

THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY ON BRAND LOYALTY IN THE TELECOMMUNICATIONS SECTOR DURING THE COVID 19 PANDEMIC: A CASE OF ECONET WIRELESS ZIMBABWE

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Abstract

*This research paper investigated the influence of corporate social responsibility on brand loyalty. The objectives used in the study were to determine the relationship between corporate social responsibility and brand loyalty at Econet Wireless to establish whether clients are aware of CSR activities of Econet Wireless or not. Causal research design was used for the first objective and descriptive research design was used for the second objective. Simple random sampling technique was used to determine the elements to be included in the sample and a sample size of 384 calculated using Saunders formulae was used. The researcher used questionnaires to collect data which were administered electronically in line with COVID-19 regulations. The findings of the research revealed that The Cronbach Alpha coefficient to test the reliability of the measurement scales was used to determine the impact of corporate social responsibility (employee, ethical, legal and social responsibility) on brand loyalty. The reliability constructs accepted should be above 0.7. Henceforth, all the four variables were reliable as they have Cronbach Alpha values above 0.7 With the exception of social responsibility which is at 0.682. Regression analysis was performed to test the predictive power of CSR practices (independent variable) on brand loyalty. The results showed that there is a strong positive relationship between CSR and brand loyalty. This was shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.263$). This indicates that brand loyalty is influenced to a greater extent by corporate social responsibility as shown by the Beta value of 0.618, which is above 0.6 the standard acceptable. More so legal responsibility contributes more to brand loyalty with a mean value of 21.5885 followed by ethical responsibility with a mean value of 18.7422, followed by employee responsibility with a mean value of 18.0052 for employee responsibility, and lastly. The results discovered that there is a strong inverse relationship between brand loyalty and employee relationship. This is shown by the standardized coefficient which is -0.532, ($p=.00$, $t=-12.293$). This indicates that brand loyalty is not influenced by corporate social responsibility as shown by the Beta value of -0.518. In addition, it means that a negative change in brand loyalty will cause a negative change in brand loyalty and the opposite is equally true. CSR practices and brand loyalty has a correlation coefficient of 0.618** which is positive, moderate and statistically significant [$r=0.618$, $p<0.01$ ($p=0.001$). High levels of CSR practices are positively associated with moderate levels of improvement in sales performance as loyal customers are overwhelmingly more profitable than other customers because loyal customers do more for a business than purely generating revenue during purchases. Hypothesis testing was done in order to choose amongst two competing hypotheses about the value of a population parameter... The hypothesis testing reveals that clearly there is a strong positive relationship between CSR and brand loyalty. This is shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.360$). This indicates that brand loyalty is influenced to a lesser extent by corporate social responsibility as shown by the Beta value of 0.618, which is below 0.7. In addition, it means that a positive change in CSR will cause little or no change in brand loyalty and the opposite is equally true, therefore H1 was rejected.*

Key Words: Covid 19, Corporate Governance, Corporate Social Responsibility, Brand loyalty and Marketing.

1 INTRODUCTION

The notion of Corporate Social responsibility became popular in the 1960s and 70s. It was used by many international organizations to describe various pursuits that the organizations embarked on to benefit their surroundings. The World Business Council for Sustainable Development (2019) established that CSR was an undertaking by an organization to accord to a given environment a sustainable economic development with the assistance of employees their families and local members of the society.

Barnes (2017) views it as activities by a business that goes beyond the mandatory public and legal expectations of society towards a business. Corporate social responsibility is therefore the manner in which an organization incorporates the various social and environmental concerns of its community into its policies and procedures. It relates to an organization's activities towards giving back to the community. It is a set of policies, practices, and programs that are integrated throughout business operations intended to ensure that the company maximizes the positive impacts of its operations on society.

1.1 The Concept of Corporate Social Responsibility

CSR has been defined by (Bannerjee 2018) as the obligation of entities due to the impact of their actions and assessment on society and therefore the environment through behaviour that's ethical and transparent, also as according to the sustainable development and therefore the welfare of the society. Lantos, (2019) agrees by outlining that CSR is that the organization's responsibility to capitalize on its positive effects in being a contributing member to society, concernedly for society's future needs and needs. Corporate social responsibility (CSR) is a type of business self-regulation with the aim of being socially accountable. There is no one right approach that a company can practice CSR as many corporate CSR initiatives strive to positively contribute to the public, the economy or the environment (Schooley, 2020).

Corporate Social Responsibility is best understood within its social, economic, political, legal and ethical context. Carroll in Barnes (2017) undertook to understand CSR in these categories and found that: Economic responsibility related to the jobs, wages, services, while the Legal responsibilities meant legal assent and playing by the rules of the game; Ethical meant moral obligations of what the organization believed to be what is fair and equitable given the contribution of the society to the wellbeing of the organization and discretionary or social these were optional philanthropic contributions. Such efforts included the company's efforts to assuage poverty in a given environment aimed at improving the society's quality of life. To be considered a CSR company a company therefore had to engage in at least two or three of these categories with a clear impact on the community.

Various intellectuals have found that these efforts must both be internal and external. This means that CSR is not only aimed at the outer environment but also at in-house level. At organizational level CSR targets internal stakeholders such as employees of the company. According to (Jones Comfort and Hillier, 2018) at in-house level issues considered are those that affect the day to day lives of employees such as health and safety, education and skills, workplace safety, working conditions, human rights, equity considerations, equal opportunity as well as their labor rights. The aim is to give back to the employee for the effort they put in assisting the organization to achieve its overall goals. With regards to the greater environment, (Manilla and Miles 2015) state that the aim is to accord due diligence to various stakeholders such as customers. CSR also entails good administration within the organization. Good administration means that there is a set of rules and practices that assist with decision-making inside the company (consensus, responsibility, efficiency, transparency, participation and law enforcement), so as to take into account the interests of the whole organization and society

Superior CSR Environmental practices are aimed at formulating and implementing policies that mitigate the negative impacts of the business operations on the environment policies. Labour Practices/Human Resources relates to policies and processes oriented to the staff for the development of their work in a safe and secure atmosphere, equal opportunities, encouraging work-life balance, training, participation and dialogue, with the aim of permanent development as articulated by (Ellen, Webb and Moher, 2016). Social involvement, which is the company participation on social, cultural and sporting activities of the environment. Therefore, as will more fully appear CSR has a huge impact on employee motivation and commitment, increase in market share and sales, promotion of brand image and consumer customer identification.

The corona virus (COVID-19) pandemic has created major disruptions in the economy and the life of businesses, whether or not they are able to continue their operations (Vass, 2020). These disruptions are creating a wide range of impacts on companies and many of them are struggling financially. The COVID-19 predicament has also exposed major vulnerabilities in business operations and supply chains connected to the situation of work and disaster preparedness. Through growing awareness about corporate social responsibility (CSR) among stakeholders, achieving social goals is as vital as delivering investor worth and profitability. Robert (2016) hints that CSR is an idea that aims to make a business socially responsible to itself, its stakeholders, and the public at large. During their CSR practices, industries are aware of the kind of impact they have on all aspects of society including trade, industry, societal, and environmental. It is a way of giving back to society for the various resources it uses to run its business.

To engage in CSR means that, in the ordinary course of business, a company is operating in ways that enhances the society and environment instead of contributing negatively to them. (Chen J, 2020) CSR is a broad concept that can take many forms, depending on a company and

its industry. Through CSR programs, philanthropy and volunteer efforts, businesses can benefit the society while boosting their brands. As important as CSR is for the community, it is equally valuable for a company. CSR activities can help forge a strong bond between employees and corporations; boost morale and help both employees and employers feel more connected with the world around them. (Chen, 2020)

COVID-19 has been considered a global pandemic by the World Health Organization (WHO). The contagious disease tremendously disrupted socio-economic circumstances of the planet. Social distancing has played a pivotal role in mitigating the spread of this deadly infection. The Government of Zimbabwe announced lockdowns throughout the country in March 2020 in order to promote social distancing, which basically directed the public to maintain distance both socially and physically. Extended lockdowns worsened economic troubles. Heavy population and a lack of awareness (due to a lack of education) added to the problems. Here comes the importance of CSR, which played a crucial role in the times of this pandemic, when people are trying their level best to get through the challenging times. CSR is a 'self-regulating business model' that implies the procedures of interaction by a company with its stakeholders and the general public at large, creating a scenario of being socially responsible (Holmes and Watts, 2018)

In response to the pressure of globalization, increasingly competitive markets, volatile market dynamics and the COVID 19 pandemic, many organizations are actively seeking ways to add value to their services and improve operational effectiveness in order to leverage brand loyalty. As a result of the turbulent macro-environment, the telecommunications industry has reached crossroads in terms of competitiveness (Fatima, 2020). Prior to the COVID 19 pandemic in 2020 in Zimbabwe, competition in the telecommunication mobile industry was increasing at a gradual pace as customers and consumers were involved in huge impediment shifts from one mobile services operator to the other. Zimbabwe has three (3) active mobile operators namely; Econet, Telecel and Net One (POTRAZ, 2020).

