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Applying a Consumer Perceptual Measure of Corporate Social Responsibility: A Regional Australian Perspective

Abstract

The study examines the patterns of perceptions of retail banking consumers in respect to banking services in regional Australia from a corporate social responsibility (CSR) perspective. A novel two-dimensional measure of corporate social responsibility was used for this purpose. Findings from the analysis of levels of contentment/discontentment of bank consumers are noteworthy. Contrary to popular belief, consumers in this study not only portrayed a diversity of opinions on the corporate social responsibility roles of banks, but also showed general support for the two main opposing views of CSR which represent the classical and the emerging perspectives. The implication of these findings is that banks need to cater for both perspectives by maintaining a careful balance between pursuit of profits and being concerned with society-related issues. The observance of the triple bottom line as a practical philosophy for supporting the diverse interests of diverse stakeholders is recommended.

Disciplines

Business | Social and Behavioral Sciences

Publication Details

Rugimbana, R., Quazi, A. & Keating, B. (2008). Applying a Consumer Perceptual Measure of Corporate Social Responsibility: A Regional Australian Perspective. Journal of Corporate Citizenship, 29 (Spring), 61-74.

This journal article is available at Research Online: https://ro.uow.edu.au/commpapers/2978

Applying a Consumer Perceptual Measure of Corporate Social Responsibility

A Regional Australian Perspective*

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The study examines the patterns of perceptions of retail banking consumers in respect to banking services in regional Australia from a corporate social responsibility (CSR) perspective. A novel two-dimensional measure of corporate social responsibility was used for this purpose. Findings from the analysis of levels of contentment/discontentment of bank consumers are noteworthy. Contrary to popular belief, consumers in this study not only portrayed a diversity of opinions on the corporate social responsibility roles of banks, but also showed general support for the two main opposing views of CSR which represent the classical and the emerging perspectives. The implication of these findings is that banks need to cater for both perspectives by maintaining a careful balance between pursuit of profits and being concerned with 'society-related issues'. The observance of the triple bottom line as a practical philosophy for supporting the diverse interests of diverse stakeholders is recommended.

- **Corporate social responsibility**
- **Retail banking**
- **Factor analysis**
- **Cluster analysis**
- **Regional Australia**

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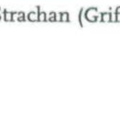

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* The authors would like to express gratitude to Professor Glenda Strachan (Griffith University) for her contribution to an earlier draft.

THE RETAIL BANKING SECTOR IN MANY DEVELOPED ECONOMIES AROUND THE world, particularly over the last two decades, has witnessed significant changes as a consequence of progressive deregulation in this industry. Whereas the intention of the deregulatory imposition was to create an environment that reflected a more level playing field for banking organisations, and superior value for all stakeholders, the subsequent competitive strategies adopted by banking organisations, in particular those that involve economic rationalisation initiatives appear to have derailed this expectation for at least one important group of stakeholders, the bank customers. The banking fraternity views progressive deregulation as a means of recasting the retail banking trade as an economic activity and therefore social responsibility as another form of 'subsidy' (ABA 2003).

It is therefore conceivable that bankers have tended to either ignore or totally reject the notion of corporate social responsibility (CSR) within the ethos of competitive forces and their fundamental obligation to deliver shareholder returns.

In a submission to the NSW Premier's Department titled 'CSR: The Challenges and Opportunities' (NSW Premier's Department 2001) it was noted that, although CSR definitions vary, there was one constant: that is, the three components that make up CSR. First is doing business responsibly, second is taking a leadership position in community investment and social issues relevant to the business, and third is the triple-bottom-line accountability.

The ABA (2003) submission appears to present bankers as rejecting the above-mentioned components of CSR within the ethos of competitive forces and their one and only fundamental obligation: that of delivering high net worth shareholder returns. This stance appears to find its roots in the orthodox and increasingly outmoded paradigm of 'the business of business is business' which maintains that the social responsibility of business should be confined to those activities and actions that are justified in economic terms (Friedman 1968).

This classical position of CSR is about profit maximisation, ensuring maximum returns to investors and strengthening service provision. It is therefore not surprising that retail banks have all but ignored any resistance by customers to the strategies of reducing branch networks and replacing them with remote servicing innovations.

