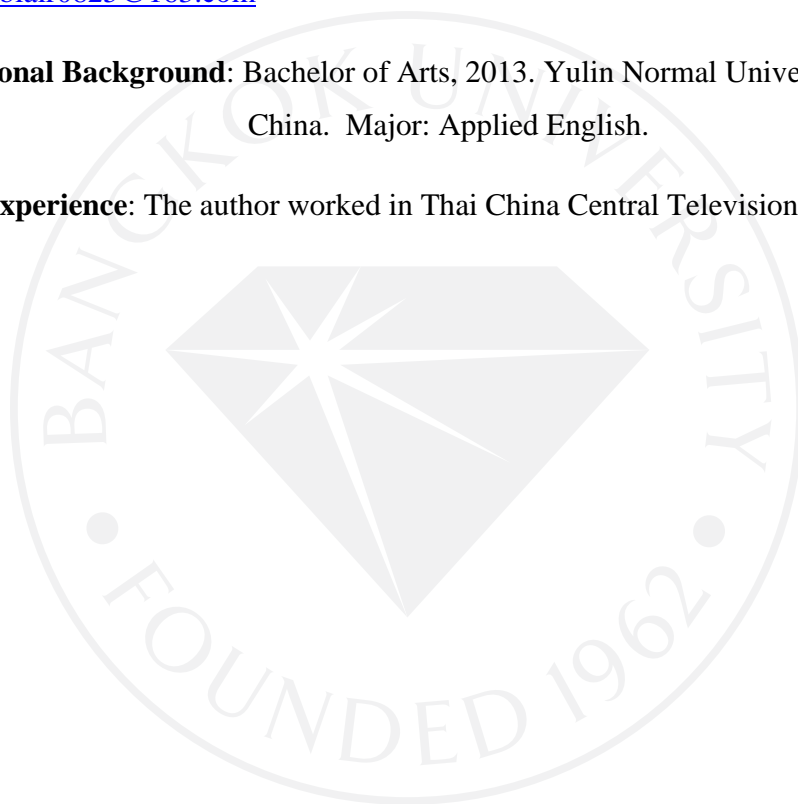
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