

Corporate Social Responsibility: The Perception of Muslim Consumers

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Understanding stakeholders' perception towards corporate social responsibility (CSR) is useful when entering the market particularly when serving the needs of particular stakeholders. This study examines the perception of Muslim consumers towards CSR. This study extends Carroll's pyramid of four CSR dimensions; economic, legal, ethical, and philanthropic, by incorporating Islamic value as another dimension. Using structured questionnaires, a survey was conducted via emails to 700 consumers which is proxied by universities staff as the sample and received a response rate of 21%. The findings of this research suggest that these stakeholders perceived legal responsibility to be the most important CSR dimension. This implies that they are law abiding people as they are most concerned with whether companies are complying with the laws, rules and regulations. Though the survey was particularly targeted at the Muslim stakeholders, Islamic value was not perceived as the most important dimension of CSR. This study contributes to the literature and is perhaps one of the first to address Muslim consumers' perception towards corporate social responsibility, particularly in Malaysia, which is a multi-racial Islamic country.

Keywords: Corporate social responsibility, Carroll's pyramid of CSR dimensions, Muslim consumers, Consumers perception, Malaysia

Introduction

Studies on corporate social responsibility (CSR) have been increasing and this reflects its importance in business literature. At the same time, stakeholders have begun to view CSR among companies as important as they should be held accountable for any of their actions that affect societies as well as the environment in which those people live. In understanding CSR, the issue of CSR definition has been much debated since eighty years ago by early scholars and researchers until this millennium. Still many have tried to define CSR or at least reviewed the various definitions of CSR.

Bowen (1953, p.6) who is known as the "Father of Corporate Social Responsibility" talks about social responsibility of businessmen that they have the obligations to "pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society". In other words, in achieving their objectives businessmen including companies must consider the consequences of their actions to the society. Davis (1973) refers CSR to companies' consideration and response to the issues that goes beyond the legal requirements, technical and economic of the firm and indicates that social responsibility goes one step further, and begins where the law ends.

A well known definition of CSR is presented in a pyramid of four CSR dimensions by Carroll (1979, 1991). He states that the definition of CSR is very wide and proposes that "social

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responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point of time” (Carroll, 1979, p.500). According to carol (1991), for CSR to be accepted, it has to address the entire spectrum of obligations business has to society, including the most fundamental- economic. The pyramid is constructed in a way that one dimension of responsibility cannot be achieved if another responsibility located beneath is absent. Figure 1 illustrates the four dimensions in a pyramid of CSR. The basic economic dimension is placed at the base, followed by legal dimension, while the advanced dimensions of ethical and philanthropic are ranked at the top. Such ranking indicated that the basic dimensions support the advance dimensions (Ramasamy & Yeung, 2009).

Economic dimension is fundamental responsibility among companies since it refers to the production of goods and services and selling them at profit. For examples; creating jobs and fair salary payment for workers; providing a return on investment to owners and shareholders; promoting technological advancement, innovation, and the creation of new products and services (Jamali, 2008). This indicates that business from this perspective is the basic economic unit in society (Carroll, 1979).

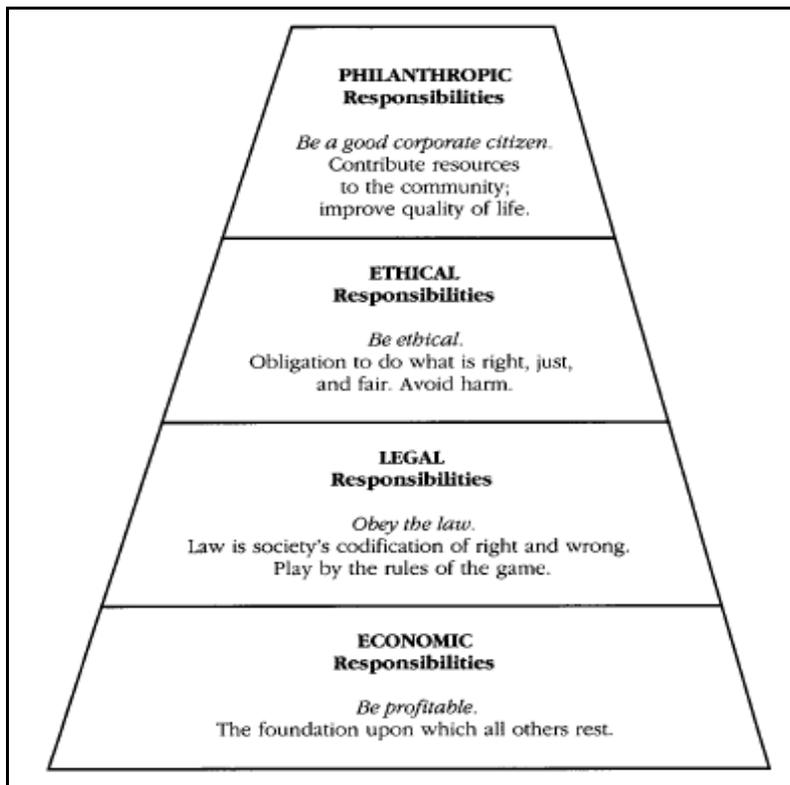


Figure 1: The pyramid of Corporate Social Responsibility
Source: Carroll (1991, p. 42)

