

The Critical Factors Of Corporate Social Responsibility (CSR) That Contribute Towards Consumer Behavior In The Ready-Made Garments (RMG) Industry Of Bangladesh

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Abstract: Ethical gaps in the Ready-Made Garment industry of Bangladesh has emerged as a growing concern for the nation and the economy. The industry that is regarded as the backbone of the economy has come under global criticism for negligence in the fields of Corporate Social Responsibility. Although recent catastrophes has led to improvements in compliance, there needs to be further understanding of what areas of CSR needs to be addressed intensely with regard to sustaining the industry in the competitive global markets. This paper analyses the relationship of the critical factors of internal and external factors of CSR linked to consumer behavior in the RMG industry of Bangladesh. The study has been developed using a myriad of supporting information gathered from consumers at notable stores located at Dhaka, Bangladesh. A vast pool of publications has been reviewed and evaluated to identify the key CSR factors that impact consumer behavior and a survey has been conducted with 110 respondents to accumulate realistic insights regarding the consumer trends in the industry with correspondence to CSR initiatives of the firms.

Index Terms: Consumer Behavior, CSR in Bangladesh, Ethical Labor Practices, Investment in environment, RMG industry of Bangladesh,

1. INTRODUCTION

In recent decades, Corporate Social Responsibility (CSR) has emerged as an imperative principle applied by both entrepreneurs and managers aiming to proliferate corporate value and sustainable operations. Furthermore, to aid businesses in their approach to CSR, directives such as UN Global Compact and OECD Guidelines for Multinational Enterprise serve as blueprints to guide corporations to effectively integrate the fundamental concepts of CSR into their business and operational practices [1]. Nevertheless, 90 percent of the Fortune 500 companies endorse the idea of CSR and embrace it with correspondence to their business operations [2]. Considering the benefits derived from the principle, recent studies suggest that CSR practices can not only contribute to the financial performance of the firm, but can also significantly impact consumer oriented factors such consumer purchase intention, behavior and satisfaction [1]. A majority of the CSR studies globally conducted so far have been in the context of developed countries such as Western Europe, the USA, and Australia, thus resulting in minute information available on CSR practices in developing nations such as Bangladesh [3]. Similarly, while there is a growing body of literature available on the relationship between CSR and financial performance there is relatively little information accessible on to what degree CSR impacts consumer behavior. The RMG sector of Bangladesh is an industry, which is driven by cost advantage, derived from the low wage factor. This is an industry that is often regarded as the backbone of the Bangladesh economy contributing to majority of Bangladesh export revenue [4]. There are growing concerns surrounding the RMG industry of Bangladesh and its approaches to ethical business practices and CSR. With tragic incidents arising from hazardous working conditions and negligence to environmental concerns compliance bodies leading to negative consumer perception are challenging this industry [3]. Thereby, it is essential for the researcher to understand and evaluate the catalytic factors of CSR within the parameters consumer behavior in order to develop a model

to measure and identify the critical attributes of subject. Additionally, Marketpoll studies indicate that consumers, especially in developed economies such UK, USA and Australia are generally more sensitive to the CSR and ethical standards of a firm and thereby, have strong preferences for firms who pursue CSR. Therefore, considering the fact that Bangladesh's major clientele for RMG constitute North American and European firms, such study will aid managers in better understanding their client behavior which will in turn, lead to the development their operations accordingly [5]. This study can help firms and managers identify and rank the critical success factors of CSR which can assist in the formulation of the appropriate and effective strategies to achieve their desired goals and objectives [6]. To evaluate the impact of CSR practice on consumer behavior the study proposes the following questions: (1) What are the preeminent issues concerning CSR in the RMG sector of Bangladesh? (2) What are factors of CSR that contribute towards positive consumer behavior in the RMG sector the most? To answer the research questions the study will be guided by the following objectives: (1) To critically evaluate the internal and external variables of CSR in conformity to its degree of impact on consumer behavior in the RMG industry of Bangladesh (2) To implement strategies that identify and address the significant ethical dilemmas and CSR gaps in the RMG industry of Bangladesh. This study is being conducted with the aim of establishing a clear directive and guideline for organizations practicing CSR activities in the RMG sector of Bangladesh. This paper will aid in the development of effective CSR strategies and assessing the key components of the subject in question and how it impacts consumer behavior. Although the RMG sector of Bangladesh is considered to be globally competitive, recent allegations regarding ethical practices and lack of CSR initiatives are surfacing as growing concerns for both the industry and the nation [3]. This study will help business owners, managers, regulatory bodies and policy makers alike, to comprehensively extrapolate the key drivers of CSR in the industry and equate that to dynamics of

consumer behavioral factors. Apart from the above-mentioned, scholars, journalists, academic professionals, CSR enthusiasts and psychologists may also bear a keen interest to this study with regard to their respective research and academic purposes. If conducted effectively, this paper upon completion may help stimulate and sustain the booming RMG sector of Bangladesh and in turn contribute to the development of the nation and the world.

