



## The Role of Corporate Social Responsibility and Perceived Risk on Brand Loyalty Based on Cognitive Motivational Relational Theory

### ABSTRACT

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This research was conducted to determine the relationship between brand satisfaction, perceived risk, perceived quality, and brand loyalty to corporate social responsibility in Generation Z in corporate social responsibility activities. Cognitive Motivational Relational Theory is used in research as the main main theory. The method in this uses a quantitative approach using a purposive sampling technique which produces 180 samples. Structural Equation Modeling (SEM) was used as an analysis technique proposed with AMOS 24 graphic software. The relationship hypothesis of corporate social responsibility has a significant positive effect on brand satisfaction and perceived quality. In other way, brand satisfaction has a positive effect on brand loyalty. The research results of corporate social responsibility on brand satisfaction also provide knowledge that CSR activities will have an impact on public satisfaction with the activities that have been provided by the company. This research also results in CSR activities as well as the attitude of consumers' assessments that they feel towards the company. The research results related to the practitioner implications of CSR activities are that the increasing contribution of corporate social responsibility to society will also improve the company's image and provide significant benefits to the company.

**Keywords:** Corporate Social Responsibility; Brand Satisfaction; Perceived Risk; Perceived Quality; Brand Loyalty

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### INTRODUCTION

Corporate Social Responsibility is a form of activity that companies undertake to fulfill their sense of social responsibility and tend not to make a profit. This research was conducted to identify the optimal level of CSR with brand satisfaction, perceived risk and perceived quality on social responsibility. Companies have also started to do CSR in developing and underdeveloped countries, especially in the last two to three decades (Potluri et al., 2020). Several studies show that CSR has a "strategic" role in creating value for the company (Zhang et al., 2023). The results of this study indicate that the highest data obtained were 180 respondents (95.4%) aged 11-26 were Generation Z. The reason why the researcher chose the Gen Z subject is that their age supports/ the majority of students/ students who can find out about CSR activities carried out in the

research process carried out. Research by Marsasi & Yuanita (2023) explains that the young age towards adulthood currently experienced by Generation Z does affect the habits and emotions of consuming a product. Age and several other demographic factors also influence a person's consumption behavior.

The theoretical foundation used in this research model is the Cognitive Motivational Relational (CMR) Theory which explains that this theory determines how CSR can diagnose from the mediating effect that bridges the gap with external CSR. The use of CMR theory in CSR activities has a stronger influence on environment-based purchasing. It can be concluded that this theory applies and gets a relatively stronger effect on employees.

The leading theory used is the Cognitive Motivational Relational Theory. The method used is a quantitative approach using a purposive sampling technique, which resulted in 180 samples. The analysis technique used in this study uses Structural Equation Modeling (SEM) with AMOS 24 Graphics software. Based on the background and problem formulation that has been explained, the purpose of this study is to determine the effect of CSR implementation by a company on the level of consumer satisfaction with the brand, to determine the effect of CSR implementation on perceived quality, to determine the negative effect of CSR implementation on perceived risk, to determine the negative effect of perceived risk on brand loyalty, to determine the effect of brand satisfaction on brand loyalty, and to determine the effect of perceived quality on brand loyalty.

Researchers add the variable perceived risk, a novelty to add new knowledge about the role of Corporate Social Responsibility (CSR) activities through Perceived Quality. *Perceived risk* can be perceived as subjective in the form of heterogeneity in influencing decision-making on conative behavior (Matiza & Slabbert, 2021). Perceived risk can refer to a negative experience or consumer dissatisfaction with their choice.

Past studies have shown a strong correlation between CSR and brand satisfaction. The study was conducted on travel agents in Tehran, Iran (Akbari et al., 2019). Research on CSR and its impact on brand satisfaction by (Khawaja et al., 2021). This research was conducted at a Lebanese Private University which was attended by 378 student respondents. The study shows CSR is not significant with brand satisfaction and brand satisfaction. The research on perceived risk and its impact on brand loyalty (Ma et al., 2023). This research was conducted to understand consumer behavior from the perspective of how retailers can effectively retain customers in online retail, which is not yet clear. The results of this study state that there is a negative relationship between perceived risk regarding online channels and consumer loyalty. Research on perceived risk and its impact on brand loyalty (Hasan et al., 2023). This concept is applied in order to build trust with consumers through interaction, risk and novelty towards Brand loyalty in supporting AI devices. This research is based on the results of a

survey receiving 675 respondents. The relationship between perceived risk has no significant impact on brand loyalty.

