“Impact of corporate social responsibility strategies on consumer patronage of telecommunication industry: an MTN experience in Enugu state”

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IMPACT OF CORPORATE SOCIAL RESPONSIBILITY STRATEGIES ON CONSUMER PATRONAGE OF TELECOMMUNICATION INDUSTRY: AN MTN EXPERIENCE IN ENUGU STATE

Abstract

The purpose of this study is to investigate the impact of corporate social responsibility (CSR) strategies on consumer patronage of telecommunication industry: An MTN experience in Enugu State. It specifically aims to determine the influence of MTN Foundation Science and Technology Scholarship Scheme as a CSR strategy on consumer patronage of MTN and also, to assess the influence of MTN Foundation Restructured Schools Connect Project as a CSR strategy on the corporate image of MTN. The survey research method was chosen for the study. The study population comprises subscribers of MTN in Enugu State, which is 1,295.918. A sample size of 400 was determined using Taro Yamane's formula. Applying the simple linear regression, the findings revealed that MTN Foundation Science and Technology Scholarship Scheme as a CSR strategy has a significant influence on consumer patronage of MTN (r = 0.945; t = 56.377; F = 3173.334; p < 0.05). Similarly, it was revealed that there is significant influence of MTN Foundation Restructured Schools Connect Project as a CSR strategy on corporate image of MTN (r = 0.978; t = 92.313; F = 8521.649; p < 0.05). Consequently, the study concludes that CSR is an effective marketing strategy for acquiring customer patronage and generating goodwill and good corporate image. Therefore, MTN should consolidate on executing and improving on CSR projects. This is highly significant as improved CSR will ensure improved customer patronage and boost good corporate image for MTN.

INTRODUCTION

Being a “Victor” is attaining all-around international cum global best practice (O. Oyewunmi & A. Oyewunmi, 2018). Niger Delta in Nigeria is in such a deplorable state because of the neglect by the oil companies that had not properly and adequately come up with a roadmap towards delivering corporate social responsibility (CSR) projects on the host communities (Ndu & Abgonifoh, 2014). Consequent upon that dereliction of responsibility is the incessant crisis in that region as their youth endlessly demonstrate their grievances through rampaging. The performance of First Bank in Adamawa State in Nigeria improved when management increased the budget for the execution of CSR projects (Iya, Badiya, & Faiza, 2015). CSR according to McWilliams, Siegel, and Wright (2005) is defined as a firm’s social commitment to deliver philanthropy to its public by going beyond legal requirements.

Survival of the fittest is the pervading doctrine in the marketing jungle and only a company with savvy, diligent, genuine and sanguine focus
will become victorious at last. It might take time, but it must surface in no distant time. Companies CSR has gained credence in the management world over a decade ago (Nikolova & Arsic, 2017). Academics and business professionals are increasingly leaning on CSR because of its importance for the organization’s performance (Luo & Bhattacharyya, 2008). Increasingly, companies are integrating social responsibility as a very significant aspect of corporate culture and management (Swaen & Chumpitaz, 2008). CSR entails companies’ legal obligation to incorporate social and environmental behavior into their corporate strategy and governance (Swaen & Chumpitaz, 2008). Its impact has made companies aware of the enormous benefits generated as they are seen as being socially responsible. Among all the stakeholders, the consumers are the important group that appears to be particularly affected by the company’s CSR initiatives (Bhattacharya & Sen, 2004).

In a study to investigate the “Effect of Corporate Social Responsibility on Performance of Manufacturing Companies in Nigeria”, Togun and Nasieku (2015) discovered that the performance of manufacturing companies in the Nigerian Stock Exchange (NSE) is affected by CSR initiatives. According to them, “organizational value, good corporate image, marketing strategy; employee job satisfaction, competitive advantages, productivity, and corporate governance”, drive a company’s CSR, aside the quest for profitability. Indeed CSR programs have a strong influence on consumers’ behaviors as they purchase goods and services according to previous research (Berens, Van Riel, & Van Bruggen, 2005). Previous studies also reported that CSR projects aid in building reputation of the company, which also indicates the company’s involvement in providing deluxe products.