2. LITERATURE REVIEW

Articulating a generic definition of CSR has been a challenge across all academic disciplines [2]. Initially in 1998, the World Business Council for Sustainable Development (WBCSD) defined CSR as the 'continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of its work force and their families as well as the local community and society at large', however, WBCSD revisited the definition again in 2002 and rephrased it to 'the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and the society at large to improve their quality of life' [2, 4]. Furthermore, on a symbiotic note, Hopkins regards CSR simply as the concern of business to treat their stakeholders in an ethical and responsible manner where the terms 'ethical or responsible' refer to practices that are deemed acceptable in civilized societies [7]. Consumer behavior on the other hand is the study which accentuates on the process of why people buy what they buy or what are the factors impacts their decision making process [8]. Empirical evidence supports the linkage of CSR and consumer behavior leading to sustainable growth of firms and long run success. Researchers believe that this positive linkage is mostly derived from the understanding that CSR activities have a direct impact on the firm's image, distinguishing it in the industry and leading to value creation in the perception of consumer [9]. In practice, firms pursuing prolonged CSR activities are considered wiser since this establishes an image of benevolence and is thereby effective. Short-term, high paced CSR campaigns are often believed as opportunistic attempts. Henceforth, CSR practices should be approached from strategic perspective rather than tactical [10].

Internal Factors

Ethical Labor Practice

Questionable working conditions, low wages, sustainability and pollution combined are regarded as growing issues in the RMG sector of Bangladesh leading to customer dissatisfaction and competitive disadvantage in the global marketplace. The act of proper, fair and justified conduct with regard to labor management is often addressed ethical labor practices. While the term 'ethical practice' may encompass a wide array of factors, key factors that relate to core concern of this study refers to the development of safe and complaint working standards, fair compensation and reasonable working hours [12].

Effective CSR Communication

The fields and practices in CSR communication have experienced exponential growth over the past few years. A

study in 2013 by KPMG signifies that 70% of 4100 companies surveyed reports their CSR activities in the mainstream media. Attuned to KPMG's findings MIT Sloan Management Review and Boston Consulting Group also revealed that the practice of sustainability communication has appreciably raised in the data presented in recent years [11]. The fundamental aims of CSR communications is positively influence and legitimize a firm's CSR initiative in broader eye of the stakeholder of organization as well as the wider society in general. Following this, it is noteworthy to mention that CSR eventually contributes to the social disclosure of the firm with a view of developing corporate image, while enhancing community engagement and consequently promoting the products or services of the firm indirectly to potential consumers through the propagation of relevant information [13].

Commendable Leadership:

Leadership approaches and styles can greatly impact an organization's goals, strategies, cultures and how people act within a firm [14]. Leaders are regarded as pinnacles of an organization and therefore their actions are regarded as blueprints for others to learn from and follow. Henceforth, leaders act as catalysts that who develop praiseworthy cultures embodying ethics and social principle that in turn contributes to the development of the firm's public perception [15].

Effective Stakeholder Management

In order to reap long-run success, businesses must constantly address the welfare and interests of both its internal and external stakeholders. Effective stakeholder management entails regular communication with stakeholders, understanding their needs, expectations and perceptions and catering to their wellbeing [16]. Firms that are closely involved with their respective stakeholder possess a greater influence on their behavior, thereby, in the context of consumers they can somewhat impact their purchase decision [17].

External Factors:

Investment in Environment Cause

In the realms of CSR activities, investments in environmental causes are one the most growing forms of investment channels undertaken and endorsed by firms globally. Such activities mostly manifest in forms of toxic waste management, eco-friendly structure, boosting energy efficiency and pervading awareness amongst the greater society. Multiple studies have conveyed the success of such investment in proliferating the financial performance of the firm [18].

