

Customer perceptions of CSR authenticity

Saju Jose

*Department of Marketing, College of Business, Abu Dhabi University,
Abu Dhabi, UAE*

Nilesh Khare

Jagran Lakecity Business School, Jagran Lakecity University, Bhopal, India, and

F. Robert Buchanan

*Department of International Business, Indiana University of Pennsylvania,
Indiana, Pennsylvania, USA*

Abstract

Purpose – The purpose of this paper is to look at corporate social responsibility (CSR)-related actions to see whether they relate to clients' perception of CSR.

Design/methodology/approach – Ninety-nine bank customers in Brisbane, Australia were surveyed by mail in a cross-sectional field study.

Findings – Not all CSR-related behaviors of the organizations were influential to perceptions of social responsibility. Big picture actions for the betterment of humanity were found to be influential to the perception of the firm's CSR. However, respondents did not relate the firms' profit and revenue initiatives to social responsibility, other than negativity toward false and misleading practices.

Research limitations/implications – Results are limited to one industry in Australia.

Practical implications – Actions for human betterment were found to be influential to the perception of the firm's CSR. Also the uses of dishonest marketing schemes were seen as detrimental to CSR perceptions of the firm. However, respondents did not connect the firm's business actions affecting profitability with customers, to their perceptions of its CSR. Thus, the authors conclude that altruism from a "big picture" standpoint has value in shaping CSR perception, but the organization may not always find it necessary to deprioritize profit, or to attempt to weave CSR actions into every aspect of their business.

Originality/value – The inquiry takes a novel approach to CSR, capturing an unexplored aspect of how CSR is perceived and valued by stakeholders.

Keywords Ethics, Banking, Perception, Social responsibility, CSR perception, Moral agency

Paper type Research paper



1. Introduction

Nearly every large company showcases their social responsibility initiatives publicly (Smith and Alexander, 2013). However, such actions that firms undertake may or may not convey their authentic commitment toward corporate social responsibility (CSR) (Lanis and Richardson, 2015). Indeed, companies are criticized for not "walking their CSR talk" (Lyon and Montgomery, 2015), sometimes in such terms as "greenwashing" (Bowen, 2014) which implies intentional deception.

Unfavorable publicity can test the boundaries of acceptability, as seen in the allegations that in August of 2015, Commonwealth Bank of Australia engaged in more than 50,000 instances of unlawful transactions that violated money-laundering statutes (Ferguson,

2017). Some of the cash clients had known-links to terrorism and terrorism finance. Three other big banks, namely, Westpac, ANZ and NAB, have also been used by money laundering syndicates to process offshore drug funds (McKenzie *et al.*, 2017).

Most extant research on CSR perception focuses on the effects of CSR on a variety of outcomes both objective as well as subjective (Planken *et al.*, 2013). Perception is defined here in context to Bandura's social cognitive model involving a continuous reciprocal process of observing and conceptualizing the external environment (Bandura, 1976). This involves selecting, organizing and interpreting people, objects and events. Although cost-benefit types of analyses generally remain inconclusive at best (Crane *et al.*, 2014), researchers have associated a variety of marketing benefits with favorable CSR perception (Albinger and Freeman, 2000; Jin and Drozdenko, 2010; Maignan and Ferrell, 2003; Sen and Bhattacharya, 2001).

Empirical examination is scarce pertaining to the role of CSR actions in shaping basic CSR perception (Blanco *et al.*, 2013). This paper examines the role of customers' basic awareness of organizational CSR actions in the shaping of CSR perception – if, and to what extent, the CSR “walk” that arises from an organization's behaviors toward the external environment (Wickert *et al.*, 2016) shapes consumers' perception of the firm being socially responsible. Additionally, the paper also examines whether factors such as consumer trust, consumer dissatisfaction with services, and ethics toward community moderate the relationship between corporate CSR actions and CSR perception. Thus, in this investigation, we do not concern ourselves with the popular inquiry of whether the CSR initiative could be monetized in some way (Shank *et al.*, 2005; Statman and Glushkov, 2009; Vogel, 2005).