The impact of branch rationalisation and reallocation on rural and other communities' access to financial services is best appreciated in terms of the aggregate decline (e.g. since 1993 over 1,500 bank branches and agencies have closed around Australia and the trend is continuing; Cutcher 2004). The impact on customers is greater than the loss of a bank branch. Customer dissonance is clearly linked to loss of jobs, accessibility of services, lack of security and erosion of their financial control (Arend 1993; Marthur and Moschis 1994; Rugimbana and Iversen 1994; Corby 1995). Given this scenario, customers could be forgiven for interpreting the ABA (1990) submission as appearing to suggest that bankers view such important CSR tenets such as the retention of much-needed service provision and employees as nothing more than 'special privileges to particular groups'.

Consequently, customers have tended to assume a view of an amoral (or perhaps immoral) way in which the banking sector has pursued profit at the expense of its corporate social responsibility. The number of branch bank closures that ensued (NSW Department of Fair Trading 1997–98), and the disproportionate manner in which this was done, continue to raise significant CSR implications. A report by the NSW Department of Fair Trading contended that the rationalistic strategies had left many small rural towns with significantly reduced banking services, and in many cases no services at all (NSW Department of Fair Trading 1999), resulting in unsustainable financial leakages.

The relatively recent initiatives to create community banks such as Bendigo (Argent 2003) are a consequence of efforts by disenfranchised stakeholder groups (apparently) to address what appears to be a rejection of the notion of a customer-focused CSR commitment by mainstream bankers.

In response to customer reactions such as those above, more recently many business organisations including banking organisations appear to be reviewing their stance on CSR. Indeed many businesses have advanced beyond rhetoric to pour millions of dollars into various forms of CSR measures in a race to be seen as 'doing good' in the eyes of the community and customers. According to some authors (Pearce and Doh 2005), CSR has irreversibly become part of the corporate fabric. In fact, a recent study found that more than 80% of the *Fortune* 500 companies address CSR issues (Bhattacharya and Sen 2004). In Australia, banking organisations are now reviewed more formally on their CSR commitments using measures such as the Corporate Responsibility Index (CRI). For example, The Panorama Financial Institution Customer Monitor (FICM) is used regularly to monitor banking performance. For instance, in the March quarter of 2006, this monitor found that the percentage of all customers of the four major banks who were very or quite satisfied fell by three points to 77.5%, the lowest level since the start of 2003 (*The Age* 2006).

An important motive for this 'revised' stance by businesses (including banking institutions) is based on the view that consumers are likely to react positively to a business organisation that shows commitment to a social issue when deciding to do business in their local community (Cone Inc. 2005).

The conundrum, as it were, in the Australian banking scenario, is that, whereas banking organisations appear to be toeing the corporate responsibility line, the kinds of measure used to assess this factor in its entirety are limited to mostly internal operational initiatives of the business and not evaluations of the perceptions of one of the most important groups of stakeholders—the customers.

For instance, whereas recent evaluations of CSR commitments by top banking organisations have rated three of the 'big four' banks as being highly committed, there is ample evidence to suggest that customer dissatisfaction levels in these same banks are not being addressed. As service charges keep escalating and bank profits continue to soar to record levels year after year, customers can be excused for remaining unclear about whether these same organisations are also concerned with society-related issues over and above a mere pursuit of profits.

Consequently, the exact nature of how consumers view the corporate social actions of the banking sector is still unclear. While there has been much media coverage on the impacts on customers, staff and communities, there does not appear to be sufficient scholarly studies of the important question regarding what CSR stands for and its impacts from a consumer perspective. This study seeks to empirically address this lacuna by investigating consumer perceptions of CSR in the consumer banking context by applying a novel measure of CSR as proposed by Quazi and O'Brien (2000).

Literature and theoretical framework

Much of the debate on the notion of corporate social responsibility (CSR) over the last two decades has revolved around two theoretical positions or conceptualisations of CSR. First is the classical theory of CSR which sees a corporation as having a single dimensional entity of profit-making in the short-term (Gaskin 1985; Friedman 1968).

Current business views and actions are more consistent with the emergence of an alternative school of thought which maintains that businesses that enjoy enormous power in terms of controlling the bulk of society's resources have responsibilities that must go beyond the economic and regulatory imperatives (Samli 1992; Sen 1997; Bhattacharya and Sen 2004).