Legal Practice

The presence of effective legal structures in an economy shape the routes of the how firms operate. The aforementioned statement is also evident in cases of CSR performances by firm in a nation. Strong and well-implement legal systems endorsing CSR constituents advocate firms to operate in manners while uphold such principles, while weak legal structures often fail to adhere CSR as a imperative dimension [19].

Political Stability

A stable political phenomenon is characterized by the factors that do not indicate concerns of social unrest or violence in nation triggered by despotic ideas and revolutionary motives against the ruling regime. The political

stance of nation can greatly impact the allocation of resources in an economy along with critical factors such as consumer confidence, and international trade subsequently affecting on how industries operate [20].

3. RESEARCH MODEL AND HYPOTHESIS

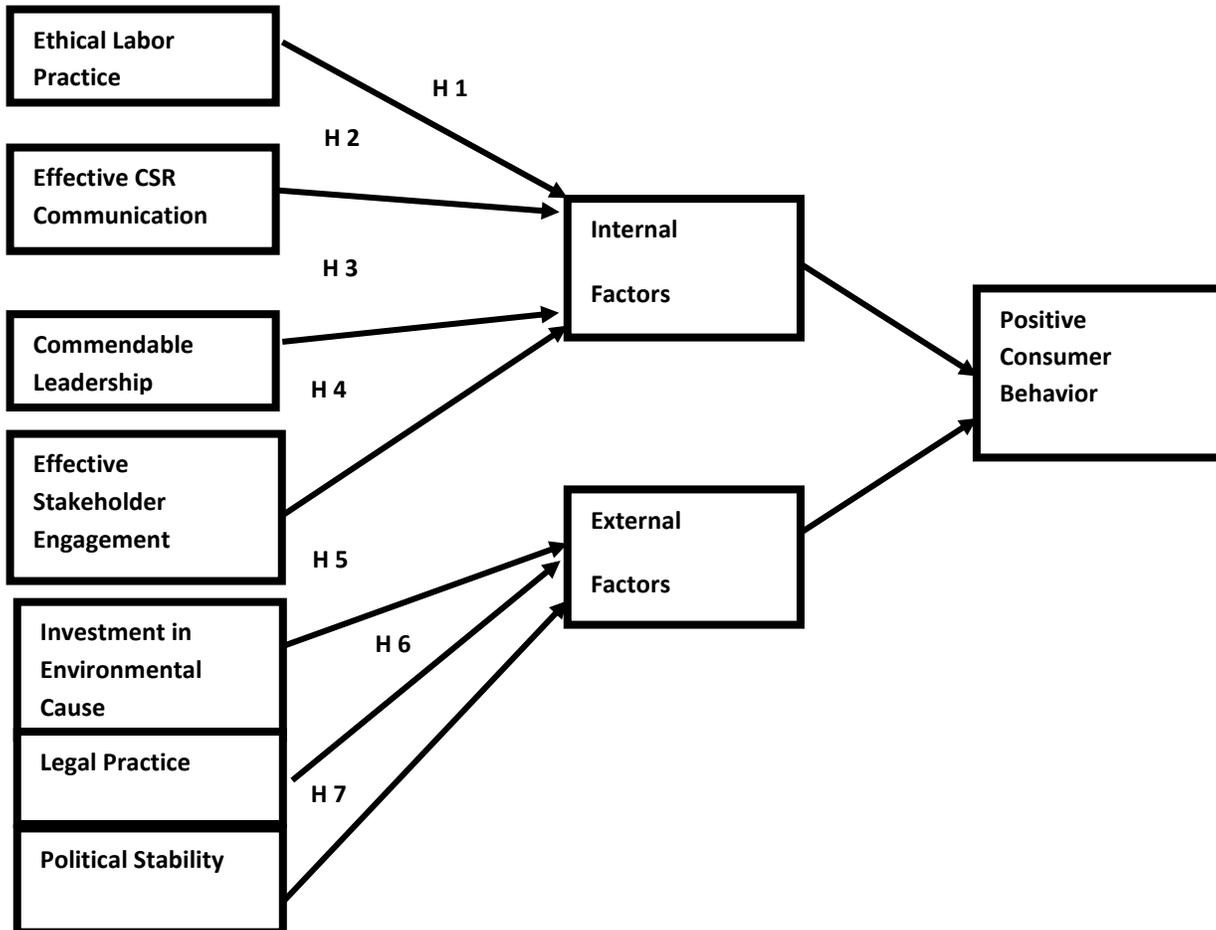


Figure 1: Conceptual Model

H1: Predicts that ethical labor practices has a positive effect on Consumer Behavior