2. Literature review and hypotheses

2.1 Background

Friedman (1962) emphasized that businesses must act in the shareholders' best interests, implying profit maximization as the overarching goal. However, organizations are increasingly being asked to respect other stakeholder interests and to follow ethically and socially responsible practices (Joyner and Payne, 2002). The topic of CSR and its subsequent outcomes have been widely studied (De Roeck *et al.*, 2014; Romani and Grappi, 2014; Walsh and Bartikowski, 2013). In the 1980s and 1990s, research examined CSR from the organizational perspective (Margolis and Walsh, 2001). In later years, the focus shifted toward stakeholder perspectives (Brown and Dacin, 1997; Marin and Ruiz, 2007; Mohr and Webb, 2005; Sen and Bhattacharya, 2001). This could be due to the emerging consumer-interest in CSR activities (Carrigan and Attalla, 2001; Maignan, 2001).

Typically, we find outcomes-oriented studies that relate CSR perception to various results such as re-purchase intention (Albinger and Freeman, 2000; Du *et al.*, 2007; Jose *et al.*, 2015), image of a company (Arendt and Brettel, 2010) and its brand (Fombrun and Shanley, 1990; Turban and Greening, 1997) and moderating effect of CSR during product crisis (Chi-Shiun *et al.*, 2015; Klein and Dawar, 2004). Research has provided evidence that CSR perception has a positive effect on consumer behavior (Bhattacharya and Sen, 2004; Sen *et al.*, 2006). However, studies have also found that at least sometimes, CSR perception could also elicit negative responses (Mohr *et al.*, 2001; Webb and Mohr, 1998). For example, researchers have found that questionable motives or deficits in trustworthiness create variations in how consumers perceive the legitimacy of a firm's CSR (Ellen *et al.*, 2006; Vlachos *et al.*, 2009).

2.2 Application of theory

Moral agency refers to the realization of some capacity (as an individual or group) to act morally and for change in a situation (Edwards *et al.*, 2011). Moral agency can be visualized as a cognitive manifestation of empathy. It is derived from learning experience (Aaltola, 2014) and is an outgrowth of Bandura's social cognitive theory (Bandura, 2002; Rathert *et al.*, 2016). Customers would make ethical attributions of organizations, based upon behaviors they observe in individuals (Garrett, 1989; French, 1984). For example, Neubert *et al.* (2009) identified a virtuous cycle of ethical leadership in which managers who were perceived as honest, trustworthy and fair contributed to the experience of a positive work environment. Karmark (2005) identified the value of trustworthiness in influencing perceptions of an organization's CSR. The actual authenticity of CSR efforts is difficult to determine (McShane and Cunningham, 2012). Irrespective of the virtue ethics involved, perceptions of actions and general trustworthiness factor into the observed moral character of a firm (Collier, 1995; Moore, 1999; Solomon, 1992).

2.3 Corporate social responsibility actions and perception

Perceptions of social responsibility would be subject to interpretation by individual observers. Businesses have long been observed to have obligations that are additional to the profitability interests of shareholders (Clark, 1916). CSR legitimacy (Panwar *et al.*, 2014) pertains to an organization's popular support in "which the array of established cultural accounts provides explanations for its existence, functioning, and jurisdiction" (Meyer and Scott, 1983, p. 201). For example, Starbucks supports a program which brings clean water to the poor communities in Africa and Asia, providing generous grants totaling more than \$6.2m (Liodice, 2010). In contrast, Volkswagen's attempt to circumvent emission standards to gain an unfair advantage over their competitors could be perceived as breaking the CSR promise (Dans, 2015). We believe that CSR efforts toward resolving problems of humanity can be clearly shown to act as primary drivers influencing CSR perception (Öberseder *et al.*, 2014). Hence, we hypothesize that:

- H1. The more consumers see a firm taking broadly impactful CSR actions, the higher they will perceive the firm to be socially responsible.

