

The Role of Corporate Social Responsibility in shaping Consumer Happiness: A study on Eco-Conscious Consumers

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Abstract

The research aims to understand the impact of Corporate Social Responsibility (CSR) initiatives on consumer happiness: with emotional attachment as mediating variable. Consumer happiness is the intense emotional bond that a satisfied consumer develops with a specific brand (Palusuk et al., 2019). When a person feels a strong connection to a brand and views it as significant, this is known as emotional attachment (Whan Park et al., 2010). Emotional attachment was measured using 6 items which were adapted from (Levy & Hino, 2016). Consumer happiness was measured using 3 items which were adapted from (Zhong & Moon, 2020). This study employs a quantitative research design, focusing on Generation Z consumers in the FMCG sector. Data was collected using online questionnaires, with a final sample of 410 valid responses. The study found significant positive correlations between CSR initiatives, emotional attachment, and consumer happiness. The mediating effect of emotional attachment on the relationship between CSR initiatives and consumer happiness was analyzed using Hayes' PROCESS Macro (Model 4). Mediation analysis confirmed that emotional attachment significantly mediates the relationship between CSR initiatives and consumer happiness, with both direct and indirect effects being significant. The findings suggest that effective CSR initiatives enhance consumer happiness through emotional attachment. This study contributes to the literature by highlighting the mediating role of emotional attachment. FMCG companies should engage in CSR initiatives activities to strengthen brand equity, boost resilience, and cultivate consumer loyalty, which can drive increased sales and market share. Authentic CSR initiatives enhance consumer perception, promoting sustainable business models and overall corporate success. The findings of this study are limited in their generalizability due to its focus on the FMCG sector. Future studies in a variety of sectors, including technology and healthcare, should look at CSR, emotional attachment, and customer satisfaction.

Keywords: Corporate Social Responsibility (CSR) initiatives, Consumer happiness,

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Emotional attachment, Generation Z, Fast-Moving Consumer Goods (FMCG) sector, Quantitative Research design.

1. Introduction

1.1. Background of the study

FMCG brands are focusing on CSR initiatives rather than profit-making goals, as both businesses and customers know about the importance of societal welfare (Woo & Ahn, 2015). The FMCG segment in Pakistan includes Nestle, Coca-cola, Unilever, National Food, Engro Foods, KNS, Procter & Gamble, Loreal, Colgate Palmolive, Dove, axe, and Pepsi Co (Dhanalakshmi & Azees, 2018). Studies show that when FMCG companies prioritize CSR initiatives, it builds consumer happiness (Quezado et al., 2022). Consumers now care more about FMCG companies that are socially responsible. They prefer brands that focus on doing good for society and the environment. FMCG companies are responding by offering products that promote health, sustainability, and ethical practices, aligning with consumers' values and pursuit of happiness (Woo & Ahn, 2015).

Emotional brand attachment is the positive emotional connection between consumers and a brand. Emotions play a vital role in shaping our thoughts, choices, attitudes, and actions as consumers (Su et al., 2014). When consumers feel attached to a brand, they're happier and more satisfied, as this leads to increased loyalty and less sensitivity to price changes (Šeinauskienė, 2015). Emotional brand attachment boosts consumer happiness, building a strong connection through shared values, positive experiences, and a sense of belonging, leading to loyalty and satisfaction (Bilotti, 2011). When customers have a strong emotional attachment to a brand, it creates a special connection that leads to loyal repurchasing (Castro-González et al., 2019).

1.2 Statement of the problem

There are many issues which account to consumer unhappiness or dissatisfaction, as FMCG companies are not environmentally responsible and their products are contributing to pollution or waste. As a result, consumers are unhappy because they want eco-friendly products that protect the environment. Consumers want a proper standard quality of FMCG products whenever they experience variations in taste, texture, packaging, or performance, such as finding a stale snack, a defective household item, or a skincare product that doesn't deliver promised results, it makes them unhappy and these instances of poor quality directly impact the consumer happiness. Additionally, FMCG products contain harmful additives, excessive sugar, or other unhealthy components. Consumers are not happy because consumers of

today are more health-conscious and are paying closer attention to the ingredients and nutritional content of the products they consume. This lack of health contributes to their unhappiness.