## **LITERATURE REVIEW**

### ***Cognitive Motivational Relational (CMR)***

This Cognitive Motivational Relational (CMR) theory aims to analyze the various forms of employee emotions towards a company. This CMR theory provides knowledge about the universal value of brands that will help in life on the nature of individualism. This theory will provide a stronger effect to improve relationships with consumer brands. This theory explains that personal attitudes will react when we are motivated from the results of environmental assessments related to some humans. For example, such as feelings of offense or increased ego which is the driving factor for the emotional reaction to occur. Behind the driving factor that motivates the personality to react with these cognitive emotional feelings, this CMR theory also has advantages in its psychological process. The advantage of this CMR theory is that this theory can be said to be comprehensive compared to other similar theories because it has greater relevance. CSR activities applied in CMR theory can also have a negative impact. This result is shown in companies that act unethically. From the company's unethical behavior, it raises the quality of the product which can encourage the reaction of the public's attitude to increase towards the company.

### ***Corporate Social Responsibility (CSR)***

CMR theory can be construed as a social responsibility with CSR efforts that can influence consumer responses differently (Eisingerich et al., 2023). Cognitive Motivational Relational (CMR) is a feeling or emotion that psychologically affects a person's cognitive response (Berens et al., 2007). CSR activities applied in this CMR theory can also have a negative impact. This result is shown in companies that act unethically. The company's unethical behavior causes product quality that can lead to Efforts made by companies related to CSR activities affecting the emotion theory of CMR in the form of unique behavior. This CMR theory provides knowledge about universal brand values that will help in life of an individualistic nature. This theory will have a better effect on improving consumer brand relationships (Rezwan & Takahashi, 2021). The use of CMR theory on CSR activities has a more substantial influence on environmentally based purchases. This theory applies and has a more substantial effect on employees.

### ***Perceived Risk***

Perceived Risk can cause customers to have a negative perception of their experience due to the existence of a relationship between quality parameters and experiences that significantly affect quality parameters (Hasan et al., 2023). Research (Gupta & Kaur, 2020) explains that perceived Risk discussed regarding perceived financial Risk has a negative effect and impact on willingness and trust. The case in this study examines that

## **The Role of Corporate Social Responsibility and Perceived Risk.....**

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public acceptance can be seen from the perception of Risk as a form of public protest (Zheng et al., 2022). Therefore, this perceived Risk can also positively influence customers to help develop effective strategies for promoting mobile payment applications among customers (Alrawad et al., 2023). Perceived Risk can be defined as a concept that refers to an individual's perception of the level of Risk or uncertainty associated with a particular decision or action. Companies need to grow consumer confidence to reduce the incidence of Risk and have a positive impact. Adverse risks can cause uncertainty for consumers. The impact of uncertainty consumers feel will consider customer purchasing decisions for the products or services they will use. Therefore, companies need to increase trust in their customers so as not to cause consumer concerns that will harm purchasing decisions.

### **Brand loyalty**

Brand loyalty has the primary purpose of marketing toward a company's success because loyalty is built for the organization's sustainability (Guzmán Rincón et al., 2023). In other research belonging to (Bagaskara & Marsasi, 2023) brand loyalty is a pattern of consumer habits that are influenced by the service provided by the brand itself. Consumers will continuously purchase if they feel that the product has the advantages needed. In this context, brand loyalty can influence customer experience and is a crucial element in business strategy and brand marketing. A company's success can be seen in consumers who tend to commit to a particular brand and continuously purchase products repeatedly. To maintain brand loyalty, companies have a good and positive impact on consumers so that consumers will become customers who buy products repeatedly.

