Evaluating the Impact of Customer Satisfaction on Corporate Social Responsibility and Customer loyalty with the Mediating Role of Trust

Mohammadreza Dalvi and Elham Akrami

ABSTRACT

Organizations, whether being servicing or manufacturing, private or public, have an important influence on the social system and are part of the system. And therefore they are responsible for the consequences of their activities that have an impact on society. Today institutions and service organizations have found that customer satisfaction is required to maintain them in the company but not enough and they cannot be satisfied to customer satisfaction; they should ensure that their satisfied customers will be loyal. As a result, today, service organizations such as banks, doing their best to attract customer trust and convert satisfied customers into loyal customers. The purpose of this study is investigating the perception of corporate social responsibility focusing on ethical issues and related rights with concepts such as customer satisfaction, customer trust and customer loyalty. This research is practical in terms of target and is descriptive in terms of method and it is considered as correlation type and library studies. Population of this research is National Bank customers in Isfahan that were selected randomly. And the researcher made questionnaire was used to collect data, and 350 questionnaires were distributed that all questionnaires are returned. Reliability of the questionnaire is based on the prototype is equal to (α=86%). To assess the validity of the assessment tool of this research, the content validity was used. In addition, by using Spss and Amos software, the research hypotheses were tested. The results showed that social responsibility has a significant impact on customer satisfaction and vice versa, and also on customer loyalty and customer trust, and trust act as a key mediating variable in customer satisfaction.

INTRODUCTION

Today service industries allocated a significant part of the economy to itself. As manufacturing industries attempt to sell their goods, service industries also provide services to clients, with the difference that in service industries to increase profits not only attract new customers but retain customers and especially to key customers is very important. Banking Industry is one of the most important service industries. Nowadays people need to bank more than ever on the rise people expect more and faster services than banks do. According to the dramatic growth in the number of banks and create a competitive environment, banks in order to improve and better performance in order to have more resources and customers, it is necessary to evaluate the performance of banks in order to provide proper services to maintain and improve customer satisfaction in addition to thereby create competition between the branches, subsidiaries and branches efficiently determine boundaries ineffective in order to achieve efficiency and to improve marketing performance lead banks to take steps. The challenges that organizations face this is they need time to increase profitability and meet the social expectations of new these two seemingly contradictory outcomes and time management the need to develop practical strategies and positive impact on society, and the organization has achieved. Implementation of social responsibility in the organization, including mechanisms or strategies is effective in this regard. Hence it has always tried to interests of the organization in a way that will improve the community, over the fee paid benefit of the organization and a sense of entrepreneurship profit organizations addition, value-creating each other. In fact, organizations must take in order to maintain its legitimacy and survival the role and function of public and social. Banks, whether public or private, are in fierce competition with each other. The fact is that success in this competition with

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banks that greater share of customers’ dissatisfaction with the lowest allocated to them. This requires the provision of appropriate services and establishes and maintains confidence in the loyalty of our customers. This is necessary in order to be successful in improving customer satisfaction.

2. Research Background:
2-1. Theoretical background:
2-1-1. Customer Satisfaction:
Customer satisfaction is the success of many organizations in several studies related to customer relationships and word of mouth, loyalty, repeat purchase and increase the profitability of the organizations mentioned. According to Shanker and et al [1] Herington and et al [2] that: customer satisfaction is the result of a transaction or relationship between a customer's perception of value; the price is equal to the ratio of cost of quality services to customers from the point of view of Bennet and et al [3]

Customer satisfaction with various aspects services experience such as basic properties, excellent functional features, services, establishment of contact and interaction with the customer. Many companies tend to promote their goods on the way to the customer, the customer satisfaction as well. But customer satisfaction is the number of parameters to be measured, converted directly related to the characteristics of the goods or services. In this regard it is useful to identify the highest and lowest indices, and highlight the strengths and weaknesses could be worth it Oliver [4] as the main cause of long-term customer satisfaction is considered. Literature indicates that no universal method or accepted measurement scale for customer satisfaction there. Measuring customer satisfaction is more thorough investigation to be scientific

Factors affecting customer satisfaction:
Hartlyn [5] four factors in shaping client satisfaction or dissatisfaction effective business knows:
A) The main components of a product or service that customers expect it from the other competitors have to offer.
B) Support services such as technical assistance or training that leads to greater efficiency of product / service or use it easy.
C) Process flow: rapid resolution of problems in providing a product or service.
D) Additional services to better solve customer problems or meet their needs helps.

