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How Consumers Respond to Corporate Social Responsibility Initiative: Cause Related Marketing vs Philanthropy

Lisia Astari Pertiwi and Tengku Ezni Balqiah***

Increasing in demand of CSR from various stakeholders has caused company's CSR motives to be more complex. CSR activities are not only founded on the benevolence of corporate agents but also as part of a corporate strategy formulated in pursuit of stakeholder interest. This study investigate whether CSR motives could enhance customer trust and satisfaction. Focus on two CSR initiatives conducted by GrabTaxi (transportation industry) and Alfamart (retail industry), the purposes is to demonstrate how two type CSR initiative could delivered perceived motives and create loyalty. Cross-sectional offline and on-line survey was conducted on 175 respondents of GrabTaxi and 192 respondents of Alfamart. Structural Equation Interestingly, even though respondent perceived firm-serving motives (as strategic objectives) and reactive motives (as expected by stakeholder), CSR initiative could create trust and satisfaction. Structural Equation Modelling as data analysis to test 5 hypotheses. The results show slightly different in the context of cause-related marketing (GrabTaxi), and philanthropy (Alfamart). Even though all respondents perceived that CSR is motivated by mix motives (benevolent and strategic), how these motives influence trust, satisfaction, and further loyalty are different. Two-type of CSR initiative ie Cause Related Marketing (CrM) and philanthropy can provide firm-serving motive, public serving motive and reactive motive. These motives could encourage trust and satisfaction through path motive-trust-satisfaction (directly or indirectly through trust)-customer loyalty. Interestingly, even though respondent perceived firm-serving motives (as strategic objectives) and reactive motives (as expected by stakeholder), CSR initiative could create trust and satisfaction.

Keywords: Corporate Social Responsibility, cause-related marketing, philanthropy, motive, trust, satisfaction, customer loyalty

Introduction

Today, more companies engage in corporate social responsibility activities. These activities conducted in some format and supported some issues, such as donation, volunteer activities, and energy efficiency or waste management (Grant Thornton, 2014). Previously, CSR is reactive strategy as responds to failure (scandal, environmental damage, child labor) that remedy reputation, shift to proactive (The Guardian, 2014).

However, customers do not respond to all CSR activities equally. Gilbert and Malone (1995) state that customers do not really care about what the company does, but rather why the company does it. In the context of CSR practices, customers often give special attention in a keen and critical way to the company's motives in conducting certain CSR activities. Research conducted by Ellen, Webb, and Mohr (2006), shows that customers respond more positively when the company's mo-

tive in conducting CSR activities is for the public interest, not for its business objectives.

Graafland and Mazereeuw-Van der Duijn Schouten (2012) explain two motives that are the reason why company do CSR activities: intrinsic and extrinsic motives. Intrinsic motives are motives that not concern to financial reasons, but as moral duty and as an expression of altruism. Conversely, extrinsic motives are financial motives that contribute to long term financial performance, profit, and shareholder value. These two motives in line with Becker-Olsen et al (2006), that explain about firm-serving motives (financial concern), and public-serving motives (community development), that could influence consumers' attitudes toward firms and their social initiatives.

There are some benefit of CSR. Customer perceptions of fulfilling CSR responsibilities for firms create positive attitude toward brand (Brown and Dacin, 1997; Lichtenstein et al, 2004), satisfaction (Sen and Bhattacharya, 2001), reputation and

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loyalty (Balqiah et al, 2011), trust and satisfaction (Martinez and del Bosque, 2013), purchase intentions (Lee and Lee, 2015),

According to Kotler and Lee (2005), there are some CSR initiatives: cause promotion, cause related marketing, corporate social marketing, corporate philanthropy, community volunteering, and socially responsible business practices. Different CSR initiatives will create different values for all interested parties that are involved. Thus, these CSR activities have different impacts on companies' profits, even to the value of those companies (Malik, 2015).