Other attributes that might contribute to CSR perception are observed ethical behavior or general trust in an organization. For example, consumers are likely to be skeptical of an organization's motives and commitment to CSR if they don't trust the organization in general. Similarly, customer dissatisfaction may affect their CSR perception. In the following section, we specifically focus and hypothesize on factors such as consumers' trust in the company, satisfaction with products and services and a firm's ethical behavior toward the community at large.

2.4 Consumers trust and corporate social responsibility

Consumers' trust plays a vital role in their overall perception of a company's CSR commitments (Ellen *et al.*, 2006; Sen *et al.*, 2006; Vlachos *et al.*, 2009). Trust is described as the essential cornerstone of strategic partnership between seller and buyer (Speckman, 1988). We contend that trustworthiness acts as a filter that determines how consumers see the corporate motives behind any activity, including CSR. Thus, we predict:

- H2. The more the consumers find a firm to be trustworthy, the higher they will perceive the firm to be socially responsible.

2.5 Customer satisfaction and corporate social responsibility

Luo and Bhattacharya (2006) have demonstrated a direct link between CSR and customers' overall evaluation. For example, Body Shop has received favorable customer evaluations for providing support to poor and disadvantaged communities, by sourcing some essential supplies from them. A strong CSR agenda may invoke positive customer response (Brown and Dacin, 1997; Sen and Bhattacharya, 2001). Research has also shown that customer dissatisfaction adversely relates to CSR impact on consumer behavior (Jose *et al.*, 2015). Thus, we hypothesize that:

- H3. The more consumers are dissatisfied with a firm's service responsiveness, the less they will perceive the firm to be socially responsible.

2.6 Ethics toward the community

According to Svensson and Wood (2004), trust and corporate ethics are closely linked.

CSR researchers have acknowledged the importance of ethics in their studies (Carroll, 1991; Cacioppe *et al.*, 2008; Ferrell, 2004; Joyner and Payne, 2002). Customers are known to have unfavorable evaluation of a firm if it deviates from an ethical path. Nike, for instance, was disparaged for their infamous connections with sweat shops. CSR perception, as conceptualized here, reflects firms' discretionary activities aimed at their communities. We predict that:

- H4. The more that consumers see a firm behaving in ethically sensitive manner toward the local community, the higher they will perceive the firm to be socially responsible.

2.7 Moderating effect of ethics, trust and customer service

CSR actions' effect on CSR perception is likely to be amplified when consumers trust a firm and perceive it as highly ethical in its behavior. Similarly, the positive impact of customer satisfaction may strengthen the linkage between CSR actions and CSR perception. We propose the moderating hypotheses below. Figure 1 that summarizes all our hypotheses follows:

- H5. A firm's trustworthiness will positively moderate the relationship between firm's CSR actions and consumers' perception of the firm being socially responsible.
- H6. Consumer's dissatisfaction with a firm's responsiveness will negatively moderate the relationship between firm's CSR actions and consumers' perception of the firm being socially responsible.

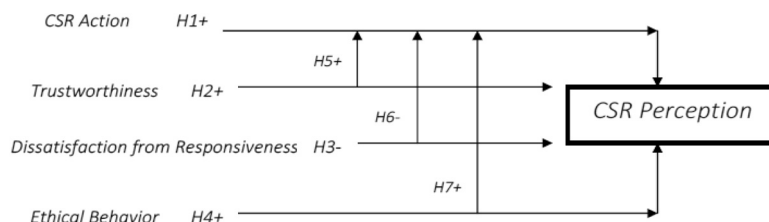


Figure 1.
Summarized
hypotheses

- H7. A firm's ethical behavior toward the community will positively moderate the relationship between firm's CSR actions and the consumers' perception of the firm being socially responsible.