Dimensions of customer satisfaction:
established model for customer satisfaction, satisfaction in their model is the result of marketing activities connect with processes that lead to the purchase and use of post-purchase phenomena such as attitude change, repeat purchase and brand loyalty are presented.Satisfaction is dependent on the size and direction of the experiences of disapproval, the lack of verification depends on the person's initial expectations. Consumer expectations that in certain circumstances, including:

- Lack of positive approval when performance expectations are high.
- No verification is negative when performance is less than expected.
- Confirm when the performance is almost equal to expect.
All non-confirmed cases, including four constructs: expectations, performance, and satisfaction were not confirmed.

- Quality of design: means that the product is designed in such a way that after the construction to satisfy customer needs.
- Product Quality: refers to the ability of production to specification and design available
- Delivery Quality: distribution according to the delivery aspects, these aspects include, for example: a healthy and appropriate and timely delivery of products
- Quality of communication: refers to how companies create relationships and build networks of external relationships with customers succeed. Quality that our customers expect and cognitive function was assessed based on their perception of the importance of corporate image Gomsoon [6] According to Wellimen customers are likely to consider both tangible and intangible elements. When customers have recognized the benefits of all the elements then understand their overall quality.

Social Responsibility:
Earliest Modern attention to corporate social responsibility in 1953, when "Bowen" provided an initial definition of corporate social responsibility is high. Business and trade obligations to pursue those policies, decisions and activities this is appropriate for the goals and values of society [7]

Corporate social responsibility is a term that is defined by three words: corporate, social, responsibility. So corporate social responsibility can as a business activity or corporate responsibility is seen the society in which they operate, provide care [8]
General commitment to social responsibility and business attention to the quality of life for employees, customers, local communities and society as a whole is considered sustainable economic development [5].

Corporate social responsibility is often walks of economic, environmental and social divides; similar division of the general concept of sustainable development is presented. Corporate social responsibility defined according to the International Center for Business and Sustainable Development, commitment to Business in regard to sustainable economic development, working with staff, families, local community and society in general in

**Carroll’s social responsibility model:**

Professor Carol various areas of social responsibility, to provide a combined model. Carol responsibilities of each agency in the fourth dimension, which are responsible for the economic, legal, ethical and philanthropic.

Carol Model improves Categories Social Accountability corporate social responsibility pyramid in 1991 when he offered (Figure 1).

These aspects are discussed below:

Economic responsibility as the foundation that underpins every aspect of the pyramid of corporate social responsibility is described the following is the opinion of Carol because an organization needs to promote itself in the market and provide a public benefit, profitability and productivity have.

![Carroll Model of Social Responsibility](image)

**Fig. 1:** Carol model of social responsibility

Legal liability, legal obligations, compliance with the law and playing the game rules are included. Because of all the businesses that just do not trust, the approved legislation to control businesses. Because labor laws and social security laws, work Health and Safety Act, Act or the environment and anti-corruption ... among these are the rules here [9]

Moral responsibilities, adherence to ethical principles, do things right, justice, fairness and respect for the rights of people are included. Those who accept moral responsibility prevent them from harming themselves and others in their community. Moral responsibilities, policies, principles, decisions or practices are expected that members of the "positive action" to increase or the "negative activities" take even if the law does not specify responsibility altruistic volunteer efforts by organizations to address community problems.

Humanitarian responsibilities of the company without any expectation of what they are doing to help the community to remain a good corporate citizen and strive to increase social facilities. Companies are required to overcome the problems of public welfare assistance. Some of these problems include: urban disasters, social problems, poverty, crime, illiteracy, lack of funds for educational institutions, insufficient funding for the arts, long-term unemployment and other social problems in the community. Over the past half-century of business due to the lower economic performance and ethical judgments are and more attention to social assistance is a judgment about them.

Another point raised by the proponents of humanitarian responsibilities is business entities and government institutions, which are two of the most powerful, are committed to resolving social problems. They believe that corporate philanthropy is not a substitute for public welfare.
**Customer Loyalty:**

Loyalty is an old term used to describe the intense and passionate commitment and attachment to a country, or a person's vision is used. Recently, in a service context, the word used to describe the client's desire to continue working for a company for longer, frequent and rather exclusive purchase of goods and services, and recommend it to friends and colleagues voluntary product is being used. Fredrich Reichheld (1996) as a great scholar and author of the effectiveness of loyalty, in this regard says: it is rare to find a company that is exactly the kind of customer funds and meaning that is considered the customer is loyal to a company; a permanent source of income for many years. However, this loyalty cannot be ignored. Customer loyalty will continue only until the customer feels that receive a better value than the price includes superior quality compared to what he could switch sides to obtain the other hand, offer. If a company has a loyal customer to do something that would be discouraged by the customer or if a rival company began to offer dramatically higher value of the commodity, there is a risk that customers turn to the company.