In Asia, including Indonesia, awareness about CSR is also increasing (Kompas, 2015). It should be understood that the development of the Indonesian economy is still behind developed countries. But it can be seen recently that more Indonesian companies are actively involved in CSR activities based on internal values, awareness of internal benefits, as well as obligations of government legislation, especially for State-Owned Enterprises (SOE). The Indonesian government stated it will sanction companies that ignore communities and are obliged to assist them through CSR (CNN Indonesia, 2015).

With the growing popularity of CSR activities, the company's motive to perform CSR becomes increasingly complex. There are some strategies to attract customers, create competitive advantage, build image, or to increase market share. However, in Indonesia, companies engage in CSR activities could be driven by external pressure such as governments that comply with law. Then CSR activities are done in the form of fulfillment of corporate legal obligations. Of course the company has never explicitly mentioned what is actually the motive underlying their CSR activities.

Therefore, customers need to assess whether the CSR activities undertaken by the company are based on genuine social concern, a business strategy, or a mere legal fulfillment. The assessment is done consciously or unconsciously by observing many aspects of CSR related activities, such as from communication media (advertisement, publication), actual social impacts, and implementation of the activity itself. Based on the assessment, the customer will determine his attitude towards the company. Thus, the objective of this research is to study how customer perceived on CSR motives will affect their trust, satisfaction, and loyalty to the company.

In the next section, we develop our conceptual framework and derive the underlying research hypothesis on a theoretical basis. Afterwards we move forward by providing an overview of the method, followed by the results section. We will discuss some findings in the discussion section, and describe theoretical and also managerial implications, as well as limitations and suggestions for future research.

Literature Review

CSR Type

CSR Motives

Vlachos (2009) states that the process of attribution made by customers to CSR motives are more complex than relationships among individuals in general. Company-as an entity- was perceived as an institution with the ultimate goal is profit, which will do anything both positive and negative activities in order to maximize profit. Therefore, even though a company engages in CSR activities and perceived as positive activity, there is a suspicion. Such suspicion causes customers to attempt to attribute negative motives that drive CSR activities undertaken by the company. Corporate CSR activities are often assessed as exploiting particular issue or greenwashing, where companies spend more money and effort to advertise their efforts in protecting environment. In addition, companies are also often considered to engage in CSR activities to hide corporate scandals and negative impacts of companies business activities (Vlachos, 2009).

Due to these suspicions, when exposed to CSR activities (e.g advertising), customers will seek actual motives underlying the company's actions (Becker-Olsen et al, 2006). There are two types of motives underlying the company's CSR activities, namely firm serving motives (CSR that concern to business) and public serving motives (CSR that concern to community). This study will discuss the two main motives and one additional motive of reactive motives (CSR as the fulfillment of stakeholder expectations).

Firm-serving motives

Firm serving motives aim to provide benefits to the company, for example to increase profits, sales, or build a positive image of the company

or brand. Customers can attribute CSR activities of the company with those motives if the CSR activities undertaken by the company are considered more benefits for the company (profit) than the generated social good. Ellen, Webb and Mohr (2006) and Whetten and Mackey (2002) suggest that customers respond differently to strategic firm-serving motives (increased sales or customers) and whose purpose is to utilize CSR activities (e.g taking donations for companies, making use of social foundations). Customers can generally accept strategic motives but negatively evaluate selfish motives and exploit CSR activities.

Public-serving motives

Public-serving motives are company's desire to help the community or support the issues sincerely. Customers may attribute CSR activities as public-serving motives if they perceived CSR activities were performed more beneficial to the community or the environment than. Ellen, Webb, and Mohr (2006) and Swanson (1995) suggests that customer evaluation of CSR activities will be more positive if the activity is perceived as value-driven and the company sincerely wants to help the community/environment.

Reactive motives

Reactive motives will perceive when company conducted CSR activities were derived by the stakeholders' demand. Companies engage to CSR activities because they feel they must do it to please stakeholders such as customers, shareholders, employees, or society. Swanson (1995) and Groza et al (2011) suggest that when customers assess CSR activities based on this motives, customer evaluation tends to be negative.