1.3 Research gap

Earlier studies have found that CSR practices can make consumers happy because brand perceptions increase and satisfaction increases (Woo & Ahn, 2015). Consumers are likely to prefer brands that match their values, which is the main reason for attachment (Ahmadi & Ataei, 2024). When CSR practices showcase responsibility and ethics, consumers tend to trust the brands, leading to loyalty and increasing consumer happiness over time. In the long run, CSR practices will benefit the society and further strengthen the bond between the consumers and the brands to increase satisfaction (Haider, 2020). There exists a gap in research on emotional attachment as a mediator in the relationship between CSR initiatives and consumer happiness, specifically within the FMCG sector and among Generation Z consumers. Much of the extant research has focused directly on the impact of CSR on consumer happiness, thus neglecting the influence of emotional attachment as a linking factor. This study contributes to literature by investigating emotional attachment as a mediator between CSR initiatives and consumer happiness (Nippatlapalli, 2016)

1.4 Significance of the study

This research is designed to study how CSR initiatives impact customer happiness, focusing on emotional attachment through attribution theory. In the FMCG industry, emotional connections foster brand loyalty, improved perceptions, and sustainable practices (Tosun & Tavşan, 2024). Consumers are more likely to support brands they feel emotionally connected to, driving sales and market share (Shao et al., 2022). CSR promotes long-term sustainability and trust by displaying moral behavior (Hossain et al., 2022). Ultimately, CSR strengthens customer relationships and enhances business performance (Das, 2022).

1.5 Research objectives

This study aims to check the relationship between CSR initiatives and Consumer Happiness, investigate the impact of CSR initiatives on emotional attachment, find out the impact of emotional attachment on consumer happiness, and investigate the mediating role of emotional attachment on CSR initiatives and Consumer Happiness.

2. Literature Review

2.1. Consumer happiness

Happiness can be described as being in a state of good feeling and contentment. Experiencing joy and fulfillment in life (Mogilner et al., 2012). Customer happiness is characterized by customers' perceptions of the degree to which their well-being and overall consumer happiness is the robust positive feeling of quality of life improvement (Gong & Yi, 2018). The bond that a satisfied consumer develops with a specific brand. Consumer happiness is the intense emotional bond that a satisfied consumer develops with a specific brand. It brings several benefits to organizations, with consumer loyalty and positive word-of-mouth being the most commonly mentioned ones (Palusuk et al., 2019).

2.2. Corporate social responsibility initiatives

CSR initiatives are actions taken by businesses that go beyond generating profits to significantly improve society (Pomeroy & Johnson, 2009). CSR initiatives are things that companies do to help others, like giving money to charities, doing good things for the community, making sure they have a diverse group of employees, and taking steps to protect the environment (Su et al., 2014). Corporate social responsibility initiative is a way for businesses to achieve both profit and social goals. Corporate Social Responsibility initiatives refer to businesses committing to do the right thing by behaving ethically and helping to improve the lives of their employees, communities, and society (Huo et al., 2022) it explores the mediating roles of brand trust and brand loyalty. It also reveals that how CSR is crucial for green innovation performance in Pakistan. This research uses the structural equation model (SEM).

2.3. Emotional attachment

Emotion means consumption experience and consumer reaction to services (Vanderlind et al., 2020). Emotional attachment means the attachment of an individual in which he feels strongly connected to the brand and considers the brand important (Whan Park et al., 2010) particularly brand attitude strength. The authors make conceptual, measurement, and managerial contributions to this research issue. Conceptually, they define brand attachment, articulate its defining properties, and differentiate it from brand attitude strength. From a measurement perspective, they develop and validate a parsimonious measure of brand attachment, test the assumptions that underlie it, and demonstrate that it indicates the concept of attachment. They also demonstrate the convergent and discriminant validity of this measure in relation to brand attitude strength. Managerially, they demonstrate that brand

attachment offers value over brand attitude strength. In predicting (1. In emotional attachment, the individual feels that he has a special connection or bond with something/brand (Thomson et al., 2005). Emotional brand attachment is the bond that connects a consumer to a brand. The bond between a company and its customers grows over time. We live in a world where emotions play a big role in the choices we make (Phillips & Baumgartner, 2002).