### **Perceived Quality**

According to Koech et al. (2023), this study's case analyzes customers' perceived quality in considering their airline. This study analyzes consumer purchasing decisions regarding their choice of airline. According to Nascimento et al. (2022), research on perceived quality shows that quality risk or quality that consumers can feel does not significantly impact product appearance. Another understanding of Perceived Quality is that there is a deep relationship to the quality perceived by customers regarding the uncertainty of perceived quality and the effect of influencing consumer purchases (Zheng et al., 2022). Perceived quality can be defined as the perception of consumer quality regarding the quality of a product. This perception that consumers feel can be obtained in the trade-off between the benefits obtained and the costs incurred. Companies are expected to improve product quality so consumers are interested in purchasing

### **The Effect of Corporate Social Responsibility (CSR) on Brand Satisfaction**

This research states that positive perceptions of customer actions are not directly on financial revenues but through Brand Satisfaction/customer satisfaction (Ghanbarpour

& Gustafsson, 2022). The results of this study also state that the authenticity of consumer perceptions of CSR has a positive and significant impact on Brand Satisfaction. Thus, research in the literature shows a positive influence between Corporate Social Responsibility (CSR) and Brand Satisfaction regarding emotional involvement in CSR activities (Kwon et al., 2020). According to Hajivand (2018) in research examining the policies of corporate social responsibility and corporate image on consumer response, the question is about consumer satisfaction after giving trust in responding and future purchase intentions.

H1 : Corporate social responsibility has a positive effect on brand satisfaction

### ***The Effect of Corporate Social Responsibility (CSR) on Perceived Risk***

CSR activities in this study can be seen from their negative impact on company sales by mitigating customer perceptions and purchase risks (Bhattacharya et al., 2021). Research conducted by Lu et al. (2022) examines the effect of corporate social responsibility which has a large value on the company's reputation in managing environmental and social concerns. Naseem et al. (2020) also researched the effect of corporate social responsibility on perceived risk from this study, namely to determine social responsibility regarding company performance. Factors of company performance can be seen from governance, social and environmental.

H2 : Corporate social responsibility negatively affects perceived risk

### ***The Effect of Corporate Social Responsibility (CSR) on Perceived Quality***

This research has a positive impact on environmental sustainability. It can contribute to the destination experience so that the perceived quality can be assumed that the direct involvement of visitors to museums in CSR practices positively affects the evaluation of customer quality (Hyun et al., 2021). According to Norouzi & Teimourfamian Asl (2023) this supported relationship can be seen because of the influence of social responsibility in a company on the services provided to customer customers. This literature shows a significant relationship between Corporate Social Responsibility (CSR) and Perceived Quality regarding satisfaction and the price given to the restaurant on its most significant influence, namely conative loyalty (Severt et al., 2022).

H3 : Corporate social responsibility has a positive effect on perceived quality

### ***The Effect of Brand Satisfaction on Brand Loyalty***

According to NanChen et al. (2020) this research discusses why and how tourists view night tours through their emotions. Hwang et al. (2021) that the response from customers in the form of satisfaction with buying coffee that has good quality will affect consumer loyalty. The results of these two relationships between Brand Satisfaction and Brand loyalty have a positive and significant effect by showing the existence of

cheerfulness and service advantages that further encourage customer feelings to arise into a sense of liking and loyalty to RBCS or Robot Barista Coffee Shop (Hwang et al., 2021).

H4 : Brand satisfaction has a positive effect on brand loyalty

**Effect of Perceived Risk on Brand Loyalty**

This negative relationship is seen from the quality of shopping store services perceived by customers and has an impact on customer loyalty, which has been studied both online and offline (Zhang et al., 2023). Research conducted by (Hossain, 2019) examines the effect of perceived risk on brand loyalty which aims to change payment patterns related to people's quality of life and increase bank efficiency. In this study, it was found that the relationship between customer online channels through loyalty was mediated by customer perceptions regarding the use of online channels (Wu et al., 2020).