Econet is the dominant player with a market share of approximately two thirds, while the other two control the remainder of the market. Most notable competitors still visible include Econet Wireless, Telecel and Net One, all possessing 64%, 19% and 17% respectively. In a very competitive global market, mobile telecommunication companies must strive to portray a picture of themselves as highly socially responsible companies. Active involvement in socially beneficial programs provides extra advantages to the company. The issue of stiff competition in the jockeying for the market leader position, loss of market shares and dwindling profits seems to have pushed Econet Wireless Zimbabwe Holdings Ltd to embark on the journey of Corporate Social Responsibility (Econet Annual Report, 2020). In tandem with the company's vision of being a world class provider of telecommunications services, Econet Wireless introduced various corporate social responsibilities to leverage brand loyalty.

Despite the fact of competition, social, economic and pressures from the COVID 19 pandemic, Econet continues to shine with products/ brands and or services inter alia; Buddie lines, Business partner lines and Liberty lines, Econet Premium, Eco Farmer, EcoSchool, EcoSure, EcoFarmer, EcoCash, EcoSolar, Econet Health, Econet Connected Car, Broadband ON THE GO, Buddie Beatz, Econet Mail, ETXT, Sim Registration, Airtime Transfer, Buddie Zone, Call Home, MMS, Messaging, Missed Call Alert, Entertainment and Voicemail just to mention a few. Key subsidiaries and associates of Econet are Liquid Telecomm (largest internet service and access provider in Zimbabwe) and Transaction Payment Solutions (a leading provider of financial transaction switching, point-of-sale and value-added support services).

1.2 Statement of the Problem

The overall research problem addressed in this research paper is that despite an increase in budget allocation for CSR practices by telecommunications sector, little has been done to analyse the impact of CSR on brand loyalty. For example, the country's fight against the novel coronavirus received a boost when the Econet Group handed over 400 Personal Protective Equipment (PPE) worth \$347,341 to Parirenyatwa Hospital (Maphosa, 2020). Some commentators argue that companies have no legitimacy to pursue broader social goals, this role should be pursued by governments acting for their citizens. Some stakeholders in Zimbabwe especially employees of these companies are complaining about this budget allocation because they believe that it eats into their limited profits and the money can be used to improve their salaries or can be invested to earn interest. However, on the other hand management and customers view CSR as a noble initiative because it improves companies brand loyalty and helps to generate inclusive growth in Zimbabwe. Businesses must serve a need and a higher purpose to the communities within which they operate. Since the attainment of independence, social problems have increased, many of which are a direct outcome either of business activity or of policies implemented as a means of reducing the cost of doing business. Companies need to recognize that they cannot act independently from the society and environment in which they operate. If the issue of CSR is not addressed with the urgency that it deserves, the long-term survival of the companies will be jeopardized due to increase in social problems and widening of the gap between the rich and the poor. Companies are also facing problems of retaining the right staff because of lack of internal CSR practices. Nevertheless, the impact of CSR on brand loyalty has hardly been analyzed in the Zimbabwean context. It is against this background that it has become necessary to undertake this research to investigate the impact of CSR on brand loyalty in telecommunications sector in Zimbabwe during the Covid 19 pandemic.

1.3 Research Objectives

The objectives of this research paper were:

- To determine the relationship between corporate social responsibility and brand loyalty at Econet Wireless during Covid 19 Pandemic.
- To evaluate whether clients are aware of CSR activities of Econet Wireless during national lockdowns.
- To ascertain how internal CSR practices, stimulate employee motivation and commitment in an organization during Covid 19 Pandemic.
- To ascertain if good CSR practices help to improve the sales performance of organizations in the telecommunications sector amid a corona epidemic.

1.4 Research Questions

Research questions for this research paper were as follows:

- What is the relationship between corporate social responsibility and brand loyalty amid Covid 19 Pandemic?
- In what ways does Econet ensure its clients are aware of its CSR activities during Covid 19 pandemic?
- What is the link between CSR practices, employee motivation and commitment to an organization during Covid 19?
- How does CSR practices help improve sales performance of organizations in the telecommunications sector during Covid 19 Pandemic?

1.5 Research Hypothesis

H₀: There is no relationship between corporate social responsibility and brand loyalty during Covid 19 Pandemic?

H₁: There is a positive relationship between brand loyalty and corporate social responsibility practices during Covid 19 Pandemic

2 LITERATURE REVIEW

2.1 Introduction

2.1.1 Definition of Corporate Social Responsibility (CSR)

CSR is that the responsibility of organizations due to the impact of their actions and assessment on society and therefore the environment through behavior that's ethical and transparent, also as according to the sustainable development and therefore the welfare of the society (Bannerjee, 2018). Lantos, (2019) concurs by positing that CSR is that the organization's obligation to maximize its positive effects in being a contributing member to society, concernedly for society's future needs and needs. Corporate social responsibility (CSR) is a type of business self-regulation with the aim of being socially accountable. There is no one right approach that a company can practice CSR as many corporate CSR initiatives strive to positively contribute to the public, the economy or the environment (Schooley, 2020). In today's socially conscious environment, employees and customers place a premium on working for and spending their money with businesses that prioritize CSR.

2.1.2 Definition of Brand Loyalty Brand

Brand loyalty is when a customer continues to purchase from your company, not because you're the only option, but because they trust your company (Stewart, 2020). Loyalty is a long-standing non-arbitrary conduct reaction that indicates a promise to the acquisition of a brand subsequent to choosing at least one brands (Shaw, 2018). Hence, brand loyalty emerges when a buyer wants to have a specific sort of item or administration and is happy to participate in a drawn out business relationship with an undertaking that gives this item or administration (Engel, 2019).

2.1.3 Definition of Brand Image

One cannot discuss brand loyalty without realizing that specific brand mentally to evade intellectual disharmony in this way an academic meaning of brand picture would get the job done. Brand picture is essentially a view of a brand held in the memory of a client and it uncovers a client's overall impression. These days a brand is not viewed as similarly as logo, yet it is almost certain taken as a deliberately scored experience which is upheld by gigantic promoting spending plans, activity and refined outlook. A positive brand picture can be taken as a capacity of a firm to hold its market position (Wu, 2019). A positive brand picture assists with expanding various results, for example, clients' happiness, administration predominance, loyalty and repurchasing expectation (Lai, Griffin and Babin, 2020). The study will incorporate three main theories of CSR which include the Stakeholder Theory: the Legitimacy Theory and the Instrumental/Orthodoxy Theories to CSR.

2.2 The Stakeholder Theory

The Stakeholder Theory asks the inquiries: who matters to an association and to whom should associations focus on (Garriga and Mele, 2018). A stakeholder is anybody an association may effect on, for instance, buyers; workers; society, and the climate (Freeman and Dmytriiev 2017). One of the primary segments of the Stakeholder Theory is the capacity for association to meet their commitments.



In the delineation above, organizations need to answer two parts of their tasks, viz., the nature of the executives both regarding individuals and cycles (internal circle) and the idea of and amount of their effect on society in different territories (external circle). The majority of the partners take a gander at the external hover regarding what the organization has really done, positive or negative, as far as its items and administrations, as far as its effect on the climate and on neighborhood networks, or by the way it treats and builds up its labor force (Stout,2016). CSR has gotten essential to corporate standing as a result of the accompanying five patterns:

- a) **Transparency:** We live in a data driven economy where strategic policies have gotten progressively straightforward. Organizations can presently don't hide things where no one will think to look (Ormiston and Wong 2018). Whatever they do (positive or negative) will be known, very quickly, around the globe. The Web, the omnipresent all day, every day consistent pattern of media reporting, a large number of news sources, sites, online pamphlets and NGOs utilizing electronic interchanges to prepare voting demographics - all add to putting companies under a perpetual magnifying instrument in this new period of straightforwardness.
- b) **Knowledge:** The change to a data-based economy likewise implies that buyers and financial specialists have more data available to them than whenever ever. They can be even more insightful and can use more impact. Buyers visiting a garments store would now be able to pick one brand over another dependent on those organizations' particular natural records. Moreover, speculators can pick stocks or common subsidizes put together with respect to monetary factors as well as on social and natural measures too. This is an in a general sense new wonder; conceivably adjusting the overall influence between purchasers/speculators and companies in manners we are simply starting to comprehend.
- c) **Sustainability:** The world's characteristic frameworks are in genuine and quickening decrease, while worldwide populace is rising abruptly. Over the most recent thirty years alone, 33% of the planet's assets - the world's "regular" riches - have been devoured. We are quick drawing closer or have just passed the supportable yield boundaries of numerous regular frameworks (new water, maritime fisheries, timberlands, rangelands), which can't stay up with projected populace development. Inability to address these creating environmental disasters will mean unfathomable changes to life - including human existence - on planet earth. Thus, organizations are feeling the squeeze from assorted partner electorates to exhibit those strategies and methodologies are ecologically solid and add to feasible turn of events.
- d) **Globalization:** In the new worldwide economy, there is no focal government to enact and authorize essential work, basic liberties and ecological shields. Globalization speaks to another phase of entrepreneur advancement, without countervailing public establishments to secure society by adjusting private corporate interests against more extensive public interests. Worldwide companies are under consistent investigation by the media, governments, laborers, hippies, common liberties gatherings and NGOs to consolidate essential CSR principles and supportability techniques into their overall activities - and to uncover and cover those methodologies

2.3 The Legitimacy Theory

The primary thought of Legitimacy Theory is grounded in a meaning of legitimacy gave by Suchman (1995) who noticed that legitimacy is a summed-up discernment or supposition that the activities of a substance are alluring, legitimate, or suitable inside some socially built arrangement of standards, qualities, convictions, and definitions.

Deegan and Unerman (2017) affirm that the legitimacy theory depends upon the thought that there is a "implicit agreement" between an association and the general public in which it works. Subsequently, organization attempt to legitimize their corporate activities by taking part in CSR answering to get the endorsement from society (cultural methodology) and accordingly, guaranteeing their proceeding with presence. The implicit understanding as clarified by Deegan (2019), speaks to heap of assumptions that society has about how an association should direct its activities. O'Donovan (2019) contends that the legitimacy theory originates from the possibility that for partnerships to keep working effectively, it should act inside the limits and standards of what society distinguishes as socially capable conduct. Maignan and Ralston (2020) give that legitimacy of a firm is subject to the support of proportional relationship with its partners, given that the firm has commitments including moral commitments to a wide scope of partners into their investors (Adams et al., 2018).

2.3.1 Instrumental Theories

Notwithstanding the Stakeholder Theory and Legitimacy Theory as the most generally utilized structures for CSR research, the examination will likewise utilize Instrumental Hypotheses as arranged by Garriga and Mele (2016). Instrumental Speculations states that the organization is seen distinctly to make benefits and abundance with its social exercises simply actualized to help accomplish those outcomes. Speculations of this sort are driven by Friedman's (1962) see that the fundamental objective of business is to make benefits for the investors.

Today, corporate social duty is considered as a feature of business technique, there are numerous discussions and reports about the nature and worth or business openings that can be accomplished while executing corporate social obligation. CSR can be a wellspring of chance, advancement, and upper hand as opposed to simply a cost, a requirement, or beneficent deed. CSR helps in accomplishing monetary development and comprehensive development, all things considered. Studies in different corporate administration messages have agreed on the significance of CSR and its positive effect on association execution.

2.4 CSR models

Carroll (1991) makes a distinction between different kinds of organizational responsibilities. This distinction is referred to as a firm's pyramid of CSR



The pyramid infers a pecking order of obligations moving from financial and lawful through more socially arranged ones of moral and humanitarian duties. Carroll (1991) contends that business establishments are fundamental financial units in the public eye and have an obligation that is monetary in nature or kind. The monetary duty is the most major obligation of a firm, which mirrors the embodiment of a firm as a benefit making business association. Financial obligation infers that society anticipates that business should create those products and ventures demanded and make a benefit as a motivator or compensation for the business" productivity and viability. The legitimate obligations involve assumptions for lawful consistence and playing by the "rules of the games". From this viewpoint, society anticipates that business should satisfy its financial mission inside the structure set out by the society's general set of laws (Jamali et al., 2018). Crane and Matten (2017) further add that all organizations endeavoring to be socially capable are needed to observe the law.

The charitable duties are now and then on a similar level as moral. In any case, the thing that matters are that it isn't viewed as deceptive conduct if business doesn't contribute their cash to compassionate projects (Carroll, 2016). Schwartz and Carroll (2015) feature certain constraints in Carroll's (1991) CSR pyramid. Initially, the pyramid proposes a progressive system of CSR spaces whereby one may reason that the area at the top is a higher priority than the area at the base. This is obviously not the sort of CSR needs that Carroll planned in her CSR pyramid. Also, the pyramid system can't completely catch the covering idea of CSR spaces. Accordingly, they propose an elective way to deal with conceptualize CSR—a three space model (financial, lawful, and moral obligations)



2.5 Types of CSR activities

There are numerous CSR exercises relying upon organization business and size. If associations don't have trustworthiness and uprightness, there won't have the option to create viable associations with any of their stakeholders. The characterization of CSR exercises is critical to the understanding of its effect on purchaser decisions and brand steadfastness over the long haul. This affirmation is buttressed by Calabrese, (2019), who expressed that, the responses of shoppers to CSR exercises are reliant on the way in which CSR shows itself. Hence, various exercises have the capability of bringing about various outcomes. Moreover, Lamberti and Noci (2018) set 9 that customers' perspective on CSR is on the way in which the movement builds the estimation of the item and administrations in this way utilizing the steadfastness factor. A calculated model of CSR (Carroll, 1979) assists with clarifying on the four unique kinds of CSR exercises. This applied model was the predecessor of the Pyramid of CSR model and Carroll utilized it in clarifying the idea of CSR. The four measurements are spoken to as a four-layer pyramid, where the layers are: the monetary one, the lawful one, the moral one and the altruistic (optional) one as portrayed below: mutually selective yet they should be satisfied at the same time. In light of such a declaration, it very well may be noticed that different CSR exercises of Econet will impact the unwaveringness that its clients will show to its brand as clarified underneath:



Figure 3. CSR pyramid in developing countries (Visser, 2006)

2.6 Econet Wireless I Zimbabwe

Econet Wireless Zimbabwe is a diversified telecommunications group; it is the largest enterprise of its kind in Zimbabwe and the largest company on the Zimbabwe Stock Exchange in terms of market capitalization. Econet Wireless Zimbabwe provides products and solutions for mobile and fixed wireless telephony, public payphones, internet access and payment solutions. In 2009, Econet Wireless Zimbabwe became the first operator in Zimbabwe to launch data services with 3G capability. This was followed by an extensive project to expand its geographic coverage, building a fibre-optic network, providing financial transaction switching and point-of-sale and value-added retail support services. The company is a subsidiary of a privately-owned group controlled by its founder, Strive Masiyiwa. The group's subsidiaries include Econet Global, Econet Wireless Africa, Econet Wireless International, Econet Enterprises, Liquid Telecom Group and Econet Media.

2.6.1 Philanthropic responsibility of Econet

Clients know about Econet's altruistic duties on the grounds that these obligations blow away what is essentially required or what the organization accepts is correct. Econet's altruism is very much reported from instructive grant funds to solid commitments as expressed in the foundation of study. Econet does a great deal of magnanimous exercises that has even permitted numerous Zimbabweans to go to class by means of Capernum Trust fund just to specify a couple according to (Econet annual report, 2019). Over the years, Econet has built an enviable track record in CSR programmes which has seen it initiating various CSR initiatives in the country, for instance, the Joshua Nkomo Scholarship Fund, Capernaum Trust, Christian Community Partnership Trust – CCPT

2.6.2 Ethical Responsibilities of Econet

Clients know about Econet's moral duties. Regardless of the way that financial and legitimate duties are the two major commitments of an organization, (Klein and Dawar, 2018), morals decide the standards of conduct that an organization can attempt since they are omnipresent. Moral duties are obligations that an organization puts on itself since its proprietors trust it's the correct activity, not on the grounds that they have a commitment to do as such. To be moral, Econet's chiefs' demonstration with value, decency and unprejudiced nature, regard the privileges of people, and give various medicines of individual just when contrasts between them are pertinent to the association's objectives and errands. Econet is by a long shot, the biggest remunerator of its representatives and its representatives are the biggest citizens in the nation, and this is the motivation behind why each understudy, general specialist and scholarly needs to be utilized by it (ZIMRA measurements, 2018).

ECONET group has donated \$1 million worth of personal protective clothing to help health care workers in their fight against Covid-29 which to date has claimed the lives of seven people in Zimbabwe. The company handed over 400 PPEs worth \$347,341 to the United Bulawayo Hospitals Parirenyatwa Hospital and Parirenyatwa Hospital this week. According to Econet, the donated PPEs consist of PVC overalls, overshoes, heavy-duty gloves, goggles, latex gloves and disposable plastic aprons.

