

ABSTRACT

Customers are more careful in making purchasing decisions based on what companies do-how they interact with the environment, society, laws and their workers. Companies that have disregarded their environmental footprint have seen a backlash from their stakeholders. For companies Corporate Social Responsibility (CSR) has become an important part of what firms do. It has not only become a way for companies to give back to society but has also become a strategic tool to differentiate itself from its competitors.

This study aims to identify the relationships that may exist between the act of Corporate Social Responsibility by a company with its behavioral effects on customer behavior indicators namely Brand Image, Perceived Price Fairness, Awareness of CSR and Purchase Intention. This study also takes into account Perceived Service Quality and its influence on customer Purchase Intention. The researcher collected primary data from 400 Generation Y respondents from Nepal, and used structural equation modeling on the data to test the set hypotheses. The researcher used AMOS for statistical analysis to achieve the objectives. Although this study is a concrete body of work, it has some limitations, and the researcher expects that these limitations can be overcome by further studies-while taking different variables into consideration.

The findings of the research reveal that there exists a positive relationship between Corporate Social Responsibility, Perceived Price Fairness, Brand Image and Purchase Intention. However, the research uncovered that there exists a negative relationship between Awareness of CSR and Purchase Intention. Perceived Service Quality also has a favorable relationship with Purchase Intention. The findings of the study will help Ncell, if they choose to apply them, they will help channel their CSR efforts into areas that are more important towards their customer base. Focusing on CSR activities which are closer to the hearts of generation Y will help Ncell gain more attention towards their CSR activities, and in turn, those CSR activities will have an influence on the purchasing intention and the brand image of Ncell. The insights of this research will help Ncell build sustainable competitive advantage through the CSR forum onto generation Y in Nepal.