H2: Predicts that effective CSR communication has a positive effect of on Consumer Behavior

H3: Predicts that fostering commendable leaders has a positive effect on Consumer Behavior

H4: Predicts that effective stakeholder management has a positive effect on Consumer Behavior

H5: Predicts that investment in environmental causes has positive effects on Consumer Behavior

H6: Proper utilization of legal practice provide positive impact on consumer behavior

H7: Political stability in a country brings positivism on consumer behavior

4. RESEARCH METHODOLOGY

This study entails the evaluation of the linkage of CSR activities of firms in the RMG industry of Bangladesh with correspondence to its effect on consumer behavior. With a view of collecting the necessary information, a survey method was used to gather relevant information required for successful analysis of the subject in concern. 200 consumers of numerous notable stores such as Noir by Evince Group, Sailor by Epyllion Group and Yellow by Beximco were randomly selected and requested to participate in the research, with due consent on May 2016, and also the purpose of the research was communicated to them. The

participants were distributed a total of 275 questionnaires and out of one hundred and ten (110) usable questionnaires were returned which gives a response rate of 60 per cent. The respondents consisted of individuals of diverse educational backgrounds, differing income levels and ethnicities. The questions signified in the survey emphasized on assessing the influences of mentioned internal and external CSR factors on the positive consumer behavior. The questions encompassing the subject was constructed using seven - point Likert scale (1= Strongly Agree, and 5= Strongly Disagree), whereby, the respondents were requested to share a quantifiable

measure of their insights on the prevailing link between the critical CSR factors present in the RMG industry and their preferences with regard to that. The researcher along with the research assistant ensured that the respondents

addressed all questions, completing the survey and any ambiguity was instantly clarified. The measures of each paradigm of the research were evaluated using correlation and regression analysis.

5. HYPOTHESIS TESTING AND ANALYSIS

H1: Predicts that ethical labor practices has a positive effect on Consumer Behavior

Regression Analysis

Table 1: Model Summary H1

Model Summary					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.808 ^a	.653	.646		.4163

a. Predictors: (Constant), Involvement in Ethical Labor Practices

Deciphering the model summary it can be discerned that the strength of regression is commendably significant as supported by the coefficient of the multiple R = 0.808 or 80.8 %. Additionally, the adjusted R-square value of 0.646 or 64.6% withholds the variables mentioned, while other 35.4% is possibly concerned with associated with variables not congruent to the chapters involved.

Table 2: ANOVA H1

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	15.682	1	15.682	90.491	.010 ^b
	Residual	8.318	48	.173		
	Total	24.000	49			

a. Dependent Variable: Positive Consumer Behavior

b. Predictors: (Constant), Involvement in Ethical Labor Practices

With regard to the ANOVA table, the p-value of Sig-0.010 affirms the validity of the regression model and signifies it as highly significant at 1% level of confidence. Furthermore, the F-test is disregarded considering the notion that the test represents the acceptance of the null hypothesis.

Table 3: Coefficients H1

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.186	.343		3.458	.014
	Involvement in Ethical Labor Practices	.776	.082	.808	9.513	.011

a. Dependent Variable: Positive Consumer Behavior

Henceforth, the null hypothesis (H_0) is discarded and the alternative hypothesis (H_2) is accepted.

Moreover, the p-values observed above (Sig = .014 and .011) authenticates the degree of significance between the tested variables at a commendable 1% level, which is also reaffirmed by the t-stat (Involvement in Ethical Labor Practices = 9.513) satisfying $t > (-/+)$ 2. On a parallel note, the coefficient (B = .808) suggests that there is a strong positive correlation between involvement in ethical labor practices and consumer behavior. Given the notion that sample size of the research was relatively small, the authors have adjoined and integrated perspectives of existing literature in resonance to subject of the research, such as consumer tends to positively perceive firms that are recognized for maintaining high ethical standards when it comes to labor practices. Ethical labor practice encompass a rather wide array of issues, amongst which compensations, health and safety, work-life balance and work culture stands as a dominant constituent in the 21st century [21]. Vast number of studies has also suggested that companies that are known to be good employers develop a stronger brand preference and thereby, significantly influences consumer behavior [22].