2.4. Attribution theory

Attribution theory, developed by Fritz Heider, is a psychological framework that states that there are certain reasons behind an individual's behavior (Kumar et al., 2021). Attribution theory has two types: internal attribution and external attribution. Internal attribution means the internal factors of an individual, such as personal traits, abilities, attitudes, or efforts, which influence the behavior of the individual, and external attribution means the external factors like situational circumstances, environmental influences, or other people's actions that affect the behavior of an individual (Attribution Theory | DanielNytra.Com, n.d.). According to attribution theory, the reason is derived from some factors like intrinsic factor and extrinsic factor, and the reason gains significance when it is linked to its factors (Kelley, 1973).

The attribution theory can be applied to explain the theoretical framework as it plays a role in understanding the relationship between CSR, emotional attachment, and consumer happiness (Martinko & Mackey, 2019). CSR initiatives are the reason through which people get emotionally attached, which is an internal attribution as this attachment originates from within the person's own mental processes, such as perception, feeling and experiences, as well as positive affect. External factors that can be enhanced by CSR initiatives include area environmental stewardship, demand management, waste management and recycling, and water conservation (Haider, 2020). This positive emotional connection arises through people becoming emotionally attached and it brings happiness because happiness is the result of CSR (Tariq et al., 2022)

2.5. CSR initiatives and consumer happiness

Corporate Social Responsibility (CSR) initiatives are efforts by companies to contribute to society beyond merely adhering to legal requirements and generating profits (Schellong et al., 2019). These initiatives focus on conducting business in a manner that positively impacts society, the environment, and the economy over the long term (Details, 2024). Attribution theory provides insight into why brands across various industries have increasingly prioritized customer satisfaction through CSR initiatives, emphasizing genuine contributions to consumer well-being rather than

seeking immediate gratification or superficial benefits (Badawi, 2023). Attribution theory suggests that when companies engage in CSR actions, it improves consumers' positive feelings (De Keyzer et al., 2024). This leads to positive word of mouth, greater happiness, and increased trust and well-being among consumers (C. Lee et al., 2023). Consumer satisfaction is crucial for firms as well as the environment. It is not merely an Eco-friendly environment but rather firms making their employees care for the needs and desires of customer and bring pleasure to the customer's heart (Cuesta-Valiño et al., 2019). Earlier research was based on how CSR initiatives affected consumers' loyalty, satisfaction, and purchase intention, but now researchers are focusing on consumer happiness through CSR initiatives because people are happy with companies that do work for society (Unaib Afzal Rana et al., 2023). The companies that do CSR initiatives and focus on important social problems rather than just thinking about their profit (Cuesta-Valiño et al., 2024). The main goal of exploring the connection between, CSR initiatives is to highlight the significant role that happiness plays as a valuable asset (Halim & Berlianto, 2023).

H1: CSR initiatives have a significant impact on consumer happiness.

2.6. CSR initiatives and emotional attachment

CSR initiatives is not just about fulfilling social and environmental responsibilities, but it also creates an emotional attachment between consumers and brands (Bansal & Song, 2017). This demonstrates that brands actually care about making a difference and that CSR initiatives lead to trust, loyalty, and a sense of purpose for the brand and the customers themselves (Huo et al., 2022). Emotions play a vital role in how individuals perceive and interact with brands and organizations (Castro-González et al., 2019). Attribution theory suggests that positive emotional experiences resulting from CSR initiatives are vital for increasing emotional attachment toward brands (Ricks, 2005).

Customers may attribute their emotional attachment to brands that prioritize social responsibility, fostering loyalty and pride in association (Han et al., 2020). Emotions attached to things are much more than an affection toward a brand, or the satisfaction with respect to the same. It becomes influenced by good service being provided, meeting personal requirements, and having good connections with staff. This justifies the connection between CSR and emotional attachment. When a brand engages in CSR initiatives, it can impact the feelings of customers about the brand and it affects the reputation of the brand (Maher & Zohra, 2016; Vlachos, 2012).

H₂: CSR initiatives have a positive impact on emotional attachment.

2.7. Emotional attachment and consumer happiness

The brand should build emotional attachment with the customers according to the attribution theory. This will increase the happiness of consumers and motivate them to come back (Apria & Parahiyanti, 2023). Emotional attachment has had a significant impact on consumer happiness in recent years (AKCAY, 2011). When customers are emotionally connected with the brand they will spread positive word of mouth about the brand (Mattila, 2006). Consumers experiencing negative emotions tend to be less happy with brands. Emotion is the basic factor that causes consumer happiness (Efimova et al., 2015). Marketers can add value to their brands by making products according to needs and expectations by this they can also make emotional connections with them (Easterlin, 2001).