Similarly, in a study, Osisioma, Nzewi, and Nwoye (2015) revealed that corporate profitability has a significant relationship with the cost of executing CSR. Also, scholars have understood the value of company’s socially responsible activities and its impact on encouraging consumers’ purchase decisions along with price, quality, and service. Existing studies have provided good evidence that customer perception of CSR has an effect on customer reactions towards products (Berens et al., 2005). CSR programs aim to guarantee that corporations achieve their societal responsibilities by being a corporate citizen (D. Dang, C. Dang, & Danladi, 2014; Nwosu, 2001). Customer perceptions of corporate motives and how it affects consumer evaluations of the product and company had been the focus of research (Bagnoli & Watts, 2003). Metaphorically, past studies have mostly investigated the influence of organizations’ engagement in CSR projects on consumer attitudes and behavior (Swaen & Chumpitaz, 2008). As the public becomes more enlightened, sensitive and savvy, the reputation of a company for adopting CSR programs will become increasingly important. Consumers through their purchases and consumption patterns pass adequate judgment on organizations by evaluating their CSR performance. Similarly, as the consumers have become more aware and sophisticated with their decisions and consumption, companies are no longer paying lip service to corporate social responsibility issues.

The telecommunication industry is one of the fastest growing sectors in Nigerian economy that has brought in a lot of benefits such as creating employment, ease of business transaction, facilitating communication, competition, e-banking services, and national economic growth and development (Adi, 2015; Chidozie, Lawal, & Ajayi, 2015). As one of the most active sectors in Nigerian economy, it plays a key role in delivering CSR and this cannot be overemphasized (Chidozie et al., 2015; Ologeh, Olorunfemi, & Oluwatosin, 2014). In view of this role, Altschuller and Smith (2011), Tapang and Bassey (2017) posit that stakeholders have great expectation from companies to manage and deliver on the social and environmental responsibilities.

Moreover, management reneges on their responsibility as they were more profit oriented, dent environments and abuse consumers and other stakeholders with some unethical business undertakings (Tapang & Bassey, 2017). Over the years, managers have neglected the problems created by corporate firms to their host communities. These problems pose lots of threats and sometimes make life difficult for these communities (Ndu & Agbonifoh, 2014). However, the rapport between organizations and their
host community has become increasingly important. The privilege given to the organization to operate in our neighborhood originates from the fact that the society believes that there is a mutual relationship existing between the organization and the neighborhood where it operates. The Niger Delta region in Nigeria is a typical prototype where many communities were left in abject squalor since the beginning of oil exploration in the upstream sector (Ndu & Agbonofoh, 2014). This translates to negative publicity and poor reputation management on the part of oil companies as people perceive this as exploitation and greed for profitability and wealth maximization (Tapang & Bassey, 2017) in a beleaguered Nigerian economy.

However, most companies are beginning to realize the importance of CSR and its impact on the society (Eze & Okoye, 2013). Consumer awareness about CSR practices has been identified as a limiting factor in consumers’ ability to patronize a particular brand or corporation appropriately. And customers will continue to yell out on companies that fail to fulfill its commitment to fulfilling its corporate social responsibility objectives (Eze & Okoye, 2013). The assertion that companies fail in their responsibility has become banal, cliché or a trite. Subscribers of telecom services had witnessed a whole lot of network problems that made them to seamlessly switch to other competitors. This has attracted bad image (Osakwe, 2010) to them and to make the matter worse, they do not embark on corporate social responsibility that will indeed impact on people’s lives.

In the foregoing, this study seeks to determine the influence of MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy on consumer patronage of MTN telecom services provider and also to assess the influence of MTN Foundation Restructured Schools Connect Project as a corporate social responsibility strategy on the corporate image of MTN telecom services provider.