Legal dimension of CSR refers to fulfilling the economic responsibility within the boundaries set by the legal system like environmental standards, health and safety standards, labor act and taxation act (Abdul Rashid & Ibrahim, 2002). In other words, companies must be law-abiding in their daily operation to the laws and regulations set out by the federal, state and local government. From this perspective, society expects companies to fulfill their economic

mission within the framework of legal requirements that has been set out by the societal legal system (Carroll, 1991).

Ethical dimension embraces those activities and practices that are expected or prohibited by the society although they are not codified into law. Companies are responsible to be good which extend beyond obedience to the law or beyond the level of acceptable behavior (Carroll, 1999). For example, companies should not sell products that could give negative effect on consumers' health. Ethical dimension are the most difficult categories for companies to handle since different societies may have different sets of ethical rules on what is ethical and what is not (Carroll, 1979, 1991; Dusuki & Tengku Mohd Yusof, 2008). Companies should not only carry their own weight by being economically successful and function in compliance with the law; they must also strive to operate in an ethical way to be regarded as good corporate citizens.

Philanthropic responsibility encompasses voluntary corporate actions that serve as a response to society's expectation that companies could be good corporate citizens contributing to the society and of consequence improve their general quality of life (Carroll, 1979, 1991, 1999). For example; companies' donations to natural disaster victims, sponsoring social programs, scholarship for poor students to further their studies or set up community's facility such as bus stands.

CSR is commonly agreed to be a business concept that should be integrated into company's strategy and its daily operations where the focus should be on those who directly or indirectly affect or are affected by the business activities (Jamali, 2008). The involvement of companies in CSR has increased over time since CSR is found to benefit them in terms of improved performance; enhanced brand image and companies' reputation; increased companies' ability to attract and retain employees and distinguish companies from their competitors (Deegan, 2002). From companies' perspective, the engagement in CSR would affect the companies' long term success and sustainability.

Companies' failure to convince society of their social and environmental responsibility may cause them to lose their 'license to operate' based on the legitimacy theory of CSR. License to operate is an unwritten permit provided by the society to companies. The society unwillingness to grant written permit would trigger censure, boycotts, hijacking and eventual closure of the companies. Companies are increasingly involved in CSR activities to demonstrate to the society that they are fulfilling their social obligations in order to maintain their 'license to operate'. In order to show their support, society grants this license to companies that are involved in CSR activities by purchasing the companies' product and services.

Most of CSR literature concentrates on discussion of companies' engagement in CSR from the perception of companies and conclude that engagement in CSR was due to companies' recognition that apart from economic responsibility, they also have the responsibility towards the others including the society as a whole (Abdul Rashid & Ibrahim, 2002; Edmondson & Carroll, 1999; Ford & McLaughlin, 1984; Holmes, 1976; Ibrahim & Angelidis, 1993; Ibrahim & Angelidis, 1995; Ibrahim & Parsa, 2005). From the stakeholders' perspective, companies' engagement in CSR is important because it could help the society at large in improving their quality of life. For example, companies contribute to improved employee benefits; provide scholarship to excellent students of low income family to further their studies, or producing eco-friendly products. Studies that focus on the role of CSR from stakeholders' perception (see for example, Auger, Devinney, & Louviere, 2003; Dusuki & Tengku Mohd Yusof, 2008; Maignan, 2001; Ramasamy & Yeung, 2009) have found that active involvement of companies in CSR resulted in positive support by stakeholders particularly consumers, to purchase their products (Maignan, 2001; Ramasamy & Yeung, 2009).

CSR in Malaysia

In recent years, the development of CSR in Malaysia has evolved to higher levels and Malaysia has been recognized as one of the most active emerging economies in relation to corporate responsibility (Zulkifli & Amran, 2006). In 1974 for example, the government introduced the Environmental Quality Act to legislate issue on environmental safety and pollution where construction companies have to adhere to the Environmental Impact Assessment (EIA) before developing new housing areas or any projects that could provide a hazard to the environment. Several non-governmental organizations (NGO) and the media have also raised issues on health hazards products, product safety, environmental pollution and discrimination against the handicapped people (Abdul Rashid & Ibrahim, 2002). Malaysian society is placing increasing demands on companies to practice CSR as noted by Brown and Dacin (1997) and Thompson and Zakaria (2004).

