



**CONSUMER'S PERCEPTION TOWARDS CORPORATE SOCIAL  
RESPONSIBILITY AND ITS IMPACT ON BUYING BEHAVIOUR:  
A STUDY OF SARAWAK ENERGY BERHAD**

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## **ABSTRACT**

Corporate social responsibility is defined as the firm's responsibility to maximize their positive impact and to minimize negative effects by contributing to society along with the concern for the society's needs and wants in the long-term perspective. In this study the perception of CSR based on the dimensions of the CSR itself will be investigated. The impact of these dimensions will also be analysed. The location of this study will be on the headquarters of Sarawak Energy Berhad so the result will not be generalized. This research will be using frequency statistics, descriptive analysis, reliability analysis, multiple regression analysis and Pearson's correlation analysis in answering the objective of the research. Recommendations will be made based on the findings.

## CHAPTER 1

### 1.1 INTRODUCTION

Business environment nowadays poses important challenges to companies. Looking beyond achieving competitiveness and productivity, there is a rise in the needs to concern for the social and environmental impact based on the company's business activities (Ferreira, Avila and Faria, 2010). The rapid development of society, changes in the social environment and the rise in the consumer awareness are the main factors that cause businesses to be expected to take more social responsibilities (Yu and Yang, 2012). Moreover, Bowen (1953) debated that society is one of the important elements in a business activity and thus, societal concerns are of the responsibility of businesses and firms too. These concerns are what give rise to corporate social responsibility where it covers not just societal factors, but environmental and economic factors altogether.

According to McWilliams and Siegel (2001), CSR is defined as “actions that appear to further improve social good, beyond the interests of the firm and that which is required by the law”. Further definition of CSR is released by European Commission in 2011 which states that it is a process that connect social, environmental and ethical, human rights and consumer concerns in business activities and strategies, at the same time, having close relationship with the firm's stakeholders. Studies conducted distinguished that CSR has had positive effects on buyer's purchasing intentions, but little is known about these positive impacts due to the limited studies done concerning CSR and its effects on consumer behaviour whether directly or indirectly (Sen and Bhattacharya, 2011).

The main objective of CSR is to enhance a firm's image and reputation which will then create trust among their customers and thus, promotes long term relationships with them

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

In this chapter, relevant literatures from past researches are being examined that are significant with the objective of this research where the variables that are involved in this study will be discussed.

##### **2.1.1 THE EVOLUTION OF CSR: IS IT GOOD OR BAD?**

According to Wiley (2010), corporate social responsibility (CSR) has been argued over and practiced in different forms for over 4000 years. As an example, the ancient Vedic and Sutra texts of Hinduism and the Jatakas of Buddhism incorporates admonitions on usury which is the charging of excessive interest and Islam also has long holds the principle of Zakat or a wealth tax.

In the 1950s, CSR was defined more to as social responsibility (SR) rather than corporate social responsibility (CSR). This may be due to the age of modern corporate dominance in business sector is not yet established. Carrol (1999) stated that the early writings on CSR through the publication by Howard R. Bowen (1953) of his landmark book, *Social Responsibilities of the Businessman*, shows that the start of the modern era of literature on this particular subject of matter. In his book, Bowen (1953) makes an early definition on the social responsibilities of businessman: