

Role of Proactive and Reactive CSR in Consumer Purchase Intention: Moderation of Word of Mouth on Social Media

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The corporate social responsibility means caring for the society; firms are investing in different projects and social activities to get the attention of the common people. There are two categories of CSR; the first one is Proactive CSR and the other one is Reactive CSR. The firms follow either proactive CSR or reactive CSR the ultimate goal is to position itself as a society-caring company. This research explains the relation between the PCSR and RCSR with the Consumer Purchase Intention and the moderation effect of word of mouth. The variables are continuous therefore Likert scale is used to collect data and analyses were done on SPSS software. Proactive CSR has higher correlation with consumer purchase intention as compared to Reactive CSR. When Word of mouth is used as moderator through the moderation process and adds word of mouth with Proactive CSR or Reactive CSR their relation and impact are higher than as individually (PCSR & RCSR). Several companies are doing different CSR activities in our society but if they use PCSR with WOM it has a good impact on Consumer purchase intention. This leads to a Consumer Buying attitude. Another implementation of this study is if a company is suffering in a social issue, they may adopt the RCSR strategy with WOM creating with their stake holder the result will be positive and effective as the result of this study shows.

1. Introduction

Over the last decade, speed and reach of electronic media has spread exponentially and news reaches the customer within blink of an eye (Desjardins, 2018). Not only political, economic or current affair news but also news about the firms spread fast and customers respond to it quickly. This advent has posed threat to firm' reputation and now firms have to make strategies to come over this issue (Eccles et al., 2007; Epstein, 2018). The usage of social media especially in Pakistan grows very rapidly. According to the Data reports 2024 there is 111 Million users of the internet in which 71.7 Million are active user of social media (Kemp, 2024).

The corporate social responsibility concept first was discussed by Howard R. Bowen's in his book "Social Responsibility of the Businessman" in 1953. This book had the comprehensive discussion of business ethics and social responsibility (Dmytriiev et al., 2021). On the basis of that book academics Researcher and Business executives make strategic planning and managerial decision making (Fuertes et al., 2020). The idea of CSR becomes famous in late 1950 and late 1960, with the development of vast aggregate enterprises and industrial development. And later on, it turned into a prominent subject in the 1980s when R. Edward Freeman's wrote a book "Strategic Management: A Stakeholder Approach".

In 1979, Archie B. Carroll introduced a framework for Corporate Social Responsibility (CSR) encompassing four types: economic, legal, ethical, and discretionary (philanthropic) (Carroll, 1979; Fait et al., 2022). This framework provides a comprehensive approach to understanding CSR within corporations. Subsequent research has shown that companies are not only responsible for generating profit but also for addressing the social impacts of their operations (Fatma & Rahman, 2016). While all four types of CSR activities influence stakeholders, philanthropic CSR activities—those involving charitable and community-focused efforts—tend to have a particularly strong effect on consumer purchase intention compared to other CSR activities. (Naveed ullah 2017)

Many companies are spending Millions of dollars on CSR activities (Singh & Misra, 2022). For example, Pakistan Petroleum Limited (PPL) Spend Rs.6.322 billion under Corporate Social Responsibility Obligation in different sector likes health education and water schemes in last six years. In May 2012 the SEC (Security and exchange commission of Pakistan) approved the corporate social responsibility guidelines for public companies, which is a good step for streamlining reporting requirements and corporate accountability of the CSR activities (Asghar et al., 2022).

According to the categorization scheme developed in CSR literature there are four categories of CSR, reactive, proactive, defensive, and accommodation (Carroll, 1979; Fait et al., 2022). Here we are doing work on proactive and reactive CSR to check its direct impact on consumer purchase intention. The Proactive means companies are pursuing this agenda and support CSR before any negative information reported by customers (Kuokkanen & Sun, 2020). While the reactive CSR companies are engaging to protect the negative image of origination, after

an irresponsible action has been taken (Wang et al., 2022). Apart of proactive and reactive the news is spreading in social media very fast. In this research we are trying to find out that either Proactive CSR is significant or Reactive CSR, with moderation role of word of mouth.