Trust

Customer trust is defined as customer's belief that the provider's goods or services is reliable and will act in accordance with the long-term interests of the customer (Crosby et al., 1990). Previous research by Chaudhuri and Holbrook (2001), Sirdeshmukh et al. (2002), and Ball et al. (2004) demonstrates the importance of customer trust as a prerequisite for customer loyalty formation that will support long-term relationships between customers and companies. Customer trust is also influenced by the customer's perception of the

alignment between their values and company's values. Applications of these values can be seen through daily concrete company actions. When there is alignment, customer will be more confident that in the future company's actions will be also in accordance with their values. This situation establish customer feels to more engaged in relationships with the company, ultimately forms a commitment between the two parties (Gwinner et al, 1998).

Customer trust has two main components (Sirdeshmukh et al), namely:

1. Trust on company's performance and credibility

Customers, regardless of the industry context discussed, have expectations that the company always shows consistent performance. Sako (1992) pointed out in his research that trust in this competency is the most important in determining whether the customer will repeat purchase.

2. Trust on the benevolence

Customers can see the benevolence of a company if they interests take precedence over the company's interests. However, mere motivation alone is not enough. Customers need to see the company's real action as a manifestation of its benevolence. The company needs to show that despite having to bear a certain cost, it is willing to do more than just its obligations for the benefit of customer. Concern, attention, and honesty are the important aspect in company benevolence.

In the context of CSR, customer trust is also based on customer expectations on ethical behavior of the company (Hosmer, 1995; Vlachos, 2009). Based on these expectations, customers are always trying to ascertain the motives of CSR activities. Through the attribution process, the customer determines whether the company engages in CSR activities based on its desire to help or to seek self-benefit (Vlachos, 2009). If the customer sees that the company is neglecting the ethical value and exploiting the CSR activities, the customer's trust will diminish.

Satisfaction and Loyalty

Customer satisfaction is overall evaluation on total customer experience in purchasing and consuming of certain goods or services (Anderson et al, 2004; Fornell 1992, Luo and Bhattacharya, 2006). Customer satisfaction is closely related to

customer loyalty because a satisfied customer toward product or service will be more likely to re-purchase the goods or services in the future (Martinez & Rodriguez del Bosque, 2013).

Szymanski and Henard (2001) summarizes from previous studies that customer satisfaction can derived from customer cognitive and affective judgments. Cognitive assessment is comparison between expectations before consuming the product or service and the actual results received while the consumption process. If the product or service performance exceeds expectations, the customer will very satisfied. Conversely, if expectations are higher than performance, customers may feel dissatisfied (Oliver, 1980; Oliver and DeSarbo, 1988). Affective judgments, on the other hand, relate to the emotions customers experience when consuming. Weiner (1986) suggests that customer attribution to the firm can affect the customer's emotions, which then determine whether the customer is satisfied or dissatisfied. The consequences of customer satisfaction include positive word-of-mouth and repetition of purchases (Szymanski and Henard, 2001).

Customer loyalty is customer's commitment to repurchase a product or service in the future, regardless of situational factors or marketing efforts that influence them to buy competitor's product or service (Oliver, 1997). Moorman et al (1992) define customer loyalty as a desire to maintain a valuable relationship. Thus, loyalty is based on a process of continuing and maintaining a relationship that is valued by both parties.

There are two types of loyalty : attitudinal and behavioral loyalty (Chaudhuri and Holbrook, 2001). Behavioral loyalty is a loyalty that was shown by making repeat purchases of particular product or service from the company. While attitudinal loyalty is a loyalty in the form of customer commitment that based on the similarity between customer and company. Among these two types of loyalty, Chaudhuri and Holbrook (2001) states that loyalty in the level of customer affection is more profitable for the company. Berscheid (1983) mentions that there are two most important aspects that affect the closeness of emotional relationship between customers and companies that is the intensity of emotions, positive or negative hedonic sign. In addition, customer mood that was formed after consumption also affects customer loyalty to a brand. Thus, if a brand can make its customers feel "happy" or "cheerful", it could encourage its customers to be more loyal to

the brand.

On the other hand, repeat purchase that are often used as a measure of behavioral loyalty, also can be caused by others factors instead of customer loyalty. Repeat purchases might be result because customers do not know any alternatives, no alternatives, or reluctance to find information about other alternatives (Chaudhuri & Holbrook, 2001). Dick and Basu (1994) referred to the condition as spurious loyalty or no loyalty because repeat purchase still occurs even though the customer actually has a negative perception toward a company or brand. Based on the comparison of both aspects of loyalty, in this study authors used both behavioral and attitudinal loyalty.

Model and Hypotheses

Research model in this study was modification of previous research by Lee et al. (2009) and Martinez and Rodriguez (2013). Lee et al. (2009) examined the effect of customer perceptions on motives of corporate philanthropy activities in South Korea toward purchase intentions that is mediated by customer attitudes toward the company. Meanwhile, Martinez and Rodriguez (2013) examined the influence of CSR activities on customer loyalty in the context of the hospitality industry in Spain. Thus, research models is shown in figure 1.

Behavioral loyalty as the outcome of CSR's motive attribution performed by the customer, not just in the form of attitude (as in research by Lee et al. (2009)), but more specifically in the form of trust and satisfaction. Bagozzi (1992) argues that beliefs are a good indicators for measuring behavioral outcomes of CSR motives attribution, because trust is established through a customer self-regulatory process. While Luo and Bhattacharya (2006) show that satisfaction is also influenced by the customer's perception toward the value of the company's products which is also influenced by the self-regulatory process of the CSR activity motives perceived by the customer. Different CSR initiatives may be perceive driven by different motives. Using this model, this study will demonstrated how two type CSR initiatives will influence loyalty.

CSR motives and Trust

The customer's perception of the company's motives affects their evaluation toward the com-

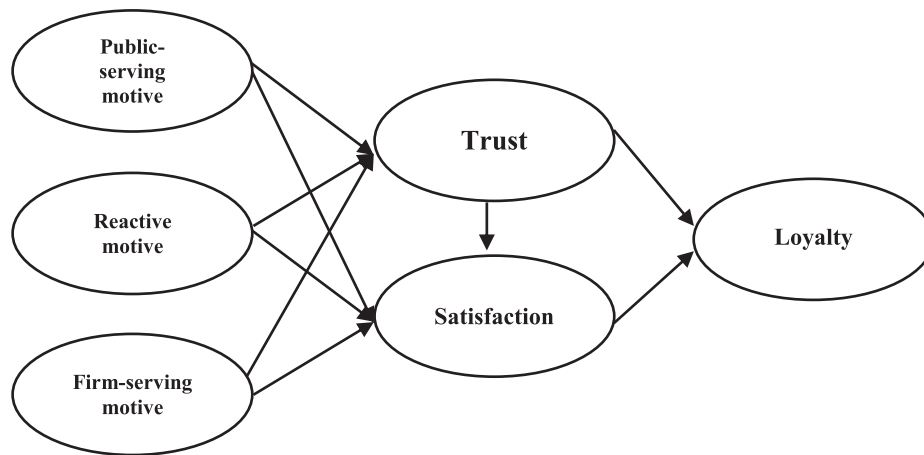


Figure 1. Research Model

pany (Boush et al., 1994; Ellen et al., 2000, Campbell, 2007). The customer's will perceive positive when they belief company perform CSR initiatives as public-serving motives and vice versa when CSR is based on firm-serving and reactive motives. Their skepticism negatively impact the company credibility so as reduce trust.

H_{1a}: Firm-serving motives negatively influence customer trust

H_{1b}: Public-serving motives positively influence customer trust

H_{1c}: Reactive motives negatively influence customer trust

CSR motives and Satisfaction

Some previous studies had shown the positive effect of CSR activities on customer satisfaction (Brown and Dacin, 1997; Gurhan-Canli and Batra, 2004; Sen and Bhattacharya, 2001). Customers are more critical in assessing corporate CSR activities. CSR motives will be considered when they evaluate CSR initiatives (Mithas *et al.*, 2005). In positive evaluation, Customers will perceive company offering is better than competitors and they feel more satisfied after consuming. Differences CSR motives certainly has different influence on customer satisfaction.

H_{2a}: Firm-serving motives negatively influence customer satisfaction

H_{2b}: Public-serving motives positively influence customer satisfaction

H_{2c}: Reactive motives negatively influence customer satisfaction

Trust, Satisfaction, and Loyalty

Academics and practitioners believe that customer trust is a valuable asset for the company.

Especially in long-term transactions, trust is an important key to building relationships between sellers and buyers (Dwyer et al., 1987; Ganesan, 1994; Garbarino and Johnson, 1999). Chiou and Pan (2009) stated that customer trust precedes the formation of satisfaction is based on several reasons. First, if the customer does not trust the company, it is almost certain that the customer is not satisfied with the goods or services that company's offer. Second, in the long-term relationship between the customer and the company, the confidence benefit is the most valuable for the company. Confidence benefit is very similar to customer trust. Manifestations of customer trust include reduced customer anxiety, increase confidence, reduced risk, and generate expectation.

H₃: Customer trust positively influence customer satisfaction

There are two aspects of customer loyalty: purchase loyalty and attitudinal loyalty. Purchase loyalty is defined as the commitment of a customer to repurchase a good or service, while attitudinal loyalty further explains the average level of customer commitment to a brand or company (Chaudhuri and Holbrook, 2001). These two aspects of customer loyalty are influenced by customer trust. Customer trust can develop commitment and loyalty, because trust may creates valuable exchange relationship for both parties (Morgan and Hunt, 1994). In CSR context, customer's confidence mediates in creating customer loyalty. Martinez and Rodriguez del-Bosque (2013) show that customer confidence to companies that running CSR activities are positively related to customer loyalty.

H₄: Customer trust positively influence customer loyalty

Similarly to trust, customer satisfaction also plays an important role in the formation of customer loyalty. When customers are satisfied with

the product or service they choose, they tend to rebuy the product or service and become loyal customers (Martinez and Rodriguez del-Bosque, 2013). Oliver (1997) proposes three stages of customer satisfaction (cognitive, affective, and conative) that shape customer loyalty especially repurchase. In the meta-data analysis that was conducted by Szymanski and Henard (2001), there were relationship between satisfaction and loyalty. In CSR context, Martinez and Rodriguez del Bosque (2013) show that customer satisfaction can positively influence loyalty.

H₃: Customer satisfaction positively influence customer loyalty

Method

Research Objects

Donate coins of Alfamart

This is corporate philanthropy that offers donation options to customers of change below IDR500.00. Customers may refuse or contribute the change to Alfamart that further give to various parties that need financial support. The process of donation distributions is collaborate with Indonesian Red Cross and UNICEF (Indomaret, 2012), and one of the program is to help disaster victims in Manado (Indomaret, 2014). This philanthropy program has been conducting for a long time and reap various respons from the public regarding the transparency of donation activities.

Cause-related Marketing (CrM) of GrabTaxi

GrabTaxi is online taxi, using free application that is a download through Google Play, App Store and Blackberry World. This application was first launched in Malaysia under the name MyTeksi in June 2012, then changed its name to GrabTaxi and has grown rapidly in 6 countries in Southeast Asia namely Malaysia, Philippines, Thailand, Singapore, Vietnam, and Indonesia. GrabTaxi officially entered Indonesia in June 2014. In 2015, GrabTaxi advertise its CrM activities on Facebook and web frequently. Involving in this initiative, customer can use one of four code that representing different initiative (exclusive breastfeeding in Indonesia, blood donation, animal welfare, and disaster). If customer want to participate in this CrM program, GrabTaxi provides IDR 15,000 discount.