Studies have shown that the positive progression in CSR development among Malaysian companies indicates their concern to fulfill the needs and demands of their stakeholders (Mohd Ghazali, 2007; Nik Ahmad, Sulaiman, & Siswantoro, 2003; Thompson & Zakaria, 2004). Such concern indicates that the companies not only want to focus on maximizing profits but also considering other factors to ensure their sustainability and good reputation. However, recently, the issue on the abuse of Halal logo by companies for their own interest shows that they are not seriously concerned with Muslims needs and demands for Halal products (Abdul Hamid & Ibrahim, 2010). Besides the Halal logo issue, other issues related to Halal subject include the inconsistency of definition of Halal on the aspect of slaughtering of animal, the use of Arabic-sounded or Islamic-signaled brand names and the rampant display of Quranic verses (or the use of Arabic characters) by food operators to indirectly signal that the premise is operated by Muslim which indicates that they offer Halal foods (Shafie & Othman, 2008). These issues were worrying the Muslim community as Muslims are prohibited from consuming non Halal products and these people are mostly Halal sensitive individuals.

Based on stakeholder theory, companies have a social responsibility to consider the interest of all parties that could be affected by their actions (Lantos, 2001). According to stakeholder theory, managing a good relationship with stakeholders by concerning their needs and demands influenced the companies' long-term success (Branco & Rodrigues, 2007). This means that in order to ensure their long-term survival, companies must take into consideration their stakeholders needs and demands including Muslim consumers.

Majority of Malaysian population are Muslim. Therefore it is important for companies to know Muslim stakeholders' perception towards CSR including consideration on whether they are much concern on the Islamic value practices by companies. Muslim stakeholders' perception towards CSR is considered important because they are part of primary stakeholders that support the companies' going concern. It is important for companies to know their primary stakeholders' perception towards CSR in orders to assist them in taking appropriate strategies and actions. The right strategies and actions could assist the companies in increasing long term profitability and enhance good reputation. Besides, engaging in CSR without understanding what stakeholders' wants will placed companies at risk. Hence, it is crucial to understand what they expect from companies. In addition, developing companies to be socially responsible through performing social activities could also be seen as part of a strategic plan in managing stakeholder relationships.

As mentioned earlier, many of previous studies explain CSR from the companies' perception. Only a small number of studies look at consumers' perception towards CSR (Auger et

al., 2003; Dusuki & Tengku Mohd Yusof, 2008; Maignan, 2001; Ramasamy & Yeung, 2009) and none of those studies focus on Muslims' perception. Therefore this study aimed to look at Muslim consumers' perception towards CSR. This is in line with more recent efforts towards examining CSR concepts from an Islamic perspective, since most of the previous literature points to CSR emergence in the west. Specifically, the objectives of this study is to identify Muslim consumers' perception towards CSR based on five CSR dimensions namely, economic, legal, ethical, philanthropic and Islamic value.

Studies on perception towards CSR

There have been many studies on perception towards CSR that include general perception towards CSR and perception based on Carroll's pyramid of CSR which are summarized below. Among the earliest study of stakeholders' perception is by Holmes (1976). The study found that the respondents (corporate executives) believed that the opinion and philosophies of their companies have changed significantly during that period and they were highly optimistic on the companies' social role to the society because they believe that companies' involvement in social responsibility would provide positive outcomes to the companies such as increasing corporate reputation and goodwill.

Brown and Dacin (1997) in their study used two activities (which somewhat did not represent all CSR activities) to induce corporate social responsibility associations by identifying companies who were involved and contributed to the society. They found that negative corporate responsibility associations provided negative effect on overall product evaluation whereas positive corporate responsibility associations enhanced product evaluations. This study also showed that corporate reputation affects consumers' product evaluations.

Creyer (1997) survey 280 parents in North Eastern of USA on their purchase intention from ethical companies and found that parents perceived ethical behavior of a company as the most important factor to be considered before making buying decisions. Similarly, Auger, Devinney & Louviere (2003) found that ethical issues faced by a company influenced consumers' purchase decisions indicating that consumers placed high priority on the selection of ethical companies when making a purchase decision. Page and Fearn (2005) in their study on around 22,000 consumers in the United Kingdom and USA and 5,800 consumers in Japan however, found that 70 percent of the consumers in the United Kingdom, 64 percent in the USA and 65 percent in Japan, considered price and quality of products as most important compared to the ethical behavior of the companies.

There are many studies on perceptions towards CSR based on Carroll's pyramid as summarized and shown in Appendix 1. These studies are about stakeholders perceptions towards CSR based on the four CSR dimensions of responsibilities. The respondents assigned points for each dimension and the highest point ranked as one, followed by second highest point ranked as two, and next point tanked as three and four consequently. It is shown that most of the findings of those studies place economic dimension as the most important component of CSR followed by legal, ethical, and philanthropic dimension respectively. It could be concluded that previous studies followed the ranking of CSR dimensions according to Carroll's pyramid.