3. Method

3.1 Industry context

The banking industry offers appropriate context for this paper. Similar to the trend of Fortune 500 companies, retail banks across the world are increasing their CSR spending (McDonald and Rundle-Thiele, 2008; Truscott *et al.*, 2009). Banks' commitment to CSR has been studied in areas such as green marketing (Asher, 1991), serving ultra-poor microfinance customers (Jose and Buchanan, 2013; Jose *et al.*, 2015) and environmentalism concerns in general (Fenn, 1995). Additionally, the factor of trust is vital for service providers such as banks, due to the sensitivity of economic transactions. Service levels, trust and ethical behavior toward the general population is found to be vital for consumers' relationship with their banks (Fatma *et al.*, 2015; Johnson *et al.*, 2001). While the relationship between CSR perception and outcomes has been widely studied in the banking context, the initial shaping of these perceptions remains to be studied.

3.2 Sample

We surveyed a randomly selected sample of residents from the major suburbs of Brisbane, Australia, using mail surveys in a cross-sectional field study design. The sample was derived from a database. Respondents were given equal opportunity to participate, as long as they were 18 or older and residents of Brisbane. Potential concerns of self-report bias relate to common method variance in the use of cross sectional data from a single data source (Campbell and Fiske, 1959; Fiske, 1982). Researchers have also raised skepticism about results that come from questionnaires in which subjects report on their own attitudes (Spector, 1994). However, it is often necessary to obtain data from the only people with accurate knowledge, which would be the subjects themselves (Maurer and Tarulli, 1994; Noe and Wilk, 1993).

The major disadvantage of survey by mail is a low response rate and a lack of control over no-response to questions (Malhotra, 2004). Although we received 197 responses resulting in a response rate of 18 per cent, after accounting for missing information, 99 surveys were usable. The questionnaire was designed to capture satisfaction levels relating to the variables of interest.

3.3 Variables and measurement

Survey items for the independent variables were measured on a five-point Likert scale from "strongly agree" to "strongly disagree". A focal measure was the consumer discontentment scale (CDS), developed by Lundstrom and Lamont (1976) and widely used. Included constructs related to consumers' perception regarding corporate citizenship, CSR action, their trust in their banks, ethical behavior toward the general community and dissatisfaction over service responsiveness.

Customer dissatisfaction is a six-item scale using such items as "often I need assistance in the bank and I am not able to get it". Trustworthiness is operationalized in context to trustworthiness in marketing practices. It is based on four items such as "Banks advertise special deals to get the customers in to sell them something else". Ethics toward the community is assessed via six items that relate to banks' prioritizing to avoid losses or low profitability such as "Bank does not want to help local residents as it is not profitable". CSR

action is a three-item scale using such items as “my bank is actively involved in helping solve social problems”. The multiple item variables were established through confirmatory factor analysis with Varimax rotation and Kaiser normalization and tested for reliability. Cronbach’s α – well below or near 0.7 for all the variables – were found to be acceptable or weakly acceptable (George and Mallery, 2003; Nunnally, 1978). The dependent variable, perception of corporate citizenship, is measured through response to the statement “My bank is good corporate citizen” on a five-point scale. Single-item measures have been found to have equal predictive validity to multiple-item measures (Bergkvist and Rossiter, 2007). Based on this rationale, Du *et al.* (2015) used an overall item for CSR in their survey, as well as a two-item measure of CSR commitment with an alpha of 0.90. We also conducted robustness checks on non-centered data using ordinal regression.

4. Analysis and results

Although some customers strongly believed their banks to be engaging in CSR, many did not. Only 49 per cent of the respondents perceived their banks to be positively engaging in CSR actions. On average, consumers also perceived banks as demonstrating low levels of ethical standards in their behavior toward the community. Only 20 per cent of respondents perceived their banks to be positively trustworthy and just 12 per cent either agreed or strongly agreed with banks being ethical toward the community at large. These observations were positively correlated with service dissatisfaction. Table I provides the descriptive statistics.

Using SPSS, we followed stepwise multivariate linear regression models to test the hypotheses discussed in the second section and summarized in Figure 1 and Table III. Response scores were centered for ordinary least square (OLS) analysis. The dependent variable is assumed to have independent and identical error terms distributed normally around a zero mean. Variance inflation factor scores were between 1.76 and 1.14, well below 10, indicating negligible concerns for multicollinearity (Salmeron *et al.*, 2013). We also conducted robustness checks on non-centered data using ordinal regression that appropriately addresses the need when dependent variables are Likert scored. Both OLS and ordinal regression provide consistent results. We present analysis based on OLS results as follows.