Today word of mouth is also known as viral campaign or viral advertisement. The success of these campaigns depends on how much creativity is there (Krishnan et al., 2022). Every company wants more viewer and reach but it depends on the quality of a video that how much conversation and engagement the video (Munaro et al., 2021). When we can say that a video is success an online survey was conducted from top executives in 40 US companies, 55.3% executives says that viral advertisement is the area of any company marketing area where improvement is required (Browne et al., 2014). When a video has viewer of 100,000, 22.2% advertising agencies says “YES” for 250,000 another 22.2% says “YES” for 500,000 another 22.2% says “YES” for 1000,000 viewers 27.8% advertising agencies executives say “YES” that it is successful viral advertising (Feed company, 2008) (Feed is a market research company in United states) (Li et al., 2021). Recently PepsiCo Pakistan and Coca Cola do advertisement based on CRS (Srinivasa, 2022). Coca cola does it for ADHI for fund raising and Pepsi try to contribute in energy producing sector (Ireland, 2023). Both do well and give a message to all multinational companies to come forward and take responsibility in solving some social issues as they are doing in developed countries (Carroll, 2021). Companies are spending millions of dollars on CSR activities does these CSR activities change the consumer purchase intention in Pakistani society or not.

Purchase intention has always been an area of keen interest for businesses and to persuade customers’ purchase intention is very important (Majeed et al., 2021). As customer are getting aware of CSR activities firms are also taking part; proactively or reactively. However, empirical evidence of the relationship of CSR and customers’ purchase intention is still inadequate. Furthermore, increasing word of mouth spread through social media may also have some interesting role in it (Siddiqui et al., 2021).

2. Literature Review

2.1 Corporate Social Responsibility (CSR)

In the era of competitive environment, companies are now using CSR as marketing supplement to get competitive advantage on other firms. The company is not only responsible to make profit but also responsible to a society in which they operate (Fatma & Rahman, 2016). Four categories of social responsibilities were identified by, Carroll (1979) first one is economic, second is legal, third is ethical, and fourth is discretionary. The fourth one is defining the company spending on charitable activities, this is also called philanthropic contribution which basically shows to pay back to the society in which the firm operates. And they do these activities beyond the society expectations (Carroll, 1979). Although the philanthropic CSR activities have a strong influence on consumer purchase intention as compared to other CSR activities (Mulaessa & Wang, 2017)

McWilliams and Siegel (2001) tested several hypotheses on CSR activity. And find that CSR provision will depend on R&D spending, advertising intensity, and also consumer income. To differentiate CSR based products to be successful it is important that target and potential customers should be aware from CSR attribution. Otherwise, they will buy similar products without CSR attribution. Therefore, advertisement is playing an important role to create awareness in those customers who are interested in such products which has CSR attributions. They also identified the benefits of CSR advertising, for corporate reputation it enhancement and protection. They also show the difference between persuasive and informative CSR advertising. Persuasive CSR advertisement influence consumers CSR attributed products, whereas informative CSR advertisement solely informs consumer regarding CSR characteristics or CSR activities of the company (McWilliams & Siegel, 2001).

Literature also shows that intrinsic CSR and extrinsic CSR have a positive effect on employee performance. Intrinsic CSR can be defined as the practices which are perceived as sincere by the stakeholders. In this situation the company spends in different charity and social warfare activities to show that the firm has actual care for the society. This attribution is morally related to the firm and its employees.(Vlachos, Panagopoulos, & Rapp, 2013).Extrinsic CSR practices are those practices which are done with the intention to get back from society something more or to avoid from punishment. It does not mean that the firm act is not good for society or it may have any harm for them. But the stakeholders think that the firm is being strategic at this point. Because it wants something back from society (Vlachos, Panagopoulos, & Rapp, 2013).

2.2 Proactive CSR

Nowadays corporations are focusing on a proactive agenda and engage actively and support CSR before any negativity perceived by the consumer (Du et al., 2007). And oppositely reactive strategy is engaging itself in CSR to protect the reputation of firm after some negative action occurred. Conversely are active strategy involves engaging in CSR to protect the image of the organization after some irresponsible action has been reported (Murray & Vogel, 1997).Analyzing these divergent consumers typically thinking that proactive CSR is good as compare to reactive CSR. But a study was conducted by (Ricks, 2005) which shows that traditional philanthropy may be effective for corporate or brand image objective but it may be ineffective for brand evolution or purchase objectives. If the manager intention to increase sale cause related marketing will good option (Ricks, 2005).