Consumer happiness is considered a more important outcome in marketing activities (Back & Parks, 2003). According to attribution theory, people feel emotionally connected to products when they think they're good and meet their expectations. If a product does even better than expected, people feel delightful and happy this theory says that people's connection is based on the attribution of products and services (Martínez & Rodríguez del Bosque, 2013). An example of emotional connection and consumer happiness can be taken from a study by Thomson et al. (2005); researchers took a survey from students to understand how they were emotionally attached to different brands. As a result, they showed a range of emotions that were positive emotions and negative emotions (The Ultimate Guide to Customer Delight, n.d.). Positive emotions were like happiness, affection, trust, satisfaction, loyalty, excitement, and nostalgia due to positive experiences that align with the value and quality of the brand. Negative emotions like detachment, dissatisfaction, disappointment, frustration, distrust, annoyance, and regret these emotions are due to a lack of connection or a negative experience with a brand (Slepian et al., 2023).

H3: Emotional attachment has a positive impact on consumer happiness.

2.8. Emotional attachment as mediator

This emotional attachment not only fosters customer loyalty but also enhances brand equity, as consumers are more likely to choose a brand they feel connected to over competitors (Shimul, 2022). Additionally, brands that successfully establish emotional bonds with their customers often benefit from positive word-of-mouth and increased customer retention (Chu et al., 2020). As a result, companies are increasingly focusing on strategies that cultivate these emotional connections to sustain long-term success in the competitive marketplace (Whan Park et al., 2010).

People get emotionally connected and develop feelings of love and warmth after knowing about brands that are following CSR initiatives. Brands like Dove and Coca-Cola observed in Pakistan that consumers are emotionally connected and happy their due to their CSR motives (Harrigan et al., 2017). Coca-Cola emphasizes a world without waste, sustainable packaging, water management, and women's empowerment as their four main CSR activities (Liptak & Pronay, 2020). Dove's well-known Corporate Social Responsibility (CSR) initiative is its enduring Real Beauty campaign this campaign encourages body positivity and challenges unrealistic beauty standards by featuring women of diverse body shapes, sizes, ethnicities, and ages (Syaharani, 2021). CSR programs create strong emotional bonds with customers, which increase their satisfaction and loyalty. When brands participate in CSR, people view them favorably; when they don't, people react negatively. Consumer behavior and brand success are significantly influenced by emotional attachment (Zhu & Park, 2022).

H4: Emotional attachment mediates the relationship between CSR initiatives and consumer happiness.

2.9. Theoretical framework

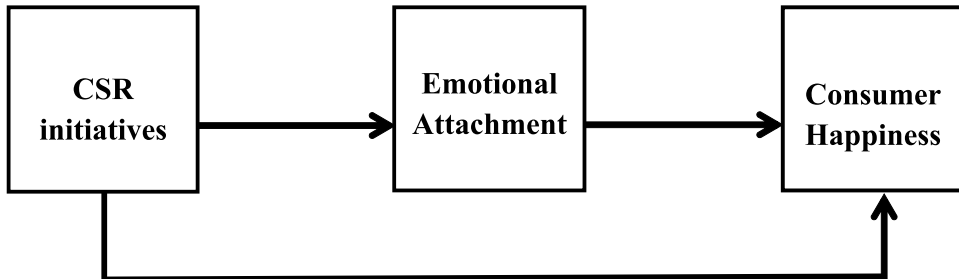


Figure 1: Theoretical Framework

3. Research Methodology

The population under study primarily consists of (FMCG) users, with a specific focus on Generation Z, typically born between 1997 and 2012, and ranging in age from 11 to 27 years old (Slepian et al., 2023). The sample size was set at 430 responses, of which 410 were received. Therefore, ultimately, 410 samples were gathered for analysis, aligning with the sample sizes of related research. Studies by (Guan et al., 2023) the hospitality sector is known for an out-sized carbon footprint. At the same time, the stiff competitive environment in this sector demands every hotel for an enhanced economic performance (ECP and (Zahra & LaTour, 1987) used sample sizes of 410, demonstrating that such sample sizes are adequate for producing reliable and generalizable results. Convenience sampling was employed since it is impossible

to include every member of Generation Z due to the sheer volume of FMCG users. This approach saves time and money by quickly gathering relevant data from easily accessible groups. The study collected data through online surveys created with Google Forms and distributed via various social media networks. Respondents filled out these questions voluntarily and independently based on their choices.