Hypothesis 2: Predicts that effective CSR communication has a positive effect of on Consumer Behavior

Regression Analysis

Table 4: Model Summary H2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.760 ^a	.736	.724	.5312

a. Predictors: (Constant), Investment in Effective CSR Communication

Deciphering the model summary it can be discerned that the strength of regression is commendably significant as supported by the coefficient of the multiple R = 0.760 or 76.0 %. Additionally, the adjusted R-square value of 0.724 or 72.4% withholds the variables mentioned, while other 27.6% is possibly concerned with associated with variables not congruent to the chapters involved.

Table 5: ANOVA H2

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.454	1	10.454	37.041	.011 ^b
	Residual	13.546	48	.282		
	Total	24.000	49			

a. Dependent Variable: Positive Consumer Behavior

b. Predictors: (Constant), Investment in Effective CSR Communication

With regard to the ANOVA table, the p-value of Sig-0.011 affirms the validity of the regression model and signifies it as highly significant at 1% level of confidence. Furthermore, the F-test is disregarded considering the notion that the test represents the acceptance of the null hypothesis.

Table 6: Coefficients H2

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.639	.460		3.565	.013
	Investment in Effective CSR Communication	.670	.110	.660	6.086	.016

a. Dependent Variable: Positive Consumer Behavior

Henceforth, the null hypothesis (H_0) is discarded and the alternative hypothesis (H_4) is accepted.

Moreover, the p-values observed above (Sig = .013 and .016) authenticates the degree of significance between the tested variables at a commendable 1% level, which is also reaffirmed by the t-stat (Investment in Effective CSR Communication = 6.086) satisfying $t > (-/+)$ 2. On a parallel note, the coefficient (B = .660) suggests that there is a strong positive correlation between effective stakeholder management and consumer behavior. In today's socially and environmentally conscious markets, CSR communication has emerged as key strategic agenda for firms all over the globe [23]. While stakeholders and community alike applaud firms conducting CSR, communicating the CSR venture or initiatives to the key stakeholders though appropriate is considered to be of essence. Nevertheless, well-informed consumers are likely to act in favor of the firm pursuing admirable CSR activities [24].

Hypothesis 3: Predicts that fostering commendable leaders has a positive effect on Consumer Behavior

Regression Analysis

Table 7: Model Summary H3

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736 ^a	.642	.633	.4784

a. Predictors: (Constant), Fostering Commendable Leadership

Deciphering the model summary it can be discerned that the strength of regression is commendably significant as supported by the coefficient of the multiple R = 0.736 or 73.6 %. Additionally, the adjusted R-square value of 0.633 or 63.3% withholds the variables mentioned, while other 36.7% is possibly concerned with associated with variables not congruent to the chapters involved.

Table 8: ANOVA H3

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.016	1	13.016	56.878	.013 ^b
	Residual	10.984	48	.229		
	Total	24.000	49			

a. Dependent Variable: Positive Consumer Behavior
 b. Predictors: (Constant), Fostering Commendable Leadership

With regard to the ANOVA table, the p-value of Sig-0.013 affirms the validity of the regression model and signifies it as highly significant at 1% level of confidence. Furthermore, the F-test is disregarded considering the notion that the test represents the acceptance of the null hypothesis.

Table 9: Coefficients H3

Coefficients ^a						
Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error	Beta			
1	(Constant)	1.447	.397		3.641	.012
	Fostering Commendable Leadership	.700	.093	.736	7.542	.010

a. Dependent Variable: Positive Consumer Behavior

Henceforth, the null hypothesis (H_0) is discarded and the alternative hypothesis (H_a) is accepted.

Moreover, the p-values observed above (Sig = .012 and fac.010) authenticates the degree of significance between the tested variables at a commendable 1% level, which is also reaffirmed by the t-stat (Fostering Commendable Leadership = 7.542) satisfying $t > (-/+)$ 2. On a parallel note, the coefficient (B = .700) suggests that there is a strong positive correlation between fostering commendable leadership and consumer behavior. Leadership styles in organization shapes the goals and objectives of the firm, thereby leaders who uphold admirable opinion about social responsibility advocates their vision amongst the members of the organization as well as the external community [25].

Hypothesis 4: Predicts that effective stakeholder management has a positive effect on Consumer Behavior

Regression Analysis

Table 10: Model Summary H4

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.710 ^a	.503	.593	.4983

a. Predictors: (Constant), Involved in Effective Stakeholder Management

Deciphering the model summary it can be discerned that the strength of regression is commendably significant as supported by the coefficient of the multiple R = 0.710 or 71.0 %. Additionally, the adjusted R-square value of 0.593 or 59.3.% withholds the variables mentioned, while other 40.7% is possibly concerned with associated with variables not congruent to the chapters involved.