Corporate social responsibility prints advertisements show the CSR actions to their stakeholders, and also to the society in which the firm operate, and through communication a relation is developed between the society and corporation. Therefore, CSR advertisement is an approved, authentic and official tool for CSR within the corporation. Therefore, CSR advertisements are an important area for study, through which companies communicate the message which they want to be perceived by society. For CSR communication different organization use wide range of channels like social reporting, code of conduct, advertising, web

sites and internal communication. In which three channels have dominant role social reporting, websites, and advertising (Birth et al., 2007).

Technological advancement and wide range of media gives consumers an easy access to information regarding company CSR behavior any investment on society. This wide range of accessibility gives an opportunity to the firms to pass positive CSR information to the consumers (Wagner et al., 2009).

2.3 Reactive CSR

Beyond raising awareness, another challenge in CSR communication is addressing stakeholder doubts about the authenticity of CSR activities. Stakeholders closely monitor an organization's actions and may become skeptical if the firm promotes its CSR activities aggressively. Stakeholders' perceptions of a company's CSR motives can generally be categorized into two types: Extrinsic Motives: Here, CSR activities are viewed as efforts primarily aimed at increasing the company's profits. This perception can lead to less favorable attitudes and behaviors toward the company (Yoon et al., 2006). Intrinsic Motives: In contrast, if CSR activities are seen as driven by genuine concern for social issues, stakeholders tend to form a positive opinion about the company's character, leading to favorable reactions.

Companies can demonstrate their commitment to various social causes through different methods. These include financial contributions, providing marketing expertise, employee volunteering, or using R&D capabilities for specific causes. Key aspects of these commitments include the amount of input, consistency of input, and the durability of the association with the cause (Dwye, Schurr, & Oh, 1987). For instance, during Ramadan in May 2017, Coca-Cola partnered with Faisal Edhi, the son of the late Abdul Sattar Edhi, for a fundraising initiative. Ramadan is traditionally a time of increased zakat and donations. During the press release, Faisal Edhi highlighted Coca-Cola's numerous contributions to various causes, including partnerships with reputable non-profit organizations like The Citizens Foundation for education, WWF-Pakistan for environmental conservation, and Kashif Foundation for women's empowerment. Coca-Cola committed to matching donations up to Rs. 25 million and invested in an innovative awareness campaign throughout the country. Additionally, in April 2017, Coca-Cola invested in building an indoor aquatic center at LUMS, demonstrating consistency in its CSR activities. The primary objective of all CSR activities is to attract more consumers. Companies adopt various CSR activities and categories with the overarching aim of increasing profitability. The empirical model of this study will explore these dynamics in greater detail.

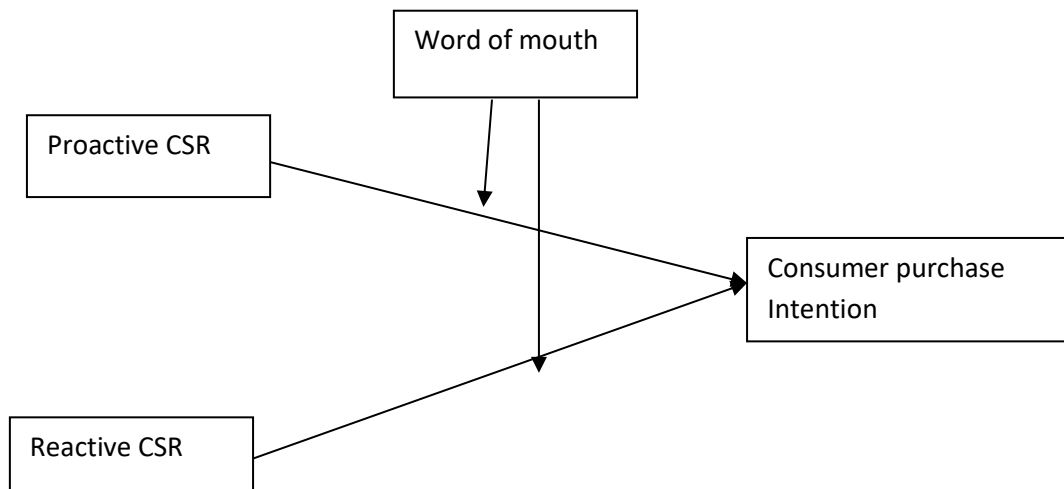
2.4 Word of Mouth

With social media's growth, companies now have an additional avenue for telling stakeholders about their corporate social responsibility (CSR) activities. Its impact on customers through social media outlets, however, has not been thoroughly studied (Al Haddad, et, al 2022). The study shows how crucial social media is to a company's ability to share its CSR-related