3.1. Instruments

CSR initiatives 4 items adapted from (Su et al., 2014). Emotional attachment 6 items adapted from (Levy & Hino, 2016). Consumer happiness 3 items adapted from (Zhong & Moon, 2020).

3.2. Data analysis

To test the proposed correlations between the variables, statistical analysis would be performed on the data. Demographics, descriptive statistics, correlations, regressions, and mediation analyses were used in the analysis to determine whether the relationship between CSR initiatives and consumer happiness is mediated by emotional attachment.

Hayes' PROCESS macro (model 4) in SPSS was utilized to examine correlations and mediating effects. The study is to check whether Emotional Attachment (EA) mediates the relationship between Corporate Social Responsibility (CSR) and Consumer Happiness (CH). Direct, indirect, and total effects were analyzed, and with 5,000 samples of bootstrapping, confidence intervals were calculated. Mediation was confirmed when the confidence intervals for the indirect effect did not include zero.

We also conducted descriptive statistics, correlations, and regression analysis to explore the relationships among the variables and check if the data was appropriate for conducting mediation analysis.

4. Data Analysis

Table 1: Demographic Analysis

| Variable | Frequency | Percent |
|--------------|-----------|---------|
| Education | | |
| Under matric | 75 | 17.3 |
| Matric | 70 | 16.1 |
| Intermediate | 54 | 12.4 |
| Graduation | 151 | 34.8 |

| | | |
|-------------------|-----|------|
| Master | 60 | 13.8 |
| Gender | | |
| Male | 184 | 42.4 |
| Female | 226 | 52.1 |
| Age | | |
| 11 - 20 | 185 | 42.6 |
| 21 - 27 | 225 | 51.8 |
| Household_Income | | |
| 30,000 | 4 | 0.9 |
| 50,000 | 13 | 3.0 |
| 80,000 | 63 | 14.5 |
| 100,000 | 197 | 45.4 |
| more than 100,000 | 133 | 30.6 |

N=410

4.1. Demographic analysis

The demographic information of the respondents includes details about their education, gender, age, and household income. Now, Start with education, most respondents (34.8%) has a graduate degree, which suggests a well-educated group. On the other hand, a smaller portion, 17.3%, has an education level below matriculation, and 16.1% have completed matriculation. About 12.4% have finished their intermediate education, while 13.8% hold a master's degree.

In terms of gender, the distribution shows a slight bias towards females, who make up 52.1% of the respondents, while males account for 42.4%. In the term of age, the data highlights a young population, with 42.6% of respondents aged between 11 and 20 years old. A slightly larger group, 51.8%, falls into the 21 to 27 age range, indicating that the majority are young adults.

Now the household income, the data shows a relatively high-income group. Most respondents (45.4%) earn around 100,000, and a significant portion (30.6%) earns more than 100,000, indicating a strong financial standing among a large number of respondents. Conversely, a very small percentage (0.9%) of respondents earns 30,000 or less, representing a lower-income bracket. Additionally, 14.5% have an income of 80,000, and 3% earn around 50,000. This income distribution highlights a diverse financial background among the respondents, with a notable skew towards higher-income levels.

4.2. Reliability analysis

Table 2: Alpha Reliability Statistics

| Variable | N of Items | Cronbach's Alpha |
|---------------------------------|------------|------------------|
| Consumer Happiness | 3 | .738 |
| Corporate Social Responsibility | 4 | .727 |
| Emotional Attachment | 6 | .893 |

The reliability test results indicate how consistent the survey questions are for three key variables: consumer happiness, corporate social responsibility, and emotional attachment. The table provides Cronbach's Alpha coefficients, which tell us how reliable the responses are for each set of questions.

Starting with Consumer Happiness, there are three questions (or items) used to measure this variable. The Cronbach's Alpha score is 0.738, which suggests a moderate level of reliability. This means that the responses to these questions are fairly consistent with each other.

