

TITLE: CUSTOMER CSR EXPECTATIONS IN THE BANKING INDUSTRY

ABSTRACT

Purpose – The authors examine customer corporate social responsibility (CSR) expectations in the crisis context of the Spanish banking industry. They also take into consideration the role that corporate governance structure plays in customer CSR expectations.

Design/methodology/approach – Analysing 648 customers of savings banks and 476 customers of commercial banks, several univariate statistics and two cluster analyses are implemented.

Findings – The authors identify significantly consistent patterns in the CSR expectations of savings banks and commercial banks customers. The customers of both types of banking companies have similar high expectations concerning the CSR oriented to customers, shareholders and supervising boards, employees, the community and legal and ethical CSR. Also customers of both types of banking companies can be consistently classified as customer-oriented, legally(customer)-oriented and CSR-oriented customers depending on their CSR expectations.

Practical implications – These results have interesting implications for managers because it allows them to develop optimal CSR based on their customers' expectations. In this regard, it is observed that the CSR expectations of savings banks and commercial banks customers are quite homogeneous in such a way that the traditional differentiation in the CSR implemented by savings banks and commercial banks may be no longer justified.

Originality/value – Previous scholars who have analysed customer CSR expectations have not studied them in a crisis context. This paper contributes to literature by proposing new managerial strategies for companies facing a product or corporate crisis. Scholars studying customer CSR expectations in the banking industry have not considered the role of corporate governance structure either. This paper provides detailed information about the CSR expectations of savings banks customers and commercial banks customers.

KEYWORDS

CSR, CSR expectations, customers, savings banks, commercial banks

ARTICLE CLASSIFICATION

Research paper

1. INTRODUCTION

In the current scenario of economic crisis, where capital and consumer markets have experienced a loss of credibility towards companies' effectiveness, managers in most industries face the challenge of improving their companies' images and regaining trust by developing attractive organizational identities (Marín and Ruiz, 2007). For this purpose, companies have recently focused on corporate social responsibility (CSR). CSR refers to the company activities demonstrating the inclusion of social and environmental concerns in business operations, and in interactions with stakeholders, also according to the ambition levels of corporate sustainability. This concept was initially proposed in the academic literature of the early 1950s (Carroll, 1999). Nonetheless, it is not until the close out of the 1990s that practitioners start using CSR as an essential part of their business language and practice (Carroll, 1999). In the last decade, companies in most industries have devoted large amounts of money and effort to develop types of CSR which are consistent with the purpose of improving intangible attributes such as brand image, reputation and trust (McDonald and Rundle-Thiele, 2008). For example, as many as 90% of the companies of the Fortune 500 already implement CSR and more than 80% of these companies address it on their websites. This tendency has also extended to most developed and many developing countries in the world (KPMG 2011).

Nonetheless, the ability of CSR to improve corporate images, reputations and trust depends on the congruence between the CSR implemented by companies and the expectations that stakeholders have regarding the types of CSR that companies should

engage in (CSR expectations) (Dawkins and Lewis, 2003; McDonald and Lai, 2011). In this regard, scholars have demonstrated that it is important that companies spend the resources allocated to CSR in ways that yield optimum benefits to society as well as to their stakeholders such as customers, employees, investors, supply chain associates, strategic alliances, communities, as well as governments (Poolthong and Mandhachitara, 2009). When engaging in CSR that is congruent with stakeholder CSR expectations, companies tend to increase their potential to gain positive attitudes among corporate stakeholders (Vassilikopoulou et al., 2005). On the contrary, failure to understand what stakeholders mean by CSR can lead to ineffective corporate practices (Auger et al., 2007).

Even though scholars and practitioners have engaged in much discussion concerning the social responsibilities in companies, there has been only sparse research conducted on stakeholder CSR expectations and prior studies do not provide enough empirical evidence on how sensitive stakeholders are to a range of different types of CSR (Maignan, 2001; Mohr et al., 2001; Dawkins and Lewis, 2003; Vassilikopoulou et al., 2005; Pomeroy and Dolnicar 2006; Auger et al., 2007; Marín and Ruiz, 2007; Podnar and Golob, 2007; Rugimbana et al., 2008; McDonald and Rundle-Thiele, 2008; Poolthong and Mandhachitara, 2009; Ramasamy and Yeung, 2009; McDonald and Lai, 2011). Furthermore, none of the scarce approaches to the understanding of stakeholder CSR expectations have analysed them in a crisis context, even though scholars have recognised that CSR expectations are especially relevant for companies in those periods (Poolthong and Mandhachitara, 2009). For example, Poolthong and Mandhachitara (2009) consider that studies on stakeholder CSR expectations are even

