

Corporate Social Responsibility's Effect On Consumer Buying In The Restaurant Industry Of India

Ms Parminder Kaur

¹Assistant Prof In commerce ARSD College University of Delhi

ABSTRACT : *In the present paper we first theoretically contextualize the significance of social and environmental responsibility in the firm. In the hotel sector this study is particularly significant, given the strong relations and dependencies that this industry has with its environmental framework. The basic purpose of this study was to examine the effect of Corporate Social Responsibility (CSR) initiatives on customer behavior in the restaurant field in India. Furthermore, this study gives a general look at current practices of CSR in the restaurant industry of India. Ninety random customers at the local restaurants were asked in questionnaires about their reaction to diverse CSR activities. The study of both type of the data, primary and secondary data, shows that CSR practices do have an effect on customer behavior in restaurant industry. However, every CSR activity does not generate the same level of impact on customers.*

KEYWORDS: *Corporate Social Responsibility, Hospitality enterprise, India, customer behavior*

I. INTRODUCTION

Multinational corporations introduced the term stakeholder in the 1960's. Stakeholders are the people who are in any way affected by the organizations' activities. Consequently, the term "corporate social responsibility" (CSR) came into use. The aim of corporate social responsibility is to take responsibility for all the company's actions and to put a positive impact on its communities, environment, consumers, employees and all other stakeholders (Freeman, 2010). CSR is not a new idea, more companies than ever before are supporting CSR initiatives like corporate philanthropy, minority support programs, cause-related marketing and socially responsible manufacturing practices and employment—and they are doing so with real marketing and financial muscle. More than 80% of the *Fortune 500* companies address CSR issues on their websites, reflecting the persistent belief among business leaders that today CSR is not only an ethical vital, but also an economic one. With a growing concern for corporate social responsibility (CSR), companies motivated by companies' stakeholders, societies, consumers and governments, are accelerating initiatives to exhibit their CSR commitments. For example, HSBC, a leader in international banking, announced a carbon neutral program, depicting its commitment to CSR for climate change problems. While in 2008, Wal-Mart started its new jewelry line named "Love, Earth" in which Wal-Mart only uses diamonds, gold and silver from mines and manufacturers that meet sustainability standards established by Wal-Mart. Along with this general trend of public and corporate attention to CSR, the hospitality industry has showing an ever increasing interest in CSR. More leading companies in hospitality industry, including Hilton, Starbucks and McDonald's In spite of rising interest in CSR and vigorous participation in CSR activities in the this industry, only a few studies have been done on the impacts of these activities on financial performance (Lee and Park, 2009 and García and Armas, 2007). Even if the major industry effect reported by the CSR literature (Banerjee et al., 2003, Amato and Amato, 2007, Brammer and Millington, 2005), comparative studies across industries in the hospitality has been rarely conducted. To achieve the objectives of the study the paper is divided into following sections. Section 1 gives the introduction of the study. Section II includes review of literature. Section III describes about data and methodology, followed by Section IV which gives detailed analysis and interpretations of results including concluding remarks and References are contained in the last section.

II. SECTION 11: REVIEW OF LITERATURE

The following section gives the review of existing literature

Corporate Social Responsibility

During the 21th century, the environmental aspect of CSR grew even stronger and society's increased interest regarding environmental issues gives a new image of CSR. Therefore, pressure was put on corporations and their initiatives for support of the environment. In the European Commission's CSR-report from 2002, CSR is described to have a close relationship between societies and companies to deal with both social and environmental concerns: "CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. In their most

recent definition, the European Commission (2011) explains CSR as “the responsibility of enterprises for their impacts on society”. Another definition which is very famous is The total corporate social responsibility of business entails the simultaneous fulfillment of the firm’s economic ,legal ,ethical & philanthropic responsibilities . (Carroll, 1991) .Carroll proposed other responsibilities in the following decreasing order of importance, after economic: legal, ethical and philanthropic. This concept by Carroll (1979) suggests that a business should follow four components: economic responsibility, ethical responsibility, philanthropic and legal responsibility, (Bhattacharya and Sen, 2004; Carroll, 1995). The first component is economic responsibility .This is actually the business’ elementary responsibility to make a profit and expand. The second component is legal responsibility which means a business must obey the law and work within the legal framework of society. The third is ethical responsibility which means a business has to value the rights of others and meet the hope applied by society to do what is right. The last component is philanthropic responsibility which means a business should add to and support the broader community and improve the quality of society. [Carroll ,1995. Snidar *et al.* 2003]. Although there is still no agreement on any one meaning of CSR ,each and every meaning is based on the thought that CSR is about how a business takes account of its social and economic impact on environmental of the way it operates. We presume that consumers are affected by the fact that how effectively business is completing its ethical and philanthropic responsibilities because they believe that legal responsibilities all business complete because these responsibilities have legal backing. So to measure ethical and philanthropic responsibilities we have taken three factor first is how effectively business house is taking care of environmental sustainability, second is how effectively they are taking care of local community and Third is whether they are selling environment friendly green products or not.