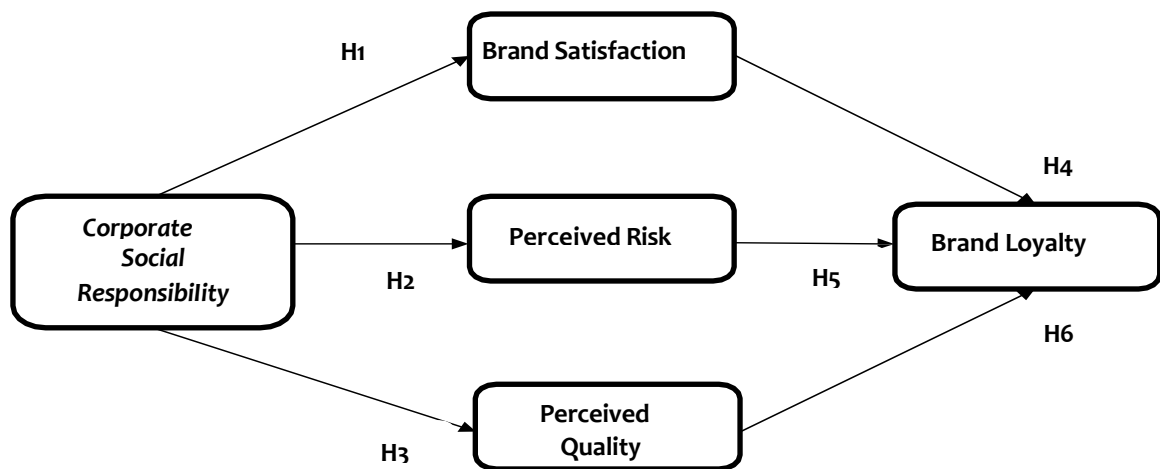
H5 : Perceived risk has a negative effect on brand loyalty

**Effect of Perceived Quality on Brand Loyalty**

Many consumers prefer to use products with certain brands because high quality can determine Perceived Quality as an important determinant of consumer purchasing decisions on a brand (Atulkar, 2020). Research conducted by (Huang & Liu, 2020), this statement can be proven in research that examines perceived quality on brand loyalty in customer brand loyalty in beauty salons located in Vietnam. This positive impact can be seen in the quality of the brand and the quality that customers perceive (Maia & Nguyen, 2021).

H6 : Perceived quality has a positive effect on brand loyalty.

**Hypotheses of the Research**



**Figure 1. Research Model**

## METHODOLOGY

Research takes the subject of the entire Generation Z, the majority of whom are students aware of corporate social responsibility activities, to analyze the variables of corporate social responsibility, brand satisfaction, perceived risk, perceived quality, and brand loyalty. In comparison, the object of research is related to the company, society, and the environment. This research uses a quantitative approach. The reason the author uses research with a quantitative approach is because the variables studied can affect corporate social responsibility activities with Generation Z subjects. This research object was chosen to equalize and continue what other researchers had previously done.

The population in this study is Generation Z, with an age group that includes Generation Z aged 11-26 years who know corporate social responsibility activities. So, the sample selected was 180 respondents who were a generation group of Gen Z in Java. The research used involves a non-probability method, namely the presence of purposive sampling research techniques. Researchers use purposive sampling techniques in this study because individuals who are more respondents are students or Generation Z, the majority of whom know corporate social responsibility activities. The presentation of the distribution of questionnaires is located in the areas of West Java, East Java, Central Java, DKI, Yogyakarta, and Banten, which represent the most significant number of population data from Generation Z throughout the Java island. Researchers conducted validity and reliability tests in this study. The reliability test can be interpreted as the existence of a process used to ensure that variable measures are consistent and not affected by systematic errors. The analytical test used in this study is to identify whether an indicator is valid or invalid with latent variables AMOS Graphic software was used to conduct factor analysis tests. In this study, the variables researchers used to test were corporate social responsibility, brand satisfaction, perceived risk, brand loyalty, and perceived quality. At this stage, it is carried out to test the model's suitability against various goodness of fit criteria, which aims to show how well the model can mathematically create covariance in instrument items (Hair et al., 2019).

The independent variable in this research namely corporate social responsibility. The, there are two mediating variables consisting of perceived risk, perceived quality and brand satisfaction. Finally, the dependent variable in this study consists of brand loyalty. The likert scale is a questionnaire format in the answer choices, which will be used to measure these variables. Measurement of attitudes that are estimated from responses ranging from very favorable to very unfavorable opinions towards an object and the scale used to calculate how strongly the responses agree and disagree in the questions listed (Zikimund, Babin, Carr, & Griffin, 2016).