Model 1 examines *H2*, *H3* and *H4* concerning relationships of CSR perception with trustworthiness, dissatisfaction based on service responsiveness and ethical behavior toward the community, respectively. Model 2 tests the central hypothesis in this paper, *H1*, by incorporating CSR action while controlling for other independent variables. Models 3, 4 and 5 test moderating *H5*, *H6* and *H7*. We extend analysis via Model 6 that tests three way interaction effects (Baron and Kenny, 1986). Table II summarizes the results of the various models.

As shown, Model 2 offers strong support for *H1* (p value 0.00), suggesting that CSR action is vital in shaping consumers’ perception of socially responsible behavior of their service providers. In Model 1, *H2* found strong support across all models except Model 6 (p values from 0.019 to 0.064). *H2* suggests that trust in their banks will positively shape consumers’ perception of their banks as socially responsible. Model 1 allows us to test for *H3* as well. All models underscore that dissatisfaction with service level was not statistically significant in affecting perception of the organization as being socially responsible, although the direction suggests a negative relationship as hypothesized in *H3*. *H4* suggests ethical behavior toward the community to be significantly related to consumers’ perception that their banks are socially responsible and was not supported in any of the models. It is interesting to note that while consumers’ direct observations and overall trust in their bank

Table I.
Descriptive statistics

Variables	Minimum	Maximum	Mean	SD	CSR Perception	Ethics toward community	Correlation matrix		
							Trustworthiness	Dissatisfaction service	CSR action
CSR perception	1	5	3.37	0.982	1	0.248** (0.009)	0.361** (0.000)	-0.285** (0.002)	0.382** (0.000)
Ethics toward community	1	3.67	2.28	0.709	0.248** (0.009)	1	0.509** (0.000)	-0.465** (0.000)	0.349** (0.000)
Trustworthiness	1	4.50	2.50	0.789	0.361** (0.000)	0.509** (0.000)	1	-0.597** (0.000)	0.187 (0.052)
Dissatisfaction	1.17	5	3.13	0.751	-0.285** (0.002)	-0.465** (0.000)	-0.597** (0.000)	1	-0.246** (0.010)
CSR action	1	5	2.88	0.775	0.382** (0.000)	0.349** (0.000)	0.187 (0.052)	-0.246** (0.010)	1

Notes: * $p \leq 0.05$; ** $p \leq 0.1$

Variables	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Constant	2.734 (0.002)**	1.565 (0.076)*	0.802 (0.475)	3.319 (0.087)*	0.456 (0.713)	1.058 (0.771)
Trustworthiness	0.286 (0.019)**	0.269 (0.024)**	0.580 (0.064)*	0.288 (0.017)**	0.276 (0.020)**	0.351 (0.448)
Dissatisfaction	-0.099 (0.405)	-0.072 (0.536)	-0.079 (0.496)	-0.455 (0.247)	-0.063 (0.588)	-0.169 (0.764)
Ethics toward community	0.042 (0.696)	-0.038 (0.724)	-0.049 (0.647)	-0.059 (0.588)	0.334 (0.290)	0.221 (0.640)
CSR action		0.355 (0.000)**	0.566 (0.010)**	-0.100 (0.826)	0.670 (0.014)**	0.509 (0.590)
CSR action × Trustworthiness			-0.419 (0.280)			-0.097 (0.876)
CSR action × Dissatisfaction				0.530 (0.307)		0.141 (0.853)
CSR action × Ethics					-0.572 (0.211)	-0.411 (0.546)
<i>N</i>	104	99	99	99	99	99
Adjusted <i>R</i> ²	0.117	0.228	0.229	0.228	0.233	0.217
Notes: ** <i>p</i> value < 0.05; * <i>p</i> value between 0.05 and 0.1						

Table II.
Regressing CSR
perception

relates to their CSR perception, most of the consumers in our data did not see their banks as being ethically sensitive toward the local community, and it did not seem to affect their perception of banks as being socially responsible.