This view is captured in the robust notion of stakeholder theory as proposed by Freeman (1984) and later elaborated by Craig-Smith (2003) and Maignan and Ferrell (2004). Stakeholder theory posits that corporations have responsibility towards a broad range of stakeholders who are affected by and also influence corporate actions or organisational purpose. Importantly, stakeholder theory has evolved in recent years to focus attention on the relationships that companies have with stakeholders beyond those that they naturally have with shareholders, referred to as stakeholder engagement (Andriof and Waddock 2002). Essentially, and as the latter authors argue (Andriof and Waddock 2002: 19-22), the processes for stakeholder engagement can best be understood by integrating CSR, stakeholder and strategic relationship theories. It is then that the importance of businesses collaborating with stakeholders can be appreciated in the context of today's complex, chaotic and dynamic world.

These views are reflected in the current scholarship on CSR, which suggests that businesses can simultaneously pursue these responsibilities as they represent compatible business agendas (Carroll 1979; Simpson and Kohers 2002; Murphy 2002; Craig-Smith 2003; Maignan and Ferrell 2004; Kotler and Lee 2005). The scenario of diverse philosophical positions suggests a vacuum in the literature in terms of a theoretical model accommodating different views of CSR. This study uses a novel theoretical model (Quazi and O'Brien 2000), which integrates the two philosophical positions or dimensions, consistent with the emerging CSR literature. The model as presented in Figure 1 comprises two axes (horizontal and vertical) and four quadrants.

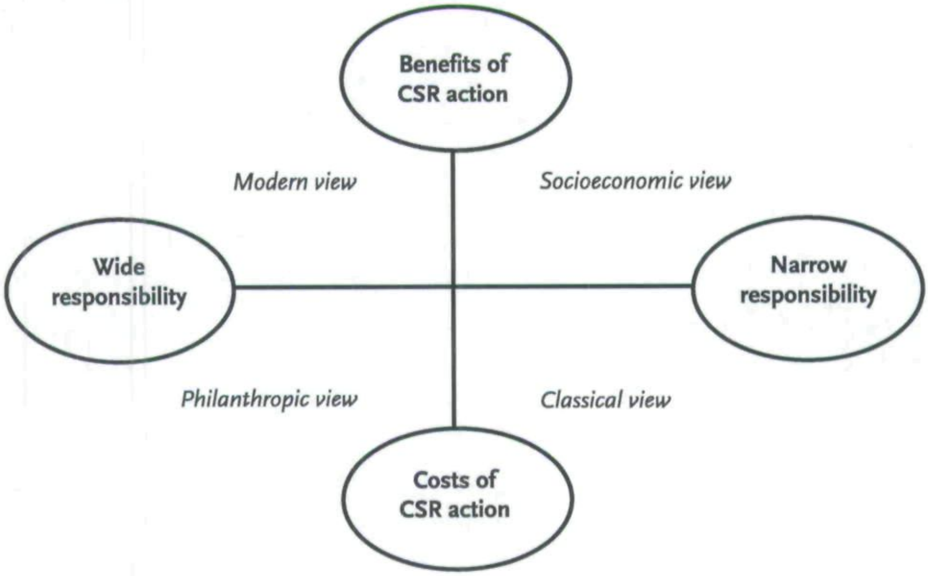

Figure 1 A TWO-DIMENSIONAL MODEL OF CORPORATE SOCIAL RESPONSIBILITY
Source: Quazi and O'Brien 2000

The horizontal axis refers to the degree of social responsibility and the vertical axis relates to the perceived impacts of CSR actions. While the original model was based on the perceptions of managers regarding the importance of CSR and related actions, this research will examine the contentment of consumers regarding the social actions of the banking sector in regional Australia. The horizontal axis has two arms, representing a narrow and a wide view of social responsibility, respectively. The right arm reflects the narrow view of CSR, where banking actions are perceived in the classical sense, that is, in terms of whether their policies are biased towards profit maximisation within the 'rules of the game' (regulation). The emphasis is on the short-term rewards, resulting in a higher degree of consumer discontentment. By contrast, the left arm considers corporate social responsibility in a broader context, reaching beyond regulation to serve the wider expectations of society. This latter view is representative of a longer-term outlook and can be associated with a greater degree of consumer contentment.