more important when competition is intensified and crises occur because companies could overcome these problems faster and more easily if they spent their resources on the CSR that have the greater impact on customer behaviour. During those crises, the managerial implications and suggestions derived from the previous studies on stakeholder CSR expectations may not be applicable to companies because stakeholder CSR expectations might have changed (Greening and Gray, 1994). In this regard, Bennett and Kottasz (2012) consider that the attitudes of stakeholders concerning banking companies after the 2007/2008 crisis may be expected to have changed substantially considering the cataclysmic global recession that the crisis triggered. The public's evaluation of the calibre of the banking industry has declined, with both the integrity and the competence of banking institutions being called into question. In this context, both the anger at the corporate behaviour of banking companies and stakeholder attributions of responsibility for the crisis (Bennett and Kottasz, 2012) may have increased the demands and expectations of stakeholders.

It is also noticeable that none of the previous scholars analysing customer CSR expectations in the banking industry have considered the role that the governance structure of banking companies can have in determining customer CSR expectations. In the banking systems of most industrialized countries, two types of companies with different governance structures (savings banks and commercial banks) control more than 95% of the assets in the industry (Salas and Saurina, 2002). Savings banks and commercial banks have different origins and, as it will be explained later in this paper, their corporate governance structure has influenced their management of CSR significantly (Pérez and Rodríguez del Bosque, 2012). These ideas allow the authors to

propose that the CSR expectations that customers have for savings banks and commercial banks may be significantly different.

Based on these ideas, the purpose of the authors in this paper is twofold: 1) to empirically analyse the CSR expectations of banking customers in a crisis context and 2) to evaluate how the governance structure of banking companies influences those customer CSR expectations in the Spanish banking industry. Customers are selected as subjects of the study because they are believed to be the largest stakeholder group of companies (Ramasamy and Yeung, 2009). The banking industry is selected as the research context of the study because it offers a perfect scenario to understand customer CSR expectations in a crisis context (Bravo et al., 2012). Although Spanish banking companies have distributed between 20 and 30 per cent of their net income in CSR during the last 30 years, they have also been accused of being the main culprit in the current Spanish economic recession (Rodríguez et al., 2013). Accordingly, the banking industry represents a high-profile industry where corporate image is crucial and knowing customer CSR expectations is essential.

2. CONCEPTUAL BACKGROUND

2.1. CSR in the banking industry

CSR in the banking industry can be defined by resorting to the stakeholder theory initially developed by Freeman (1984) (Pérez et al., 2013). This author defines stakeholders as those groups or individuals who can affect or are affected by the

achievement of the organization objectives or are those actors with a direct or indirect interest in the company. Managers continually encounter demands and CSR pressures that emerge from customers, employees, suppliers, community groups, governments and stockholders (McWilliams and Siegel, 2001). This theory describes CSR as the collection of initiatives that companies carry out in order to comply with its obligations towards these groups (Maignan and Ferrell, 2004). In this regard, Clarkson (1995) considers that companies manage relationships with stakeholders instead of managing broader social concerns. Thus, according to this theory, stakeholders are the main target audiences of CSR and thus they are the ones that companies need to please (Pérez et al., 2013).

Scholars frequently classify stakeholders as external and internal, voluntary and involuntary or primary and secondary targets (Turker, 2009). For the purpose of this research, the authors choose the classification provided by Pérez et al. (2013), which is based on a review of CSR literature in the Spanish banking industry (Gorrigolzarri, 2006; Soto, 2006; Sarro et al., 2007; Ruiz et al., 2009). These scholars identify five CSR dimensions in the banking industry: 1) CSR oriented to customers; 2) CSR oriented to shareholders and supervising boards; 3) CSR oriented to employees; 4) CSR oriented to the society; and 5) a general CSR dimension concerning legal and ethical issues, which includes corporate responsibilities towards a broad array of stakeholders such as governments and/or the media (Pérez et al., 2013). The CSR oriented to customers basically includes the complete and honest communication of corporate products and services and the management of customer complaints (Gorrigolzarri, 2006; Sarro et al., 2007). The CSR oriented to shareholders and supervising boards includes information

transparency and the search for corporate profitability (Sarro et al., 2007). The CSR oriented to employees covers issues regarding job creation and employment opportunities (Goirigolzarri, 2006; Sarro et al., 2007). The CSR oriented to the society refers to issues such as charity, community development and environmental protection (Sarro et al., 2007). Finally, the general dimension of CSR includes ethical and legal corporate concerns (Maignan et al., 1999; Maignan, 2001).