1. REVIEW OF RELATED LITERATURE

1.1. Corporate social responsibility

Businesses owe society and its numerous stakeholders a lot (Kakabadse, 2005). The concept of CSR is as old as the industrial revolution. It is a growing nomenclature in many business organizations (Eze & Okoye, 2012). It is an ethical concept which companies in both developed and developing countries had adopted at various stages of their economic development; and this had been one of the reasons why there are innumerable definitions of the concept (Argandona & Hoivik, 2009). It is sine qua non in the existence of many companies. And perhaps most firms that went under before its product reaches its growth stage did so because they relegated the provision of the social amenities needed by the host community. Throughout the course of business development and the evolution of the modern corporation, a recent push of scholarly attention has been devoted to the understanding of judicious business behavior and the idea that businesses exist to provide satisfaction to all stakeholders. It possesses environmental and social objectives and assignments and must inject environmental and social values to the society. The concept of social responsibility has been conceived beyond profit maximization as organizations perceive it as generating corporate image (Asemah, Okpanachi, & Olumuji, 2013).

There is no consensual definition of the concept (Carroll, 1991). It is been an aberration as there lacks a universally accepted definition of CSR (Duke & Kankpang, 2013). Asemah et al. (2013) defined it as an ethical commitment towards engendering economic growth and development by improving the welfare of workers and their families, local community and the entire society. It is doing well by circumventing crisis. It is an ethically responsible behavior meted out on the host communities where organizations are domiciled (Dang et al., 2014). Companies go out of the box to executing these responsible projects, because they are very much aware that their activities are unhealthy to their immediate host communities, as well as the society in its entirety (Adeyanju, 2012).

CSR operates on the principle of “scratch my back, and I scratch your back”, where companies design
policies and integrate it into their corporate culture to represent the interest of their various stakeholders. Adeyanju (2012) underpinned the above view by saying that a symbiotic rapport should be created and sustained between an organization and the host community. CSR initiates a competitive advantage for organizations and reduces the cost of operation through a resounding differentiation strategy (Ali, Rehman, Yilmaz, Nazir, & Ali, 2010). Organizations in addition to the legal responsibility to operate, coupled with financial expectations, have moral and philanthropic obligations to give back to society (Carroll & Buchholtz, 2003). Organizations are not an island in themselves but rather exist side by side with neighboring communities. A typical example had been given in many studies in Nigeria where the oil companies in Niger Delta had, and continued to degrade the environment (Ejumudo, Awweromre, & Sagay, 2012). Adeyanju (2012) in consonance with this view stated that most firms in Nigeria pollute the environment.

Benabou and Tirole (2010) remarked that being a corporate citizen is a viable venture. According to them, it is all about forecasting future profitability by doing what is worth doing. They said that wise companies strengthen their position in the market by embarking on socially responsible actions.

Furthermore, a few decades ago ushered in a paradigm shift into social responsibilities in relation to the host communities, corporate ethics, human right (Dang et al., 2014) environment, employees and other stakeholders of the organization. In other words, CSR now incorporates carrying both the internal and external public(s) along en route to profit maximization. They christened it corporate triple bottom line, which recognizes the economic, social and planetary consciousness of firms. Maguire (n.d.) supported the above statement when he noted that being socially responsible entails a deliberate and voluntary effort, inertia, and action by organizations to pursue the social, economic and environmental goal of their varied constituencies. Strandberg (2009) and Korontzis (2013) referred to CSR as a strategy of initiating social and environmental objectives into company corporate performance.

Dang et al. (2014) conducted a study on “Corporate Social Responsibility and Community Relations in Nigeria: a Case Study of Grand Cereals Limited” and applying stakeholder theory, they discovered that Zawan community is a testimony to the effectiveness of CSR projects conducted by Grand Cereals Limited and this ensured good relations between the two. They, therefore, opined that businesses need to establish and maintain goodwill with its host communities despite producing goods and services for the profit motive. The pressure for corporate citizenship of firms is exerted by many different stakeholders such as consumer, investors, employees, governments of all levels (local, state, regional and international), local communities, managers and organizations’ partners (Maguire, n.d.). Motilewa and Worlu (2015) assertively submitted that while many professionals both in the academia and industries argue that CSR is unprofitable, a few others believe that CSR is not a waste but rather a conduit through which organizations establish and sustain a win-win situation in the environment of their business operations.