**RESULTS**

**Respondent Profile**

Most of the respondents in this study were in the age range between 11 to 26 years with 63.9% or 115 respondents, where respondents in this age category were Generation Z respondents. The majority of respondents are female with 103 or 57.2% of this study, and male respondents totaled 77 or 42.8%. Respondents aged 11-26 years old who are the majority are students or students who are studying and are more aware of Corporate Social Responsibility activities because these CSR activities are often organized for students and students. The age of the last education in this study is mostly S1 or equivalent, totaling 85 respondents or 47.4%. As for the workers they have the majority are students or students with a total of 57 respondents or 30.9%.

**Validity Test and Reliability Test**

Table 1 shows that there are all items declared valid, because all variables have a pearson correlation  $\geq 0.50$  and a significant pearson correlation value smaller than 0.05. It can be concluded from the results of the validity test that all question items from the variables are identified as valid.

**Table 1. Validity Test**

Variables	Indicator	CR	Description
Corporate Social Responsibility	CSR 1: I consider this company to be socially responsible	.659**	Valid
	CSR3: I think this company supports community welfare programs	.616**	Valid
	CSR4: I believe this company provides social assistance to the community	.576**	Valid
	CSR5: I support this company's contribution to social responsibility programs	.565**	Valid
	CSR7 : I observe that this company has allocated a budget for social activities	.546**	Valid
Brand Satisfaction	BS1: I believe this company provides services that satisfy the public	.621**	Valid
	BS2: I believe this company is able to pay attention to aspects of community interests through the implementation of corporate social responsibility	.673**	Valid
	BS4: I am satisfied with the overall services of this company, especially those related to community activities	.714**	Valid
	BS6: I have the impression that the company's human resources are able to carry out social community activities well	.688**	Valid
	BS7: I think this company has made the right social responsibility decisions and policies	.708**	Valid



Table 1. Validity Test

Variables	Indicator	CR	Description
Perceived Risk	PR2: I do not believe that using products from this company will provide social responsibility value	.808**	Valid
	PR3: I feel that this company has not maximized the standard of Corporate Social Responsibility activities	.698**	Valid
	PR4: I do not believe that this company has provided services that are aligned with social responsibility contributions	.835**	Valid
	PR5: I am concerned that the quality of this company has not met the expectations of the community in carrying out its social responsibility	.763**	Valid
	PR6: I am disappointed that the company's service quality is not able to make a social contribution to the surrounding community	.836**	Valid
	BR1: I am disappointed that the company's service quality is not able to make a social contribution to the surrounding community	.599**	Valid
Brand loyalty	BR3: I am loyal to this company's services or products because it has carried out social responsibility to the surrounding community	.641**	Valid
	BR4: I would recommend this company because it actually implements Corporate Social Responsibility	.657**	Valid
	BR5: I will convey positive things about this company regarding the Corporate Social Responsibility activities that have been carried out	.668**	Valid
	BR7: I choose this company's products and services because it is highly committed to social responsibility	.654**	Valid
	PQ1: I think that this company's Corporate Social Responsibility information has been well implemented	.704**	Valid
Perceived Quality	PQ3: I feel that many of the company's reviews are relevant to the implementation of Corporate Social Responsibility activities	.625**	Valid
	PQ4: I believe the information about this company provides enough positive reasons for the social responsibility that has been implemented	.602**	Valid
	PQ5: I hope that this company can provide solutions to social problems in society	.594**	Valid
	PQ7: I believe this company has a good reputation in its industry regarding corporate Social Responsibility activities	.626**	Valid

## The Role of Corporate Social Responsibility and Perceived Risk.....

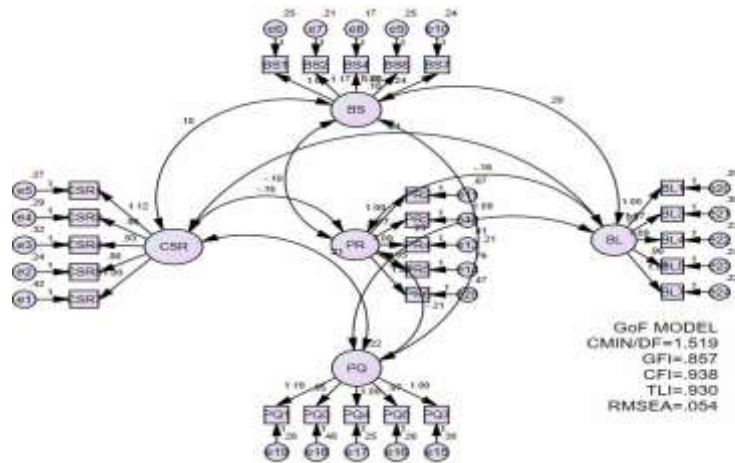
The reliability test seeks to confirm the findings of the responses collected by the researcher, when distributing the questionnaire. The SPSS statistics program was used to conduct the reliability test. If the Cronbach's Alpha value that occurs after testing shows more than 0.70. The responses of 180 respondents were used by researchers to assess the variables to be used. The following are the results of the primary data reliability test involving 180 respondents.