The vertical axis represents two extremes with regard to the perceptions of the social actions taken by the banking sector. The lower end of the axis is concerned with the cost of banking policies and strategies, while the upper end relates to the benefits of such actions. The specific actions considered within this study relate to the extent to which rural banking consumers are content/discontent with current strategies of the banking sector in the following four areas: the range and quality of product offerings; the quality of communication between banks and their customers; the nature of financial service delivery; and the practices of the banking sector in response to emerging social, economic and political forces.

The model has four distinct quadrants representing differing views of CSR. The first quadrant (upper left) reflects the modern view of CSR in which banks acknowledge their responsibility to society and enjoy the admiration of their customers. The second quadrant (upper right) is associated with the socioeconomic view of CSR wherein banks strive for a balance between the benefits and costs of adopting social actions. In this context, social responsibility can be justified even if a manager holds a narrow view. The third quadrant (lower right) is concerned with the classical view of CSR in which the banks make little or no provision to look beyond a narrow view of profit maximisation. Such investments are seen to generate a net cost to the company without any real benefit flowing from the activity. The fourth quadrant (lower left) depicts the philanthropic view where banks agree to participate in the socially responsible activities even though there is a perceived cost. This impetus may come from altruistic or ethical feelings to do some good for society.

Purpose of the study

The purpose of this study is to analyse the applicability of the two-dimensional model of CSR within the consumer banking context in Australia. This principal objective and the preceding discussion have led to the following propositions:

P1. The two-dimensional model of corporate social responsibility can be effectively adapted to measure the views of consumers toward the social actions of banks

P2. The classical view will be the dominant view of corporate social responsibility among regional banking customers

Research methodology

Operationalising consumer discontentment

This study adopts the definition that the contentment/discontentment construct is 'the collection of attitudes held by consumers toward the particular strategies of a given business' (Lundstrom and Lamont 1976). Specifically, we measure the extent to which regional banking consumers are content/discontent with current strategies of the banking sector in the following four areas: the range and quality of product offerings; the quality of communication between banks and their customers; the nature of financial service delivery; and the practices of the banking sector in response to emerging social, economic and political forces.

Consumer views, as reported in the mainstream media, appear consolidated in their discontentment with the strategic direction of the Australian financial services sector. One of the principal objectives of this study is to evaluate the extent to which this assertion holds true. The level of contentment/discontentment will be measured using a modified version of the consumer discontentment scale (Lundstrom and Lamont 1976). The scale incorporates a bipolar measure to assess the intensity of contentment/discontentment, which was previously observed to be a reliable and valid measurement

- Bank profits are too high
- Advertising is a good source of information
- Credit makes things too easy to buy
- Many times I need assistance in a bank and I'm just not able to get it
- Bank staff really take an interest in the customer and make sure they are satisfied
- Banks take a real interest in the environment and are trying to improve it
- Banks usually stand behind their products and service
- When a bank advertises a new or improved product, it is the same old thing presented in a different way
- Banks are getting so big that they really don't treat the customer personally
- Government regulation is required to ensure that banks price their services fairly
- The quality of products offered by banks has consistently improved over the years
- The actual product I buy is usually the same as that advertised (no hidden gimmicks)
- It is hard to make a buying decision because there are too many products to choose from
- Most banks have a complaint department, which backs up their products and services
- Many banks listen to complaints but do nothing
- Banks advertise special deals to get the customer in, in order to sell them something else
- Banks are helping the community by providing them with work
- The banks are actively involved in solving social problems
- Banks encourage the consumer to borrow more than they need to
- The government should enforce ethical banking practice
- Banks do not want to help local residents because it is not profitable
- The consumer is less important than shareholders
- Bank staff are unconcerned with the needs of customers
- In general, banks are honest with their customers
- Advertising tempts people to purchase banking products without considering the consequences
- Banks generally offer what the customer wants
- The main reason the banks contribute to society is for a financial return
- Fees and charges are reasonable given the high cost of providing banking services
- Banks take advantage of the disadvantaged by charging higher fees
- The big banks control the economy
- Consumer rights groups, such as the ACCC,* can't really make the banking sector fairer
- Bank closures are a necessary part of life
- If I had a choice, I would not use a bank

