The Purchase Decisions of Young Chinese Consumers With CSR As A Mediating Variable

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Abstract
With an emphasis on the effects of corporate social responsibility (CSR) on trust, transparency, and cultural identity, this study examines the dynamic interaction between CSR activities and the purchasing habits of young Chinese consumers. The research delves into the ways that CSR influences product design and materials, looks at how CSR activities foster transparency between customers and companies and identifies the elements that influence organisations through CSR initiatives that alter the purchase intentions of young consumers. The literature review offers a thorough analysis of corporate social responsibility (CSR), its components, and how it affects young Chinese consumers' purchase decisions. It emphasises the value of openness, the way corporate social responsibility (CSR) affects the clientele, and how CSR influences product design and material selection. The theoretical underpinnings such as Motivational Need Theory and Reasoned Action Theory provide insights into the relationship between consumer behaviour and corporate social responsibility. The philosophy of research that is reflected in the methodology is positivism and it adopts quantitative methods to conduct a study. The research methodology chosen for this study is a methodical way of detailing the effect that CSR has on the purchasing habits of young Chinese consumers, and an inductive approach is preferred to analyze theories generated from the literature. Perspective on these topics such as customer trust and brand loyalty vs. Chinese- CSR; transparency and consumer attitudes, and how changes in CSR practices alter the cultural aspects of Chinese goods can be obtained from an SPSS analysis of the data. Of particular interest, the results of this study indicate that stemming from CSR-related policies, a positive impact is best observed and seen in preferences and choices among young Chinese consumers.

Keywords: Corporate Social Responsibility (CSR), Young Chinese Consumers, Purchasing Behavior, Trust and Loyalty, Transparency and Cultural Identity

Introduction
There is a global movement towards sustainable and ethical consumerism, which is reflected in the growing demand for corporate social responsibility (CSR) initiatives in business. Young
customers in China are increasingly choosing Western brands because they believe these companies are committed to corporate social responsibility (CSR) efforts (Afsar & Umran, 2020). In addition to improving a business’s competitiveness and reputation, corporate social responsibility (CSR) affects customer loyalty and buying behaviour. Although Chinese companies are adjusting to this trend, the absence of extensive corporate social responsibility procedures at the moment can help explain why Western brands are still so powerful. Consumer behaviour is significantly shaped by the alignment of personal beliefs with corporate social responsibility (CSR) initiatives, underscoring the increasing importance of ethical concerns in purchase decisions (Wu & Hąbek, 2021).

Recognizing the importance of Corporate Social Responsibility (CSR) on consumer happiness, multinational firms are incorporating CSR into their marketing strategies and business ethics. Nonetheless, some businesses might just implement CSR tactics on the surface, taking advantage of psychological aspects to increase sales in place of sincere environmental care. In order to solve social and environmental issues, change consumer views, and guarantee customer happiness, effective corporate social responsibility (CSR) policies are essential (Kim, 2022). Young customers' tastes have shifted toward Western companies in China due to the lack of comprehensive CSR policies in local firms, which has affected the cultural identity of Chinese products. Local companies have difficulties when nationalistic feelings and sociopsychological variables combine to complicate customer purchasing decisions.

The study makes a significant contribution to consumer behaviour and CSR theory by examining the influence of CSR on customer perceptions and purchasing intentions (Bhutto et al., 2019). It also provides insightful information within the Chinese sociocultural context. The study adds to the body of knowledge already in existence and offers useful advice to companies looking to influence the rising market of environmentally concerned young Chinese customers while still competing ethically. In doing so, it advances the field of corporate social responsibility and consumer decision-making.