**Table 2.** Reliability Test

No.	Variables	Cronbach's Alpha Value	Description
1	Corporate Social Responsibility	.732	Reliable
2	Brand Satisfaction	.706	Reliable
3	Perceived Risk	.864	Reliable
4	Brand loyalty	.741	Reliable
5	Perceived Quality	.748	Reliable

### Measurement Test

Researchers use AMOS Graphic 24 software to test the measurement model. Measurement in this stage uses CFA (Confirmatory Factor Analysis) which has a correlation that can be described by a curved arrow and there are two heads on the arrow that can be connected to each research variable. Figure 2 shows data containing 25 indicators.



**Figure 2.** Test Measurement

### Goodness of Fit Test

The Goodness of Fit model index that is not good and the hypothesis results that have a fragile relationship will be corrected and strengthened by researchers making changes to the Amos Graphic 24 program. The model in the flow below aims to assist researchers in identifying the relationship between research variables.

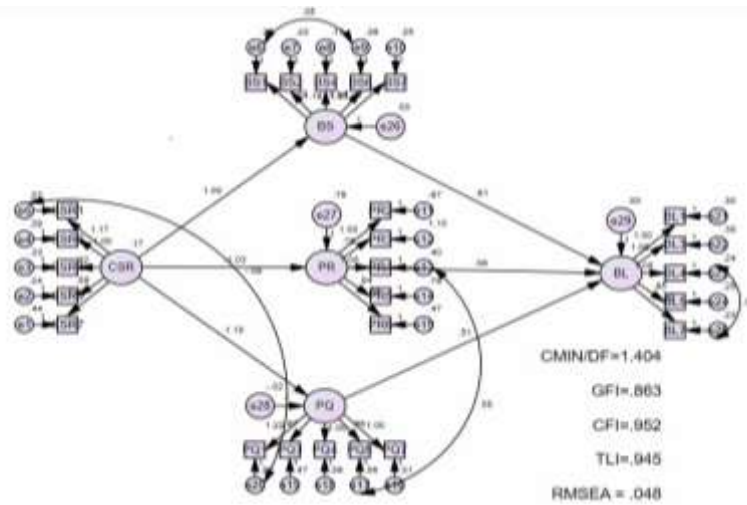


Figure 3. Model Structural Test

Table 3. Good of Fit Test

No.	Index	Criteria	Results	Description
1	CMIN/DF	CMIN/DF ≤ 3.0	1.404	Good fit
2	GFI	GFI 0.8 - 0.9	0.863	Marginal fit
3	CFI	CFI 0.8 - 0.9	0.952	Good fit
4	TLI	TLI 0.8 - 0.9	0.945	Good fit
5	RMSEA	RMSEA ≤ 0.08	0.048	Good fit

**Hypothesis Test**

Hypothesis testing was carried out using AMOS 24 software. Hypothesis testing was carried out using a sample of 180 respondents who had passed several tests on the measurement model and structural model in accordance with the criteria. The hypothesis testing table identified that the hypothesis test results showed that 5 hypotheses were supported and 1 hypothesis was not supported.