Figure 1 about here.

2.2. Characteristics of the Spanish banking industry

The Spanish banking industry has experienced a significant transformation since 1970 because of the considerable changes that have taken place in global markets and which have resulted in an intensively competitive market place (Maixé, 2010). Globalisation, deregulation, de-intermediation, financial innovation and the appearance of new technologies that modify the traditional distribution channels of banking services have caused the growing homogenisation of companies and complicated their possibilities to differentiate themselves from competitors based on their product and service offerings to consumers (Pérez et al., 2013). Also, the international business climate of the last decade has been marked by frequent financial scandals and questionable accounting and management practices, which have led the Spanish banking industry to one of the most severe economic and trust crisis in its history (Pérez and Rodríguez del Bosque, 2012). The results of this situation are a loss of stakeholder confidence in the financial system (and companies operating in it)

and an increase in the social conscience of regulators, shareholders, employees and customers, all of whom now demand better tools for the evaluation of business practices (KPMG, 2011).

Thus, it is expected that the crisis has generated greater stakeholder expectations concerning the social responsibilities of banking companies, which may also differ from previous stakeholder perceptions and interests. This idea is supported by the institutional/legitimacy theory (Patten, 1992) which considers that crises create a form of institutional pressure which reflects societal ills, poses threats to organizational and governmental legitimacy and generates institutional pressures from stakeholders (Greening and Gray, 1994). Thus, the crisis has taken the banking industry to be highly visible and political costs have significantly risen in this context. These circumstances generate demands for corporate action and accountability that translate into new forms of coercive pressure in exchange for continued legitimacy (Ghazali, 2007). In summary, then, crises may indicate higher institutional pressures and clearly influence stakeholders' expectations. The change in stakeholder expectations imply that the conclusions of previous studies on customer CSR expectations may not apply to a crisis context and as so the analysis of the current Spanish banking industry may provide further insight for managers who need to design more effective CSR to overcome the recession. Along this line, Matute et al. (2011) determine that in a world where customer confidence in the banking industry has been bruised over the last few years, searching for solutions to rebuild trust and maintain customer loyalty is a critical task not only for banking managers, but also for strategic management and marketing research.

For the purpose of this paper, the authors also take into consideration the governance structure of companies in the banking industry as a determinant of customer CSR expectations (Pérez and Rodríguez del Bosque, 2012). In this regard, three types of banking companies (savings banks, commercial banks and cooperative banks) have traditionally operated in the banking systems of most of the industrialized countries in the world (Illueca et al., 2009). Savings banks and commercial banks accumulate over 95 per cent of the banking assets in these countries (Salas and Saurina, 2002) and as so their study guarantees representativeness in relation to the Spanish banking industry where this research is implemented (Matute et al., 2011). Cooperative banks are discarded for the study because their market share is minor internationally and in Spain (Bravo et al., 2012).

On the one hand, savings banks have stable market shares of around fifty per cent of their respective national banking markets in term of total assets, credit and deposits (Maixé, 2010). These companies began as mutual (non-profit making) organizations and their corporate governance structure has traditionally made them especially focused on providing local credit because their ownership is shared among representatives of local stakeholder groups such as regional governments, depositors and employees (Salas and Saurina, 2002). In addition, their social dividend is also a distinguishing historical characteristic of savings banks (Gardener et al., 1997). In this regard, savings banks are legally required to either retain or distribute a percentage of their profits in cultural and social community programs. Thus, they have traditionally been more linked to CSR and their local communities than commercial banks, which do

not have any legal obligation to invest in CSR (Salas and Saurina, 2002; Illueca et al., 2009). Based on these characteristics, CSR has become a differential trait of savings banks, which has always been integrated into their corporate mission and vision statements (Pérez and Rodríguez del Bosque 2012).

On the other hand, commercial banks have traditionally focused on industrial banking and they adapt to an operational universality model. They have stockholders as one of their most relevant group of stakeholders because their shares are in the hands of individual and institutional investors (García de los Salmones et al., 2009). Only recently these companies have started to integrate CSR in their performance by connecting their CSR with their corporate strategic management efforts (Pérez and Rodríguez del Bosque, 2012). Thus, their CSR orientation is not related to local communities as in the case of savings banks. On the contrary, they usually invest in CSR mostly oriented to customers and employees (Pérez and Rodríguez del Bosque, 2012).