Typical CSR initiatives in restaurant industry

Energy consumption is certainly one of the biggest issues in the industry these days. By limiting the use of electricity and gas, the restaurants will undoubtedly have the added benefit of lowering energy bill [Lelic ,2006] . Many leading fast food chains have taken action regarding energy reduction. As an example, Burger King has introduced a new energy-efficient restaurant in Germany that uses renewable energy to supply one-third of the restaurant’s energy requirements. Consequently, the restaurant’s energy costs are reduced by 45 percent annually. Ethical sourcing of ingredients is becoming a mainstream among eating industry. They are now much more aware of this issue, which refers to the act of supporting local farmers by ordering raw ingredients from them, or at least ensuring that the ingredients come from sustainable sources (Lelec, 2006.). The Crown Plaza London hotel’s environmental policy is a representative example. Only suppliers that meet the hotel’s green credentials are accepted. In fact, the hotel’s car supplier, Green Tomato Cars, is an environmentally friendly company that uses the greenest cars to ensure the least damage to the environment (Mullen, 2008.).Ethical treatment of employees is another key element of a successful CSR program from which the restaurateurs can benefit. In fact, the industry as a whole often relies on temporary and low-paid workforce. If the staff are trained professionally and receive right treatment ,they can turn into the restaurant’s biggest assets. There is no doubt that a happy and well-treated workforce will produce the most amazing food and service (Lelic, 2006) .As per the report by CSR News Europe, food waste management has been a major environmental issue for restaurant operations. Restaurateurs have realized that it would cost them less to manage food waste properly. Some common practices encouraged by environmentalists to reduce food waste are:

- Plan different sized portions properly
- Order perishable ingredients to meet demand
- Use first-in, first-out practice to minimize spoilage stocks
- Serve vegetables with skin on if it is possible
- Re-use trimmings for stock, pickles, etc.

III. CONSUMER BEHAVIOR

Consumer behavior refers to the study of how a person buys products. However, it is only part of the definition. More specifically, the term is termed as the emotional and physical activities that people engage in when purchasing, using and disposing of products and services so as to satisfy needs and also the desires. It involves the purchasing, and other consumption-related activities of people engaging in the exchange process (Hoyer & Macinnis, 2009, 3.). The restaurant industry have different characteristics in comparison to manufacturing industry. In the operations of food and beverage, the customer is present at both service and production process (Davis, Alcott, Lockwood, Pantilidis ,2008 ,23) .The customer is eating out, the meal experience includes both tangible and intangible aspects. Briefly, food and drink make up the tangible component; meanwhile the intangible component involves service, atmosphere and so on. It seems that, the meal experience starts with the entrance of customer in the restaurant and ends when they leave .Nonetheless ,it is just the main part of the meal experience because any feelings the customer has when he/ she arrives at the

restaurant or when he/she leaves should be also taken into account. In the restaurant industry, those two things go hand in hand to present a total product to the customer. None of these can work out without the other (Davis et al., 2008, 24.). In order to attest if CSR actions have an impact on consumer behavior, it is essential to understand what factors affect consumer behavior in general. Consumer buying decisions are subject to be influenced from a variety of sources. Kotler, Amstrong, Saunders, and Wong (2001) suggest four factors that influence consumer behavior, which are social, cultural, psychological factors and personal.