In more recent years there have also been studies on CSR perceptions and awareness in Malaysia and they are summarized in Table 1 below.

Table 1: Summary of studies on CSR perceptions and awareness in Malaysia

Year	Authors	Respondents	Findings
2002	Abdul Rashid & Ibrahim	Malaysian managers and executives	Majority of Malaysian managers and executives have positive view on the involvement of companies in socially responsible activities but their involvement in CSR activities was low. Most companies involved in CSR activities informed the general public of their socially responsible activities.
2004	Ramasamy & Ting	MBA students from Nottingham University Business School registered in Malaysia and Singapore.	Respondents from Singaporean companies were more CSR conscious compared to the respondents from Malaysian companies. The difference could be due the economic development in these two countries that influenced their awareness towards CSR.
2006	Zulkifli & Amran	Accounting professionals involved in the preparation of annual report for the company	Overall results found that accounting professionals lack of understanding and awareness of the concept of CSR. The study suggests that education would be the best way in enhancing CSR awareness among accounting professionals. In terms of CSR function, some of interviewee stated that CSR is an important communication channel to disseminate information of company's social obligation to the public to promote a company as a responsible business entity.
2008	Dusuki & Tengku Mohd Yusof	Public and private university students located in Selangor used as proxy to represent consumers.	The study found that Malaysian stakeholders perceived economic as the most important dimension, followed by the ethical, legal and philanthropic dimensions. The result was slightly different from the original dimensions proposed by Carroll's due to the difference in culture factor that may have influence the Malaysian stakeholder' perception towards CSR dimensions.

2009	Amran & Abdul Khalid	Selected Malaysian manager of listed companies.	Level of awareness towards CSR from the employees' perspective was still at the lower level even though there was an increasing trend by companies' involvement in CSR activities and CSR disclosure. The increasing trend of reporting CSR could be due to the expectation that the companies will be accepted as the international players.
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It can be summarized that the level of awareness on the importance of CSR among the stakeholders in Malaysia are still low even though managers and executives are supportive of companies' involvement in CSR activities. One study shows that stakeholders in Malaysia perceived economic dimension as the most important dimension based on Carroll's model of CSR dimensions. Overall, study on perception towards CSR in Malaysia is still limited and hence the motivation for this study.

Islamic perspective towards CSR

In Islam, features of social responsibility and justice are deeply rooted in the *Qur'an* and *Hadith* – exemplifying the *Sunnah* of the holy Prophet Mohammed (PBUH)² (Mohammed, 2007). Similarly, companies are considered as having the responsibility to others including society and the environment. The reason being companies as separate entities, are considered as having a relationship with Allah, relationship with other human beings and relationship with the environment. Hence, companies need to comply with the Islamic rules and regulations in order for their activities to be blessed (*barakah*) by Allah (Muwazir, Muhamad & Noordin, 2006).

One of the social dimensions of all Muslims including companies is payment of *zakat*. *Zakat* refers to the contribution of a proportion of the wealth to be distributed to the poor and needy as sanctification for the remainder of the property (Metwally, 1997; Muwazir et al., 2006; Rice, 1999). In Islam, all Muslims who have extra wealth are obliged to pay *zakat* as it is one of the five pillars of Islam. This has been stated in one of the *Qur'an* verses:

“...of their wealth take alms, so that you might purify and sanctify them...”
(Quran, Sura At-Taubah-10:103 (Basmeih, 1999))

The payment of *zakat* can help in balancing the economy of a country since the poor and needy could have a better life (Omar, 1999). By this way, the payment of *zakat* could assist companies to fulfill their responsibility to Allah as well as to the society as a whole. *Sadaqa* is another social dimension in Islam where companies could make contribution to the others in term of giving donations. The donation can be given in terms of money to help the poor, needy person and orphans or building of public facilities likes mosque, public hall and recreational park (Yassin, 1999). These donations can also benefit the society as a whole. In short, social responsibility activities; *zakat* and *sadaqah* can help us to get *baraqah* (blessing) from Allah and at the same time the *'amal salih* (good deeds) is the key to the attainment of *al-falah* (success in the world and hereafter).

² PBUH – Peace and Blessings be upon him – generally mentioned along with the holy Prophet Mohammed's name.

Islam also promotes environmental protection because all of Allah's creations have value and Allah dislikes those that are not responsible in protecting and preserving the environment and natural resources (Mat, 1999). This is stated in Sura Al Qasas-20:77, (Basmeih, 1999); "...don't you do any mischief on the earth as Allah dislikes those that make the destruction on the earth". This means that any abuse, misuse, destruction and pollution of natural resources as well as the environment are all transgression against the divine scheme. In order to ensure that the natural resources and the environment are protected, everyone including business organizations have to take the necessary actions so that future generations can also live in clean and healthy environment.