The authors propose that customer CSR expectations are analysed in detail for both savings banks and commercial banks because customers are well acquainted with their differences and this fact might affect their CSR expectations (Pérez and Rodríguez del Bosque, 2012). Nonetheless, the analysis of both types of banking companies is another contribution of the paper because previous scholars studying customer CSR expectations in the banking industry have not determined whether differences exist in customer expectations when corporate governance structure is considered (Maignan, 2001; Pomeroy and Dolnicar, 2006; Marín and Ruiz, 2007; Rugimbana et al., 2008;

McDonald and Rundle-Thiele, 2008; Poolthong and Mandhachitara, 2009; McDonald and Lai, 2011).

2.3. Customer CSR expectations in the crisis context of the Spanish banking industry

The adverse reactions of current markets to the banking industry are due in part to the loss of confidence that customers manifest towards banking companies (Matute et al., 2011). Problems like companies denying mortgages, high commissions on banking transactions, or the fall in interest rates associated with deposits have negatively affected customer perceptions of these companies. In a business scenario where structural changes have turned into increasing competition, regaining this confidence in order to retain customers may be the best alternative to achieve higher profits (Matute et al., 2011). Within this context, market research has basically focused on analysing how different corporate rational and emotional associations existing in customers' minds allow companies to retain customers and avoid switching behaviours (García de los Salmones et al., 2009). However, customer CSR expectations have received much less attention (Maignan, 2001; Pomeroy and Dolnicar, 2006; Marín and Ruiz, 2007; Rugimbana et al., 2008; McDonald and Rundle-Thiele, 2008; Poolthong and Mandhachitara, 2009; McDonald and Lai, 2011).

Customer CSR expectations are defined as customer beliefs of what is to be expected from companies regarding CSR (Podnar and Golob, 2007) and deal with the importance that customers put on different types of CSR (Ramasamy and Yeung, 2009). Scholars have also argued that customer CSR expectations are antecedents of

customer responses to corporate behaviour (Sen and Bhattacharya, 2001; Podnar and Golob, 2007). In this regard, CSR expectations are increasing and most stakeholders are intolerant of those companies which fail to fulfil their obligations (Dawkins and Lewis, 2003). When buying, customers take into account their perceptions of ethical or unethical initiatives carried out by companies (Podnar and Golob, 2007). Accordingly, customers expect companies to behave ethically and are prepared to punish those companies when they see them falling below the standards expected (Marín and Ruiz, 2007). Among the benefits that considering customer CSR expectations have for companies, scholars include satisfaction, commitment and willingness to pay (de Pelsmacker et al., 2005). Thus, the positive impact of CSR on corporate effectiveness directly depends on their alignment with customer CSR expectations (Dawkins and Lewis, 2003).

2.3.1. Customer CSR expectations in savings banks and commercial banks

In the Spanish banking industry, different types of companies exist and as so different customer CSR expectations may be anticipated. First, it is expected that customer CSR expectations are higher among savings banks customers than commercial banks customers (Rugimbana et al., 2008; Bravo et al., 2012; Pérez and Rodríguez del Bosque, 2012). In this regard, scholars have demonstrated that CSR is currently better integrated in the corporate identity of savings banks, because of their social tradition, while commercial banks are still progressively working on integrating the CSR principles in their corporate personalities (Pérez and Rodríguez del Bosque, 2012). Savings banks tend to be more socially oriented than commercial banks because their

origin is associated to the exercise of charitable and social works. Scholars have also demonstrated that savings banks provide more information regarding transparency issues than commercial banks (Bravo et al., 2012). In this regard, savings banks report significantly more information regarding CSR than commercial banks and as so it is expected that their customers will expect a larger CSR commitment on the part of these banking companies (Bravo et al., 2012). On the contrary, the classical view of CSR (in which commercial banks make little or no provision to look beyond a narrow view of profit maximization) is the dominant view of CSR among commercial banks customers (Rugimbana et al., 2008) who do not expect their banking providers to be that highly committed to CSR. Based on these ideas, the first research hypothesis is proposed:

H1: Savings banks customers have higher CSR expectations than commercial banks customers.