Businesses gain significantly as they pursue social responsibility projects tenaciously and diligently (Adeyanju, 2012). Bala (2012) discovered that CSR influences Islamic socio-economic rules and regulations. Also, Eze and Okoye (2012) revealed in their study that CSR secures immunity for a firm’s robust business success. It leads to infrastructural development of both immediate community and the society at large. Sequel to the above finding, Amaeshi, Adi, Ogbechie, and Amao (n.d.) revealed that CSR breeds exponential growth and development. Choongo (2017) also revealed in his work that there is a significant relationship between CSR and financial deeds. Madugba and Okafor (2016) in their study revealed that CSR has a correlation with return on capital employed. It was revealed that CSR behaviors engendered “enhanced brand and reputation, reduction in operation costs, attracting new customers, balances power with responsibility, discourages government regulation, improves a company’s public image, promotes long-run profit, improved relations with the investment community and better access to capital, enhanced employee relations, productivity and innovation and stronger relations within communities through stakeholder engagement” (Asemah, Okpanachi, & Edegoh, 2013).
Unfortunately, Ananaba and Chukwuka (2016) had a counter view on CSR. They metaphorically argued that companies operating in Nigeria and other developing societies are yet to voluntarily adopt or key into CSR assignments. Sequel to that, in their study they discovered that selfishness and corruption are a few of the factors militating against the practice of CSR by firms in the country. They added that companies are more profit-oriented than being customer and community relations oriented. In line with this, Iorpev (2013) also discovered that there is dearth of CSR practice in the Nigerian banking industry. This study, therefore, hypothesizes that:

\[ H1: \text{MTN Science and Technology Scholarship Scheme as a corporate social responsibility strategy has a significant influence on consumer patronage of MTN telecom services provider}. \]

\[ H2: \text{MTN Foundation Restructured Schools Connect Project as corporate social responsibility projects has a significant influence on the corporate image of MTN telecom services provider}. \]

1.2. Corporate social responsibility strategies adopted by MTN in Nigeria

MTN has been able to execute a whole lot of CSR projects in Nigeria. These projects are specific in relation to the peculiar needs and aspirations of the various states in the six geo-political zones in the country. They according to Adeyanju (2012) include “MTN universities connect project, MTNF Learning Support Materials Initiatives, MTNF Project C.L.E.A.N, MTN Foundation Schools Connect, Economic Empowerment Portfolio: A People Against Poverty, MTNF Partners Against Aids In The Community (MtnPpaac), MTN Foundation/UNICEF Child Friendly School Initiative (CFSI), The MTN Foundation-muson music scholars program, Beautification of kings college Lagos football pitch, MTNF Lady Mechanics Initiative (LMI), MTNF – Junior Achievement Nigeria “Company Program”, The MTN Rural Telephone Project (RTP), MTNF Health Portfolio, The MTN Children’s Development Centre (Cdc), MTNF Low Cost Housing Project, MTNF Milk F.L.O.W (Fulanis Living Optimally Willingly), MTNF Project CLEAN Waste Recycling Plant (Fertilizer component) and MTNF Sickle Cell Project”.

1.3. Stakeholder theory

Involvement of various stakeholders in every business pursuit, expand information and communication flow in an organization (Savita, 2006; Zanjirchi & Moradi, 2012). Telecommunications industry need to go beyond borders to ensuring that their responsibility is not just restricted to the immediate and selfish financial gains of their shareholder, but also to the betterment of their sundry stakeholders – customers, host communities and the general public. That is what the stakeholder theory advocates and that is what it is all about. Organizations are not only driven by profit motive alone. Peradventure the organization is not in the good book of the local community where they operate (Nwosu & Ufoh, 2005), hostility would arise leading to inveterate malice, and negative publicity for the company. And as a result of this, the company is bound to go under. Indeed a business does not operate in a vacuum. No man is an island of himself and therefore, the success of every organization depends on the cooperation between it and the environment (internal and external) where it is domiciled.