Research Design

Data were collected by cross-sectional offline and online survey using social media in Jakarta, Bogor, Depok, Tangerang, and Bekasi, which are Indonesia's urban areas. It is assumed that Indonesia's urban areas' communities have easier access to Grab Taxi and Alfamart. These area also have similar pattern regarding working issues. Jakarta as business center is the most busy city and the employee mostly live in mid and uptown area (Bogor, Depok, Tangerang and Bekasi).

Samples

Population in this research are male and female that had passed through screening; respondents who had consume GrabTaxi and or Alfamart in last 6 months, above 17 years old. This age assume can make decision on their buying and consumption behavior. Purposive sampling technique was used in obtaining respondents. A total 175 respondents of GrabTaxi completed the survey, had already participate in this program (65%), being customer less than 3 months (76%), 18-25 years old (79%), and employee (45%). For Alfamart, total 192 respondents completed the survey, 18-25 years old (88%), and students (83%).

Measurement and Data Analysis

In order to collect primary data, there are two sets of questionnaires used in this study, namely A set to measure the effect of perceptions of CSR GrabTaxi motive on customer loyalty, and set B to measure the influence of perception of Alfamart CSR activity motive on customer loyalty. The questionnaire consists of 31 questions with five-point likert scale regarding six research constructs: 17 items of CSR motives (Lee et al, 2009), 5 items of trust (Morgan and Hunt, 1994), 4 items of Customer Satisfaction (Kwan et al., 2012; Lam et al., 2004; Chan et al., 2010), and 5 items of Customer Loyalty (Zeithaml et al., 1996). Structural Equation Modelling with Lisrel 8.8 was used to test all hypotheses at $\alpha=5\%$.

Result

Validity and Reliability

Pretest were held with 30 respondents to measure the validity and reliability of the questionnaires. Through SPSS 23, the result demonstrat-

Table 1. Hyhoheses Testing

	Hyhohesis	GrabTaxi			Alfamart		
		estimates	t-value	Conclusion	estimates	t-value	Conclusion
H _{1a}	Firm-serving motives negatively influence trust	0.26	3.00	not supported	0.11	1.03	not supported
H _{1b}	Public-serving motives positively influence trust	0.20	2.08	supported	0.35	3.15	supported
H _{1c}	Reactive motives negatively influence trust	0.32	3.32	not supported	0.27	1.99	not supported
H _{2a}	Firm-serving motives negatively influence customer satisfaction	0.19	2.75	not supported	-0.22	-2.71	supported
H _{2b}	Public-serving motives positively influence customer satisfaction	-0.05	-0.61	not supported	-0.089	-1.03	not supported
H _{2c}	Reactive motives negatively influence customer satisfaction	-0.12	-1.55	not supported	0.23	2.23	not supported
H ₃	Trust positively influence customer satisfaction	0.83	8.46	supported	0.83	7.68	supported
H ₄	Trust positively influence customer loyalty	0.19	1.82	not supported	0.15	1.10	not supported
H ₅	Customer satisfaction positively influence customer loyalty	0.72	6.13	supported	0.71	5.09	supported

ed, all items were valid with loading factors > 0.5 and *Cronbach's Alpha* > 0.6 . (Malhotra and Brick, 2007). In main survey, only 14 items of Grab's CSR motives of Grab and 15 items of Alfamart's CSR motives were valid (standardize loading factors > 0.5) and reliable (CR > 0.7 , and VE > 0.5), other latents were valid and reliable.

Hypothesis Testing

Table 1 presents the estimates and *t*-statistics of all research hypotheses. Based on this table, the conclusion of each hypothesis is shown in table 1.