information. According to our findings, customers voluntarily associate themselves with banks that they believe to be socially conscious and engaged on social media. The customers express their thoughts and emotions regarding these banks as well (Sharma, 2024). After doing a meta-analysis on what strengthens the influence of corporate social responsibility on customer-company identification, (Valter et al., 2022) identified the following findings. 1) CSR directly affects CCI; 2) CCI mediates the impact of CSR on WOM and customer loyalty; and 3) there are important theoretical moderators that both strengthen and weaken the link between CSR and CCI.

A proactive approach to the problem resulted in a stronger readiness to utilize resources for the good of the organization than a buffering strategy, but it does not vary from a reactive approach, according to the findings of an experimental vignette research. An exploratory investigation, however, indicates that a proactive rather than a reactive strategy could specifically increase the readiness to invest in the organization. Proactive issue management has an impact on stakeholders' desire to support the firm in two ways: first, when they believe the company is mostly to blame for the problem, and second, when they believe external forces are primarily to blame (Bouwman & Berens, 2024).

Figure No 1: Research Model



Proactive CSR involves companies engaging in social responsibility initiatives before any negative perceptions arise. This approach is seen positively by consumers as it reflects a genuine concern for societal issues (Du, Bhattacharya, & Sen, 2007). Companies that proactively address social and environmental issues demonstrate a long-term commitment to ethical practices, which resonates with socially conscious consumers. This proactive engagement can enhance a company's reputation, build consumer trust, and foster loyalty. As a result, consumers are more likely to support such companies through their purchasing decisions. Bouwman and Berens (2024) found that proactive CSR strategies significantly enhance stakeholders' willingness to support a firm,

which in turn can increase consumer purchase intentions. Hence, it is hypothesized that proactive CSR has a significant impact on consumer purchase intention.

H1: Proactive CSR has a significant impact on consumer purchase intention.

Reactive CSR strategies are implemented to protect a firm's reputation after negative actions occur (Murray & Vogel, 1997). Although often perceived less favorably compared to proactive CSR, reactive CSR can still influence consumer purchase intentions if managed effectively. When companies respond quickly and transparently to crises or negative events, they can rebuild trust and demonstrate accountability. Ricks (2005) suggests that while traditional philanthropy (a form of reactive CSR) may be less effective for brand evolution, it can still play a crucial role in maintaining corporate image and influencing consumer behavior. Effective reactive CSR can mitigate the damage caused by negative events and show that the company is committed to making amends. Thus, it is hypothesized that reactive CSR has a significant impact on consumer purchase intention.

H2: Reactive CSR has a significant impact on consumer purchase intention.

Word of mouth (WOM) is a powerful tool in shaping public perception and can significantly influence consumer behavior. With the growth of social media, companies have an additional platform to share their CSR activities and engage with consumers. Studies indicate that customers associate with socially conscious companies active on social media, expressing their thoughts and emotions about these firms (Al Haddad et al., 2022; Sharma, 2024). Positive WOM can amplify the effects of proactive CSR by spreading favorable opinions and experiences, thereby enhancing the company's reputation and credibility. A meta-analysis by Valter et al. (2022) reveals that CSR directly affects customer-company identification (CCI), which mediates the impact of CSR on WOM and customer loyalty. Therefore, it is hypothesized that WOM significantly moderates the relationship between proactive CSR and consumer purchase intention.

H3: Word of mouth significantly moderates the relationship of proactive CSR and consumer purchase intention.