Table 4. Hypothesis Test

Hypothesis	Path	Std. Estimation	C.R	P	Std. Reg Weight	Description
H1	CSR-BS	0.154	6.654	***	1.002	H1 Supported
H2	CSR-PR	0.221	-4.614	***	-0.442	H2 Supported
H3	CSR-PQ	0.174	6.746	***	1.040	H3 Supported
H4	BS-BI	0.345	2.108	0.035	0.652	H4 Supported
H5	PR-BI	0.026	2.270	0.023	0.119	H5 Supported
H6	PQ-BI	0.303	1.281	0.200	0.383	H6 Not Supported

**DISCUSSION**

***The Effect of Corporate Social Responsibility on Brand Satisfaction***

The Relationship between corporate social responsibility and brand satisfaction has a positive value, and a p-value of 0.000 is said to have a significant positive Relationship. This supports previous research that shows that when companies do corporate social responsibility, the company sends signals to consumers about the character and value of the company (Ghanbarpour & Gustafsson, 2022). Previous research conducted by (Kwon et al., 2020) stated that company efforts towards corporate social responsibility activities are relevant in considering the critical role of personal values in building and maintaining brand satisfaction from the consumer's point of view. Further research (Hajivand, 2018) also shows that corporate social responsibility and image have their charm regarding how a consumer responds. The endings of this hypothesis state that corporate social responsibility has a positive and significant influence on brand satisfaction. This customer satisfaction creates a better company image. When the company's image suits the public, it will increase profits. This research is reinforced by companies in the petroleum indust that equip satisfaction students by providing scholarship assistance funds so that the outer measure of society can meet their needs

***The Effect of Corporate Social Responsibility on Perceived Risk***

The relationship between corporate social responsibility and perceived risk has a negative value and a p-value of 0.000 so it's said to have a significant negative relationship. This supports the findings in previous studies, namely perceived risk has a significant impact on CSR activities in the sale of mitigating companies against customer perceptions and purchase risk (Bhattacharya et al., 2021). Previous research conducted by (Lu et al., 2022) also shows the effect of the company's reputation in managing the company's perceived environmental and social concerns on the relationship between corporate social responsibility and perceived risk. Research conducted (Naseem et al., 2020) also conducted research that supports that this social responsibility will affect company performance. The findings of this hypothesis state that corporate social responsibility has a significant negative effect on perceived risk. This significant negative effect can refer to the perception of risk felt by consumers towards CSR activities. Thus, companies must find ways to reduce customer concerns. Perceived risk in social activities is seen from the activities of the community who have concerns about services such as the use of banks that they use as customers and have concerns whether the funds they save will be safe if they are fully entrusted to the bank.

***The Effect of Corporate Social Responsibility on Perceived Quality***

The relationship between corporate social responsibility and perceived quality has a positive value and a p-value of 0.000 so it is said to have a significant positive relationship. Research conducted by (Chung et al., 2019) confirms that this eco-technology can be sustainably innovative and influence tourist perceptions of CSR

activities as a contribution to the destination experience so that perceived quality can be assumed to have a direct involvement in visitors and have a positive effect on the evaluation of the quality of its customers. Further research (Severt et al., 2022) also stated that this perceived quality also affects local food on consumer perceptions of a restaurant which has a major influence on conative loyalty. This researcher (Lee et al., 2020) also showed that CSR affects ethics and economics as a contributor to service quality. Perceived quality can influence CSR activities. The quality that the company creates well will lead to good attitudes and perceptions of the community outside the company. Better quality will also create a loyal consumer attitude towards the company. The quality can be felt by consumers or can be seen from the performance produced by services or products such as sales in the health industry that provide good quality medicines.

### ***The Effect of Brand Satisfaction on Brand loyalty***

The relationship between brand satisfaction and brand loyalty has a positive value and a p-value of 0.035 so it is said to have a significant positive relationship. The results of these findings have the same conclusion as research conducted by (NanChen et al., 2020) showing the existence of tourism development for the welfare of this economy will make people happy and tourists also have a sense of satisfaction. Furthermore, it is also found (Kim et al., 2021) that more service excellence will encourage customer feelings to arise into a sense of liking and loyalty. Other research also states (Hwang et al., 2021) that the response from customers in the form of satisfaction with buying coffee that has good quality will affect consumer loyalty. Brand satisfaction on brand loyalty have a crucial effect on customer loyalty to the product or service provided by the company. Increasing customer satisfaction will make customers loyal to the products or services they have used. This satisfaction can be seen from the community/customers who when using services such as health insurance and can be served properly, will provide an attitude of customer loyalty because of the services that can be satisfied.