2.6.3 Economic Responsibilities of Econet

The clients of Econet are completely mindful of its monetary obligations. An organization's first duty is its monetary obligation, in other words, an organization should be essentially worried about making money, (Ellen, Webb, and Mohr, 2016; Hopkins, 2018). Econet has by a wide margin being the most productive business as confirmed by its development in piece of the overall industry and significant turns of events and wandering into information broadband too (POTRAZ, 2019).

Econet, a major mobile operator, to launch a mobile money service called Ecocash. Taking advantage of the country's high mobile penetration, the service had 2.3 million users within 18 months. Today, close to 90% of adult Zimbabweans use Ecocash. In addition, Ecocash paved the way for competitors such as OneMoney, Telecash and Mycash. Mobile money transfers in Zimbabwe are mainly from one person to another. This allows for urban to rural money remittances for family support, payment for goods and services in retail settings and financial flows between the formal and informal business sectors (Robert,2016). Another important use of mobile money is to store money securely in high crime areas.

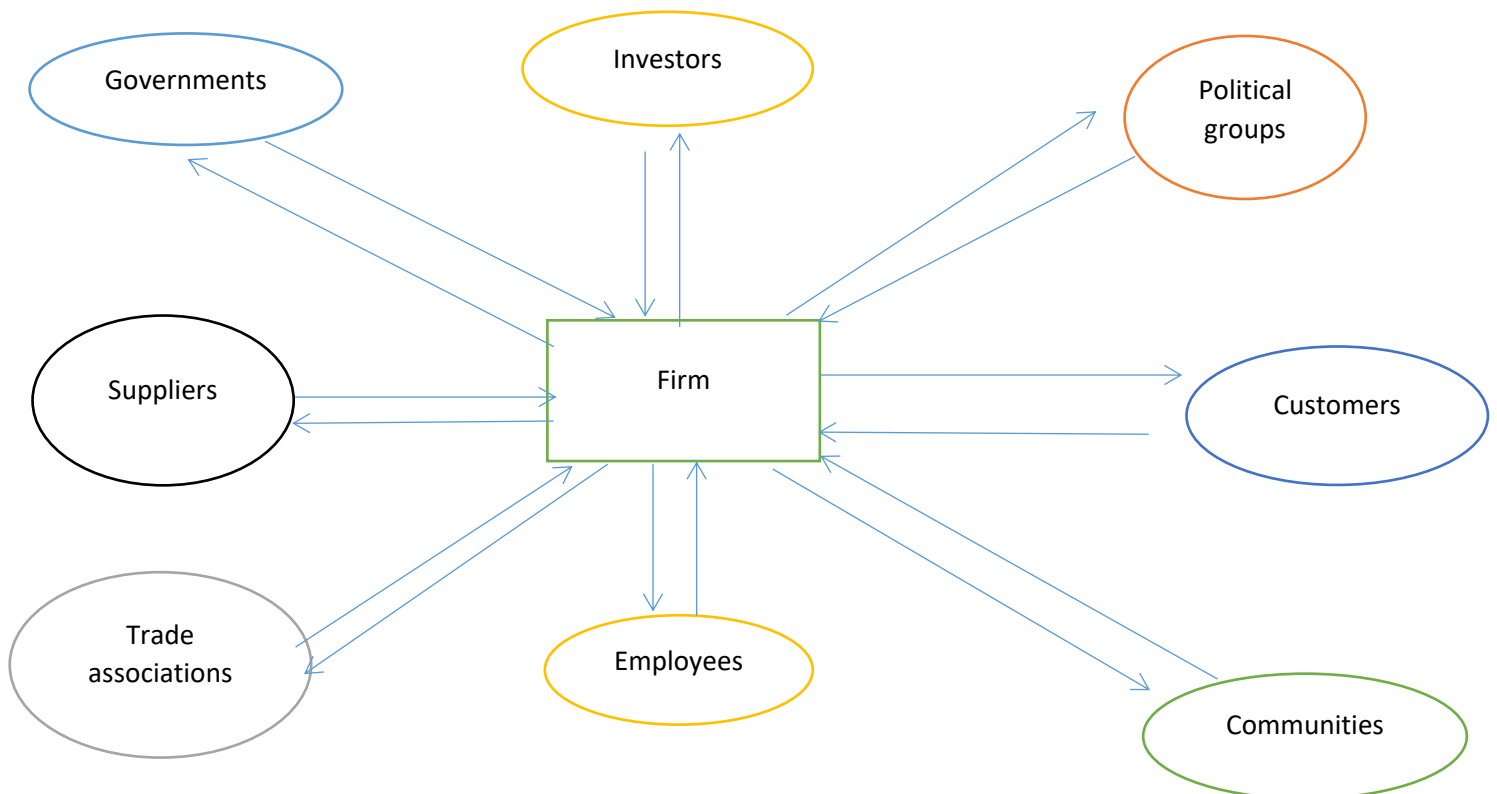
2.7 The Impact of COVID-19 on Business operations in Zimbabwe

Zimbabwean companies have bemoaned the impact of COVID-19 on their operations, against the backdrop of an already fragile economy. Machingura (2020) opines that, the companies indicate that business volumes had declined considerably due to low demand amid the COVID-19 pandemic. One of the country's leading retail and hospitality groups, Meikles Limited, indicate that the Victoria Falls Hotel, which it runs jointly with African Sun, closed operations at the outbreak of the virus and that its date of reopening remained uncertain. Its other hotel in South Africa, the Cape Grace Hotel in Cape Town, also closed and is on care and maintenance (Xinhua,2020). The company added that the current lockdown, which started on March 30, had caused certain commercial difficulties.

Nampak Zimbabwe Limited indicate that the quarter from January to March 2020 had been tainted by the outbreak of the coronavirus pandemic which impacted on the group's operations. Like most countries throughout the world, Zimbabwe will not escape the negative impact of restricted traveling both internally and externally, closed businesses and the knock-on effect of depressed demand following the virtual devastation of the tourist industry (Machingura:2020). Consumer demand generally is reducing as incomes cannot keep pace with rising inflation. And these factors, added to the already serious macro-economic difficulties facing the country and need for reforms, make any forecast of short to medium term relief extremely difficult (Xinhua,2020). Nampak Zimbabwe is a packaging company engaged in the manufacturing of paper, plastic and metal packaging products, as well as leasing biological assets and the timber processing plant.

The recent COVID-19 pandemic has posed some uncertainty on the Group's future performance as the world is still battling to contain its economic impact as the company reported in its audited financial statement for the year ended December 31, 2019. Top cement manufacturer Lafarge Cement Zimbabwe Limited said the lockdown will have an inevitable impact on volumes for the second quarter in 2020 as it projected that Q2 2020 volumes will decline by 30 percent with the possibility of spill over risks impacting the second half of the year, the company outlines in its first quarter trading update for 2020. The ripple effects of the lockdown and border closures are still to be fully quantified, but the business expects to continue to feel the effects of the COVID-19 outbreak into the second half of the year and it will have to rely more on foreign funded projects to sustain operations in the wake of the slowdown in aggregate demand in the core individual home builder market (Lafarge,2020).

However, CSR appeared to have a significant influence on consumers' valuation services and since the overall service valuation turned out to have a strong positive correlation to customer loyalty, it was concluded that CSR indirectly influence brand loyalty (García de los Salmones et al., 2015). In addition, Liu et al (2016) investigated the relationship between perceived CSR and customer loyalty based on the dairy market in China. The results from the regression analysis showed that product quality, trust, image and satisfaction have a positive influence on customer loyalty, while there was no significant direct correlation between CSR and customer loyalty.