**Literature Review**

**Concept and Elements of CSR**

As suggested by Fallan & Fallan (2019), a corporate organization’s commitment to societal well-being and constructive development is embodied by its corporate social responsibility (CSR) program. A strong work culture, environmental responsibility, social responsibility, ethical standards, and economic responsibility are all important components of corporate social responsibility (CSR). Employee involvement and alignment with company goals are critical for overall efficiency and are ensured by a healthy work culture. Minimizing pollution, carbon emissions, and sustainable resource utilization are all part of environmental responsibility. In addition to addressing problems like gender imbalance, social responsibility helps impoverished children and advances society. In order to preserve a positive brand image, ethical responsibility forbids unethical behaviour such as child labour and insufficient compensation. In addition to developing goodwill, economic responsibility entails paying taxes and offering equitable job opportunities (Achmad, 2022). Together, these CSR components help create a sustainable and ethical company that gains the confidence of customers and a competitive edge. The conversation focuses on how corporate social responsibility (CSR) integrates ethical, social, economic, and environmental factors into company operations to improve society as a whole.
Factors Influencing the Chinese Youth Consumer Purchasing Decision Towards the Western World

Chinese consumers have unique buying habits that are influenced by cultural quirks like haggling. Chinese consumers frequently bargain in local markets to get better deals, as this is a popular habit. However, Chinese consumers, especially the younger generation, rely more and more on e-commerce as online platforms become more popular. They place more value on peer suggestions and comments than they do on brand image, emphasizing experiential curiosity. Western businesses sway consumers' buying decisions by promoting their impactful corporate social responsibility programs on e-commerce sites (Naoumova & Katrichis, 2021). Chinese consumers, especially the younger generation, have distinct buying habits that are shaped by this dynamic fusion of cultural traditions, internet trends, and corporate social responsibility awareness.

Impact of CSR on the Customer Base

Successful corporate social responsibility (CSR) programs increase consumer base, cultivate loyalty, and increase customer trust. As Latif, Pérez, and Sahibzada (2020) point out, consumer perception of CSR improves customer loyalty through better service quality, company image, organizational reputation, and satisfaction. Western companies use corporate social responsibility (CSR) to improve their brand image. Green ads are a great way to get attention from across the world and sway consumers' decisions to buy. The study by Srivastava & Singh (2021) highlights the importance of CSR for improving brand attitudes, retaining customers, and producing favourable social and environmental effects. Changes in consumer tastes have prompted brands that strategically integrate corporate social responsibility (CSR), especially in packaging and marketing, to emphasize the growing significance of CSR, including green marketing, in achieving a competitive advantage.

Impact of CSR on Product Design and Materials

Product design and materials are greatly influenced by corporate social responsibility (CSR), which demonstrates a dedication to moral and sustainable business practices. According to Nave & Ferreira (2019), initiatives include extending product lifecycles, reducing the use of hazardous chemicals, reducing the use of eco-friendly design, and sourcing sustainably. The eco-friendly design concentrates on lowering carbon footprints and utilizing sustainable materials like bamboo and recycled plastics, while sustainable sourcing means obtaining ethical raw materials to reduce environmental damage. According to Salesa et al (2023), reducing dangerous chemicals promotes safer goods and ecologically friendly production, which is in line with CSR objectives. By focusing on longevity and repairability, sustainable design extends product lifecycles and supports the circular economy. CSR projects have a wide range of effects, including shaping consumer preferences, giving businesses a competitive edge, reducing costs, and improving reputation and brand image. There are obstacles like greenwashing, implementation costs, and a lack of standardization, which highlights the necessity of a sincere dedication to CSR to preserve credibility and have a beneficial influence. All things considered, CSR is essential to contemporary company strategy since it promotes ethical corporate citizenship and satisfies changing customer needs for sustainability.
CSR in Today's Business Environment

Corporate Social Responsibility (CSR) refers to the voluntary efforts made by businesses to further the common good and the environment in addition to their financial gains. Integrating social, ethical, and environmental factors into daily operations and stakeholder interactions is known as corporate social responsibility (CSR) (Stuart et al., 2021). Most importantly, corporate social responsibility (CSR) builds investor and customer confidence by enhancing a brand's reputation and image. CSR efforts improve the involvement of stakeholders, including workers, which boosts loyalty and morale. By resolving social and environmental issues, avoiding legal problems, and maintaining a positive reputation, CSR also helps to reduce risk. Talent acquisition and retention are enhanced when workers look for companies that practice social responsibility. Adopting CSR helps companies be innovative and sustainable over the long run by bringing them into line with changing legal and market requirements. Focuses on environmental responsibility, diversity and inclusion, strategic philanthropy, ethical supplier chains, transparency, and cooperative collaborations are some of the global CSR trends (Zhao, 2021). As corporate social responsibility (CSR) develops further, it will always be a vital force behind success that is both long-lasting and beneficial.