The word stakeholder emerged in 1963 when it appeared in a memorandum at the Stanford Research Institute (Gomes, 2006; Parmar, Freeman, Harrison, Wicks, de Colle, & Purnell, 2010). According to them, the emergence of the word was to counter the aging perception that management of organizations is only responsible to the shareholders/stockholders. It was because management had paid little attention to the ethical approach that management scholars and professionals started scouting for theories that will lend support for various stakeholders that are affected by unethical business practices.

Freemem (1984) propounded the stakeholder theory, which had dominated most theories bordering on CSR. Nwanji and Howell (n.d.) highlighted that the stakeholder theory got more popularity in the 1980s. They opined that organizations must look far beyond the threshold of shareholder the-
ory that emphasizes the maximization of profit and anchor their strategies on other stakeholders who unequivocally contribute to the attainment of organizational goal. They insist that other stakeholders have an overarching impact on the firm’s economic and sundry achievements.

Freeman (1984) defined stakeholder as the public that exchange social influences with a firm aimed at achieving a win-win situation. They are individuals and constituencies who voluntarily or involuntarily affect the organization and its activities, and therefore, partake in the assets and liabilities that accrue from such relationships (Ali & Abdelfettah, 2016). These groups enjoy the benefits of influencing the organization and as well receive the risk that springs up afterwards. Siswanto, Anggraini, and Widodo (2017) endorsed this statement when they remarked that stakeholders are individuals and groups that partake in the gains and losses of organizations as a result of success or failure of such entity. Fran and Colin (2011) described stakeholders as those groups of people whose support is inevitably required by the organization to ensure sustainable operation. According to them, they include those individuals or groups who affect or influence the organization, or who are affected or influenced by the activities of the organization. Niger Delta communities in South-South Nigeria are the quintessence of what is meant by stakeholder (Enuoh & Eneh, 2015; Akinsulore, 2016).

As the stakeholders tend to demand their rights from businesses; businesses, in turn, put the personality, perceptions, and activities of their stakeholders into strict scrutiny to enable them make critical decisions that would impact on them (stakeholders) positively. It, of course, becomes sacrosanct that there is a symbiotic relationship between the organization and its stakeholders (Gomes, 2006). Gomes christened this relationship in his own word as “a bilateral relationship”. What this means, in a nutshell, is that there is a high rate of interdependence between the organization and its publics (stakeholders).

Furthermore, Brown and Foster (2012) stated that from the instrumentalist perspective, the efficient management of stakeholder relationships will definitely bolster a company’s bottom line. They argued that stakeholder relationship possesses moral and financial obligation. Jensen (2002) stated that businesses need to take all their constituencies seriously. They must carry them along in all the decisions they take. This constituency recognition aids the organization in realizing their objectives without chaos and implosion.

1.4. Consumer behavior

Consumer behavior is a progression (Solomon, 2011). He defined it as the study of the processes and decisions involved in the satisfaction of the needs and wants of individuals and groups as they purchase and dispose of products. Kotler and Keller (2006) corroborate this and defined consumer behavior as the study of the behavior of consumers and industrial customers when they satisfy their various needs and wants through the process of selection, buying, consumption or use and dispose of products. It is germane to know that both groups and organizations mentioned in this definition shouldn’t be confused with organizational buying behavior in industrial marketing; rather, these groups and organizations purchase products to consume or use on their own; without any profit motive or intentions in mind; instead of buying for the furtherance of other marketing and merchandising activities.