It is also expected that some types of CSR are more important for customers than others, especially depending on which type of banking company customers are evaluating (Pérez and Rodríguez del Bosque, 2012). For example, it has been demonstrated that, when defining their corporate identities, savings banks pay great attention to the CSR oriented to the community and that such commitment is higher than among commercial banks (Pérez and Rodríguez del Bosque, 2012). Pérez and Rodríguez del Bosque (2012) identify several savings banks where community issues represent up to the sixty per cent of their corporate values whereas they represent a minor role in banks' identities. In this context, the communitarian ideology of savings

banks makes it unlikely that customers perceive the pursuit of one's self-interest as an appropriate overriding goal for any social agent, including banking companies. On the contrary, savings banks customers may sense that companies should use their economic resources to foster the well-being of local communities instead of specific groups of stakeholders such as customers, employees or investors. Based on these results, two new research hypotheses are proposed:

H2: Savings banks customers allocate more importance to the CSR oriented to the community than to the CSR oriented to other stakeholders.

H3: Savings banks customers allocate more importance to the CSR oriented to the community than commercial banks customers.

On the contrary, in Spain commercial banks have a clearer customer orientation than savings banks (Pérez and Rodríguez del Bosque, 2012). In this regard, Pérez and Rodríguez del Bosque (2012) demonstrate that the corporate personality of these commercial banks is notably influenced by their attention to customer concerns, as reflected in their mission and vision statements, corporate values and CSR. The commercial banks in their study always referred to the satisfaction of their customers' financial needs as the primary goal of their corporations. On the contrary, savings banks used to refer to the sustainable growth of the community, the coverage of social needs or the generation of value for the society more frequently. The authors believe that this fact might also influence customer CSR expectations. Pomering and Dolnicar (2009) analyse commercial banks customers and demonstrate that they are especially

interested in all the information related to the core banking products such as accounts, interest rates, fees and charges. However, only 19% of customers in their sample state that they are interested in their bank's sponsorship of local community initiatives and only 13% are interested in information about equal employment opportunities. These results align with the ideas presented by McDonald and Lai (2011) who consider that customer-centric initiatives more powerfully impact the attitudes and behaviour of commercial banking customers than environmental or philanthropic initiatives. The empirical results of Pomering and Dolnicar (2006) also support the idea that customers in diverse countries consider their needs are paramount compared to employees, the community or investors. Based on these ideas, the following two research hypotheses are proposed:

H4: Commercial banks customers allocate more importance to the CSR oriented to customers than to the CSR oriented to other stakeholders.

H5: Commercial banks customers allocate more importance to the CSR oriented to customers than savings banks customers.

Finally, the authors expect that no significant differences exist between savings banks and commercial banks customers regarding their CSR expectations related to other stakeholders that are not the community and customers. To test this proposal, the authors base on the findings of Bravo et al.'s (2012) study. These scholars explain how the low reporting of banking companies (both savings banks and commercial banks) on CSR oriented to stakeholders such as employees and suppliers is explained by the low

external visibility of this CSR along with their reduced potential to create a positive image towards external audiences. Thus, if the CSR that is not oriented towards the community or customers is scarcely visible in customer markets and it is lowly communicated by banking companies, thus it may be expected that customers have lower CSR expectations concerning this CSR. According to these ideas, the following research hypothesis is proposed:

H6: There are no significant differences in the importance that savings banks and commercial banks customers allocate to the CSR that is not related to the community and customers.

2.3.2. Clustering customers based on their CSR expectations

The last research hypothesis in this paper is oriented to determine whether different types of customers can be identified in a crisis context based on their CSR expectations. For the proposal of this hypothesis, the authors base their reasoning on previous scholars clustering customers according to their CSR expectations (Auger et al., 2007; Rugimbana et al., 2008). Based on their findings, the authors expect that customers with different expectations concerning CSR can also be identified in the context of the Spanish banking industry. Specifically, the authors expect that at least two types of banking service customers (low vs. high expectations) exist in Spain. In this regard, although scholars have demonstrated that customers are increasingly concerned with CSR (Vassilikopoulou et al., 2005), Auger et al. (2007) argue that markets are made up of customers with heterogeneous CSR expectations. Along this

line, Rugimbana et al. (2008) find that banking customers show support for the two main opposing views of CSR which represent the stakeholder and the classical perspectives. One first group of customers identifies with the stakeholder approach, defending the necessity of banking companies for balancing the pressures of surviving in a competitive market place with their CSR obligations. Carrigan and Attalla (2001) consider that some customers are quite ethical and seek out CSR-friendly products while boycotting those companies perceived as being unethical. On the contrary, a second group of customers identifies with the classical position and gives little thought to CSR in their decision-making, even if fully-informed of ethical and unethical market behaviour (Petty and Caccioppo, 1986; Carrigan and Attalla, 2001; Fiske and Taylor, 2008). For example, Roberts (1996) demonstrates that almost 40% of customers do not usually report any type of CSR concern.