The role of word of mouth (WOM) in moderating the relationship between reactive CSR and consumer purchase intention is crucial. Effective CSR communication strategies leverage WOM by encouraging satisfied customers to share their positive experiences and CSR-related information. When a company responds to negative events with effective reactive CSR, positive WOM can help mitigate the negative effects and restore consumer trust. Conversely, negative WOM can exacerbate the situation, making it harder for reactive CSR efforts to restore trust and influence purchase intentions. Yoon, Canli, and Schwarz (2006) emphasize that stakeholder perceptions of CSR motives (intrinsic vs. extrinsic) can lead to different reactions. Positive WOM can thus play a critical role in shaping these perceptions and enhancing the effectiveness of reactive CSR efforts. Hence, it is hypothesized that WOM significantly moderates the relationship between reactive CSR and consumer purchase intention.

H4: Word of mouth significantly moderates the relationship of Reactive CSR and consumer purchase intention.

3. Research Method

Collection of data was based on surveys from different user of social media especially young students who have some awareness about social works and corporate Social Responsibility. The survey was based on written questionnaire and also on Google form for online publication. For this study 310 questionnaires is spread out among the students of different specialties through email, face book, and hard copies. In which we got 251 returned correct and complete filled out questionnaires. The ratio of offline and online data was 39:61. Convenient sampling technique was used to collect data. This means that those peoples who are easily accessible like university students, friends and other people within the locality are participated in this survey. Regression and correlation study is used on SPSS to examine the relationship between the dependent variable, consumer Purchase intention, and the independent variable, Corporate Social Responsibility activities. And word of mouth is used as moderator variable

The main source of collecting data was questionnaires. This was adopted from (Chang, 2015) study. We develop five-point Likert scale 1 = “Strongly disagree” to 5 = “Strongly agree” for the measurement of data because the variable is continuous in nature.

3.1 Consumer purchase intention

Following are the items which are used to measure consumer purchase intention; which is adopted from the following reference article.(Mulaessa & Wang2, 2017)

- CPI_1 “I shall continue to buy products from this company in the next few years.”
- CPI_2 “I would keep being a customer of this company even if another entity offered better rates.”
- CPI_3 “I think of purchasing products from this brand whenever needed.”
- CPI_4 “I would buy upcoming new products of this company.”

3.2 The Measure of proactive CSR

Following are the items which are used to measure proactive CSR which is adopted from the following reference article (Chang, 2015)

- PCSR_1 “The Company’s salespersons and employees are required to provide full and accurate information to all customers.”
- PCSR_2 “The Company carries out public activities actively.”
- PCSR_3 “The Company encourages managers and employees participate in corporate citizenship activities within their local communities.”

PCSR_4 “The Company’s integrity and ethical behavior go beyond the country’s laws and regulations.”

PCSR_5 “The Company performs in a manner consistent with expectations of societal norms and ethical norms.”

3.3 The Measure of reactive CSR

Following are the items which are used to measure reactive CSR which is adopted from the following reference article.(Chang, 2015)

RCSR_1 “The Company carries out public activities to meet social expectation after someone points it out.”

RCSR_2 “The Company responds to networking members’ and customers’ request once the issue is being created.”

RCSR_3 “The Company’s salespersons and employees provide full information to all customers after the incident or inquiry by customers.”

RCSR_4 “The Company complies with environmental regulation when asked by the government/social bodies.”

RCSR_5 “The Company provides goods and services that at least meet minimal legal requirements.”

3.4 The Measure of word of mouth

Following are the items which are used to measure word of mouth which is adopted from the following reference article (Goyette et al., 2010)

WOM_1 “I recommended this company.”

WOM_2 “I speak of this company’s good sides.”

WOM_3 “I am proud to say to others that I am this company’s customer.”

WOM_4 “I strongly recommend people buy products online from this company.”

WOM_5 “I have spoken favorably of this company to others.”

WOM_6 “I mostly inform other with negative things of the company.”

WOM_7 “I have spoken unflatteringly of this company to others.”

4. Results

4.1 Reliability Test

We check the reliability of data because it is very important to check either the data is suitable for further analysis or not. First Cronbach’s Alpha value result for CPI was 0.695. but table of Item–total statistics result shows that if CPI 2 question deleted, Cronbach’s Alpha will increase 0.765 so we delete the CPI 2 question. The Cronbach’s alpha value for Consumer Purchase

Intention after deletion of (CPI 2) question is 0.765. This is acceptable for further analysis. The Cranach’s alpha value for proactive CSR is 0.724. It is acceptable value for further analysis of this variable. The Cronbach’s alpha value for Reactive CSR is 0.724. For word of mouth seven questions are asked from respondents In which five is Positive word of mouth and two is Negative word of mouth. And The Cranach’s alpha value for word of mouth is 0.766. The bench mark for Cronbach’s Alpha is >0.60.