Table 10: ANOVA H4

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.082	1	12.082	48.662	.013 ^b
	Residual	11.918	48	.248		
	Total	24.000	49			

a. Dependent Variable: Positive Consumer Behavior
 b. Predictors: (Constant), Involved in Effective Stakeholder Management

With regard to the ANOVA table, the p-value of Sig-0.013 affirms the validity of the regression model and signifies it as highly significant at 1% level of confidence. Furthermore, the F-test is disregarded considering the notion that the test represents the acceptance of the null hypothesis.

Table 11: Coefficients H4

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.271	.313		7.252	.015
	Involvement in Effective Stakeholder Management	.575	.082	.710	6.976	.018

a. Dependent Variable: Positive Consumer Behavior

Henceforth, the null hypothesis (H_0) is discarded and the alternative hypothesis (H_3) is accepted.

Moreover, the p-values observed above (Sig = .015 and .018) authenticates the degree of significance between the tested variables at a commendable 1% level, which is also reaffirmed by the t-stat (Involvement in Ethical Labor Practices = 6.976) satisfying $t > (-/+)$ 2. On a parallel note, the coefficient (B = .710) suggests that there is a strong positive correlation between effective stakeholder management and consumer behavior. Maintaining constructive relationship with key stakeholder is essential for a firm’s sustenance and success. Decisions, actions and objectives developed in alignment with the joint interest of the firm and its stakeholder are critical at all stages of operations, thereby, effective stakeholder management enables organization to foster responsive representative of all relevant parties encircling their business with a notion of improving long-run performance [26].

Hypothesis 5: Predicts that investment in environmental causes has positive effects on Consumer Behavior

Regression Analysis:

Table 12: Model Summary H5

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.878 ^a	.770	.765	.3391

a. Predictors: (Constant), Investment in Environment

Deciphering the model summary it can be discerned that the strength of regression is commendably significant as supported by the coefficient of the multiple R = 0.878 or 87.8 %. Additionally, the adjusted R-square value of 0.765 or 76.5% withholds the variables mentioned, while other 23.5% is possibly concerned with associated with variables not congruent to the chapters involved.

Table 13: ANOVA H5

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.480	1	18.480	160.706	.015 ^b
	Residual	5.520	48	.115		
	Total	24.000	49			

a. Dependent Variable: Positive Consumer Behavior

b. Predictors: (Constant), Investment in Environment

With regard to the ANOVA table, the p-value of Sig-0.015 affirms the validity of the regression model and signifies it as highly significant at 1% level of confidence. Furthermore, the F-test is disregarded considering the notion that the test represents the acceptance of the null hypothesis.

Table 14: Coefficients H5

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.530	.309		1.714	.012
	Investment in Environment	.872	.069	.878	12.677	.018

a. Dependent Variable: Positive Consumer Behavior

Henceforth, the null hypothesis (H_0) is discarded and the alternative hypothesis (H_1) is accepted.

Moreover, the p-values observed above (Sig = .012 and .018) authenticates the degree of significance between the tested variables at a commendable 1% level, which is also reaffirmed by the t-stat (Investment in Environment = 12.677) satisfying $t > (-/+)$ 2. On a parallel note, the

coefficient (B = .872) suggests that there is a strong positive correlation between investment in environment and consumer behavior. Minimizing environmental hazards and promoting sustainability is now considered a prerequisite for conducting ethical business [27]. While the policy makers

and environmentalists opt regulate this perplexity, consumer are also becoming aware of this phenomenon and prefer goods that support ecological interests [28]. The impacts of CSR on consumer purchase intentions and behavior are far more inclusive than it was a decade ago. Nevertheless, empirical evidence support the understanding that a growing number of consumers seek to

buy products from companies that inclined to environmental causes and partakes a significant role in promoting sustainability [29].

Hypothesis 6: Proper utilization of legal practice provide positive impact on consumer behavior

Correlation Analysis

Table 15: Correlations H6

		Consumer Behavior	Utilization of Legal Practice
Consumer Behavior	Pearson Correlation	1	.772**
	Sig. (2-tailed)		.000
	N	110	165
Utilization of Legal Practice	Pearson Correlation	.772**	1
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.01 level (2-tailed).