Consumers have become more knowledgeable, sophisticated and more demanding (Mredu, 2016). Marketers must understand what consumers’ desire at all times. They must understand what influences consumers’ attitudes and their ultimate decision(s) as they purchase products. The understanding of the factors that influence consumer buying decision is very relevant in packaging and initiating marketing programs aimed at satisfying the consumer. To figure out the process consumers undergo en route purchase decision regarding goods and services, marketers need to devote concerted efforts towards research (Ogibuji, 2013) to, first of all, identify consumer requirements and then discover ways of providing a packaged solution to the identified needs. This lends credence to customer attraction, loyalty and retention (Neha, 2012).

Consumer behavior deals with all the activities and responsibility of consumers in searching, buying, having (Solomon, 2011) and consuming prod-
ucts (Johns & Pine, 2002). Kotler and Armstrong (2012), Kotler, Bowen, and Makens (2010) defined consumer behavior as the behavior of different groups who buy goods and services for personal consumption. Additionally, Figure 1 is a model of consumer behavior, which is simply a stimulus-response model. The model starts with the marketing stimuli such as the 4Ps (Product, Price, Promotion and Place, which could also be regarded as physical distribution); plus three extended Ps (Zeithaml, Bitner, & Gremler, 2006; Adrian, 2011) such as physical evidence, people and processes (because MTN is a services firm), and other stimuli, which are otherwise known as marketing environment stimuli (Kanagal, 2016; Jisana, 2014), such as economic, political, social, technological, natural and cultural, that influence the decision of the consumer. This model is otherwise referred to as the “Black Box” model (Kotler & Armstrong, 2012).

These marketing Ps and the marketing environments generate the stimuli that are focused on the consumer’s black box (psyche) and therefore influence him to behave in a certain coordinated manner. An avalanche of bombardments is emitted or diffused into the consumer’s black box thereby acting as a projection towards the consumer and influences his buying characteristics (Solomon, 2011; Kotler & Armstrong, 2012). These marketing aggressions trigger the consumer into recognizable stages of decisions depending on whether he is embarking on any of the three major buying situations (straight rebuy, modified rebuy, and new task) (Solomon, 2011). The buying decisions-making process includes: need recognition, information search, evaluation of alternatives, purchase and post-purchase behaviors. These stages may not be followed tenaciously or systematically. It all depends on the consumer, the physical product or service, timing, time, season, and buyer overall disposition.

Furthermore, the buying situation changes to that of “straight rebuy” – the moment the consumer is satisfied with a product; in this case, MTN telecommunications services in which he doesn’t require further information about the next time he needs their services. Also, if the satisfaction level falls retrogressively, the customer also consciously and unconsciously embarks on “modified rebuy situation” (Kotler & Armstrong, 2012) and forges ahead to engaging in further and better inquiries about MTN, as well as other competing telecom providers in Enugu such as Glo Nigeria, Airtel, Etisalat, etc. However, if on the contrary, he suffers totally from zero-satisfaction, the experience is known as cognitive dissonance where the customer abandons the services of MTN.

Nevertheless, marketers are very much interested in persuasively luring the consumer/customer “back, and back and back again”, for repeat purchase attitude in order to establish the consumer as a brand loyalist (Akabogu, 2013). Haghighi, Dorosti, Rahnama, and Hoseinpour (2012) asserted that brand loyalty is very relevant in the successful operation of both consumer and industrial products (Achison, 2000). Customer loyalty is a viable aspect of consumer behavior (Mattila, 2004).

Source: Jisana (2014)

Figure 1. The “Black Box” model of consumer behavior
2. MATERIALS AND METHODS

The survey method was deployed by administering a structured questionnaire to gather primary data from subscribers of MTN in Enugu Metropolis. The scope of the study is on the impact of CSR strategies adopted by MTN and its impact on consumer patronage of the telecom services provider in Enugu State. The population of the study includes subscribers of MTN in Enugu State, which totaled 1,295.918. Taro Yamane’s formula was used to determine 400 as the sample size. But 382 were returned and properly answered. Linear regression data analyzing technique was applied in testing the hypotheses with the aid of Statistical Package for Social Sciences.