CSR initiatives encourage transparency between customers and companies to ensure a shift in the purchasing intention of customers

Young Chinese customers are greatly influenced by corporate social responsibility (CSR) programs, which are crucial in promoting transparency between organizations and influencing their purchase decisions. A key component of CSR is transparency, which includes being open and honest about moral behaviour, protecting the environment, and engaging the community (Bu & Chen, 2023). Young customers value openness and seek companies that share their ethical values, especially in this era of easy access to information. CSR reports provide a thorough summary of sustainability initiatives and serve as a public proclamation of a company's commitment. Transparency is further enhanced via certifications, stakeholder engagement, and product labelling. Transparency creates emotional ties, facilitates informed decision-making, fosters trust, and gives businesses a competitive edge over young Chinese consumers (Arian et al., 2023). Increased brand loyalty, advocacy, and a move toward ethical purchasing are among the transparency-driven outcomes that show how well CSR programs and consumer behaviour meet in a market that values social responsibility.

Theoretical Underpinnings

The Reasoned Action Theory highlights the close relationship between consumer behaviour and marketing methods, with a focus on the influence of advertising on purchase decisions (Sok et al., 2021). According to this idea, customers match items with desired outcomes and make purchasing decisions based on perceived outcomes. In line with this approach, businesses such as Tencent and Alibaba carry out CSR programs, emphasizing user feedback, data-driven suggestions, and openness. Additionally, businesses like BYD, Haier, and Lenovo address safety and physiological demands through CSR activities, influencing customer decisions. This is in line with the Motivational Need Theory, which stresses meeting psychological needs (Gilal et al., 2019). When combined, these ideas offer a thorough comprehension of consumer behaviour to corporate social responsibility.

Methodology

To the study's quantitative goals, positivism was selected as the research philosophy. The focus of positivism is on the observable and empirical components of inquiry, to determine
objective patterns and causal links. Using a positivist methodology, the study uses quantitative techniques including surveys and statistical analysis to examine how young Chinese consumers' purchasing decisions are affected by corporate social responsibility (CSR). According to Qi et al. (2020), this philosophy places a high priority on conducting methodical and structured research to provide generalizable insights into how consumer choices and corporate social responsibility (CSR) initiatives interact within the unique socio-cultural environment of China.

This study's exploratory research design aims to identify and comprehend the complex linkages between young Chinese consumers' purchasing behaviour and corporate social responsibility (CSR) initiatives. The exploratory research design, which emphasises curiosity and discovery, enables a thorough investigation of the phenomenon. With the use of techniques like questionnaires, interviews, and CSR report content analysis, this strategy allows for a thorough examination. The study's goal is to present a comprehensive and nuanced picture of the factors influencing the decision-making processes of young Chinese consumers by examining the relationships between CSR initiatives and consumer preferences (Nabivi, 2020).

For this study, a deductive approach will be used. This method entails putting to the test theories and hypotheses that have been developed from the literature to make precise findings on how CSR affects the purchase decisions made by young Chinese customers. In order to support or contradict these beliefs, the research will methodically gather and evaluate evidence, starting with accepted principles and theoretical frameworks. In keeping with the study's objective of examining the influence of CSR activities on customer behavior within the framework of acknowledged CSR theories, the deductive approach enables structured research based on previous data and theoretical foundations (Casula et al., 2021).

In order to methodically examine the attitudes and behaviours of younger Chinese consumers towards corporate social responsibility (CSR) efforts, the research strategy for this study employs a quantitative methodology. In order to get an empirical understanding of the phenomenon, this approach places a high priority on numerical data and statistical analysis. The study attempts to provide a thorough and generalizable understanding of the impact of CSR on purchase decisions by utilising surveys and structured data collection methods. In order to conduct a thorough and impartial analysis of the connections between consumer attitudes, behaviours, and CSR initiatives and to advance a more methodical investigation of the research questions—the quantitative research strategy makes it easier to measure and quantify important variables (Beske et al., 2020).