Lewis (2001) noted that the implications of companies from Islamic perspective is that both managers and providers of capital are accountable for their actions both inside and outside of their firms. Accountability in this context refers to accountability to the community or society at large to establish socio-economic justice within their own capacity (Lewis, 2001; Susela & Muhammad, 2004). Examples of socio-economic justice from the Islamic point of view are obligatory payment out of income and wealth (*zakat*), philanthropic trust (*waqf*) and charity (*sadaqa*) (Zinkin, 2007).

Mohammed (2007) explained that Islam commands its followers to adhere to the same unified code of behavior in the life of mankind, and that every action of mankind is for Allah (TME)³, it is only Allah (TME) to be feared, and thus morality follows automatically. As in Sura Al An'am-6:162 (Basmeih, 1999);

"Say: Lo! My worship and my sacrifice and my living and my dying are all for Allah, Lord of the Worlds"

Because of this philosophy, one becomes selfless and conscious about social responsibility and justice. Therefore the *Qur'an* and *Hadith* of the holy Prophet (PBUH) demonstrate the significance of the concept of social responsibility and justice having a connection with righteousness in Islam; and that morality that reflects social responsibility and justice in Islam as the foundation of an Islamic society (Mohammed, 2007). One example is evidenced in the holy *Qur'an* "... give full measure when you measure, and weigh with a balance that is true..." (Qur'an, Sura Al Israa-17: 35 (Basmeih, 1999)). This indicates that morality or ethical value is greatly emphasized in Islam. In Islamic ethics, Muslims have to guide their behavior, deeds, words, feelings, thoughts and intentions towards the good value such as truthfulness, kindness and respect of the law. Islam also asks its believers to observe certain norms and moral codes and comply with the Islamic rules and regulations in their family affairs, in their business transactions, in their social affairs and in dealing with others. Obedience to ethical behavior is part of *Iman* (faith) and as such, social responsibility and justice is considered as an offshoot of the Muslim belief system (Mohammed, 2007).

A body of the CSR literature has examined the link between religiosity and CSR which implies that religiosity could influence individuals' preference towards CSR dimensions. For example, Conroy and Emerson (2004) found that religiosity played an important determinant to a given ethical scenario. Angelidis and Ibrahim (2004) found that highly religious groups of people have higher concern on ethical dimension of CSR and a weaker orientation towards economic dimension of CSR. Similarly, Dusuki and Tengku Mohd Yusof (2008) also found highly religious groups of people would place more value to legal, ethical and philanthropic dimension and less weight on economic dimension. Contrary, Agle and Van Buren III (1999) found marginal support on the relationship between religiosity and positive attitude towards CSR where

³ TME – The Most Exalted – generally mentioned with Allah's name.

majority of the respondents did not consider religion as an influencing factor in their attitudes towards CSR.

Studies have suggested that Islamic value also plays an important role in influencing stakeholders' perception towards CSR (Angelidis & Ibrahim, 2004; Arslan, 2001; Zulkifli & Amran, 2006)). There has yet to be a study on religious value using Carroll's pyramid of CSR. Therefore, this study extends Carroll's model of CSR by including Islamic value as part of CSR dimensions.

Research Method

The research is based on a survey of Muslim consumers that were proxied by Muslim university staffs from three big public universities in the capital state of Kelantan. University staffs were selected because it is assumed that they represent educated consumers and would be well informed about a range of issues related to consumers which may likely influence their perception on CSR (Wong, Loh & Yap, 2009). State of Kelantan was selected because it has a majority population of Malays⁴ which represents 95 percent⁵ of total population of Kelantan. The Malays practice the religion of Islam in their way of life. Kelantan is also ruled by the Islamic opposition party; which implies that Kelantanese people would be more concerned with Islamic values in their daily life.

Instrumentation

A questionnaire was designed to elicit information from the participants. The first section of the questionnaire consisted of questions that capture the respondent's demographic profile, such as age, gender, working experience and education level. The second section comprised 26 statements related to respondent's support for socially responsible companies and their perception on the five dimensions of CSR. All questions in the second section was presented in the form of Likert-scale statements, each with five choices of responses from 1 (strongly disagree) to 5 (strongly agree). Consumers support towards socially responsible companies was measured using 10 items on religious belief and the remaining 16 items were categorized into four main dimensions of CSR; economic, legal, ethical, and philanthropic. The questionnaire was adapted from Ramasamy and Yeong (2009) with modification to include religious belief, to suit the objectives of this study.