For Corporate Social Responsibility (CSR), four questions were used, and the Cronbach's Alpha is 0.727. This also indicates a moderate level of reliability, similar to consumer happiness. The consistency of the responses to the CSR questions is reasonably good.

Lastly, the Emotional Attachment variable was measured with six questions. Here, the Cronbach's Alpha is much higher, at 0.893, which indicates a strong level of reliability. This suggests that the responses to these questions are very consistent and reliable, making it a more dependable measure compared to the other two variables.

4.3. Mediation analysis

Table 4: Model Summary

| R | Rsq | MSE | F | Df1 | Df ² | p |
|--------|--------|--------|----------|--------|-----------------|--------|
| 0.7602 | 0.5779 | 1.7035 | 278.6006 | 2.0000 | 407.0000 | 0.0000 |

Table 5: Model

| | coeff | se | t | p | LLCI | ULCI |
|-----|--------|--------|-------|--------|--------|--------|
| CSR | 0.1804 | 0.0372 | 4.847 | 0.0000 | 0.1073 | 0.2536 |

The mediation analysis, using Hayes' macro, revealed important insights into how Corporate Social Responsibility (CSR) affects Customer Happiness (CH), with Employee Attitude (EA) as a mediator. The analysis reveals that CSR does have a strong influence over the customer happiness prediction and the model gives $R = 0.7602$ and $R\text{-squared} = 0.5779$, which portrays that CSR explains 57.79% change in customer happiness and hence they have a strong covariance relation between both the variables.

The model's F-statistic was 278.6006, which was highly significant, meaning the model is a good fit for the data. Additionally, the p-value was less than 0.0001, which confirms that CSR's impact on customer happiness is statistically significant.

When taking employee attitude into account, CSR still had a direct and significant effect on customer happiness. Specifically, for every unit increase in CSR, customer happiness increased by 0.1804 units. This shows that CSR positively influences customer happiness, regardless of employee attitude.

The confidence intervals for CSR (LLCI = 0.1073, ULCI = 0.2536) were both above zero, reinforcing the significance of this relationship. In other words, we can be confident that CSR has a real and positive effect on customer happiness.

Table 6: Output Interpretation-Model Summary

| R | R-sq | MSE | F | df1 | df2 | p |
|--------|--------|--------|---------|--------|-----|-------|
| 0.7708 | 0.5942 | 8.6716 | 597.321 | 1.0000 | 408 | .0000 |

Table 7: Model

| | coeff | se | t | p | LLCI | ULCI |
|-----|--------|--------|---------|--------|--------|-------|
| CSR | 1.3078 | 0.0535 | 24.4401 | 0.0000 | 1.2026 | 1.413 |

The results from Table 6 show that there is a moderately strong relationship between Corporate Social Responsibility (CSR) and Employee Attitude (EA). The R-squared value of 0.5942 indicates that about 59.42% of the changes in EA can be explained by CSR. This means that CSR has a significant impact on how employees feel and behave.

The analysis also shows that the effect of CSR on EA is statistically significant, with a coefficient of 1.3078 and a p-value of less than 0.0001. This means that for every one-unit increase in CSR, EA increases by about 1.31 units. In simpler terms, when a company improves its CSR efforts, it is likely to see a noticeable positive

change in its employees' attitudes.

Additionally, the confidence intervals for the CSR coefficient (LLCI = 1.2026, ULCI = 1.413) do not include zero, which confirms that the relationship between CSR and EA is significant. This means we can be confident that CSR genuinely affects employee attitudes.

Table 8: Model Summary

| R | R-sq | MSE | F | Df1 | Df2 | p |
|--------|--------|--------|----------|--------|----------|--------|
| 0.7602 | 0.5779 | 1.7035 | 278.6006 | 2.0000 | 407.0000 | 0.0000 |

Table 9: Model

| | coeff | se | t | p | LLCI | ULCI |
|----|-------|--------|---------|--------|--------|--------|
| EA | 0.241 | 0.0219 | 10.9812 | 0.0000 | 0.1978 | 0.2841 |

The model summary shows that it does a good job explaining the changes in Customer Happiness (CH), with an R-squared value of 0.5779. This means that the model accounts for about 57.79% of the variation in CH, which is quite substantial. The F-statistic of 278.6006 is significant, with a p-value of less than 0.0000, confirming that the overall model is statistically significant.