This study will use a quantitative survey method to collect primary data, using 100 young Chinese consumers as the target audience. In order to obtain firsthand quantitative insights into the attitudes and behaviours of the target audience regarding corporate social responsibility (CSR) initiatives, structured surveys will be given. The purpose of the survey instrument is to elicit numerical replies so that statistical analysis can identify trends and correlations (Zhu & Zhang, 2021). This methodology guarantees a targeted and methodical approach to gathering data, offering factual proof of the particular facets of corporate social responsibility that impact purchasing choices. The project intends to produce quantifiable data that supplements current knowledge and adds to a more thorough understanding of the junction between consumer behaviour and CSR in the Chinese market by directly interacting with the target audience through surveys.

The primary quantitative data obtained from 100 young Chinese consumers will be analysed using SPSS as part of the data analysis approach for this study. In order to investigate patterns,
relationships, and correlations within the dataset, this quantitative analysis will make use of statistical techniques like regression analysis, inferential statistics, and descriptive statistics. The utilisation of SPSS will facilitate a methodical analysis of survey data, offering valuable perspectives on the quantitative dimensions of the impact of corporate social responsibility (CSR) initiatives on the purchasing behaviour of the intended audience. Utilising the power of the programme, statistical significance, trends, and correlations will be found, providing a thorough and impartial investigation of the connection between consumer behaviour and corporate social responsibility in the Chinese market. In the case of young Chinese consumers, SPSS analysis guarantees a systematic and quantitative methodology that complements the study's aims and advances a nuanced understanding of the quantitative features of CSR's impact on consumer decisions (Peel, 2020).

Findings and Discussion

Thematic Analysis

**Theme 1: Critical discussion of the CSR initiatives that foster trust with young Chinese consumers and directly impact brand loyalty, shaping their preferences and purchasing decisions.**

Together, the research by Ozdemir et al (2020); Lerro et al (2019); Tiep Le et al (2023) highlight the critical role that corporate social responsibility (CSR) activities play in influencing young Chinese consumers' trust and brand loyalty. The study by Le et al (2023) emphasizes the intermediary functions of brand trust (BT) and brand loyalty (BL) in linking CSR to the operational efficiency of small and medium-sized businesses (SMEs). The favorable correlations between CSR, BT, BL, and company performance highlight how crucial CSR is to building loyalty and trust, which in turn promotes overall economic success.

The study by Ozdemir et al (2020) examines the complex relationships between corporate brands, customer loyalty, and emotional and cognitive trust in the context of China’s domestic dairy products market. According to the research, emotional trust moderates the effect of loyalty on several brand-consumer relationship structures, whereas cognitive trust acts as a mediator between corporate brand components and loyalty. Furthermore, the research acknowledges the moderating impact of peer influence, highlighting the pivotal function of trust in moulding customer allegiance to corporate brands.

The study conducted by Lerro et al (2019) highlights the significance of trust and loyalty in Millennials’ support for corporate social responsibility (CSR) activities in the food business. The results highlight the necessity for alignment between CSR activities and consumer values to improve brand loyalty among the Millennial cohort by showing that trust and loyalty have a substantial impact on consumers’ willingness to support CSR projects. All things considered, these studies collectively demonstrate how crucial corporate social responsibility (CSR) is to helping young Chinese consumers develop trust and brand loyalty. This provides insightful information for companies looking to succeed sustainably in this fast-moving market.

**Theme 2: Examining how transparency, a key CSR element, shapes consumer perceptions and decisions by analyzing the accessibility of CSR information.**

The aforementioned research conducted by Rim et al (2019); Kim et al (2020), and Cheng et al (2021) provide valuable insights into the impact of transparency, a fundamental component of corporate social responsibility (CSR), on customer attitudes and choices. In this cross-national study, Rim et al (2019), investigate the use of transparency signalling in CSR reporting in China, South Korea, and the United States. customer perceptions of corporate
Responsibility are influenced by the availability and comprehensibility of CSR information in various nations, highlighting the significance of transparency in influencing customer opinions.