A total of 700 questionnaires were distributed via email. Three follow-up emails were sent as kind reminder to the universities' staff inviting them to participate and complete the questionnaire before the dateline. In total 164 questionnaires were returned to the researchers, a gross response of 23.42 percent but only 145 were usable reducing the response rate to 20.71 percent only.

Reliability Analysis and Content Validity

A Cronbach Alpha test was also performed to determine the reliability of questionnaire instrument. A general rule is the indicators should have a Cronbach's Alpha of 0.6 or more (Nunnally, 1978). The analysis on the 26 items in the questionnaire shows a Cronbach's Alpha of 0.931 and Cronbach's Alpha Based on Standardized Items of 0.937; which indicates that the internal consistency of constructs for all 26 items in the questionnaire is reliable.

⁴ By Article 160 (2) of the Constitution of Malaysia (2006), Malays are Muslims.

⁵ Source: <http://www.tic.kelantan.gov.my>

Factor analysis was carried out to determine the content validity of all statements in the questionnaire. This test is important to determine whether items are tapping into the same construct (Coakes et al., 2009). It is used to gather information about the inter-relationships among a set of variables (Pallant, 2003). However, no comparison can be made with the previous study since this is a first study that includes the Islamic value as part of CSR dimensions to examine Muslim stakeholders' perception towards CSR.

The principal axis factor analysis with varimax rotation was conducted to access the underlying structure for the questionnaire items. The Kaiser-Meyer-Olkin (KMO) value was 0.785, exceeding the recommended value of 0.06 (Coakes et al., 2009; Pallant, 2003) and the Bartlett's Test of Sphericity reached statistical significance of less than 0.05, indicating that the correlation matrix is significantly different from an identity matrix, in which correlations between variables are all zero. This means that statements used in the questionnaire are valid. The result of KMO and Bartlett's Test is provided in Table 2.

Table 2: Result of KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.785
Bartlett's Test of Sphericity	Approx. Chi-Square	1981.706
	df	325
	Sig.	.000

Result of factor analysis shows factor loading for each item of between 0.911 and 0.321. Factor loadings of 0.30 are considered to meet the minimal level; factor loadings of 0.40 are considered more important; and any factor loadings of 0.50 or greater are considered practically significant (Hair, Anderson, Tatham and Black (1998). As the minimum factor loadings of the item is 0.321, this means that all factor loadings for this study meet the minimum level.

Participants' Profile

From the total of 145 participants of the survey, 66 respondents came from UiTM (46 percent), 58 (40 percent) from UMK, and 21 (14 percent) from USM. Table 3 shows the demographic profile of respondents. The majority of respondents are female (62.76 percent). Most of them fall between the age of 31 to 40 years old (38.62 percent), followed by those above 40 years old (31.73 percent), and those between 20-30 years old (29.66 percent). 88 percent of the respondents have university qualifications of at least a bachelor's degree. This corresponds with the fact that 70.34 percent of them are academics while the rest are non-academics. In terms of working experience, most of the respondents have more than 10 years experience (43.45 percent), 29.66 percent had less than 5 years working experience and 26.9 percent have between 5 to 10 years of experience. The analysis shows that majority of respondents are educated, with years of working experience and hence, matured thinking individuals.

Table 3: Demographic profile of respondents

Category		Frequency	Percent
Gender	Male	54	37.24
	Female	91	62.76
Age	20-30 years	43	29.66
	31-40 years	56	38.62
	41-50 years	34	23.45
	51 and above	12	8.28
Education	Ph.D	23	15.86
	Master's degree	66	45.52
	Bachelor's degree	39	26.90
	Professional degree	5	3.45
	Diploma	5	3.45
	School Certificate	7	4.83
Working Experience	Less than 5 years	43	29.66
	5-10 years	39	26.90
	11-20 years	35	24.14
	21-30 years	23	15.86
	More than 30 years	5	3.45

Results and Analysis

This study surveyed consumers perception towards the five dimensions of CSR. There are four items for every CSR dimensions. Therefore, the possible total composite score for each dimension, namely economic, legal, ethical, philanthropic and Islamic value is between 4 to 20 scores based on Likert scale of 1 as 'strongly disagree' to 5 as 'strongly agree'. This means that the dimension that obtains nearly 20 mean score is considered as the most important dimension perceived by Muslim stakeholders. Table: 4 presents the descriptive statistics which show that legal dimension has the highest means score of 17.30. Muslim stakeholders in Kelantan perceived legal aspects of doing business as the most important corporate responsibility, followed by philanthropic, economic, Islamic value and ethical dimensions.