Behavioral loyalty is run by the various experiences and strong will strengthen over time. Customer satisfaction is important here because it was a positive experience in various fields must be adequate and appropriate for loyalty long-term [10]

Loyal customer is one who frequently buys goods or services from a seller and a positive attitude towards her and why buy from him to all his acquaintances are also urgently recommended. Studies show that a 5% increase in customer loyalty will increase profits by 25 percent to 85 percent. This rate is called loyalty expensive [11]

Slotegraaf and Inman (2004), a unique perspective to investigate the lack of customer loyalty were used. The customers who regularly buy Unfaithful to those they do not and eventually bowed to the other brands and service providers that are not committed. The purpose of this study, it was stated that the factors leading to the attitude and behavior loyalty or disloyalty to consumers. Their final model identified 4 types of customer loyalty:

1. Disloyal customers: those who have a neutral attitude toward the brand and disinterest.
2. Disturbed loyal: there are people who have a negative attitude towards the purchase of this product do.
3. Disenchanted loyal: there are people who have a negative attitude and negative attitude towards a product they buy.
4. Disruptive loyal: there are people who have been in the past and customer behaviors and attitudes are strongly negative.

**Customer trust:**

**Definitions trust:**

There are different definitions for trust, including the American Heritage Dictionary, which states:

**Reliable in terms of nominal:**

- Companies rely on the accuracy or reliability of, or objects.
- It is something that people are committed to the care and sense of responsibility for others.
- A legal right to protect the assets of the other party in exchange.

**Confidence in terms of practical:**

Trust

It is expected to be guaranteed.

Diagnosis reliability and being without a doubt

Accredit and responsibility it is the responsibility of the person.

Electronic dictionary of American confidence in the different meanings are as follows:

- Ensure
- Finality
- Firm belief and certainty
- Guaranteed

Bhattacharya [12] related self-esteem, security, sense of well-being and dignity of individuals with the competence and the confidence of others. He divides trust into two categories, interpersonal trust and confidence to work.

Johnson [13] defined trust in this way:

Trust is a pervasive nature

In fact, the social system is based on trust his concept of trust into trust as a process or as a result of the division. In his view, the trust, as a result of a communication process based on trust, the relationship that ultimately becomes a trusted process. But trust as a result, may actually from any point during this process, but this type of trust is unstable and fragile.
Michael Pirson [14] states that the work of the trust, satisfaction and confidence of staff as a result of the organizational environment, managers make good flexibility and accountability of the authorities has been created. Shuartz Insisted on the distinction between familiarity and trust and Parson, attitudinal and behavioral theories of trust as a basis for developing a strong relationship. Parson's trust as a means of stimulating the mechanisms, such as: money, power and influence, and he Garfinkl and Goffman, the attitude of confident trust in the system to change their interpersonal trust. Garfinkl defined trust as implicitly regarded as a form of knowledge and Kaufman defined trust as reliance on a moral nature which is necessary for cooperation [15].

In terms of contemporary sociology there are four superior attitudes of trust if researchers define trust, positive expectations and to consider the vulnerabilities. Positive expectations, positive attitudes toward the opposite side with respect to the welfare of the parties will work. trust in the Creator of the consequences and they separated. Confidence in the outcome of conduct is based on integrity assessment of a broker or agent. Some believe that it should be a distinction between affective and cognitive trust properties; Cognitive, skills and competence and their faith. Or simply rely on the honesty and good feeling or emotion is related to.

Research Background:

Table 1: Summary of Completed Research (Source: researcher Edit)

<table>
<thead>
<tr>
<th>Researcher</th>
<th>Research year</th>
<th>Research topic</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayrakter et al.</td>
<td>[16]</td>
<td>Performance evaluation of customer satisfaction and loyalty for mobile phone brands in Turkey, measured and compared the results</td>
<td>The results showed that in terms of performance, their first priority and the brand LG, Nokia, Sony Ericsson, Motorola, Samsung and Panasonic have obtained the next priority.</td>
</tr>
<tr>
<td>Rousan et al.</td>
<td>2010</td>
<td>The impact of service quality on customer loyalty in a five star hotel in Jordan</td>
<td>The results of this study, the effects of five dimensions of service quality on customer loyalty shows.</td>
</tr>
<tr>
<td>Lenka et al.</td>
<td>[17]</td>
<td>Service quality, customer satisfaction and loyalty in commercial banks in India</td>
<td>The results show that the improvement of service quality and loyalty consequently, has led to the persistence of bank customers.</td>
</tr>
<tr>
<td>Aors and Green</td>
<td>2009</td>
<td>A comparative study between loyalty to his family business With a clients in a non-family business was conducted in Germany</td>
<td>Concluded that the reputation of the company directly and indirectly (by consent) has an impact on customer loyalty. Customer satisfaction is also influenced directly and indirectly affect the store's reputation is trust.</td>
</tr>
<tr>
<td>Bodet</td>
<td>[18]</td>
<td>Investigate the relationship between satisfaction and loyalty in the Institute of Sports</td>
<td>The results indicate that the overall impact of customer satisfaction on loyalty and attitudinal effects of these factors tend to repurchase Customer Service Institute of the</td>
</tr>
<tr>
<td>Swaen, V. &amp; Chumpitaz,</td>
<td>[19]</td>
<td>The impact of social responsibility on consumer confidence</td>
<td>The results suggest that perceptions of CSR activities have a positive impact on consumer trust in the company, directly or indirectly through their effects on perceived product quality and consumer satisfaction is presented.</td>
</tr>
</tbody>
</table>