IV. CULTURAL FACTORS

Culture- element refers to the beliefs, values, and views shared in a society. Every society has a culture and to what extent cultural factors influence consumer behavior is varied from society to society. In addition, culture acts as a guideline for identifying acceptable products, services, and behaviors (Wilkie, 1994, 20). Every culture group contains smaller **subcultures**, which means groups of citizens who share a particular value system. A customer does not necessarily belong to only one specific subculture but they can belong to several groups at a time. Gender, race, age, nationality, religion, etc. form bases for subculture (Wilkie, 1994, 20). Social class- includes variables like occupation, income level, and educational degree. These components affect a person's lifestyle and therefore have a significant influence on consumption habits (Wilkie, 1994, 20.). Regular customers of a fine dining restaurant usually have a higher level of income than those who only eat at a fast food restaurant.

V. SOCIAL FACTORS

Family -plays an important role in developing a person's buying behavior since family is the very first society that strongly influences a person's values and habits (Wilkie, 1994, 20.). **Reference groups and friends** have potential influence on people who identify with them by providing guidelines to appropriate attitudes. A person's buying decision is not only affected by frequent discussion with friends, but also by watching their behaviors in everyday life (Wilkie, 1994, 21.). A satisfied customer will surely recommend the restaurant to his/her friends. Roles and status - a person can hold different **roles and status** in society depending on to what organizations, clubs, groups he/ she belong. If the mother of a family is also working as a doctor, her buying decision will be affected by both roles. A restaurant suitable for families will be her first priority when planning to eat out with her husband and children; meanwhile nutrition may be paid a certain attention to in her buying decision.

Personal factors

Personal characteristics also have an impact on consumer behavior. Some major personal factors affecting a person's buying behavior are age, occupation, lifestyle, economic situation, personality and self-concept (Kotler et al., 2001, 198.).

Age - it is obvious that age has an influence on buying behavior. As the time passes by, a person's needs and wants change; therefore, it leads to the changes in buying behaviors (Kotler et al., 2001, 199.). Taste in food and age have a certain relation.

Occupation - an example of the influence of occupation on buying behavior is the difference between students and business people in choosing a restaurant. While students usually go to casual restaurants or bars, business people tend to choose a fine dining restaurant to discuss business with their partners.

Lifestyle - people belonging to the same culture, social class, or even occupation groups do not necessarily have the same lifestyle. Lifestyle is "a person's pattern of living as expressed in their activities and interests.

Economic Situation : Product choice is greatly affected by a person's economic situation. Trends in personal income, savings and interest rates are studied by marketers of income-sensitive products. Consequently, they can decide if they need to redesign, reposition and reprice their products (Kotler, 2001).

Personality and Self-Concept : A person's buying choice is undoubtedly affected by his/ her own personality. Personality is termed as the unique psychological characteristics that lead to relatively consistent and lasting responses to one's own environment. Personality traits examples are self-confidence, dominance, sociability, defensiveness, etc. (Kotler 2001, 204.). Customers who are high in sociability have a tendency to eat out regularly .A person's self-concept is a term related to personality. What people possess identify their self-concept (Kotler, 2001, 204.). For example, a student who sees herself as an active, outgoing and social girl will favor casual restaurants than fine-dining ones. Coincidences and surrounding people will affect outcomes notably.

VI. PSYCHOLOGICAL FACTORS

Four major psychological factors influencing a person's buying choices are perception, learning, beliefs and attitudes.

Motivation : a person's buying motivation arises from their biological or psychological needs. When a need reaches to a sufficient level of intensity, it becomes a motive. Then, a motive drives a person to act in order to seek satisfaction (Kotler et al, 2001, 204.).

Perception : a motivated person's actions are guided by his/ her perception of the situation. Perception in this case is what an individual thinks about a particular restaurant's food and service. Two people, even if have same need may not end up going to the same restaurant, as they are different in perception (Kotler et al, 2001, 208.).

Learning – Learning is the interaction of stimuli, responses, drives, cues and reinforcement (Kotler et al, 2001, 209.). For example, a couple has a drive for social need in Valentine's Day. In other words, they want to celebrate the day. A drive is a burly internal incentive that calls for action. When this drives them towards a specific stimulus object – in this case, planning to go out for dinner, it becomes a motive. Their response to the idea of going out for dinner is conditioned by the surrounding cues, which are factors that determine the way they respond. If everything goes perfectly on the day, i.e. great food and service, there is a great chance that they will re-visit the restaurant frequently. In other words, if the experience is rewarded, their response to the restaurant will be reinforced (Kotler et al, 2001, 209.).