H1 remains statistically significant in all models except the ones with interaction terms involving dissatisfaction. The model with CSR action adds substantially more explanatory power, while the models involving additional interaction terms fail to improve it further. Indeed Models 3, 4 and 5 fail to provide any support for *H5*, *H6* and *H7*, respectively, summarized in Table III. It is noteworthy that although not statistically significant, CSR actions seem to mitigate statistically insignificant negative effect of dissatisfaction with service level on consumers' perception of their service provider as socially responsible.

5. Discussion and conclusions

CSR perception – consumers' view of their service providers as being socially responsible – is found to have some inconsistent linkages with several related organizational actions. While CSR perceptions have an effect on business outcomes and have been widely observed, we are unaware of studies that examine antecedents to the perception of CSR. This paper seeks to fill that gap.

We find that CSR actions relate to CSR perception in the following ways. When clients saw their banks actively involved in solving social problems, their positive CSR perceptions were significant. We found that the consumer's own trust in the firm's trustworthiness in general – observed via trust in sales and advertising tactics – directly and independently shaped whether they perceive their service provider to be socially responsible. We might say there is a moral high road associated with CSR perception, consistent with moral agency, defined as the capacity of a group, or of individuals in a group to act morally (Edwards *et al.*, 2011). This appears to be distinct from the more routine operational aspects of customer service and transactions. Thus, we see evidence that macro-level altruistic elements of moral agency are focal. For example, Neubert *et al.* (2009) identified a virtuous cycle of ethical leadership in which managers who were perceived as honest, trustworthy and fair contributed to a positive work experience. Karmark (2005) identified the value of trustworthiness in influencing perceptions of an organization's CSR. Perceptions of various actions as well as general trustworthiness factor into observations of the moral character of a firm (Collier, 1995; Moore, 1999; Solomon, 1992).

However, interestingly, being seen as prioritizing in favor of profitability rather than helping local community members – e.g. the perception that the bank does not engage in business that loses money – was not found to affect CSR perception. Thus, there appeared to be a significant CSR linkage to business programs benevolent in a macro sense, although not necessarily expecting local charity at the cost of the bank's economic interest. Similarly, customer dissatisfaction with service levels from their bank also did not seem to affect

Table III.
Assessment of
research hypotheses

Hypotheses	<i>p</i> value (< 0.05)	Supported
<i>H1</i>	0.000	Yes
<i>H2</i>	0.019	Yes
<i>H3</i>	0.405	No
<i>H4</i>	0.696	No
<i>H5</i>	0.280	No
<i>H6</i>	0.307	No
<i>H7</i>	0.211	No

consumers' CSR perception. Moreover, while extant research shows that factors such as satisfaction with service level, trustworthiness and ethical behavior toward the community at large can affect CSR's relationship to favorable consumer behavior outcomes, our results suggest that these factors do not necessarily all have such a direct impact on the linkage between CSR actions and CSR perception. In this way, positive outcomes sometimes attributed to social responsibility campaigns may not be directly related to the individuals' perceptions of CSR.

6. Limitations and implications

Findings which are not statistically significant can be useful to practitioners, although less publishable traditionally (Meyer *et al.*, 2017). Presentation of unsupported hypotheses also reduces concerns of researchers' "p-hacking" (Bettis, 2012) and post hoc theorizing (Bosco *et al.*, 2016). Interaction terms that were not supported in this study indicate that there were not more complex perceptual relationships taking place between the survey measures. The selection of a single industry in one geographical area acts as a natural control variable. However, generalizability of the results may be limited. Additionally, causality cannot be inferred from cross-sectional data. Future research needs broader sampling. Additional independent variables would be welcome as well.

This study offers managerial implications. It supports CSR actions that address "big picture" social issues; poverty, health, etc., and underscores the need to avoid actions that may damage consumer trust such as misleading marketing tricks and schemes. A primary contribution of this work is in finding that customers did not expect the bank to engage in costly initiatives just to help local residents. Indeed, while consumers in our study positively responded to "big picture" CSR actions, they did not seem to think the bank should lose money in its normal operations to be charitable toward the community. Based on this, we would infer that firms should seek the higher motives.