* Australian Competition and Consumer Commission

Table 1 20-ITEM SCALE: OPERATIONALISATIONS OF THE LUNDSTROM AND LAMONT (1976) SCALE

Items	1	2	3	4
Banks are getting so big that they really don't treat the customer personally	.688			
Bank profits are too high	.687			
The consumer is less important than shareholders	.678			
Banks do not want to help local residents because it is not profitable	.660			
The government should enforce ethical banking practice	.658			
Government regulation is required to ensure that banks price their services fairly	.628			
Fees and charges are reasonable given the high cost of providing banking services		.837		
Bank closures are a necessary part of life		.793		
Banks generally offer what the customer wants		.715		
In general, banks are honest with their customers		.590		
Banks usually stand behind their products and service			.691	
The actual product I buy is usually the same as that advertised (no hidden gimmicks)			.627	
Most banks have a complaint department, which backs up their products and services			.624	
The quality of products offered by banks has consistently improved over the years			.610	
Banks take a real interest in the environment and are trying to improve it			.553	
Banks advertise special deals to get the customer in, in order to sell them something else				.685
Banks encourage the consumer to borrow more than they need to				.651
When a bank advertises a new or improved product, it is the same old thing presented in a different way				.629
Many banks listen to complaints but do nothing				.529
It is hard to make a buying decision because there are too many products to choose from				.506

Table 2 EQUIMAX ROTATED COMPONENT MATRIX

instrument. This study uses a subset of 20 items from the original pool of 82 items, with the item wording modified to reflect the objectives of the study and the financial services context (Table 1).

This project applies a single cross-sectional research design, comprising a mail-administered questionnaire incorporating the consumer discontentment scale mentioned previously. The population considered for the study consisted of retail banking customers from a small Australian regional town (population 2,257) with the majority of residents (41%) employed in the farming/agricultural area. This town lost its last bank branch (National Australia Bank) in 2000, but it has access to financial services via the Upper Hunter Credit Union, and a limited transaction service offered through the Merriwa Post Office. As such it was felt that the customers sampled are particularly susceptible to changes in banking strategy. To investigate the perceptions of this population, we contacted residents from the Merriwa Shire of New South Wales, using a convenience sample derived from the local government rates database. Respondents were given equal opportunity to participate, as long as they were over 18 years and a resident of the Merriwa Shire local government area (LGA). We received 199 usable responses, resulting in a response rate of 23%. Responses were entered into the SPSS software package for further analysis.

Confirmatory factor analysis was employed to assess the underlying dimensions of the contentment/discontentment scale. In order to reduce the number of factors and the extent of cross-loading, an equimax rotation was performed on the initial factor solution. Before acceptance, the emerging factors were checked to ensure that they had an eigenvalue of greater than 1.0 and factor loadings in excess of 0.5 (Zaltman and Burger 1975; Quazi and O'Brien 2000). The items making up each factor are presented in Table 2.

Following the factor analysis, an SPSS Quick Cluster procedure was used to sort respondents into meaningful groups using responses to the specific questionnaire items as the cluster variables. Quick cluster procedure is a non-hierarchical method that assigns cases to a predetermined number of groups using nearest centroid sorting. It is an interactive procedure that clusters a large number of cases efficiently, based on Euclidean distances (Norusis 1994).

Results and discussion

Preliminary analysis: normality and reliability

Before exploring the dimensionality of the contentment/discontentment construct, we performed some preliminary analysis to examine the nature of the distributions (i.e. normality) and the reliability of the combined scale and its associated subscales. Normality was examined at both the item level, and the composite level using weighted averages of the scale items. Examination of the skewness statistics revealed that neither the items nor the composite measures exceeded the normality threshold.

Reliability is defined as the extent to which a measure is free from variable errors (Nunnally 1978). For the purposes of this study, the internal consistency method was used to assess the reliability of the scales. The internal consistency method uses the Cronbach alpha statistic, which indicates strong reliability if the alpha coefficient exceeds 0.7 and moderate reliability if the alpha coefficient exceeds 0.6 (Nunnally 1967). This method of reliability analysis is common within the business research literature, and is accepted as sufficient for examining previously validated scales (Tabachnick and Fidell 1996).