Beliefs and Attitudes – beliefs and attitudes are acquired through acting and learning. Restaurant manager must consider the beliefs customers formulate about the restaurant's food and service because they influence consumer behavior to some extent. If some of the beliefs are wrong and stop purchase, the restaurant has to take action to correct it (Kotler et al, 2001, 210.). For example, people who are on a diet will never come to a pizza restaurant because they believe the restaurant has nothing else except pizzas. In order to attract this group of customers, the restaurant can emphasize their salad offer in the ads. People's attitudes are formed based on their beliefs and they are difficult to change (Kotler et al, 2001, 2010).

Consumer social responsibility, along with personal locus of control, is an important term, which should be explained in order to understand the effects of CSR initiatives on consumer behavior. The term can be def as the conscious and deliberate choice to make certain consumption choices based on personal and moral beliefs (Devinney, Eckhardt, Auger and Birtchnell, 2006). It means they support socially responsible restaurant by going there, or boycott antithetical restaurants by avoiding those. The positive effect of socially responsible behavior on business in the long run has been recognized among entrepreneurs. It is explained that the trust and satisfaction of customers transform into customer loyalty and therefore the competitive position of the restaurant is enhanced (Solomon, et al. 2006, 18-19).

The impact of CSR initiatives on several customer-related outcomes

In their recent study, Gupta (2002), with his research results, has provided evidence to support the popular view that when there is parity in price and quality, consumers would prefer the company actively engaging in CSR initiatives and their consumption related decisions are affected by this factor. As a result, he strongly supports corporate investments in CSR activities due to its convincing benefits to the business. Maignan and Ferrell (2004) have concluded a direct positive relationship between CSR and customer loyalty in a managerial survey. From the retail perspective, CSR activities, for instance support for a non-profit cause or positive ethical practices, lead to store loyalty, emotional attachment to the store. As a result is a positive increase in the percentage of shopping done at the store and the amount of purchases (Lichtenstein et al., 2004.). Other studies have attested the collective impact of multiple CSR strategies on customer attitudes. For eg, Brown and Dacin (1997) have examined the combined influence of various CSR actions, which are support for causes, contributions to the community, and environmental concern, finding that CSR associations influence product attitudes through their influence on company. Studies by Barne, Taylor, Miyazaki (2000), Bhattacharya and Sen (2001), and Creyer and Ross (1997) suggested that consumers are willing to actively support companies committed to cause-related marketing, environmentally friendly practices and that CSR practices have an impact on customer purchase intention. Overall, these studies provide evidence supporting the suggestion that socially responsible companies are likely to be perceived more favorably by consumers than less socially responsible companies.

SECTION III: RESEARCH METHODOLOGY

In this study, both qualitative and quantitative research methods are employed. For the quantitative research, ninety respondents were chosen to fill out ninety questionnaires, which ask about their basic backgrounds and their possible behavior towards CSR related issues.

VII. QUANTITATIVE METHODS

Quantitative research method was employed in this research because of following reasons. Firstly, it is one of the most widely used techniques to reach a large population and to identify and describe the variability in different situations (Saunders, Lewis & Thornhill 2009, 361 - 362.). Secondly, the collected data later on can be analyzed effectively through SPSS program. The questionnaire included fifteen questions. The first three questions were about the respondents' general backgrounds. The three questions coming next were to find out their buying habits and their personal qualities. The left behind questions were goes deeper into whether CSR related activities had any impact on their buying. Before doing actual research, five persons were chosen for a pilot test to assure that the respondents have no misunderstandings about the nature of the questions. After that, the questionnaire was adjusted and presented to the supervisor of the thesis for comments and approval.

SECTION IV: ANALYSIS OF EMPIRICAL DATA

The empirical study reveals these key findings. First, there is noticeable difference among the respondents in their reactions to CSR related activities in restaurant industry. Secondly, not every CSR initiative can affect customers in an expected manner. However, CSR initiatives do have a positive impact on customer behavior in general. "Do you go to a restaurant that offers less price?" This question helps us to recognize if customer would avoid a restaurant not fulfilling its economic responsibilities. A large number of respondents (46 percent) remained neutral when being asked this query. The total number of respondents supporting a restaurant offering much lower price than its competitors and those avoiding that restaurant were equal. Offering different sized portions is one of the CSR practices to reduce the amount of daily food waste. This practice gained positive reaction from customers. Indeed, 52 percent of the respondents answered "likely", 11 percent answered "extremely likely" when being asked "Would you like to be offered different sized portions of every item available on the menu?" Another CSR activity related to environmental issues is utilizing organic food ingredients. Although 48 percent of the respondents answered "neutral" to the question "While eating is it relevant for you to know that the food is made from natural sources?", Do u think natural food ingredients help restaurants to persuade customer positively since 32 percent of the respondents answered it is "important" and 3 percent of the respondents answered it is "extremely important". To some extent, ethical source of ingredients is a good practice to attract certain customers.