Conceptual models and hypotheses development:

Fig. 2: Conceptual model of research (Source: [7]).

Research Hypotheses:

the main hypothesis:

It seems that social responsibility and customer satisfaction on customer loyalty and trust with the role of mediator in the Isfahan National Bank of influence.
Sub Hypothesis:
- H1: It seems that improve customer satisfaction on her trust in Isfahan National Bank of influence.
- H3: It seems that improve customer satisfaction by understanding the social responsibility of companies affected by the client at National Bank branches in Isfahan.
- H4: It seems that corporate social responsibility is perceived by the customer on the customer confidence in the Isfahan National Bank of influence.
- H5: It seems that corporate social responsibility is perceived by the customer on customer loyalty in the Isfahan National Bank of influence.
- H6: It seems that socially responsible companies are perceived by customers to improve customer satisfaction in the Isfahan National Bank of influence.

Research Methodology:
The purpose of the study, descriptive survey method is applied. Population of this research is clients of National City Bank who responded by sampling the 350 questionnaires. To collect field data questionnaire was used. The questionnaire used in this research consisting of 24 questions based on the variables of the research and using the Likert scale as designed. To increase the validity of the questionnaire in terms of academics and experts in the organization is relevant. Also to calculate the reliability measure of internal consistency with Cronbach's alpha was calculated. In this study, Cronbach's alpha coefficient was within acceptable limits (0.86=α). Table 2 shows the Cronbach's alpha coefficient for each of the dimensions of the measuring instrument.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Questions</th>
<th>Cronbach's alpha value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>6-1</td>
<td>0.581</td>
</tr>
<tr>
<td>Customer Loyalty</td>
<td>7-12</td>
<td>0.747</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>18-13</td>
<td>0.676</td>
</tr>
<tr>
<td>Customer trust</td>
<td>19-24</td>
<td>0.749</td>
</tr>
<tr>
<td>All the variables</td>
<td>-</td>
<td>0.861</td>
</tr>
</tbody>
</table>

To analyze the data, the use of descriptive statistics and measure a number of parameters and the distribution of the partial correlation (regression analysis) using SPSS software is used. In order to evaluate claims about the distribution of the Kolmogorov-Smirnov test data for a quantitative variable (KS) was used. The results showed that all of the samples follow a normal distribution.

5. Data analysis and results:
Correlation test results are summarized in Table 3 is presented.

<table>
<thead>
<tr>
<th>Theory No.</th>
<th>Hypothesis</th>
<th>Meaningful Level</th>
<th>The correlation coefficient (r)</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>The main hypothesis</td>
<td>It seems that social responsibility and customer satisfaction on customer loyalty and trust With the role of mediator in the National City Bank of influence.</td>
<td>0.000</td>
<td>0.53</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 1</td>
<td>It seems that improve customer satisfaction on her trust in National City Bank of influence.</td>
<td>0.000</td>
<td>0.321</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 2</td>
<td>It seems that customer confidence in the loyalty of National City Bank branches affected.</td>
<td>0.000</td>
<td>0.617</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 3</td>
<td>It seems that improve customer satisfaction by understanding the social responsibility of the company by the customer in National City Bank of influence.</td>
<td>0.000</td>
<td>0.45</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 4</td>
<td>It seems that corporate social responsibility is perceived by the customer on the customer confidence in the National City Bank of influence.</td>
<td>0.000</td>
<td>0.43</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 5</td>
<td>It seems that corporate social responsibility is perceived by the customer on customer loyalty in the National City Bank of influence.</td>
<td>0.000</td>
<td>0.556</td>
<td>Confirmation</td>
</tr>
<tr>
<td>Sub 6</td>
<td>It seems that social responsibility companies are perceived by customers to improve customer satisfaction in the National City Bank of influence.</td>
<td>0.000</td>
<td>0.45</td>
<td>Confirmation</td>
</tr>
</tbody>
</table>

In order to verify the research model of software AMOS was wrong. In this section we try to model and Research its components are analyzed separately. The research model using AMOS software draws and then
perform operations on models with the following results found the relationships among the variables and coefficients of each of them is provided.