In application of these findings, the firm has responsibility to attempt shaping its narratives in the face of bad publicity. Commonwealth Bank may be ultimately successful in surviving their unlawful transactions scandal if they can characterize it as an internal business issue, albeit probably ill-advised. However, if the public perceives their behavior as an affront to the common good, substantial fallout could be anticipated. Certain prominent corporations including Google and Disney receive high marks in CSR surveys (RepTrack, 2015), while others such as Walmart, despite significant impact via their emphasis on environmentally sustainable packaging and transportation, do not generally garner such favorable CSR attention (Troutman, 2015). All of these firms receive negative publicity at times on their real or supposed ethical missteps, and all spend heavily on CSR, yet perceptions vary widely.

Our research explains some of the peculiarities observed in practice. Microsoft has an altruistic approach in its funding of causes for human rights and child safety. Along with Google and the Walt Disney Company, they have stayed at the top in CSR surveys since 2013, despite a history of aggressive market dominance and willing compliance with NSA spying by the government upon citizens (Greenwald *et al.*, 2013; RepTrack, 2015). Such compartmentalization of CSR activities in favor of societal good might somewhat inoculate an organization from its own organizational misconduct (Palmer, 2013). For Walmart's CSR, perhaps less based on charity but more on efficiency, the relationships discovered in this study may offer some explanation. Walmart's general lack of positive recognition (Troutman, 2015) for substantial environmental efforts via streamlining of operations, transportation and packaging are initiatives that apply to their routine business activities

(Wahba, 2015). Such CSR agendas do not resonate as strongly as Microsoft's charity toward humanity.

Conceptually, we recognize that CSR is a thorny abstraction that can consume considerable organizational resources to satisfy an array of stakeholder expectations. Not all of the expected elements of social responsibility related behavior in our study were seen to be influential to the overall perception of the firms' CSR. It seems that a decisive factor in the determination of a firm as socially responsible arises from a moral agency perspective in which the firm acts in a morally concerned way toward big social challenges. We find confirmation of McWilliams and Siegel's (2001, p. 117) definition of CSR as "actions that appear to further some social good, beyond the interests of the firm and that which is not required by law". Thus, there is authenticity in the firm displaying an altruistic intent in supporting causes that resonate with the improvement of the human condition while also pursuing business profitability, in being seen as "walking the CSR talk".

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Appendix. Survey items

CSR action

- 2.7: Bank takes a real interest in the community and is trying to improve quality of our life.
- 2.21: Bank is helping the community by providing them with the work.
- 2.23: My bank is actively involved in helping solve social problems.

CSR perception

- 2.45: My bank is good corporate citizen

Ethics toward community

- 2.4: Availability of credit makes spending too easy
- 2.8: Branch closures are another example of banks trying to maximize profit at the expense of community
- 2.26: Government should enforce more ethical banking business practices
- 2.28: Bank does not want help local residents as it is not profitable
- 2.35: Advertising influences people to purchase products (credit cards) without understanding the consequences.
- 2.44r: Bank branch closure can be justified

Trustworthiness

- 2.12 Government regulations are required to ensure banks price their services fairly
- 2.14 Often my bank cannot be trusted in what they say
- 2.20 Bank advertises special deals to get the customers in to sell them something else
- 2.25 Bank encourages consumers to buy more than they need

Dissatisfaction from responsiveness

- 2.5 Often I need assistance in the bank and I am not able to get it
- 2.19 My bank listens to customer complaints but then does nothing
- 2.27 Bank is not willing to listen to customer's concerns
- 2.30 Bank staff is less concerned with the needs of the customers
- 2.31 Bank takes personal interest in customer rather than treat them as a number
- 2.32 As soon as bank gets your business, they forget you

Corresponding author

F. Robert Buchanan can be contacted at: dr.bob.edu@gmail.com

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