Among ninty respondents, two "always" ask about the origin of the food ingredients when eating out ,and twenty respondents "sometimes" do this. Most of the respondents (44 percent) "rarely" ask this kind of question, and 35 percent of the respondents "never" do this. Ethical treatment to the staff is an effective practice to affect customer behavior. Indeed, 62 percent of respondents said that the staff's behavior affects their mood "very much" when dining out, 39 percent said it affects them "moderately", 3 percent answered their mood is not affect much by the staff's behavior. None of the respondents chose the answer alternative "not at all". The finding showed that customers have a favorable attitude towards restaurants doing good activities to the community like sponsoring to the local charity groups, donating money to non-profit programs, etc. Approximately 54 percent of the respondents would be "likely" to support that type of restaurant. Customers tend to pay more for the food and service at a socially responsible restaurant. When it came to the question "Are you willing to pay more for the and service?" some 38percent answered they would be "likely" to pay, and 3 percent would be "extremely likely" to do so. 36percent were "neutral" and 26percent were "unlikely" to pay more. Among 43 respondents who would be willing to pay premium price, five are ready to pay "less than 5%", thirty-three would pay a "4-15%" more price in the restaurant. CSR activities benefit restaurants by gaining customers' loyalty. If a restaurant stops doing those good activities to the community, customers are more likely to boycott the restaurant. In fact, 22 percent of the respondents answered that they would be "unlikely" to visit the restaurant regularly. Most of the respondents (64 percent) stayed "neutral" because they also take into account the quality of food and service the restaurant offers.

VIII. EFFECT OF INCOME LEVEL

As mentioned in the theoretical framework, economic situation has a great effect on an individual's buying. So we will take a closer look on whether CSR activities affect the buying decision of people with different income level.

Table 1. Three income groups and their reaction to the question “Do you go to a restaurant that offers much lower price than its competitors?”

Annual income	Going to a restaurant selling things at much lower price.					Total
	Extremely unlikely	Unlikely	Neutral	Likely	Extremely likely	
less than 30 000	2	6	10	10	2	30
30 000 - 50 000	0	8	23	10	1	42
more than 50 000	2	6	10	0	0	18
Total	4	20	43	20	3	90

Table 2. How people of three income groups react to the idea of being able to order different sized portions of every items available on the menu

Annual income.	Prefer to be offered diverse sized portions					Total
	Extremely Unlikely	Unlikely.	Neutral.	Likely.	ExtremelyLikely	
less than 30 000	5	5	14	2	0	26
30 000 - 50 000	9	6	21	4	1	41
more than 50 000	3	2	15	2	1	23
Total	17	13	50	8	2	90

Table 3. How important it is to people of three income groups that the food is made from organic ingredients

Annual income	It's vital the food is made from organic ingredients					Total
	Extremely unimportant	Unimportant	Neutral	Important	Extremely important	
less than 30 000	2	3	11	10	2	28
30 000 - 50 000	2	6	26	9	1	44
more than 50 000	2	1	10	5	0	18
Total	6	10	47	24	3	90

Table 4. How often people of three income groups ask about the origin of the food ingredients when eating out

Annual income	It's important the food is made from organic ingredients				Total
	Always	Sometimes	Rarely	Never	
less than 30 000	1	4	15	10	30
30 000 - 50 000	1	8	16	10	35
more than 50 000	1	5	11	8	25
Total	3	17	42	28	90

Table 6. How much people of three income groups support a restaurant doing good activities to the community

Annual income	Supporting restaurants doing good activities				Total
	Unlikely	Neutral	Likely	Extremely likely	
less than 30 000	3	9	12	2	26
30 000 - 50 000	0	16	25	1	42
more than 50 000	2	9	10	1	22
Total	5	34	47	4	90

Table 7. How much people of three income groups would be willing to pay premium price for the food and service at a CSR friendly restaurant

Annual income	Supporting restaurants doing good activities				Total
	Unlikely	Neutral	Likely	Extremely likely	
less than 30 000	8	5	12	2	27
30 000 - 50 000	5	20	15	2	42
more than 50 000	6	5	9	1	21
Total	19	30	36	5	90

Table 8. How much more people of three income groups would be willing to pay

Annual income	How much more is reasonable?			Total
	less than 5%	5 - 10%	more than 10%	
less than 30 000	2	14	2	18
30 000 - 50 000	6	12	2	20
more than 50 000	1	11	1	13
Total	9	37	5	51

If we analyze these tables we come to the conclusion that it is not true that people with higher annual income would support every kind of CSR activities more positively. Certain CSR initiatives gain more supports from customers with lower income than from those with higher income.