It can be observed in Table 3 that both the combined scale and all but one of the related subscales exceeded Nunnally's (1967) requirement for strong internal consistency; the outstanding scale exceeded the requirement for moderately strong consistency. However, Briggs and Cheek (1986) caution that there is often an over-reliance on alpha coefficients, and recommended that an inspection of the item-total statistics also be made to ensure that corrected item-total correlations do not exceed the accepted level of 0.4. This inspection yielded no offending items, thus supporting the suitability of the chosen measurement instruments.

Factors	Dimensions	Cronbach alpha
1	Products and services	0.7784
2	Service delivery	0.7286
3	Communication strategy	0.6496
4	Environmental forces	0.7530
	Combined scale	**0.8179**

Table 3 RELIABILITY ANALYSIS

Confirmatory factor analysis

Factor analysis of the variable set with equimax rotation extracted four factors with eigenvalues greater than 1, explaining over 46% of the total variance. Tables 2 and 4 show the explained variance for each of the factors, and an associated rotated matrix. The extracted factors were consistent with the a priori situation, with four principal factors reflecting those dimensions identified in previous operationalisations of the construct and scale (Lundstrom and Lamont 1976).

Factors	Eigenvalues	Variance explained
1. Products and services	3.53	16.1
2. Communication strategy	2.29	10.4
3. Service delivery	2.29	10.4
4. Environmental forces	2.11	9.6
Total	**10.22**	**46.5**

Table 4 RESULTS OF FACTOR ANALYSIS

Cluster analysis

The results of the cluster analysis based on a four-cluster solution involving the reduced set of 20 items are set out in Tables 5 and 6. An analysis of the results indicates that cluster 1 and cluster 4 are the two dominant clusters, together representing 72% of the total respondents (144 out of 199 respondents). The other two clusters (cluster 2 and 3) have not been considered for further analysis, as they are relatively small.

Clusters	Membership	Percentage
Cluster 1	67	34
Cluster 2	36	18
Cluster 3	19	10
Cluster 4	77	38
Total	**199**	**100**

Table 5 RESULTS OF QUICK CLUSTER ANALYSIS

Cluster	Items	F-ratio
Cluster 1: Profit orientation	When a bank advertises a new or improved product, it is the same old thing presented in a different way	18.9
	It is hard to make a buying decision because there are too many products to choose from	40.7
	Many banks listen to complaints but do nothing	22.8
	Banks advertise special deals to get the customer in, in order to sell them something else	41.9
	Banks encourage the consumer to borrow more than they need to	43.7
Cluster 4: Environmental orientation	Bank profits are too high	26.8
	Banks are getting so big that they really don't treat the customer personally	41.5
	Government regulation is required to ensure that banks price their services fairly	84.5
	The government should enforce ethical banking practice	31.4
	The consumer is less important than shareholders	45.1

Table 6 DISTRIBUTION OF ITEMS BELONGING TO CLUSTERS

F-ratios were then used to identify the leading items associated with each cluster. An examination of the final cluster centres revealed that cluster 1 consists of items consistent with factor 4. This cluster represents those actions concerned with an external focus by banks in response to emerging social, economic and political forces. The other dominant cluster, cluster 4, was consistent with factor 1. This cluster emphasised an internal focus on product and service strategies. Table 6 shows the items related to each cluster and their associated F-ratios.

Positioning the clusters relative to the two-dimensional model of CSR was done via a two-step process. First, the mean centres and Euclidean distances for each respondent were examined to identify the most representative cases in each cluster. Computed mean scores for factors 1 and 4 were then obtained for each of the representative cases. These values were then compared with the average scores for all respondents in order to identify the quadrant each cluster occupied.

This analysis confirmed that cluster 4 was positioned in the first quadrant, which was consistent with the modern view of CSR. That is, respondents believed that the banks represented by this cluster were more sensitive to the wider view of social responsibility, reacting to external pressures in such a way as to reduce the negative impact on society. Cluster 1 was positioned in the third quadrant, reflecting the classical view of CSR where products and services were driven by an economic imperative to the exclusion of social responsibilities. Figure 2 presents the cluster positions relative to the two leading factors.