Source: (Adapted from Freeman, Rusconi and Dorigatti, 2007)

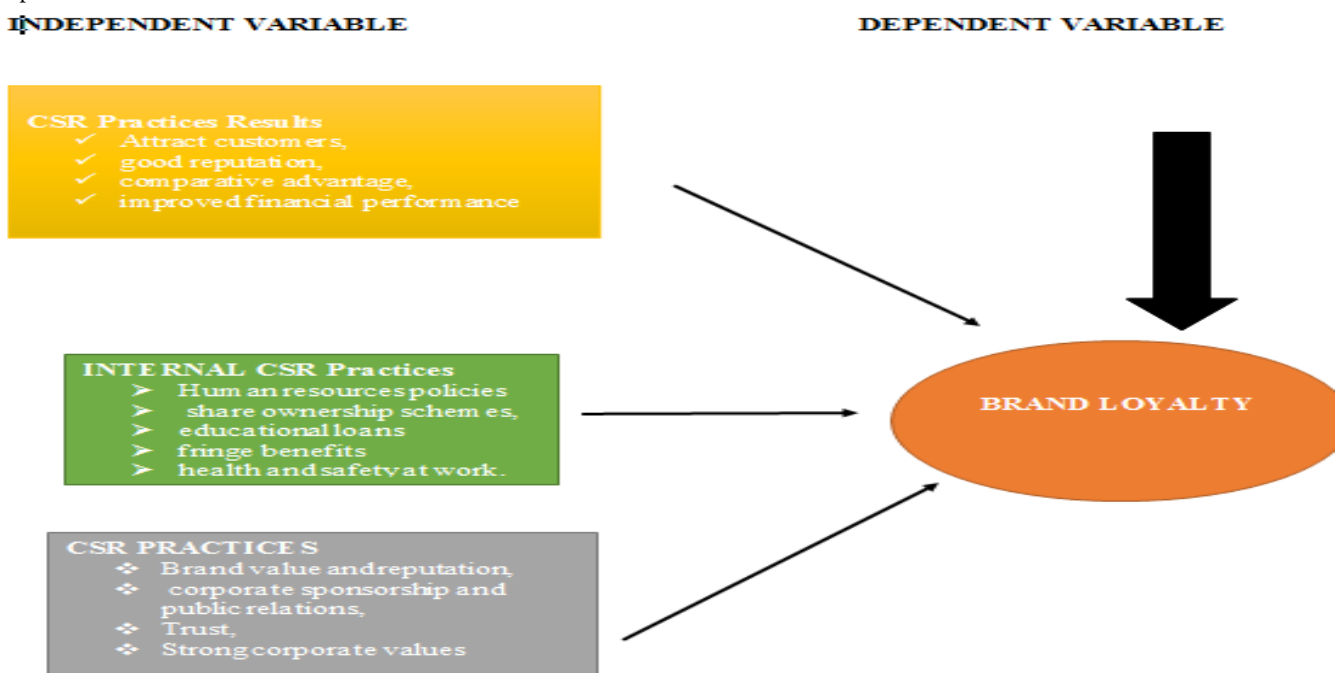
Figure 2: The view of the firm according to the Stakeholder Theory

Concurring to the above notion that there is a positive relationship between CSR and brand loyalty, The Gospel of Wealth Theory by Carnegie (1899) is of great essence in explaining that relationship. Carnegie (1899)'s theory set the classical statement of corporate social responsibility. His view was based on two principles namely the Charity principle and the Steward Principle. The former holds that social

responsibility requires the more fortunate to assist the less fortunate members of the society through various activities. In this case the more fortunate will help the less fortunate like the sick, unemployed, elderly, orphans, poor and the handicapped through institutions like churches and community chests (Robbins and Coulter, 2018). The latter requires businesses to view themselves as stewards or caretakers holding property in trust for the benefit of the whole society (Griffin, 2020). The idea is that, the rich hold their money in trust for the rest of the society and can use it for any purpose that the society views it legitimate.

Therefore, big firms have as many reputations as there are distinctive groups that take an interest in them (Bromley 2012). In addition, MacMillan et al (2055) points out that stakeholders (employees, shareholders, customers, community, investors, supplies) prefer coherence with a common concern for a reputation entity (corporate image/brand image) which affects their brand loyalty. Hence, in order to maintain these firms' reputations, they should improve the relationship with their stakeholders via CSR disclosure. Many studies set out the importance of stakeholder perceptions in order to understand the nature of a firm's reputation (Dowling 2014). In addition, (Siltaoja, 2016) suggests that value is an over-arching matter, meaning a company with good reputation has values, which suit to individuals own values. Value theory was employed to explore the nature of CSR and corporate reputation, (Siltaoja, 2006) which in my own view has an impact on its brand loyalty.

Conceptual framework



The relationship between CSR and brand loyalty needs further investigation. Accordingly, even though presented investigations and studies on the impact of CSR on brand loyalty as well as types of CSR activities, reflect cited studies, still strict and veridical conclusions cannot be ascertained on the study of Econet Wireless Zimbabwe. The mentioned studies were primarily done in stable and developed economies and not in the African perspective. In addition to that, other studies on CSR focused on its impact on business profitability or brand equity. It can now be concluded that little or no research has been done to encompass the impact of CSR as the only factor affecting brand loyalty in lower economically developed countries (LEDCs) and in the telecommunications sector (a profound reason that motivated the researcher to undertake this research). To provide some evidence to help contribute to the literature and bridge these gaps, this research paper will assess the impact of CSR on brand loyalty in an African context and in Zimbabwe's capital city.

3 RESEARCH METHODOLOGY

3.1 Research Design

The researchers in research paper used both descriptive research design and causal research design. A descriptive research design describes a behavior or type of subject not to look for any specific relationships, nor to correlate 2 or more variables and it addressed objective two. This research paper seeks to describe the types of CSR activities by Econet Wireless Company.

3.2 Target population

The target population for a survey is the entire set of units for which the survey data are to be used to make inferences.

3.3 Sampling techniques and sample size

A sample is an unbiased number of observations taken from a population. So, the sample, in other words, is a portion, part, or fraction of the whole group, and acts as a subset of the population.

3.3.1 Sampling technique

The researchers used simple random sampling to gather data to reduce respondents' bias. Random sampling is a part of the sampling technique in which each sample has an equal probability of being chosen. A sample chosen randomly is meant to be an unbiased representation of the total population. Under random sampling, each member of the subset carries an equal opportunity of being chosen as a part of the sampling process.

3.3.2 Determining Sample size

The researchers determined the sample size by adopting a formula by Saunders et al (2005) to determine sample size as shown in Table 3.1 below. Testing at 95% level of confidence and with a target population size of approximately one million customers in Harare urban, the sample size of 384 respondents at Econet's CBD offices is considered appropriate.

3.4 Research Instrument

3.4.1 Questionnaire

The researchers in the research paper used questionnaires as a primary data collection instrument. They were cost-effective in terms of surveying a large cross section of population quickly which helped the researcher to achieve time utility. In addition, questionnaires used were highly impersonal and the respondents gave honest answers due to their anonymity.

3.4.2 Measurement scales

The researchers adopted and modified scales developed by Turker (2009) in Herrera et al (2017) to measure CSR and the scale was constructed from CSR conceptual ideas. A seven-point scale (1= strongly agree 7=strongly disagree) was used to answer questions under each section of CSR. The CSR scale had nineteen questions with four components of CSR originally defined as employee responsibility, legal (following the law), socio-economic (serving the needs of the society) and ethical (acting ethically) (Geva, 2018)

To measure brand loyalty, the researcher adopted and adapted the Delgado-Ballester and Munuera-Aleman (2016) scale and the scale comprised six questions. Modifications were affected to provide Econet Wireless with specific characteristics that can be fostered to promote brand loyalty. Some adjustments were done by the researcher for the instrument to fit the requirements of the study because the objectives of the researcher and those of Turker (2009) and that of Delgado-Ballester and Munuera-Aleman (2016) were different.

3.5 Data collection procedures

The researchers sought permission from the managing director of Econet Wireless Holdings in order to get approval to undertake this research paper on Econet Wireless CSR programs. The permission was sought via telephone and emails. Upon approval, the researchers received a certifying document from Econet Wireless, approved by the HR director to carry out the research and the document was used in administering questionnaires to the respondents so that they could give data pertaining to the organization. The researchers then distributed the questionnaires through electronic platforms to the respondents. These questionnaires were all distributed in the selected sampling frame within Harare's Central Business District using emails and WhatsApp in line with the COVID 19 regulations.

A pilot study was carried to see if the questionnaire captures the research objectives, check for vague questions and to reduce confusion on the respondents' part, ensuring all items were understood and wording was appropriate.

3.6 Validity and reliability of findings

3.6.1 Validity Testing

Data is valid if the survey measures what it is supposed to measure. Campbell and Fiske in Andrews (2018) proposed two aspects to assess the construct validity of a test that is convergent validity and discriminant validity. In order to establish discriminant validity, the researcher used the Average Variance Extracted (AVE) for the four constructs used in the CSR scale developed by Turker (2009). An Exploratory Factor analysis, (Cavana and Sekaran 2016) on the whole set of constructs in the study was further used to test for validity.

3.6.2 Reliability Testing

A reliability analysis was performed to assess the degree of consistency between multiple measurements of a variable (Hair et al, 2017). The Cronbach alpha of 0.70 (Nunnally, 1978) was used as the benchmark in assessing the reliability measures.

3.7 Data Editing and Coding

The researchers edited and coded all data to ensure that all data was entered into the SPSS software. It was then checked for mistakes to make sure there is a clean data set. Each questionnaire was given a number code accordingly.