With a particular focus on the fashion business, Kim et al (2020) investigate how customer views are influenced by pricing and manufacturing transparency. According to their study, when customers believe that the information is fair, transparency has a beneficial impact on overall brand equity and buying intentions. This highlights how important openness is in creating favorable customer views in the context of fashion.

The banking industry is the focus of Cheng et al.'s (2021) research, which also explores the impact of CSR communication via social media on consumer behavioral outcomes. According to the study, CSR initiatives connected to customers on social media have a favorable influence on purchase intentions and electronic word-of-mouth (E-WOM). This emphasizes how important openness is in CSR communication as it influences customer behavior and fosters favorable brand impressions.

Theme 3: Examining the impact of CSR practices on the cultural identity of Chinese products and how nationalistic sentiments influence consumer choices.

The study conducted by Li et al (2023); Dey et al (2023) looks at how consumers' opinions of Chinese cosmetic products are influenced by cultural factors such as national and ethnic identity. Focusing on the impact Chinese beauty brands have on digital communication, Dey et al. discover that cultural perception is a major factor in media richness's influence on cultural perception, which in turn mediates the effect of media richness on Chinese national identity. The study emphasizes how national beauty brands are promoted on digital platforms, which also help to improve Chinese national identity awareness.

In the Chinese market, Seo et al (2020) investigate the connection between cause-related marketing (CRM) and customer behavior. The study emphasizes the cultural subtleties within the sizable Chinese customer base while taking into account the moderating influences of product type and geographical variables. The results highlight the geographical variation in customer preferences by indicating that Chinese consumers, especially those in inland regions, favor utilitarian CRM goods over hedonistic ones. Collectively, these studies highlight how intricately CSR activities, cultural identity, and consumer decisions interact in China. In order to effectively engage with Chinese customers and influence their impressions of local products, the research highlights the necessity for firms to take into account cultural subtleties, geographical distinctions, and digital communication tactics.

The research conducted by Ozdemir et al (2020); Lerro et al (2019); Le et al (2023) continuously demonstrates how important corporate social responsibility (CSR) is in influencing young Chinese consumers' trust and brand loyalty. CSR activities emphasize the strategic significance of matching business practices with social values to generate sustained success in the dynamic Chinese market. They also positively correlate with corporate performance, brand trust, and loyalty.

Together, Kim et al (2020); Cheng et al (2021); Rim et al (2019) highlight the importance of transparency as a fundamental component of CSR. Transparency in CSR reporting affects brand equity and purchase intentions by influencing customer opinions across national boundaries. Fairness in information disclosure plays a crucial role in the fashion business, as price and production transparency have a beneficial influence on brand equity and purchase intentions. Furthermore, social media CSR communication affects consumer behavior.
positively, highlighting how crucial open communication is to creating great brand perceptions.

Li et al.'s (2023); Dey et al.'s (2023); Seo et al.'s (2020) research highlight the complex interplay of CSR activities, cultural identity, and shopper preferences in China. Cultural components, such as national and ethnic identity, have a big impact on how consumers perceive things. The disparities in CRM product choices between regions underscore the necessity for enterprises to customize their approaches to accommodate a range of customer demographics. Thus, these results highlight the necessity of a sophisticated comprehension of cultural dynamics and open communication to successfully negotiate the intricate terrain of corporate social responsibility in the Chinese market.

The influence of corporate social responsibility (CSR) programs on young Chinese customers is diverse, as revealed by the topic analysis. In addition to promoting trust and brand loyalty, corporate social responsibility (CSR) also interacts with transparency to impact customer views. The results underscore the imperative for corporations to synchronize their operations with the ideals of society, guaranteeing open communication among heterogeneous industries like banking, fashion, and food. With research highlighting the complex link between CSR, national identity, and consumer decisions in China, cultural identity emerges as a critical component. The findings highlight how intricate the Chinese market is, and they implore companies to negotiate cultural quirks, geographic differences, and digital communication tactics. Companies may strengthen their relationship with young Chinese consumers, influence their tastes, and create enduring brand loyalty by deliberately integrating CSR efforts that align with local values.