Table 4: Descriptive Statistics for All CSR Dimension

Dimension	N	Minimum	Maximum	Mean
Economic	145	5	20	16.86
Legal	145	4	20	17.30
Ethical	145	4	20	16.52
Philanthropic	145	5	20	17.09
Islamic value	145	5	20	16.63
Valid N (listwise)	145			

These consumers are concern most on whether the companies conform to social norm that has been stated in rules and regulations and not only on achieving high economic performance. Since companies are having a social contract with the society, thus Muslim consumers in

Kelantan expect companies to pursue their economic missions within the framework of the law. This indicates that consumers would perceive companies to be good when they comply with the rules and regulation. The result of this study differs from Carroll's model of economic responsibility as the most important business responsibility to be productive and profitable. The results, however, is consistent with Maignan (2001) and Maignan and Ferrell (2003) where they found that French and German consumers perceive legal responsibility as the most important corporate social responsibility of companies.

Next important CSR dimension as perceived by the respondents is philanthropic responsibility. This shows that Muslim stakeholders in Kelantan expect companies to actively contribute to the society in order to improve the society's quality of life. This is perhaps Muslim stakeholders in Kelantan view the relationship of human being to other human being as important since Islam commands its followers to help each other especially to the poor and needy (Hashim, 2003; Metwally, 1997; Muwazir et al., 2006). Besides, previous studies in Malaysia (ACCA, 2004; Amran et al., 2007; Amran & Susela, 2007; Thompson & Zakaria, 2004) found the active involvement in philanthropic activities by companies indicates that they recognize the importance of philanthropic responsibility of companies to the society as a whole and this has led consumers' including Muslim stakeholders in Kelantan to be more aware on what is expected from companies.

The respondents perceived economic responsibility as third important CSR dimension. From the Muslim stakeholders' point of view, particularly in the state of Kelantan, economic responsibility is considered less important even though economic performance is important for the companies to maintain a strong competitive position. They believed that companies conforming to social norm as more important than achieving high level of economic performance. The result is not consistent with Carroll's model (1979, 1991), but Smith et al. (2001) found that similarly black and white consumers in the US ranked economic responsibility in the third place as they placed more emphasis on companies' philanthropic responsibility to the society.

Islamic responsibility is placed as the fourth important dimension perceived by the respondents. Though previous studies found that religiosity influenced individuals' perception towards CSR, this study provides a contrasting finding. Such result could be attributed to physiological factor where majority of stakeholders in Kelantan are Muslims and the ruling government in this state is an Islamic political party. Hence Muslim stakeholders in Kelantan believe that Muslims are deemed to practice Islamic religious values in their life as well as the non-Muslims businessmen fulfilling for the needs of majority Muslim consumers. As a result, there is less concern on this dimension of Islamic value of companies.

Kelantanese Muslim consumers perceived ethical dimension to be the least important responsibility to be considered by companies. Implication of this finding is that consumers believe that as long as companies comply with the rules and regulations, they are considered to be ethical and hence consumers are least concerned on this matter. This result is in contrast to Carroll's model (1979, 1991) that places philanthropic responsibility at the top of the pyramid. Previous studies (Edmondson & Carroll, 1999; Ibrahim & Angelidis, 1995; Ibrahim et al., 2003; Pinkston & Carroll, 1996; Smith et al., 2001) found that although ethics was not considered to be the most important goals of companies, stakeholders view that being ethical is important for companies to maintain their good reputation.

Overall, result of the survey found that Muslim stakeholders' perceived CSR dimensions differently, indicating that none of these dimensions have the same level of importance as

proposed in Carroll's model of CSR and Islamic value is also perceived as not so important as compared to legal responsibility of CSR.

Conclusion

The focus of this study is Muslim consumers' perception towards corporate social responsibility in Malaysia. Understanding of such perception could assist companies in determining whether Muslim stakeholders recognize the importance of CSR so that companies could make strategic plan and take appropriate actions to ensure their long term sustainability by meeting customers' expectations and demands.

Malaysia is a multi-racial country with Malays (being Muslims) as the majority (60% of the population). A survey was conducted in Kelantan where 95 percent of its 1,634,200⁶ population comprise of the Malay society (the Kelantan Tourism Information Center ,2009). Therefore, this study could assist companies in obtaining information in identifying whether religious belief could influence Muslim consumers support towards socially responsible companies. If consumers' perception towards religious value is high, companies need to ensure that this value is taken into consideration in their business operation. This study, however, found that religious dimension was not highly perceived as most important. Muslim consumers in Kelantan perceived legal responsibility as the most important CSR dimensions. The consumers were more concerned about companies conforming to rules and regulation as good citizen and not about whether companies achieve high levels of economic performance or upholding religious or ethical values.

The finding of this study highlights that consumers also expect companies to be actively involved in philanthropic activities. This is in line with the government's active role in encouraging companies to contribute to the society. Therefore in order to show support in improving the society's quality of life, companies need to establish clear policy and strategies on how they could help to do this.

Since this study focuses only on Muslim consumers in Kelantan, generalization of the findings could not be made. Therefore, there is a need for further research in this area and for better understanding of consumers' behavior towards corporate social responsibilities.