3.8 Data analysis and presentation

The researchers used Statistical Package for Social Sciences (SPSS) software to analyze the data obtained from the questionnaire using a table format. The SPSS software enabled the researcher to use regression statistics to estimate the relationships between the variables. Descriptive statistics was also presented in form of tables for easy understanding. The reliability and validity of the variables was then checked using a couple of different methods that is Factor Analysis and average variances expectancies (AVE).

4 DATA PRESENTATION AND ANALYSIS

4.1 Introduction

4.2 Questionnaires Response Rate

Table 4.1: Questionnaire response rate

Response Rate	Questionnaires distributed	Questionnaires Returned	Response Rate
Customers	384	384	100%
Total	384	384	100%

Source: Primary Data

From Table 4:1 above, shows a 100% questionnaire response rate from customers and employees. A homogeneous questionnaire was distributed to customers who use buddie lines within the CBD in Harare. The results recorded the highest response rate because all respondents answered the questionnaires at their own convenient time and the researcher administrated the questionnaire through Social media platforms such as WhatsApp and emails respectively this encouraged those who were hesitating to answer their questionnaires for cooperation as it was flexible and easily collected back. The response rate was considered high enough to carry out meaningful data analysis for the study. The Covid -19 induced lockdown introduced on the 6th of January 2021 by the Government of Zimbabwe contributed significantly to the response rate as most respondents had enough time to participate and engage in the survey The researcher determined the sample size by adopting a formulae by Saunders et al (2005) to determine sample size Testing at 95% level of confidence and with a target population size of approximately one million customers in Harare urban, the sample size of 384 respondents Econet’s CBD users is considered appropriate considering the population of 6.7 million users in Zimbabwe and 55% being in Harare.

4.3 Demographic Characteristics of respondents

This section presents some general characteristics of the research participants in terms of age, marital status and education level, length of membership, motivation for group formation and mode of awareness of the group’s existence. The findings are discussed below.

4.3.1 Gender demographics

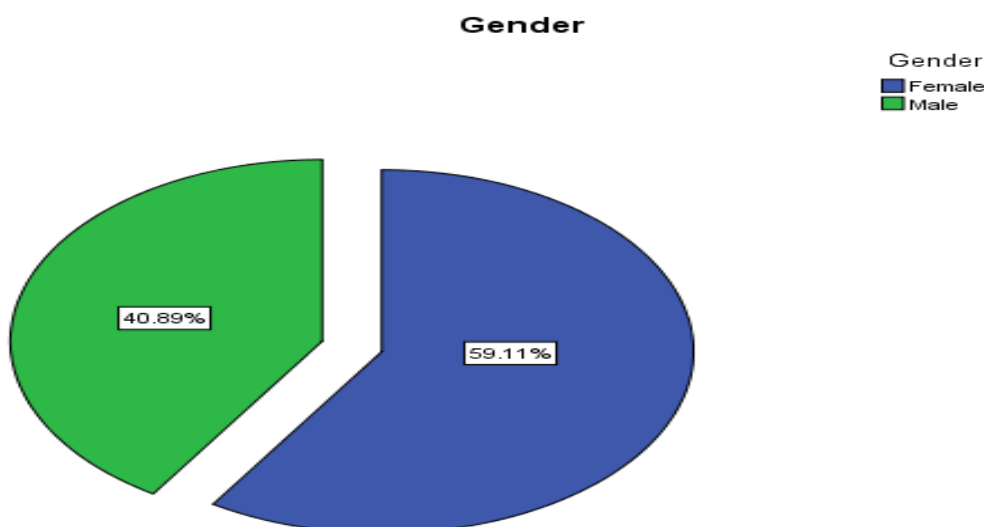


Figure 4.1: gender Demographics

There is a small difference in terms of gender of the population who responded to the questionnaire. The response rate showed that 58.7% are females as compared to male responded which constitute 40.6% of the response. The reasons for high female respondents are that most females are more active on social media platforms in the study were males who were more responsive on email platforms.

Table 4.2: Gender

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	227	58.7	59.1	59.1
	Male	157	40.6	40.9	100.0
	Total	384	99.2	100.0	
Missing	System	3	.8		
Total		387	100.0		

Source :Primary Data

Table 4.3 Age group of Respondents

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	16	4.1	4.2	4.2
	25-34	100	25.8	26.0	30.2
	35-44	136	35.1	35.4	65.6
	45-54	105	27.1	27.3	93.0
	>55	27	7.0	7.0	100.0
	Total		384	99.2	100.0
Missing	System	3	.8		
Total		387	100.0		

Source: Primary Data

From the results of the survey shown in Table 4.3 most of the respondents 35.1.6% constituting 136 respondents were in the age group ranging from 35 – 44. This could be explained by the nature of Econet wireless which prefer to employ abled bodied and active men and women and most customers who completed the questionnaire were in this age group. Only 27 respondents from the population were above 50 years representing 7% of the total population and this could be so because most 25.8% of the customers were aged between 25-34% and 4.1% for users between 18-24% as those are still experimenting and preferring to use all network provides for different platforms.

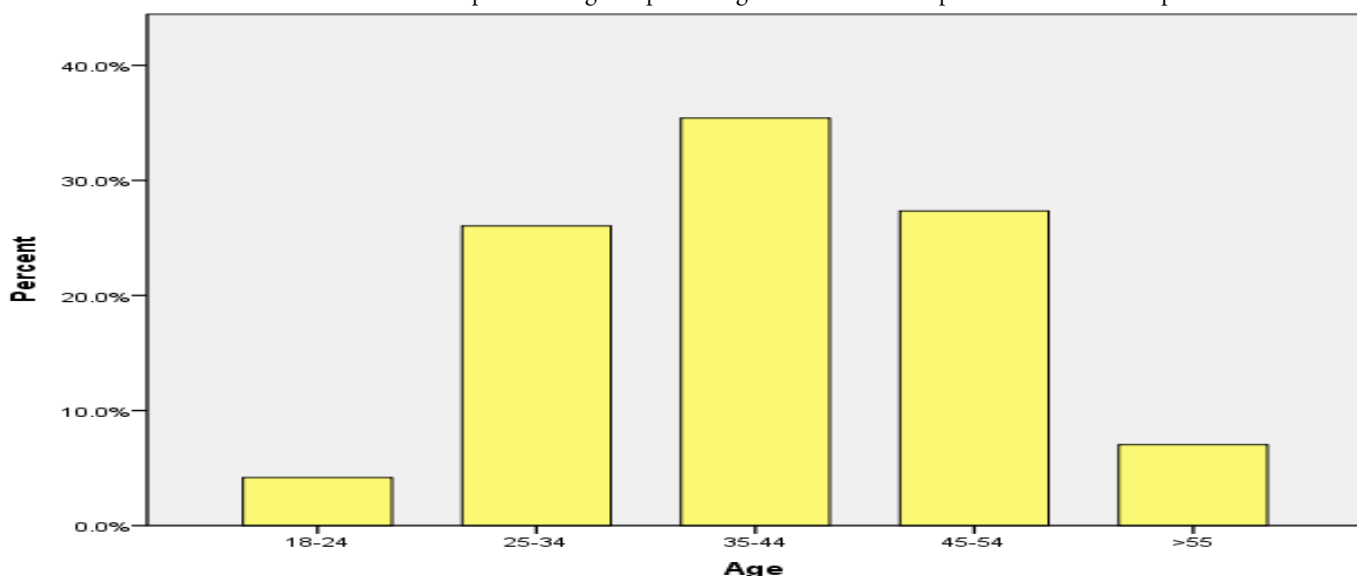


Figure 4.2: Age of Respondents

Table 4.4: Academic Qualifications

Professional qualification

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Masters degree	3	.8	.8	.8
bachelors degree	61	15.8	15.9	16.7
Diploma	258	66.7	67.2	83.9
Others	45	11.6	11.7	95.6
5	17	4.4	4.4	100.0
Total	384	99.2	100.0	
Missing				
System	3	.8		
Total	387	100.0		

Source: Primary Data

Table 4.4 above and Fig 4.3 below shows that 15% respondents were having bachelor's degrees which and had 8% masters' degrees whilst 66.7% had diplomas. This is because Zimbabweans are highly educated people who value their education. Only 4.4% respondents had either ordinary or advanced level certificates and they been yet to go to tertiary institutions because they are still young.