### ***The Effect of Perceived Risk on Brand Loyalty***

The relationship between perceived risk and brand loyalty has a positive value and p-value of 0.023 so it is said to have a significant positive relationship. This study supports the influence of perceived quality on brand loyalty (Atulkar, 2020) with perceived good quality by consumers in using the product because high quality can determine perceived quality. This research was also conducted (Maia & Nguyen, 2021) regarding customer loyalty to beauty salon services customers can feel the quality they get well. Research (Huang & Liu, 2020) also emphasizes that can be felt due to brand equity in research related to airlines that affect passenger intentions in decide to purchases. Perceived quality on brand loyalty has a significant positive relationship due to the influence of quality perceived by customers after feeling the benefits of the product or service they feel when using it. The quality that consumers can feel so that they become loyal can be

supported by companies, the moment when such as cellular network providers in the form of data packages with certain brands that have good quality networks and can process the internet quickly will make consumers feel happy. Thus, consumers will return to using the internet provider that was previously used.

### ***The Effect of Perceived Quality on Brand loyalty***

The relationship between perceived quality and brand loyalty has a p-value of 0.200, so it is said to have no significant positive relationship. This study supports the influence of perceived quality on brand identity (Atulkar, 2020) with consumers' perceived good quality when using the product because high quality can determine perceived quality. This research was also conducted (Maia & Nguyen, 2021) regarding customer loyalty to beauty salon services. Customers can perceive the quality. Customers feel that the quality they get is good, makes a memorable impression on them, and gives a unique impression to them; then, it will make them loyal because of the quality the customer provides. It is because the quality provided by the customer is good. Researchers (Huang & Liu, 2020) also emphasized that perceivable services occur due to brand equity in airline research. Brand equity in airline-related research influences passenger intentions in making purchases, so that influences passengers' intention to make a purchase, and from this, it fosters loyalty to customer satisfaction.

Shanahan, Tran, and Taylor (2019) also stated that a good response was generated from consumers because customers felt happy after feeling the benefits of customer satisfaction. Customers feel happy after feeling the benefits of the product used, so a consumer will buy a product or service that has been used or used again. Products or services that have been used or become loyal consumers. Madadi et al. (2021) also shows that high-quality product involvement will be provided. The hypothesis indicates that the perceived quality relationship to brand loyalty has a significant positive relationship due to the influence of the quality felt by customers after they feel the benefits of the product or service they feel when using it.

## **CONCLUSIONS**

Then it can be concluded, this research goes hand in hand with previous research. That the more influential this customer satisfaction is, the more it will affect CSR activities in each company. The relationship between corporate and social responsibility positively affects perceived quality and brand loyalty, and brand satisfaction that positively effect brand loyalty too. This CSR activity positively affects perceived quality caused after consumers or the public use services or service products that were previously used and encourages emotional/happy feelings when the company provides quality to the community with maximum results.

On the other hand, the hypothesized relationship between corporate social responsibility has a significant negative effect on perceived risk. Based on the previous research

referenced in this study, this negative result is true. This negative relationship of CSR activities to risk occurs when consumers or the public raise feelings of worry and fear that are felt after or before using the products or services offered by the company to surrounding consumers. This also occurs in the hypothesis that the perceived risk relationship harms brand loyalty. In this study, it can be concluded that customer perceive a risk and refer to negative perceptions.

The research results of corporate social responsibility on brand satisfaction also provide knowledge that CSR activities will have an impact on public satisfaction with the activities that have been provided by the company. This research also results in CSR activities as well as the attitude of consumers' assessments that they feel towards the company. The research results related to the practitioner implications of CSR activities are that the increasing contribution of corporate social responsibility to society will also improve the company's image and provide significant benefits to the company.

Researchers suggest trust variables as mediation of corporate social responsibility and brand loyalty for future research. Researchers also suggest using institutional theory, which can be used in future research. The effect of corporate social responsibility activities in corporate social contribution activities is that it can encourage other companies to contribute socially to many community environments. This corporate social responsibility will also be very influential in changing people's lives. So, the purpose of this CSR activity is to help the community in all forms provided by the company and keep the business running by generating profits. So, from the form of activities organized by this large company, the company is one form of corporate strategy to maintain its business so as not to go bankrupt and still make a profit. The strategy to maintain business is also a form.

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