4.2 Findings and interpretations of the result

Table No 1: Correlation

		CPIVBLE	PCSRABL	RCSRABL	WOMABL
CPIVBLE	Pearson Correlation	1			
PCSRABL	Pearson Correlation	.526**	1		
RCSRABL	Pearson Correlation	.337**	.603**	1	
WOMABL	Pearson Correlation	.447**	.409**	.452**	1

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

The correlation table shows that all variables have positive Pearson correlation. Consumer purchase intention has the value of (0.551) that shows positive and slightly high correlation with proactive CSR. The RCSR value is (0.369) shows low but positive correlation with CPI. Word of mouth has the value of Pearson correlation is (0.465) also have slightly high and positive correlation to CPI. The sig value of all variable is < 0.05. Show the acceptance of all hypotheses. That is “there is correlation between all variable”.

4.3 Regression Analysis

Further we analyze the causal relationship through regression analysis. Following table 2 shows regression summary between PCSR and CPI. It shows a significant relationship with effect size of 0.277.

Table No 2: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	Durbin-Watson
1	.526 ^a	.277	.274	.62188	1.558

a. Predictors: (Constant), PCSRVARIABLE

Table No 2: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	36.859	1	36.859	95.307	.000 ^b
	Residual	96.298	249	.387		
	Total	133.157	250			

a. Dependent Variable: CPIVARIABLE

b. Predictors: (Constant), PCSRVARIABLE



First, we run CPI as dependent variable and kept PCSR as predictors. The finding of Regression shows that 27.7% change in dependent variable (CPI) is due to independent variable (PCSR). The Durbin Watson value shows auto correlation between the variables. The bench mark for Durbin Watson is 1 to 3. And if its value is near to 2 it's ideal, so in this case the value is 1.558 which means there is no autocorrelation between the data. The ANOVA table shows the sig value 0.000 which is < 0.05.so the model accepted that PCSR have a positive impact on CPI.

Table No 4: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.337 ^a	.114	.110	.68969

a. Predictors: (Constant), RCSR VARIABLE

b. Dependent Variable: CPI VARIABLE

Table No 5: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	15.105	1	15.105	31.754	.000 ^b
	Residual	117.966	248	.476		
	Total	133.071	249			

a. Dependent Variable: CPI VARIABLE

b. Predictors: (Constant), RCSR VARIABLE

In second step we run CPI as dependent variable and kept RCSR as predictors. The finding of Regression shows that 11.4% change in dependent variable (CPI) is due to independent variable (RCSR). In this case the value is 1.328 which means there is no autocorrelation between the data. The ANOVA table shows the sig value 0.000 which is < 0.05.so the model accepted that PCSR have a positive impact on CPI. At third step moderation process run to check the interaction effect of word of mouth, PCSR and RCSR on consumer purchase intention. Through moderation process we found that if there is high word of mouth consumer is more intent to buy a product from CSR doing company. And if there is low word of mouth the result will also lower.

4.4 Moderation Process

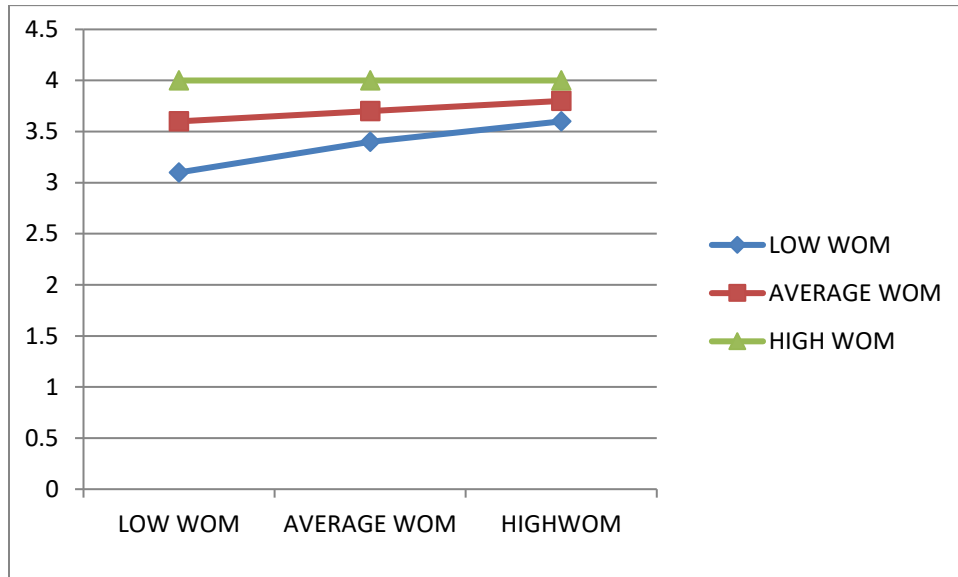
The result shows significant changes in the consumer purchase intention due to Reactive corporate social responsibility when add word of mouth as moderator variable.