Discussion

Some of the findings in this study differ from previous studies. In this study firm-serving motives of GrabTaxi's CSR positively effects on customer trust. On the other hand, there is no significant influence from perceptions of firm-serving motives of Alfamart's CSR on customers' trust. William and Aaker (2002) demonstrated that customers know that a company is a profit-seeking agency and must have more than one motive in every activity it does, so it is impossible for a company to do something based on pure motives. Therefore, the customer is able to understand and and receive two conflicting information (Yoon,

Gurhan-Canli, and Schwartz, 2006). As a result, the customer does not penalize the company and the customer's trust in the company is not negatively affected. Furthermore, Ellen, Webb, and Mohr (2006) showed a different relationship between firm-serving motives as strategic variables (increasing subscriber numbers) and egoistic (using social foundations for the benefit of the company). Strategic firm-serving motive variables are more acceptable and supported by the customers because they consider it important for the company to consider about the sustainability of its business. But egoistic was unacceptable and unsupported by the customer.

The dominant indicator in formation of firm-serving motives in this study is concern about GrabTaxi performs CSR activities to increase the number of subscribers and increase customer loyalty, and both indicators are strategic. Meanwhile, selfish indicators have been discarded and not used in this research because they do not pass the validity test. Thus, according to Ellen, Webb, and Mohr (2006), authors concludes that customer trust in GrabTaxi does not decrease even though the CrM activity is viewed as based on firm-serving motives because customers are able to understand that companies need to strive to increase customer loyalty, so they support the company in the form of increased confidence in the company (Whetten and Mackey, 2002).

In accordance with the hypothesis development, there are significant positive effect of public-serving motives on customer trust in both GrabTaxi and Alfamart. This finding is consistent with Lee et al. (2009). Swanson (1995) states that when a customer perceives a CSR activity as based on an altruistic and sincere motive, the customer will associate the company as an ethical entity and the customer will exhibit a more favorable attitude compared to an insincere competitor.

Contrary to the findings of previous researchs, this study found a significant positive effect of reactive motives on GrabTaxi' and Alfamart's customers' trust, but at different significant level. On the other hand, there is no significant effect of reactive motives on Alfamart's customers' trust. There are some stakeholders that concern to CSR (Ellen et al., 2006), namely customers, shareholders, community, employees, and government (law). In this study of GrabTaxi' customers, reactive motives variables were formed most dominantly by indicators that measure that GrabTaxi performs CSR activities to meet the expectations of the general public (RM3) and customers (RM1). So the researcher concludes that according to Groza, Pronschinske, and Walker (2011), the positive effect of reactive motives shown in this study is due to the influence of the above two indicators. Ellen, Webb, and Mohr (2006) also stated that CSR activities conducted on stakeholder demands will be viewed as compulsive and will reduce customer confidence to the company is not proven in this study. Authors suspect there are differences in norms believed by the group of respondents in previous research and respondents in this study. Even company only reactive to stakeholder expectation, there is still increase trust. It means company concern and care to society and customers. This situation increase their trust to the company.

Similarly, in the context of GrabTaxi, the most dominant indicator that form reactive motives in Alfamart' respondents is an indicator stating that Alfamart performs CSR activities to meet the expectations of the general public. Unlike the CrM that combines the company's strategic and social goals, donations are other-centered that the company should be sincerely do its CSR.

Authors suspect there are differences in norms believed by the group of respondents in previous research and respondents in this study.

In Indonesia, the government requires companies to be actively involved in CSR activities.

Thus, this may change the general perception of the public about CSR because CSR is no longer seen as a discretionary activity (Carroll, 1979), but is based on obligations established by a third party, the government. Therefore, customers do not consider CSR activities that are based on external motives as a bad thing. This situation cause customers' trust to the company is not decreased.

This study also found difference result regarding GrabTaxi and Alfamart' CSR. In GrabTaxi, firm-serving motives has positive effect on customer satisfaction, but negative in Alfamart. This shows that firm-serving motives has different effects on perceived value of products and services of both companies. In Alfamart, donation of small change causes customers to be dissatisfied when shopping at Alfamart. Refer to the highest loading indicator, respondents perceived Alfamart was driven by egoistic factors (Alfamart takes advantage of the issues that it supports for the benefit of the company and Alfamart wants to increase profit). Therefore, this self-centered motive is in sharp contrast to the motives that customers expect from a corporate donation activity that is other-centered motives (Yoon, Gurhan-Canli, and Schwartz, 2006). More specifically, in the context of Alfamart, the donations given by the company come from the customer's small change, so respondents feel force and deceived when the donation is motivated by Alfamart's desire to take advantage. Authors suspect this causes reduce perceived value of products and services, further impact on the shopping experience and customers become less satisfied.