3. RESULTS AND DISCUSSION

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions, while the corresponding hypotheses were tested with linear regression at 0.05 alpha levels.

In Table 1, based on aggregate responses, 615 indicated agreement, 55 indicated disagreement, while 94 indicated neutrality. This implies that the MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy has a significant influence on consumer patronage of MTN telecom services provider.

3.1. Hypothesis one

*H1:* MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy has a significant influence on consumer patronage of MTN telecom services provider.

\[
R = 0.945 \\
R^2 = 0.893 \\
F = 3173.334 \\
T = 56.377 \\
DW = 0.189
\]

3.1.1. Interpretation

Table 2 shows that the regression sum of squares (305.151) is greater than the residual sum of squares (36.535), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the \( F \) statistics (0.000) is less than 0.05, which means that the variation explained by the model is due to chance. \( R \), the correlation co-

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<th>Model</th>
<th>( R )</th>
<th>( R^2 )</th>
<th>Adjusted ( R^2 )</th>
<th>Std. error of the estimate</th>
<th>( F )</th>
<th>Sum of squares</th>
<th>( t )</th>
<th>Durbin-Watson</th>
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<td>1</td>
<td>.945(^a)</td>
<td>.893</td>
<td>.893</td>
<td>.31007</td>
<td>3173.334</td>
<td>305.151</td>
<td>36.535</td>
<td>.189</td>
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</table>

Note: \(^a\) Predictors: (constant), patronage, \(^b\) dependent variable: scholarship scheme.
efficient, which has a value of 0.945, indicates that MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy has a significant influence on consumer patronage of MTN telecom services provider. $R^2$, the coefficient of determination, shows that 89.3% of the variation in the image is explained by the model. With the linear regression model, the error of estimate is low, with a value of about 0.31007. The Durbin-Watson statistics of 0.189, which is less than 2, indicates there is no autocorrelation.

MTNF Science and Technology Scholarship Scheme coefficient of 0.945 indicates there is a significant influence of MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy on consumer patronage of MTN telecom services provider, which is significant statistically (with $t = 56.377$). Therefore, we accept the hypothesis.

In Table 3, based on aggregate response, 601 indicated agreement, 70 indicated disagreement, while 93 indicated neutrality. This implies that MTNF Foundation Restructured Schools Connect Project as corporate social responsibility projects has a significant influence on the corporate image of MTN telecom services provider.

### 3.2. Hypothesis two

**H2:** MTN Foundation Restructured Schools Connect Project as a corporate social responsibility project has a significant influence on the corporate image of MTN telecom services provider.

$$R = 0.978$$

$$R^2 = 0.957$$

$$F = 8521.649$$

$$T = 92.313$$

$$DW = .414$$

#### 3.2.1. Interpretation

Table 4 indicates that the regression sum of squares (456.873) is greater than the residual sum of squares (20.373), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the $F$ statistics (0.000) is less than 0.05, which means that the variation explained by the model is due to chance. $R$, the correlation coefficient, which has a value of 0.978, indicates that MTN Foundation Restructured Schools Connect Project as a corporate social responsibility project has a significant influence on the corporate image of MTN telecom services provider. $R^2$, the coefficient of determination, shows that 95.7% of the varia-

### Table 3. Coded responses on the influence of MTN foundation restructured schools connect project as a corporate social responsibility strategy on the corporate image of MTN telecom services provider

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<td>Image of Nigerian young women can be transformed through television</td>
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### Table 4. Model summary

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<td>1</td>
<td>.978$^a$</td>
<td>.957</td>
<td>.957</td>
<td>.23155</td>
<td>8521.649</td>
<td>456.873</td>
<td>92.313</td>
<td>.414</td>
</tr>
</tbody>
</table>

Note: a. Predictors: (constant), image, b. dependent variable: MTN project.
tion in the image is explained by the model. With the linear regression model, the error of estimate is low, with a value of about 0.23155. The Durbin-Watson statistics of 0.414, which is less than 2, indicates there is no autocorrelation.