IX. LIFESTYLE

In order to see whether there is a relationship between people’s lifestyle and their reactions to different CSR activities, the Pearson correlation statistical test was employed. The Pearson correlation statistical test, a tool in SPSS program, is often used to examine the association between two variables by a correlation (Hinton ,Brownlow ,McMurray & Cozens ,2004 ,296). 60

Table 9. Customers’ lifestyle and their reaction about going to a restaurant offering much lower price than its competitors.

		Frequency of buying organic food	Going to a restaurant offering much lower price than its competitors
Frequency of buying organic food	Pearson	1	-.236
Correlation			.016
	Sig . (2-tailed)	90	90
	N		
Going to a restaurant offering lower price than	Pearson	-.236	1
(tailed)		.016	
	Sig . (2-tailed)	90	90
	N		
*. Correlation is significant at the 0.05 level (2-tailed).			

The Pearson Correlation test statistic in this case is negative (-.236), which means that there is a negative correlation between two variables above (Table 9). A negative correlation means that as one variable increases, the other variable decreases. If the Pearson Correlation test value is positive this means there is a positive correlation between two variables. It shows that when a variable increases, the other variable increases

also. (Hinton et al., 298 – 300.). In order words, if the people buy organic food more often, the less likely they would go to a restaurant that offers much lower price than its competitors do. Similar Pearson Correlation tests are utilized to examine the relationship between customers’ frequency of buying organic food and the other CSR related questions. The study shows these key correlations. First, the action of offering different sized portions of every item available on the menu is more supported by people who buy organic food regularly. when eating out and it is important to them that the food is made from organic ingredients. The staff’s behavior affects their mood very much when dining out. Importantly, they show higher tendency to support CSR friendly restaurants than those who do not buy organic food regularly do.

Personality

The Pearson correlation statistical test continued to serve as a tool to examine the correlation between people’s personality and their reaction to CSR related activities. Except for respondents’ support to a restaurant doing good activities to the society and respondents’ willingness to pay premium price, no correlations between customers’ personality and other CSR related activities were indicated.

Table 10. Correlation between respondents’ personality and their support to a restaurant doing good activities to the community

		An individual can influence the environment through their daily events	Supporting restaurants doing good activities
An individual can influence the environment through their daily events	Pearson Correlation Sig . (2-tailed) N	1 90	-.312 .001 90
Supporting restaurants doing good actions	Pearson Correlation Sig . (2-tailed) N	-.312 .001 90	1 90

Table 10 shows that the Pearson Correlation test value is positive (0.312). This means that people who believe in their ability to improve the quality of the surrounding environment through their daily events have a tendency to support a restaurant socially responsible.

Table 11. Correlation between respondents’ personality and their willingness to pay premium price

		An individual can influence the environment through their daily events	Willing to pay premium price
An individual can influence the environment through their daily events	Pearson Correlation Sig . (2-tailed) N	1 90	-.273 .003 90
Willing to pay premium price	Pearson Correlation Sig . (2-tailed) N	-.273 .003 90	1 90

X. SECTION V: CONCLUSION

The figures from the quantitative research analysis indicate that customers do expect restaurants to be socially responsible. Indeed, 25 percent of the respondents agreed that promoting human welfare is the responsibility of enterprises For 62 percent of respondents, the idea that the restaurant will offer different sized portions was strongly supported. For 35 percent of respondents, organic sources of ingredients are important. Ethical treatment of employees will indirectly affect the mood of 62 percent of respondents.

Besides, 58 percent of customers would support a socially responsible restaurant by coming there to eat. In conclusion, customers' buying decision is certainly affected by CSR related activities of the restaurant. Forty-two customers said they would be willing to pay more for the food and service at the mentioned restaurant. The most reasonable rate chosen by customers is "4-15%".