Conclusion

As a whole, the research under review highlights the critical influence that Corporate Social Responsibility (CSR) programs have on the purchasing habits of young Chinese people. Beyond improving loyalty and trust, corporate social responsibility (CSR) is closely associated with transparency and affects attitudes in a variety of businesses. The results of the extensive data analysis demonstrate a clear and positive correlation between young Chinese consumer behaviour, that is, the tendency to buy from Western brands under the influence of CSR initiatives by Western companies. When the One-sample t-test is analyzed, it shows that there is a significant agreement among respondents and in essence validates the author’s claim that CSR practices have a major impact. This amplifies the need for further analyses of various CSR-based statements to highlight the significant differences that stem from them in terms of preferentially affecting individual preferences and decisions. Correlation analysis proves the connectivity of these main aspects of CSR and sees their role in trust formation, product perception, environmental awareness, loyalty, and buying. This study has highlighted the pivot importance of CSR policies that have been supporting the good response from Chinese consumers in favour of Korean original brands. Businesses that emphasise moral behaviour are well-positioned to prosper as China's CSR movement gains momentum and makes a lasting impression on the inclinations and allegiance of the country's youthful customer base.

Recommendations

**Recommendation 1: Embrace Holistic CSR Strategies**

Businesses should implement thorough CSR plans that take into account social and environmental issues in addition to commercial ones. Brand credibility is increased when CSR actions are in line with the beliefs and concerns of younger Chinese customers. Promoting a
favourable brand image, entails open communication about sustainability initiatives, ethical sourcing, and community involvement.

**Recommendation 2: Leverage Digital Platforms for Transparent Communication**

Businesses should use digital channels for CSR communication to increase openness. Young customers may be engaged by creating channels specifically for discussing environmental practices, social effects, and corporate social responsibility initiatives on platforms like social media. Among digitally connected customers, narrative, interactive material, and regular updates may successfully communicate CSR initiatives and foster loyalty and trust.

**Recommendation 3: Tailor CSR Initiatives to Regional Preferences**

Given the variety of the Chinese market, companies should adjust their corporate social responsibility programs to suit local tastes. Companies may develop effective and culturally appropriate corporate social responsibility (CSR) initiatives that resonate with local communities by having a thorough understanding of the cultural quirks and particular concerns of customers in various locations.

Businesses may successfully traverse China's changing corporate social responsibility (CSR) landscape by putting these suggestions into practice. This will help them connect with younger consumers and develop a sustainable and socially conscious brand image.

**Contribution**

The research presents a distinctive area of exploration within the broad category of CSR and its effect on consumer decision-making, mainly among the Chinese youth. By integrating different schools of thought, this research will put forward the complex link between consumers’ business opinions & views, shopping preferences and behaviour to CSR activities. Adopting a theme-based approach, the report is aimed at spotlighting the importance of CSR in increasing the rating of trust, dedication to the buyer's loyalty, and the level of transparency among young Chinese consumers. The paper also mentions the requirement of changing the CSR approach for different markets and employing communication channels that facilitate better interactions. The strategy should be made transparent and more details on it can be found in the research.

**Theoretical Contribution**

The theoretical contribution of this research stems from its investigation of the application of Reasoned Action Theory and Motivational Need Theory in the consumers’ CSR behaviour. Through the use of these two theories, this piece has been developed to deepen our understanding of how advertising, personal requirements, and societal norms impact the decisions that consumers make in line with CSR. Moreover, the writer points out that cultural identity and nationalistic feelings affect customer tastes, which in turn, are crucial to the development of the cultural dynamics underlying corporate social responsibility in China.

**Contextual Contribution**

Contextually, such research is particularly relevant regarding the increasingly complex CSR system in China and the vendor-customer relationship which may emerge as a result. As the demand for ethical and sustainable products grows among Chinese consumer, understanding the reasons why CSR task-related decisions are made becomes essential for businesses that want long-term relationship connections with their target audience. This study carries the
merit of providing businesses with practical suggestions and recommendations that are based on the local context and consumers' behaviours in China. With the aid of the findings, companies can create an efficient plan to integrate CSR into business practices and approach consumers in the Chinese market.

Reference