Table No 6: Moderation

RCSR	1SD BELOW	MEAN	1SD ABOVE
1SD BELOW	3.1	3.4	3.6
MEAN	3.6	3.7	3.8
1SD ABOVE	4	4	4
	LOW WOM	AVERAGE WOM	HIGHWOM
LOW WOM	3.1	3.4	3.6

AVERAGE WOM	3.6	3.7	3.8
HIGH WOM	4	4	4

Figure No 1: Moderation Graph

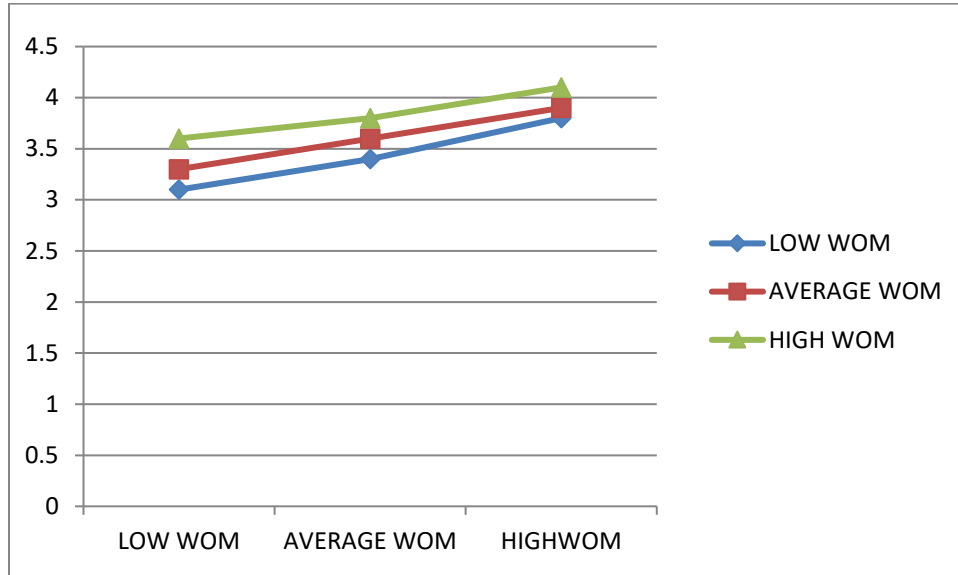


The result shows significant changes in the consumer purchase intention due to Proactive corporate social responsibility when add word of mouth as moderator variable.

Table No 7: Moderation

PCSR	1SD BELOW	MEAN	1SD ABOVE
1SD BELOW	3.1	3.4	3.8
MEAN	3.3	3.6	3.9
1SDABOVE	3.6	3.8	4.1
	LOW WOM	AVERAGE WOM	HIGHWOM
LOW WOM	3.1	3.4	3.8
AVERAGE WOM	3.3	3.6	3.9
HIGH WOM	3.6	3.8	4.1