For the individual predictors, both Corporate Social Responsibility (CSR) and Employee Attitude (EA) significantly impact CH. CSR has a coefficient of 0.1804, with a standard error (SE) of 0.0372, and a p-value of less than 0.0000. This indicates that CSR has a strong and positive effect on CH. Similarly, EA has a coefficient of 0.2410, with an SE of 0.0219, and a pvalue of less than 0.0000, showing that EA also plays an important role in predicting CH.

The confidence intervals for both CSR and EA coefficients do not include zero, which further confirms that these effects are statistically significant. This means we can be confident that both CSR and EA have real, positive impacts on customer happiness.

TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y

Table 10: Total effect of X on Y

| Effect | SE | t | p | LLCI | ULCI |
|--------|-------|---------|--------|--------|--------|
| 0.4956 | 0.027 | 18.3752 | 0.0000 | 0.4426 | 0.5486 |

Table 11: Direct effect of X on Y

| Effect | SE | t | p | LLCI | ULCI |
|--------|--------|-------|--------|--------|--------|
| 0.1804 | 0.0372 | 4.847 | 0.0000 | 0.1073 | 0.2536 |

Table 12: Indirect effect (s) of X on Y

| | Effect | BootSE | BootLLCI | BootULCI |
|----|--------|--------|----------|----------|
| EA | 0.3151 | 0.0524 | 0.2094 | 0.4092 |

The results show that the total effect being studied is 0.4956, with a standard error (SE) of 0.027. The t -statistic is 18.3752, which is much higher than 1.64. This means the effect is important and not happening by chance. A high t -statistic shows that the relationship between the variables is strong and meaningful. The p -value is 0.0000, which is smaller than 0.10. This means there's less than a 10% chance that these results are random, so we can trust that the relationship between the variables is real. In research, a smaller p -value (below 0.05) usually shows that the results are important and not just random. The confidence interval (CI) ranges from 0.4426 to 0.5486. Zero is not in this range, which means the effect is not zero and is statistically important. The confidence interval also tells us that we are 95% sure the true effect lies within this range. Since the whole range is above zero, it means the effect is positive. This also shows that mediation happens. Mediation means that one variable affects another through a third variable. The results show a clear positive effect, meaning the variables are connected in a meaningful way, and the relationship is not due to chance.

The results show that the direct effect being studied is 0.1804, with a standard error (SE) of 0.0372. The t -statistic is 4.847, which is much higher than 1.64. This means the effect is important and not happening by chance. A high t -statistic shows that the relationship between the variables is strong and significant. The p -value is 0.0000, which is smaller than 0.10. A smaller p -value means there's a very low chance that the results are random. Since the p -value is so low, we can be sure that the relationship between the variables is real and meaningful. In research, a p -value below 0.05 is often used to show that the results are important and not just by chance. The confidence interval (CI) ranges from 0.1073 to 0.2536 and does not include zero. This is important because if zero were inside the interval, it would mean the effect could be zero and not significant. Since zero is not included, it tells us that the effect is statistically significant and positive. The confidence interval also shows we are 95% sure that the true effect is between 0.1073 and 0.2536. The results also suggest that mediation is happening. Mediation means that one variable affects another through a third variable. The positive effect shows that the variables are connected in a mean-

ingful way, and this relationship is not due to chance.

The indirect effect size of emotional attachment is 0.3151, which means it has a moderate impact. This shows that emotional attachment is an important factor in the relationship being studied. BootLLCI and BootULCI are the lower and upper limits of the confidence interval, showing the range where the true effect likely falls. In this case, the BootLLCI is 0.2094, and the BootULCI is 0.4092. The important thing to note is that zero is not between these values. If zero were in this range, it would mean that the effect might be zero, and the results would not be significant. Since zero is not included, we can be sure that the effect of emotional attachment is real and meaningful. Because zero is not in the confidence interval, this also suggests that mediation is happening. Mediation means that one variable indirectly affects another through a third variable. Here, emotional attachment seems to act as a link between the variables.

5. Discussion

The results reveal that CSR has a significant positive effect on consumer happiness. The interpretation of the result is that H1 is accepted. The finding aligns with previous studies that have explored the impact of CSR on consumer happiness like (Halim & Berlianto, 2023; De Keyzer et al., 2024) find that CSR has significant effect on consumer happiness and companies that follow CSR initiatives make consumer happy and showing a positive correlation between CSR activities and consumer happiness.