MTNF Science and Technology Scholarship Scheme coefficient of 0.978 indicates that there is a significant influence of MTNF Science and Technology Scholarship Scheme as a corporate social responsibility strategy on corporate image of MTN telecom services provider, which is significant statistically (with \( t = 92.313 \)). Therefore, we accept the hypothesis.

4. SUMMARY OF FINDINGS

The following are the findings from the study. It was revealed that MTNF Science and Technology Scholarship Scheme as a CSR strategy has a significant influence on consumer patronage of MTN telecom services provider (\( r = 0.945; \ t = 56.377; \ F = 3173.334; \ p < 0.05 \)). Similarly, it was revealed that there is a significant influence of MTNF Science and Technology Scholarship Scheme as a CSR strategy on corporate image of MTN telecom services provider (\( r = 0.978; \ t = 92.313; \ F = 8521.649; \ p < 0.05 \)).

In line with this finding, Anim and Agbemabiese (2015) revealed in their study on “The Influence of CSR Awareness on Consumer Purchase Decision of a Telecommunication Network in Ghana” that CSR significantly influences consumer purchase and repurchase behavior. Moisescu (2015) also revealed that companies that adopt CSR will have good and long-term relationship with their customers. For him, the customers will be more loyal. Also, underscoring this, Adeyanju (2012) submitted that companies that embark on CSR projects will garner a better corporate image, reputation and that customers will patronize them more than those who are not good corporate citizens. Arikan and Guner (2013) observed in their study that embarking on CSR improves a company’s corporate image and improve the loyalty of customers and other stakeholders. In support of this image element in their study, Adeniji, Osibanjo and Abiodun (2015) remarked that CSR program will generate a good corporate image for companies that desire and honor it.

CONCLUSION

Organizations are bound by both legal and moral obligations to give back to the society where they operate. Not only would they be accountable to the stakeholders who invest their funds or capital in the business, but also good to reckon with are the activities of other stakeholders (especially the host communities). This paper sought to discover the relevance of the adoption of CSR on customer patronage. Similarly, it delved into the gaining of MTN corporate image and even reputation if CSR projects are judiciously executed. It is an obvious fact that communities wield a sense of recognition and belonging when companies situated in their land pay homage and tribute to them through CSR programs and projects. This ultimately eschews hostilities and violence related to grievances perpetrated by the members of the community when companies fail to deliver their responsibilities. Reference to this act of violence and dispute is the oil reach region of Niger Delta in Nigeria where the oil workers are indiscriminately kidnapped, and huge ransoms are demanded by the kidnappers (Ndu & Abgonifoh, 2014; Ejumudo, Awveromre, & Sagay, 2012).

In this study, it has been revealed that CSR has a significant relationship with consumer patronage. MTN will undoubtedly be benefiting from both current and potential customers who are joyful of the CSR project conducted by MTN. These customers will patronize and repose their loyalty on MTN even in time of trouble and will referral MTN to other customers who may wish to subscribe to a telecom network in Nigeria (Anim & Agbemabiese, 2015). In the same vein, the study discovered that CSR will garner good corporate image for MTN. Indisputably, when companies become socially responsible, all its various stakeholders would perceive them in a positive light. Whenever the company (MTN) is mentioned, customers would normally show a ‘hi five’ sign. Consequent upon that, the company would be-
come a household name and its image, market share and overall profit will tremendously increase as a result of improved patronage (Adeyanju, 2012).

Socially responsible behavior must be a company’s credo. They should improve on more and more CSR projects to gain adequate access not only to customer patronage and good corporate image and reputation, but also to other sundry benefits (Asemah, Okpanachi, & Edegh, 2013). Also, companies need to conduct marketing research to discover the areas of CSR desirous by the communities before delivering it. Companies should not just deliver CSR projects they feel they have the wherewithal to execute, but rather do that based on the primary and fundamental needs and wants of the communities concerned.

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