We the authors declare that we have no competing interest in whatever form in completing this study.

⁶ Source: <http://www.statistics.gov.my>

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Appendix 1

Summary Results of Studies on Stakeholders' Perception towards CSR based on Carroll's Pyramid of CSR

Year	Authors	Respondents	Economic	Legal	Ethical	Philanthropic
1993	Ibrahim & Angelidis	USA Executives	3.92 (1)	2.62 (2)	2.33 (3)	1.12 (4)
		Undergraduate students	2.75 (1)	2.59 (3)	2.75 (2)	1.74 (4)
1995	Ibrahim & Angelidis	Outside BOD	3.77 (1)	2.50 (2)	2.08 (3)	1.31 (4)
		Inside BOD	3.28 (1)	2.62 (2)	2.21 (3)	1.83 (4)
1996	Pinkston & Carroll	Overall Result	3.28 (1)	3.07 (2)	2.45 (3)	1.15 (4)
		Consumers in England	3.49 (1)	3.15 (2)	2.29 (3)	0.98 (4)
		Consumers in France	3.60 (1)	3.04 (2)	2.35 (3)	0.98 (4)
		Consumers in Germany	2.86 (2)	3.21 (1)	2.46 (3)	1.42 (4)
		Consumers in Japan	3.34 (1)	2.76 (2)	2.42 (3)	1.41 (4)
		Consumers in Sweden	3.27 (2)	3.30 (1)	2.43 (3)	1.00 (4)
		Consumers in Switzerland	3.11 (1)	3.04 (2)	2.70 (3)	1.10 (4)
		Consumers in USA	3.31 (1)	2.96 (2)	2.48 (3)	1.19 (4)
		Edmondson & Carroll	CEOs in USA	3.16 (1)	2.12 (3)	2.19 (2)

Summary Results- Continued

Year	Authors	Respondents	Economic	Legal	Ethical	Philanthropic
2001	Smith et al.	Employee context				
		Overall Result	2.94 (1)	2.63 (2)	2.35 (3)	1.63 (4)
		Male Employees	3.78 (1)	2.60 (2)	2.28 (3)	1.61 (4)
		Female Employees	2.77 (1)	2.68 (2)	2.45 (3)	1.65 (4)
		White Employees	2.99 (1)	2.63 (2)	2.38 (3)	1.50 (4)

		Black Employees	2.68 (2)	2.69 (1)	2.38 (3)	1.92 (4)
	Customer context					
	Overall Result		2.11 (3)	2.74 (1)	2.64 (2)	1.86 (4)
		Male Consumers	3.78 (1)	2.60 (2)	2.28 (3)	1.61 (4)
		Female Consumers	2.77 (1)	2.68 (2)	2.45 (3)	1.65 (4)
		White Consumers	2.17 (3)	2.70 (1)	2.69 (2)	1.77 (4)
		Black Consumers	2.12 (3)	2.74 (1)	2.59 (2)	2.04 (4)
2001	Maignan	Consumers in France	4.56 (4)	5.58 (1)	5.35 (2)	4.86 (3)
		Consumers in Germany	4.43 (4)	5.32 (1)	5.26 (2)	4.99 (3)
		Consumers in USA	5.42 (2)	5.52 (1)	5.12 (3)	4.43 (4)
2003	Maignan & Ferrell	Consumers in USA	5.42 (2)	5.52 (1)	5.12 (3)	4.43 (4)
		Consumers in France	4.56 (4)	5.58 (1)	5.35 (2)	4.86 (3)
		Consumers in Germany	4.43 (4)	5.32 (2)	5.35 (1)	4.86 (3)

Summary Results- Continued

Year	Authors	Respondents	Economic	Legal	Ethical	Philanthropic
2003	Ibrahim et al.	Outside BOD	3.31 (1)	2.65 (2)	2.19 (3)	1.73 (4)
		Inside BOD	3.83 (1)	2.59 (2)	2.14 (3)	1.34 (4)
2004	Smith et al.	Students as proxy to employees	2.22 (3)	2.72 (1)	2.62 (2)	1.92 (4)
2005	Ibrahim and Parsa	US Managers	3.69 (1)	2.87 (2)	2.02 (3)	1.23 (4)
		French Managers	3.97 (1)	2.64 (2)	1.86 (3)	1.51 (4)
2008	Dusuki & Tengku Mohd Yusof	Students as proxy to consumers	2.39 (1)	2.25 (3)	2.27 (2)	2.17 (4)
2009	Ramasamy & Yeung	Consumers in Shanghai	5.66 (1)	5.41 (2)	5.17 (3)	4.87 (4)
		Consumers in Hong Kong	5.66 (1)	5.36 (2)	5.07 (3)	4.99 (4)