Figure No 3: Moderation



4.5 Regression After Moderation Process

Table No 8: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.584 ^a	.341	.336	.59471
2	.587 ^b	.345	.337	.59423

a. Predictors: (Constant), WOMVARIABLE, PCSRVARIABLE

b. Predictors: (Constant), WOMVARIABLE, PCSRVARIABLE, INTPCSRWOM

Table No 9: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.444	2	22.722	64.243	.000 ^b
	Residual	87.713	248	.354		
	Total	133.157	250			
2	Regression	45.940	3	15.313	43.368	.000 ^c
	Residual	87.217	247	.353		
	Total	133.157	250			

a. Dependent Variable: CPIVARIABLE

b. Predictors: (Constant), WOMVARIABLE, PCSRVARIABLE

c. Predictors: (Constant), WOMVARIABLE, PCSRVARIABLE, INTPCSRWOM

Table No 10: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.472 ^a	.223	.216	.64710
2	.502 ^b	.252	.243	.63596

a. Predictors: (Constant), WOMVARIABLE, RCSR VARIABLE

b. Predictors: (Constant), WOMVARIABLE, RCSR VARIABLE, INTRCSRWOM

Table No 11: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.642	2	14.821	35.395	.000 ^b
	Residual	103.428	247	.419		
	Total	133.071	249			
2	Regression	33.578	3	11.193	27.674	.000 ^c
	Residual	99.493	246	.404		
	Total	133.071	249			

a. Dependent Variable: CPI VARIABLE

b. Predictors: (Constant), WOMVARIABLE, RCSR VARIABLE

c. Predictors: (Constant), WOMVARIABLE, RCSR VARIABLE, INTRCSRWOM

The result of regression model shows that there is an impact of word of mouth created by company regarding PCSR, but it has low impact. R square change is 0.004 which is very low but significant. But when we run RCSR with the moderation of WOM, the result was very high as compare to PCSR. R square change is 0.030 which is very good and show high effect as compare to PCSR. The ANOVA sig value for both variable shows that there is an impact of WOM regarding PCSR and RCSR on CPI.

4.6 Summary of Hypotheses

Table No 12: Summary of Hypotheses

S.No	Hypothesis	Result
01	Proactive CSR has a significant impact on consumer purchase intention.	Accepted
02	Reactive CSR has a significant impact on consumer purchase intention.	Accepted
03	Word of mouth significantly moderates the relationship of proactive CSR and consumer purchase intention.	Accepted

5. Conclusion

This study investigates the relationship between proactive CSR (PCSR), reactive CSR (RCSR), and consumer purchase intention, with a focus on the moderating role of word of mouth (WOM). The findings reveal that both PCSR and RCSR significantly impact consumer purchase intention, though PCSR generally exerts a stronger influence. However, when considering the moderating effect of WOM, RCSR shows a greater influence on consumer purchase intention than PCSR. This highlights the critical role of WOM in shaping consumer perceptions and behaviors. In Pakistan, many companies engage in CSR activities, but the advertising of these efforts is not widespread. By combining CSR advertising with traditional advertising methods, companies can create a winning strategy that benefits both society and the firms themselves. CSR advertisements not only promote the company's social initiatives but also build a stronger connection with consumers, enhancing corporate reputation and loyalty. Proactive CSR focuses on long-term societal impact, while reactive CSR addresses immediate issues. Companies can choose either strategy based on their management goals. However, to maximize the benefits, it is crucial to encourage stakeholders to generate positive WOM for both strategies. Positive WOM can amplify the impact of CSR efforts, leading to a favorable return for the firm.

5.1 Recommendations

Many of researches have been done separately on corporate social responsibility and word of mouth. Companies are now using social media as advertising mode to target their customers. At start we have discussed the number of internet and social media users which show that the exponential growth of social media indicates that in future it will more influential factor in the consumers purchase intention. In today era firms are spending millions of dollars on advertising on print and electronic media. In future social media will provide rapid accessibility and having more power of exponential growth. Companies are now showing their presence on social media but there is some gap still existing in this area. If the company spend a little amount of their advertising budget on corporate social responsibility, than spread this news on social media the result will be obviously very high. The social media build up the consumer purchase intention and then lead it to purchase attitude.

5.2 Future research

Due to time constraint, we have used WOM as one variable; in future WOM may be checked in two variables, Negative word of mouth and Positive word of mouth. To check that which one has greater impact on consumer purchase intention, If Negative word of mouth greater effect firm should avoid from it and vice versa. Another comparison study also may be carried out in future with simple advertisement and CSR advertisement which one has greater impact on consumer purchase intention. Another limitation of this study is that we do not check all aspect of consumer attitude such as cognitive and affective, further research may be investigating these aspects of consumer purchase attitude.

6. References

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