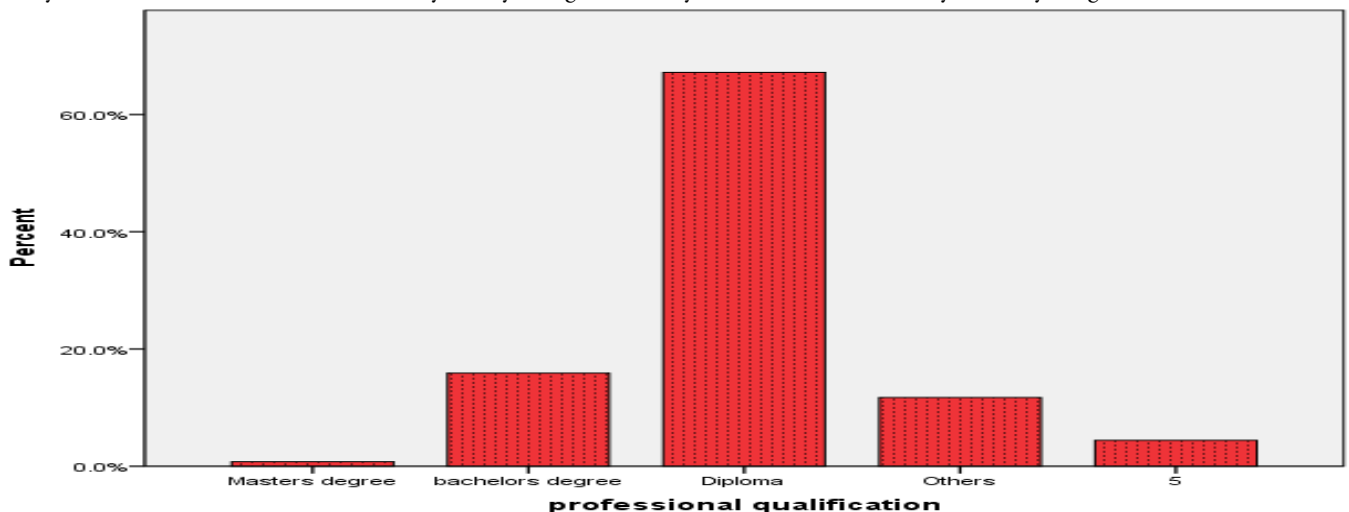


Figure 4.3: Professional Qualifications

4.4 Reliability Test

For data analysis SPSS version 19 was used and for the Cronbach Alpha coefficient to test the reliability of the measurement scales used to determine the impact of corporate social responsibility (employee, ethical, legal and social responsibility) on brand loyalty

Table 4.5 Reliability Test

Construct	Cronbach Alpha
Brand Loyalty	0.879
Employee Responsibility	0.852
Ethical Responsibility	0.915
Legal Responsibility	0.90
Social responsibility	0.682
Average	0.8456

Source: primary Data

Machokoto (2017) and concurred with (Nunnally, 1978) state that reliability constructs accepted should be above 0.7. Henceforth, all the above four variables are reliable as they have Cronbach Alpha values above 0.7. with the exception of social responsibility which is at 0.682.

4.5 Relationship between corporate social responsibility and brand loyalty at Econet Wireless

Having established the strength of correlations between the variables, the study proceeded to conduct a regression analysis because correlations analysis only measures the strength of a relationship but fail to infer the causal relationship between variables. Regression analysis was performed to test the predictive power of CSR practices (independent variable) on brand loyalty.

Table 4.6: Relationship between CSR and brand loyalty

Coefficients

	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	T	
CSR	.728	.047	.618	15.360	.000
(Constant)	12.788	.838		15.263	.000

Table 4.6 shows results of the CSR and brand loyalty relationship. It is clearly shown from the table that, there is a strong positive relationship between CSR and brand loyalty. This is shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.263$). This indicates that brand loyalty is influenced to a greater extent by corporate social responsibility as shown by the Beta value of 0.618, which is above 0.6. In addition, it means that a positive change in CSR will cause a positive change in brand loyalty and the opposite is equally true.

Table 4.7 Model Summary

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.618	.382	.380	1.813

The independent variable is CSR.

Source: Primary Data

Table 4.7 shows the model summary which display the results for the regression for corporate social responsibility and brand loyalty. R square is 38% which implies that 38% of the variation in brand loyalty is leveraged by corporate social responsibility. The R square is 38% which implies that 38% of the variation in corporate reputation is caused by corporate social responsibility and the other 70% was caused by other factors besides CSR.

4.6 Customers are aware of Econet's corporate social responsibility activities

Table 4.8 shows that legal responsibility contributes more to brand loyalty with a mean value of 21.5885 followed by ethical responsibility with a mean value of 18.7422, followed by employee responsibility with a mean value of 18.0052 for employee responsibility, and lastly. The standard deviations for all the variables are more than the mean and this shows that, the respondents were agreeing that Econet Wireless is undertaking corporate social responsibility. The variance values shown show that, the responses of the respondents were consistent. This variance may be attributed to the fact that some respondents were aware of the CSR strategies that Econet carries out as some of them are clearly communicated to them (ethical and legal responsibilities) in their efforts to fight the COVID- 19 pandemic.

Table 4.8: Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ethical	384	2.00	25.00	18.7422	3.40307
employee responsibility	384	.00	22.00	18.0052	3.35069
legal responsibility	384	18.00	24.00	21.5885	1.90710
CSR	384	16.00	20.00	17.5625	1.95411
Valid N (listwise)	384				

Source: Primary Data

4.7 CSR practices, stimulate employee motivation and commitment to an organization.

Table 4.9: Coefficients

Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Brand loyalty	-.913	.074	-.532	-12.293	.000
(Constant)	34.038	1.312		25.938	.000

Source: Primary Data

Table 4.9 shows results of the brand and employee relationship. It is clearly shown from the table that, there is a strong inverse relationship between brand loyalty and employee relationship. This is shown by the standardized coefficient which is -0.532, ($p=.00$, $t=-12.293$). This indicates that brand loyalty is not influenced by corporate social responsibility as shown by the Beta value of -0.518. In addition, it means that a negative change in brand loyalty will cause a negative change in brand loyalty and the opposite is equally true.

Table 4.10: Model Summary

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.532	.283	.282	2.840

The independent variable is CSR.

Source: Primary Data

4.8 CSR practices help improve sales performance of organizations in the telecommunications sector

Table 4.11: Correlations

Correlations

		Brand Loyalty	CSR	Ethical	employee responsibility	legal responsibility
Brand Loyalty	Pearson Correlation	1	.618**	-.013	-.518**	.962**
	Sig. (2-tailed)		.000	.801	.000	.000
	N	384	384	384	384	384
CSR	Pearson Correlation	.618**	1	-.101*	-.532**	.798**
	Sig. (2-tailed)	.000		.048	.000	.000
	N	384	384	384	384	384
ethical	Pearson Correlation	-.013	-.101*	1	.056	-.042
	Sig. (2-tailed)	.801	.048		.278	.410
	N	384	384	384	384	384
employee responsibility	Pearson Correlation	-.518**	-.532**	.056	1	-.602**
	Sig. (2-tailed)	.000	.000	.278		.000
	N	384	384	384	384	384
legal responsibility	Pearson Correlation	.962**	.798**	-.042	-.602**	1
	Sig. (2-tailed)	.000	.000	.410	.000	
	N	384	384	384	384	384

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

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary Data

CSR practices and brand loyalty has a correlation coefficient of 0.618** which is positive, moderate and statistically significant [$r=0.618$, $p<0.01$ ($p=0.001$)]. High levels of CSR practices are positively associated with moderate levels of improvement in sales performance as loyal customers are overwhelmingly more profitable than other customers because loyal customers do more for a business than purely generating revenue during purchases. Customers trust what their friends say about companies, and this heavily influences their purchasing decisions.

4.9 Hypothesis testing

The study had two, H0 and H1 hypotheses and were tested using results analysis from SPSS. The hypothesis testing reveals the following The researcher in this study used regression analysis to analyze the relationship between CSR and brand loyalty.