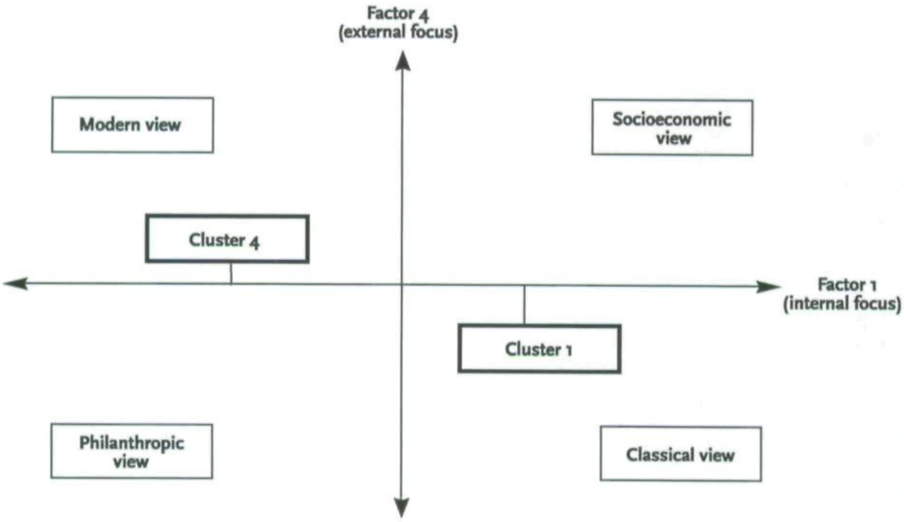

Figure 2 POSITION OF CLUSTER 1 AND CLUSTER 4 WITHIN THE TWO LEADING FACTORS

Limitations of the study

The results of this study are subject to some limitations, which need to be taken into account when generalising the validity of the two-dimensional model. First, the empirical test of the model is based on data arising out of samples drawn from only one small rural community. Therefore, the results of the study are generalisable across only this community. However, future research can test the applicability of the findings in different contexts and communities.

Second, there are limitations with the analytical techniques used in this study. For example, factor analysis is essentially exploratory in character and imposes a rigid structure which contains measurement error and a degree of incompleteness. Therefore, future research may wish to extend the scope of this study to explore the structural relationships between the factors and the emergent clusters.

Conclusion

The results suggest that the two dominant clusters that emerged out of data analysis correspond to radically different positions within the two-dimensional model of corporate social responsibility used in this study. In cluster 1, rural banking customers identified with the classical position, suggesting that consumers perceived such institutions to be strategising purely for financial benefit and ignoring concern for the broader community. In cluster 4, rural banking customers could be viewed as occupying the opposite end of a continuum where consumers view these institutions to be balancing the pressures of surviving in a competitive marketplace with their CSR obligations.

To sum up, the analysis has highlighted the diversity of opinion on social responsibility existing in the minds of regional banking customers. Despite these differences, support was found for the adaptation of the two-dimensional model of CSR in the Australian rural banking sector. It was interesting to note, however, that, despite the negativity and dissatisfaction levels surrounding banking practices generally and specifically in relation to the rising charges and fees and reports of perennial record profits, many customers seem to accept the reality that banks do need to profit if they are to survive as businesses and therefore embrace aspects of the classical view of CSR.

As a consequence, the clusters were relatively evenly split suggesting that the two dominant positions exist in the minds of regional banking customers in Australia. It can therefore be concluded that the proposed two-dimensional model of corporate social responsibility has empirical support as is reflected by the emergence of two underlying dimensions in the data sampled from the Australian regional banking sector. The findings of this study corroborate the findings of previous research using the same model in a different but relevant context (Quazi and O'Brien 2000). The results not only provide insights into dominant consumer perspectives of CSR but they also point to the wider applicability of the novel CSR model applied in this study. Because of this study the two-dimensional model of CSR is likely to gain wider acceptability in examining customer perceptions of CSR in diverse settings.

Managerial implications

The findings of this study have important implications for banks with regard to their policies and strategies for regional customers. Given the diverse positions of regional customers of banking services with regard to CSR issues, banks may need to adopt a strategy of maintaining a well-calculated balance between the social (introducing, retaining or making minor changes to current services to customers that reflect community interest) and economic aspects (making profit at any cost) of their services to satisfy the needs of regional banking clients. The dual perspectives of banking organisations as perceived by regional customers may require banks to pay greater attention to the diversity of their portfolios of service/product offerings for regional clients in order to maximise profits in the long term. This may require the banking sector to revisit the perceptions that their current strategies are only about maximising profit at the cost of their CSR obligations.

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