



What Motivates Customers To Pay More? The Role Of Corporate Social Responsibility And Brand Credibility: Evidence From India's Largest Telecom Network

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ABSTRACT

The telecommunication industry is one of the biggest producers of the dissatisfied customers. Nonetheless, they are making significant efforts to strengthen their commitment to sustainability and society through initiatives under the scope of corporate social responsibility. Supported by stakeholder theory, the purpose of this study is to assess how much consumers appreciate CSR initiatives in terms of building brand credibility, corporate reputation, and willingness to pay under the moderating influence of customer skepticism. In order to do this, a structural equation-based approach (PLS-SEM), based on a questionnaire filled out by 546 Reliance Jio customers was employed. The results underscore the importance of brand credibility as a variable with a significant mediating influence under the boundary conditions of customer skepticism, since CSR contributes differently to the production of BC, CR, and WP.

Keywords-Reliance Jio, Corporate social responsibility, Brand Credibility, Corporate reputation, Willingness to pay, Customer Skepticism

1. INTRODUCTION

Recurrent financial crises and accusations of unethical behaviour have harmed the telecommunication industry, undermining stakeholders' faith in these companies' dedication in providing sustainability and satisfactory services (Mujumdar and Prabhu, 2023). Customers are the most important stakeholder group that is very sensitive to CSR behavior; if telecom companies wish to keep their competitive edge, they must take the expectations of customers into account. Accordingly, high expectations are both an acknowledgment of reputation and a continuous challenge, as they need to be satisfied with investments and sufficient communication of CSR projects (Afiuc et al., 2021). If telecom companies want to stay relevant in their operations, they must match their corporate social responsibility (CSR) programs with the global goals (Famularo, 2023). Customers' faith in the services they receive is increased by CSR (Min et al., 2023). Additionally, when a company's CSR conveys a reliable campaign, brand trustworthiness increases (Wallach and Popovich, 2023). Customers' perceptions of higher quality are linked to the consistency and suitability of CSR practices in corporate operations (Severt et al., 2020). Customers may believe that a trustworthy and honest business will provide high-quality goods and services (Ghali-Zinoubi, 2023). Additionally, CSR initiatives support the growth of intangible assets like a company's reputation. Through a variety of marketing tactics, CSR actions may enhance a company's reputation (Dalla and Rodriguez, 2022). One effective tactic for attaining this alignment is corporate social responsibility. Businesses may significantly contribute to the advancement of ecological health and community welfare through CSR activities, enhancing their reputation and brand image (Nguyen et al., 2023). Previous studies have shown that socially conscious businesses are more likely to be perceived favourable (Tosun and Köylüoğlu, 2023), which in turn influences consumers' propensity to pay more for the same product than rivals who sell it (Narayanan and Singh, 2023). Perceptions, behaviours, and purchasing decisions are greatly influenced by consumer beliefs (Wu et al., 2022). Consumer reactions to corporate behaviour have been found to be significantly influenced by skepticism, which is defined as the inclination to doubt, question, or disbelieve claims and ideas (Indibara et