H₁ There is a positive relationship between corporate social responsibility and brand loyalty

Table 4.12: ANOVA

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	12.788	.838		15.263	.000
CSR	.728	.047	.618	15.360	.000

a. Dependent Variable: brand loyalty

Source: primary Data

Table 4.12 shows results of the CSR and brand loyalty relationship. It is clearly shown from the table that, there is a strong positive relationship between CSR and brand loyalty. This is shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.360$). This indicates that brand loyalty is influenced to a lesser extent by corporate social responsibility as shown by the Beta value of 0.618, which is below 0.7. In addition, it means that a positive change in CSR will cause little or no change in brand loyalty and the opposite is equally true, therefore H₁ is rejected

4.10 Discussion of findings

The results indicate that, there is a strong positive relationship between the two variables. Results from Table 4.5.1 and 4.5.2 indicates a Beta value of 0.836, $p=0.000$, $t=2.595$ and R square =69.9% respectively. The findings of the research also noted in empirical studies of Hillenbrand and Money (2017). They investigated the relationship between CSR and corporate reputation from a stakeholder's perspective. Their results suggested that there is a considerable similarity between the concepts of CSR and corporate reputation. Khan, Majid, Yasir and Arshad (2018) investigated the relationship between CSR and corporate reputation. The research showed a positive Pearson correlation coefficient. Their regression analysis showed that 44% of the variance in corporate reputation was brought by CSR. A Beta value of 0.460 was found showing that there is a statistically significant relationship between the two variables with p value less than 0.005. Rodrigues and Real (2015) investigated the importance of CSR on brand image. Results confirmed that indeed CSR policies have an influence on brand loyalty, affects identity salience and customers would be willing to pay a premium price from organizations that are socially responsible. Furthermore, Barnes (2017) conducted a study on corporate social responsibility and its effects on brand trust. In multiple regression analysis, results showed that, there is a greater effect on brand trust by stakeholder if an organization undertakes CSR activities. In homologation, Ellen, Mohr and Webb (2019) suggest that there is a positive relationship between CSR and brand trust As shown above, economic responsibility is the most factor or variable that contributes more (with the highest mean of 5.92 followed by legal, employee responsibility and ethical responsibility in that order) to brand loyalty. It can be noted though however, that there are variations in the responses indicated by the variance values which can be explained by the varying CSR activities undertaken by Econet Wireless. The research findings concur with that of Diener and Washington (2018). Their study set forth a new model of CSR-The Charitable Responsibility model, by examining Carroll (1999)'s pyramid of CSR. The study supports the CSR model of Carroll which has philanthropic, ethical, legal and economic responsibilities with economic responsibility of highest importance. From the above analysis, a greater percentage of the respondents agreed that indeed Econet Wireless carries out CSR activities. The implications of the research findings to Econet Wireless management is that for it to continue benefiting from hard core brand loyal customers, sustainable corporate social responsibility is of great essence.

5 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Research summary

This research paper investigated the impact of corporate social responsibility on brand loyalty. The objectives used in this study were to determine the relationship between corporate social responsibility and brand loyalty at Econet Wireless to establish whether clients are aware of CSR activities of Econet Wireless or not. Causal research design was used for the first objective and descriptive research design was used for the second objective. Simple random sampling technique was used to determine the elements to be included in the sample and a sample size of 384 calculated using Saunders et al (2005) formulae was used. The researcher used questionnaires to collect data which were administrated electronically in line with COVID-19 regulations. The findings of the research revealed that:

❖ *Reliability Test*

The Cronbach Alpha coefficient to test the reliability of the measurement scales was used to determine the impact of corporate social responsibility (employee, ethical, legal and social responsibility) on brand loyalty. Machokoto (2017) and concurred with (Nunnally, 1978) state that reliability constructs accepted should be above 0.7. Henceforth, all the four variables were reliable as they have Cronbach Alpha values above 0.7. with the exception of social responsibility which is at 0.682.

❖ *Relationship between corporate social responsibility and brand loyalty at Econet Wireless*

The study proceeded to conduct a regression analysis because correlations analysis only measures the strength of a relationship but fail to infer the causal relationship between variables. Regression analysis was performed to test the predictive power of CSR practices (independent variable) on brand loyalty. The results showed that there is a strong positive relationship between CSR and brand loyalty. This was shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.263$). This indicates that brand loyalty is influenced to a greater extent by corporate social responsibility as shown by the Beta value of 0.618, which is above 0.6 the standard acceptable.

❖ *Customers are aware of Econet's corporate social responsibility activities*

On this objective legal responsibility contributes more to brand loyalty with a mean value of 21.5885 followed by ethical responsibility with a mean value of 18.7422, followed by employee responsibility with a mean value of 18.0052 for employee responsibility, and lastly. The standard deviations for all the variables are more than the mean and this shows that, the respondents were agreeing that Econet Wireless is undertaking corporate social responsibility.

❖ *CSR practices, stimulate employee motivation and commitment to an organization*

The results discovered that there is a strong inverse relationship between brand loyalty and employee relationship. This is shown by the standardized coefficient which is -0.532, ($p=.00$, $t=-12.293$). This indicates that brand loyalty is not influenced by corporate social responsibility as shown by the Beta value of -0.518. In addition, it means that a negative change in brand loyalty will cause a negative change in brand loyalty and the opposite is equally true.

❖ *CSR practices help improve sales performance of organizations in the telecommunications sector*

CSR practices and brand loyalty has a correlation coefficient of 0.618** which is positive, moderate and statistically significant [$r=0.618$, $p<0.01$ ($p=0.001$). High levels of CSR practices are positively associated with moderate levels of improvement in sales performance as loyal customers are overwhelmingly more profitable than other customers because loyal customers do more for a business than purely generating revenue during purchases. Customers trust what their friends say about companies, and this heavily influences their purchasing decisions

Hypothesis Testing

Hypothesis testing was done in order to choose amongst two competing hypotheses about the value of a population parameter. The study had two hypotheses and they can be tested using results analysis from SPSS. The hypothesis testing reveals that clearly there is a strong positive relationship between CSR and brand loyalty. This is shown by the standardized coefficient, which is 0.618, ($p=.00$, $t=15.360$). This indicates that brand loyalty is influenced to a lesser extent by corporate social responsibility as shown by the Beta value of 0.618, which is below 0.7. In addition, it means that a positive change in CSR will cause little or no change in brand loyalty and the opposite is equally true, therefore H_1 was rejected

5.2 Conclusion

Based on this the research findings, the most significant factors found were economic responsibility and legal responsibility, which are the leading determinants of brand loyalty at Econet Wireless Holdings in Zimbabwe. Therefore, it can be noted that positive corporate social

responsibility co-relates with brand loyalty. Secondly the research suggests that if an organization carries out CSR activities it is bound to be considered as a reputable institution by various stakeholders such as customers, employees, suppliers and the international community. Customers prefer to be associated with a brand that is ethical, legal, and economic and employee responsible. It is by this token that, Econet Wireless must therefore make dedicated efforts to maximize, allocate efficiency on CSR in this COVID -19 Era. Over and above, this research paper concludes that, the organization is carrying out relevant CSR programme in trying to transform the life of people in societies and fighting the COVID - 19 pandemic for instance Econet Wireless launched the Internet of Good Things earlier this month which included a free virtual concert through Facebook Live with a simulcast on a national radio station (Mutsiwegota, 2020).

5.3 Recommendations

Basing on the findings of the research and the above conclusion, there is a positive correlation between CSR and brand loyalty as a result CSR can be used as a marketing tool. Econet Wireless executives should therefore constantly upgrade the CSR to improve from existing brand loyalty to sustainable brand loyalty in ration to current global trends Such as pandemics, floods and. This idea is buttressed in the fact that, the external business environment is dynamic, and Econet Wireless should also keep up with the current CSR trends.

In addition to the above Econet Wireless should dedicate a proportion of their profits towards the integration of customers in the CSR cycle execution, monitoring, control process. Furthermore, in preparing their budgets, a provision of a certain amount should be dedicated to CSR and must be provided in their annual budgets.

From this research paper, it has been shown that, Econet customers are aware of its ethical, legal and economic responsibility during Covid 19 Pandemic. Therefore, the organization should intensify its CSR activities in areas of sporting activities, environmental responsibility and investing in community share ownership trusts and poverty alleviation which brings customers or the community and the organization not at arm's length but at a strategic partnership.

Below is a list of possible practical recommendations that companies must embrace.

- Developing process improvements which eliminates the use of hazardous waste materials.
- Withdrawing product offerings that are legal and considered harmful to society.
- Selecting partners and suppliers who are willing to adopt sustainable social and environmental practices.
- Use of packaging and manufacturing tools that are environmentally friendly.
- Developing internal CSR practices to retain employees through supporting them welfare.
- Measuring, reporting and tracking of accountable goals and actions
- Protecting privacy of consumer information

5.4 Areas of Further Study

This research paper was limited to Econet wireless, which is in the urban setting of Harare, it would be noble to extent this research paper to all telecommunications companies in Zimbabwe.

1. The research can be conducted in the future in rural areas of Zimbabwe during Covid 19 Pandemic
2. There is also need in the future to look at other different sectors such as mining to see if the same results will be found on the impact of CSR. During national lockdowns.
3. This research paper was purely based on CSR practices of only one individual player in the telecommunications sector.
4. It would also be noble to do further research to see which other factors affected CSR practices and influenced business performance during the Covid 19 pandemic.
5. There is also needed to do further research studies in ascertaining other benefits that companies can derive from CSR practices during Covid 19 pandemic which are apart from employee motivation and commitment, building of strong brands and improving sales performance.

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