This study shows that there is no significant influence of public-serving motives and reactive motives on customer satisfaction, both in GrabTaxi and Alfamart. Public-serving motives are predicted to affect satisfaction positively when there is belief that CSR activities undertaken by the company are based on the company's genuine willingness to help. However, in this study the perception of public-serving motives is not able to significantly increase perceived value of products and services. Social activities does not affect consumption experience directly but through mediating of trust. Reactive motives do not significantly affect customer satisfaction in the GrabTaxi context but show a significant positive effect on the Alfamart context. The positive influence of reactive motives on Alfamart customers shows that customers can accept that the donation activities undertaken by the company are based

on Alfamart's desire to meet the expectations of the general public (RM3) and customers (RM1). Researchers suspect customers can accept and support the motive because customers feel they are part of the reason Alfamart make donations. Thus, in accordance with Luo and Bhattacharya (2006), the support of these customers enhances the quality of customer consumption experience so that customers feel more satisfied. When customers donate their small change to Alfamart with the belief that Alfamart makes donations to meet customer expectations, customers will become more satisfied.

In contrast to GrabTaxi, although the dominant indicators in reactive motives are the same as Alfamart's (GrabTaxi performs CSR to meet the expectations of the general public and customers), there is no significant effect. Reactive motives does not reduce or increase perceived value of service.

Even though trust increase satisfaction, but trust has no directly effect on loyalty in GrabTaxi and Alfamart. Morgan and Hunt (1994) argue that trust is a determinant of customer loyalty that is particularly relevant to the service industry context in which customers and service providers interact directly. In contrast, the industry in this study has different characteristics from service industries such as hospitality. Alfamart is a company engaged in the retail industry, where customers and companies do not interact directly, and products sold are also low involvement and do not through complex purchasing decisions in shopping. Therefore, trust alone is not strong enough to encourage customer loyalty. Another industry studied in this research is transportation using application, which is a new industry that has not been too popular in the world, and in Indonesia particularly. GrabTaxi is a provider of on-line taxi booking applications that aims to make it easier for customers to book taxis anytime. The company itself is newly entered into Indonesia (less than one year) and in early 2015 is heavily promoting to expand the company's customer base. Therefore, researchers suspect because the company is new, customers do not have enough

time to establish trust and loyalty to the company. Thus, in this study the trust does not give a significant influence on corporate loyalty, but satisfaction. When customers are satisfied with the goods or services of a company, they will tend to repeat purchase the goods or services and become loyal customers Martinez and Rodriguez del Bosque (2013).

Conclusion

Two-type of CSR initiative ie Cause Related Marketing (CrM) and philanthropy can provide firm-serving motive, public serving motive and reactive motive. These motives could encourage trust and satisfaction through path motive-trust-satisfaction (directly or indirectly through trust)-customer loyalty. Interestingly, even though respondent perceived firm-serving motives (as strategic objectives) and reactive motives (as expected by stakeholder), CSR initiative could create trust and satisfaction.

Based on the result, companies must maintain their CSR initiative through developing communication in order to develop positive perception toward CSR motives. This is become critical as these positive perception can influence customer loyalty. Company must also consider the type of CSR activity because there is a relationship between CSR activities (social activities) that involving customers and their loyalty. Specifically, company has to increase customer's participation in company's social activities, and develop positive image how company concern to society and customers.

This research only focuses on philanthropic activities concerning short term social issues on two services. Future research should investigate the effectiveness of other type of initiatives (i.e., employee volunteer), the antecedent of CSR motives, combination of some CSR activities, and consider on communication strategy (i.e advertising, sponsorship). Regarding industry, future research should consider about other high-risk or involvement industries (i.e health, tourism), and focus on long-term CSR initiatives.

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