As denoted in the table above, it can be observed that the correlation value is calculated to be 0.772 between the mentioned variables, signifying a strong relationship. Subsequently, this analysis will reject the null hypothesis and accept the alternative hypothesis given that the significance level of correlation is at 0.01. The utilization of legal systems proves to be imperative in the paradigm of effective CSR practices by firms. Legal structures promoting and acknowledging CSR activities can proliferate the acceptance and practice of the principle by organizations in an economy [30].

Hypothesis 7: Political stability in a country brings positivism on consumer behavior

Correlation Analysis

Table 16: Correlations H7

		Consumer Behavior	Political Stability
Consumer Behavior	Pearson Correlation	1	.878**
	Sig. (2-tailed)		.000
	N	110	165
Political Stability	Pearson Correlation	.878**	1
	Sig. (2-tailed)	.000	
	N	165	165

** . Correlation is significant at the 0.01 level (2-tailed).

With reference to the table above, it can be observed that the correlation value is calculated to be 0.878 between the mentioned variables which signify a strong relationship. Subsequently, this analysis will reject the null hypothesis and accept the alternative hypothesis given that the significance level of correlation is at 0.01. Political stability is critical for seamless operation of an organization in an economy at all decrees. A nation harnessing stability is often commended with higher consumer confidence, leading to better performances of firms [31].

6. CONCLUSION AND RECOMMENDATIONS

The key factors tested in the study have revealed a comprehensive overview of how CSR practices contribute towards positive consumer behavior in the RMG markets of Bangladesh. A total of seven critical factors of CSR

impacting consumer behaviors in the RMG sector in Bangladesh contemplating from internal and external dominions has been comprehensively tested and evaluated by the authors in the context of this study. The authors have collected relevant and quantifiable evidence to attest the validation of the designated objective. Based on data analysis, it has been observed that all seven selected factors have significant impact on consumer perception whereby, the internal factors of ethical labor practices and effective CSR communication strategies strikes the most influence on consumer behavior, along with the contribution derived from external factors of investment in environment and political stability. Numerous studies and empirical evidence imply that the positive correlation between CSR endeavors and consumer behavior is mostly derived from the understanding that CSR activities have a direct impact

on the firm's image, distinguishing it in the industry, and leading to value creation in the perception of consumer [9]. Firms pursuing prolonged CSR activities are considered wiser, since this establishes an image of benevolence and is thereby effective, while short-term, high paced CSR campaigns are often deemed as opportunistic. Henceforth, CSR practices should be approached from strategic perspective rather than tactical [10]. This research advances the current literature as most of the existing literature on CSR and consumer behavior is based on the context of western developed nations'; for this study the data has been obtained from the consumers on one of the developing country's perspective. Firms in Bangladesh have been globally criticized for their negligence towards ethical business practices and CSR. Many firms in the industry quote that they view CSR and compliance as an added expense to the business and fear they may lose the cost advantage factor in the industry. Similarly other firms also note that international buyers demand tough bargain and thereby added cost of CSR may surpass the benefit of inexpensive labor, thus, discarding a key attribute of the national competitive advantage of the industry. Therefore, the results of this study will create a significance enhancement of our knowledge such as on the importance of ethical labor practice and effective CSR communication, which can facilitate the Bangladeshi ready-made garments firms to capitalize on building a long-term positive relationship with their customers.

7. LIMITATIONS OF THE RESEARCH

It is believed that access to information and the scale of the research is a key limitation this study. Furthermore, the relatively small sample size can be considered to be significant limitation, since it may not holistically express the absolute opinion of the greater population

8. IMPLICATIONS FOR FURTHER RESEARCH

The RMG sector of Bangladesh is a robust industry with a large number of firms competing in the global market. Further research opportunities remain in realms of conducting researches of a more expansive scale i.e. a national research or research consisting of testimonials from international firm per say, along with a larger sampling size of both local and global consumers. Additionally, evaluating a greater number of consumers in the local industry could also aid in developing a more comprehensive outlook on the phenomenon of CSR in the RMG sector of Bangladesh. Since, international consumers constitute for a large segment of consumers of Bangladeshi RMG products, it is imperative to conduct thorough analysis of their perspective regarding CSR practices. Additionally, further scope of developments also remains in perpetuating supplementary statistical testing methodologies to further realize the relationship of the variables. With reference to variables tested in the study, although supporting literature ominously backs the factors, the inclusion of the more variables could very well depict a more profound understanding of the subject.

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