The conceptual model results:

After developing a theoretical model to explain the phenomenon under study and measurement of latent variables defined and check that the model parameters in partial recognition of the model to account for the the it is necessary to estimate the parameters of the model, and wholesale and retail payment model to determine if the experimental data on the total support of the theoretical model developed or not and in any case the strengths and weaknesses of the model in which components should be sought. Hypothesis testing for the selection of the fitted model and the experimental data, as defined below.

$$H_0: \text{model fitted} \overset{\text{fit}}{=} \text{experimental data}$$

$$H_1: \text{fitted model} \overset{\text{fit}}{=} \text{experimental data}$$

According to the results obtained from the fitted model and on the level of significance, or - $p$ value of the test can confirm or reject the hypothesis that the "model is appropriate," he concluded. If the $p$- value of the test, a significance level of 05/0 = $\alpha$ is larger. We can conclude that there are no significant differences between the model and experimental data. And the model is fitted to the data. After developing a theoretical model to examine the assumptions on which the model is the totality of the information that is presented in the following.

Table 4: The fit parameters of the conceptual model

<table>
<thead>
<tr>
<th>The fit parameters</th>
<th>Level</th>
<th>Criterion</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(df)/$\chi^2$</td>
<td>[1]</td>
<td>0.177</td>
<td>Good fitness</td>
</tr>
<tr>
<td>$p$-value</td>
<td></td>
<td>0.674</td>
<td>Good fitness</td>
</tr>
<tr>
<td>RMR</td>
<td></td>
<td>0.061</td>
<td>Less than absolute four</td>
</tr>
<tr>
<td>CFI</td>
<td></td>
<td>1</td>
<td>More than 0.90</td>
</tr>
<tr>
<td>RMSEA</td>
<td></td>
<td>0</td>
<td>Less than 0.05</td>
</tr>
</tbody>
</table>

According to the data in the table above it can be concluded that the model fit is good.

Discussion and Conclusions:

The results of the analysis of the data confirm the hypothesis on maximizing Research. The survey results indicate that companies are focusing more on each of these variables can be considered results. When organizations consider their social responsibility, consumers are loyal to the organization; the organization will increase confidence and satisfaction. The results indicate that the results of this study confirm previous studies:

Bayrakter et al [16] measured and compared the results the efficiency of customer satisfaction and loyalty for mobile phone brands in Turkey. The results indicate that satisfaction has a positive effect on the selection of products and services. Rouas and et al [19] in a study the impact of service quality on customer loyalty in a five star hotel in Jordan have examined the results indicate that proper service and quality has a positive effect on customer loyalty. Orth and Greene [20] a comparative study between loyalty to his family business with a clients in a non-family business was conducted in Germany and concluded that the reputation of the company directly and indirectly (by consent) has an impact on customer loyalty. Customer satisfaction is also influenced directly and indirectly affect the store's reputation is trust. Lenka et al [17] quoted by did an article entitled
"Service quality, customer satisfaction and loyalty in commercial banks in India". These findings suggest that aspect of human and technical factors palpable, tangible or better quality and affordable services to increase customer satisfaction and loyalty is a leading bank branches. Bodet [18] in Research studied relationship satisfaction and loyalty in an institution of sport. The results indicate that the overall impact of customer satisfaction on loyalty and attitudinal effects of these factors on consumer willingness to repurchase the company services Swaen, V. & Chumpitaz, (2008) in their study entitled impact of CSR on consumer confidence showed that consumer perceptions of social responsibility activities have a positive impact on trust in the company, directly and indirectly through its impact on the perceived quality of its products and consumer satisfaction.

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</tr>
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</table>

The results of this study indicated that service organizations, such as banks in today's competitive business world, you have the satisfaction of our customers is one of the key factors consider and know that satisfied customers and loyal to the company's strong earnings call; Therefore, Isfahan National Bank need with regard to customer satisfaction and provide them the components such as the understanding and enjoyment of social responsibility and customer confidence in order to maintain customer loyalty and satisfaction distinguish particular importance to and it is noteworthy that customer satisfaction is the goal and purpose of all the activities. Therefore, organizations must provide services that provide customer satisfaction.

REFERENCES