CSR efforts alone do not have an impact on customer behavior entirely. In fact, the respondents chose to stay neutral in several questions like "Do you go to a restaurant that offers much lower price than others ? ", In other words CSR work must be merged with good quality of food and service to have the most impact on customer behavior. By understanding customer reactions to CSR, restaurants can develop optimal CSR strategies, which will result in customer satisfaction and financial rewards. So any CSR policy can reap benefits for restaurant which already offer good quality of food and service, but as a package, they become an effective means to attract customers and gain customers' loyalty. This study sets the stage for future research about CSR implementation in restaurants, for example. A thorough study about current practices of CSR in restaurant industry is an interesting topic. In-depth interviews with restaurant owners would be the most effective method to gather necessary information. Besides, the findings of this research could serve as secondary data for a research about customer behavior before and after they know about CSR activities of a restaurant

REFERENCES

- [1] Bhattacharya, C.B, & Sen, Sankar. (2001). Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility. *Journal of Marketing Research*. Vol.38, No.2, pp.225-243.
- [2] Bhattacharya, C.B, & Sen, Sankar. (2004). Doing Better at Doing Good: When, Why, and How Consumers respond to Corporate Social Initiatives. *California Management Review*, 47, pp. 9-24.
- [3] Carroll, Archie. B. (1991). The pyramid of corporate social responsibility: toward the moral management of organizational stakeholders. *Business Horizons*, No. 34 July-August 1991, pp.39-48.
- [4] Creyer, Elizabeth H., & Ross, William T. (1997). The influence of firm behavior on purchase intention: do consumers really care about business ethics? *Journal of Consumer Marketing*. Vol. 14, No. 6, pp. 421-432.
- [5] Davis, B., Lockwood, A., Alcott, P., & Pantelidis, I.S. (2008). *Food and Beverage Management* (fourth edition). United Kingdom. Elsevier Butterworth-Heinemann.
- [6] Devinney, T., Auger, P., Eckhardt, G., & Birtchnell, T. (2006). The other CSR: Corporate Social Responsibility. *Stanford Social Innovation Review*. Vol.4, No.3, pp. 30-37.
- [7] Elliott, K. A. & Freeman, R. B. (2001). *White hats or Don Quixotes? Human rights vigilantes in the global economy*. Cambridge, MA: National Bureau of Economic Research.
- [8] Gupta, Shruti. (2002). *Strategic Dimensions of Corporate Image: Corporate Ability and Corporate Social Responsibility as Sources of Competitive Advantage via Differentiation*. United States. Temple University.
- [9] Hinton Perry R., Brownlow Charlotte, McMurray Isabella, & Cozens Bob. (2004). *SPSS Explained*. United States. Routledge.
- [10] Hoyer, Wayne D. & Macinnis, Deborah J. (2009). *Consumer Behavior*. South-Western USA. Cengage Learning Inc. pp. 3.
- [11] Kotler, P., Amstrong, G., Saunders, J., & Wong, V. (2001). *Principles of Marketing* (third edition). England. Pearson Prentice Hall.
- [12] Lelic, Sarah. (2006). CSR: What does it mean for hospitality? Retrieved February 23 2012. Available in www-form: <URL: <http://www.caterersearch.com/Articles/13/10/2011/308213/CSR-What-does-it-mean-for-hospitality.htm>>.
- [13] Maignan, Isabelle & Ferrell O C. (2004). Corporate Social Responsibility: An Integrative Framework. *Journal of the Academy of Marketing Science*, Vol. 32, No.1, pp. 3-19.
- [14] Mullen, Rosalind. (2008). Corporate social responsibility: 25 ways to be more socially responsible. Retrieved February 23 2012. Available in www-form: <URL: 72 <http://www.caterersearch.com/Articles/17/10/2011/324141/corporate-social-responsibility-25-ways-to-be-more-socially-responsible.htm>>.
- [15] Saunders, Mark; Lewis, Philip & Thornhill, Adrian. (2009). *Research Methods for Business Students*. Pearson Education Limited. Essex, England.
- [16] Solomon, M., Bamossy, G., Askegaard, S., & Hogg, Margaret K. (2006). *Consumer Behavior, a European Perspective*. England. Pearson Education Limited.
- [17] Wilkie, William L. (1994). *Consumer Behavior*. United States. John Wiley & Sons, Inc.