The results reveal that CSR has a significant positive effect on emotional attachment. The finding is consistent with previous research that has examined the relationship between CSR and emotional attachment. As, (Bansal & Song, 2017) found that CSR activities significantly enhance emotional connections between consumers and brands. Similarly, (Fatima, 2017) reported that companies engaging in CSR initiatives see higher levels of emotional attachment from their customers.

The results reveal that emotional attachment has a significant positive effect on consumer happiness. The finding aligns with previous research that has explored the relationship between emotional attachment and consumer happiness. As, (Albert & Merunka, 2013; Efimova et al., 2015) found that emotional attachment to a brand significantly enhances consumer happiness and strong emotional bonds between consumers and brands lead to higher levels of overall happiness. The result revealed that emotional attachment is acting as mediator between the relationship of CSR and consumer happiness.

6. Conclusion, Limitations and Future Direction

In conclusion, this study shows that Corporate Social Responsibility (CSR) positively affects consumer happiness, with emotional attachment playing a key role. By focusing on Generation Z consumers in the FMCG sector, we found that CSR initiatives help to create strong emotional bonds between consumers and brands, leading to increased happiness. The positive relationships between CSR, emotional attachment, and consumer happiness highlight the need for companies to include CSR in their main business strategies. However, the study's use of convenience sampling and focus on a specific age group suggests that more research is needed to apply these findings to different age groups and settings.

The findings of this study are limited in their generalizability due to its focus on the FMCG sector. Future studies in a variety of sectors, including technology and healthcare, should look at CSR, emotional attachment, and customer satisfaction. The study considers emotional attachment as a mediator between CSR and consumer happiness, but other factors may also be involved. Future studies should investigate moderators like age and gender as well as other mediators like customer satisfaction and consumer engagement. The study's Generation Z data might not accurately represent the attitudes and behaviors of other age groups. Future studies involving Generation X and Y members should examine their distinct characteristics and common experiences. The cross-sectional design of this study only records data at one specific moment in time, potentially missing changes over time. The long-term impacts of CSR on consumer behavior may be better understood through longitudinal research. The study's use of data from Pakistan restricts the applicability of its findings to other cultural contexts. Future research should include data from various countries to assess whether the relationship between CSR, emotional attachment, and consumer happiness is consistent across cultures. Convenience sampling has the risk of introducing bias through non-random selection of participants, restricting the external validity of findings. Convenience sampling tends to underrepresent some subgroups, compromising the external validity of the study. In order to increase representativeness, future research could utilize probability sampling techniques, including stratified or cluster sampling, and diversify the participant pool for enhanced generalizability.

7. Implications of the Study

This study shows the impact of corporate social responsibility (CSR) on consumer happiness through emotional attachment, guided by Attribution Theory. It reveals that consumers who perceive CSR initiatives as authentic and congruent with their values form deep emotional connections with companies, resulting in increased happiness. This study also contributes to Attribution Theory in the sense that it

illustrates its applicability in CSR. It describes how consumers perceive and interpret CSR activities, which further creates an emotional bond toward the brand. In this respect, the current study expands the scope of the theory and presents new ideas regarding how CSR affects consumer emotions and eventually guides consumer behavior toward the brand.

The study emphasizes that FMCG companies should focus on CSR activities like sustainability, health initiatives, and ethical practices. Genuine and consistent CSR efforts build long-term brand equity and a positive reputation. This not only attracts consumers but also strengthens the company's resilience in crises. In addition, this study also contributes to the knowledge by providing valuable insights for FMCG companies on how to use CSR to enhance customer satisfaction and loyalty. The emphasis on emotional attachment can be used to align CSR efforts with consumer values, thereby strengthening brand connections. Sincere CSR initiatives help build trust and establish long-term relationships. The findings guide improvement in customer engagement and brand perception. In the end, this approach helps businesses succeed by implementing effective CSR strategies.

This study focuses on CSR initiatives that can boost the satisfaction and loyalty of customers for FMCG companies. Managers must tie CSR efforts to consumer values in order to have emotional bonds and trust. A focus on CSR practice helps to enhance brand image and consumer engagement. Authentic CSR strategy builds long-term relations with consumers. This approach helps companies to achieve success and builds strength in their brand resilience.

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