Nonetheless, in some papers more than these two groups of customers are identified based on their CSR expectations. For example, Auger et al. (2007) implement a cluster analysis to identify up to six customer groups that show clearly different CSR expectations. As an example of the complex nature of each group, the authors identify a first group of customers that clearly favours worker and labour rights, being also willing to abandon environmental and customer protection issues for those rights. Other customer groups unambiguously favour environmental issues (as well as customer protection issues) and are more willing to abandon other issues as a consequence.

The inconclusive results of previous scholars take the authors of this paper to be especially cautious in the proposal of their last research hypothesis. In this regard, the authors expect to identify different customer groups depending on their CSR expectations, although the number and characteristics of the groups is left to be empirically identified after running the statistical analysis. According to these ideas, the last research hypothesis of the paper is proposed:

H7: At least two different types of (a) savings banks and (b) commercial banks customers can be identified depending on their CSR expectations.

3. RESEARCH DESIGN

Sample. A study based on personal surveys of banking services customers in Spain was conducted. The interviews were undertaken in Cantabria (north Spanish state) along one month in spring 2010 (three years after the beginning of the economic recession). Respondents to the survey were recruited at their homes by trained interviewers and using a non-probabilistic sampling procedure. With the purpose of guaranteeing an accurate representation of the data, a multi-stage sampling by quotas was designed based on customer gender and age. After the collection and processing of the information, a total of 1,124 valid surveys remained (response rate = 93.67%). The sample was 48.52% male and 51.48% female, which was comparable to the representative population of the country (Instituto Nacional de Estadística, data up to January 1, 2009) with 49.03% female and 50.97% male. Regarding age, customers in the sample were 46.62% under 44 (50.14% in the national population), 31.70%

between 45 and 64 (29.68% in the national population) and 21.69% over 64 (20.19% in the national population). Finally, 648 customers evaluated their CSR expectations regarding the CSR responsibilities of savings banks while 476 customers evaluated their CSR expectations regarding the CSR responsibilities of commercial banks.

Measurement scale. Customers were asked to indicate their levels of expectations of different CSR to be engaged by their main banking services provider. The question asked was “What are your expectations for your bank’s engagement in the following CSR?”. A high score indicated strong expectations that the bank should engage in a particular type of CSR initiative (1 = very low expectation; 7 = very high expectation). For the purpose of this research, the authors adapted the reflective stakeholder-based scale proposed by Pérez et al. (2013). In this regard, scholars consider that the concept of stakeholders is central to the CSR practice (McDonald and Lai, 2011) at the same time that the stakeholder theory has been demonstrated to perfectly fit the Spanish banking industry approach to CSR (Pérez and Rodríguez del Bosque, 2012). Twenty two items were included in the scale and gathered in five dimensions: customers (items 1 to 5), shareholders and supervising boards (items 6 to 8), employees (items 9 to 13), community (items 14 to 19) and a general dimension concerning legal and ethical issues which included corporate responsibilities towards a broad array of stakeholders (items 20 to 22). The whole measurement scale is presented in the appendix (Table 7).

Scale validation. Before proceeding to test the research hypotheses of the paper, the authors tested the reliability and validity of the measurement scale in the two subsamples of savings banks and commercial banks customers. For this purpose, two

first- and two second-order confirmatory factor analyses (CFA) were performed according to the maximum robust likelihood estimation procedure. Regarding the first-order CFAs (Table 1), first the reliability of the proposed measurement scale was evaluated using the Cronbach's alpha (α) and the average variance extracted (AVE). The values of these statistical parameters were above or near the minimum recommended values of 0.7 and 0.5 in both samples, thus confirming the internal reliability of the CSR expectations construct. All the items were significant to a confidence level of 95% and the factor loading coefficients (standardized lambdas) were greater than 0.5, which confirmed the convergent validity of the model. To verify the discriminant validity of the scale, it was observed that none of the correlation intervals between variables contains the unit, thus confirming that the proposed measurement scale was correct. Finally, the goodness-of-fit of the analysis was measured with the χ^2 statistic (Satorra-Bentler) and the comparative fit indexes –NFI, NNFI, CFI, and IFI– as they are the most common measures in CFA and SEM. Although the χ^2 was significant in both samples ($p < 0.05$), this result could have been a consequence of the large size of the samples –over 200 cases–. To solve this problem, the analysis was completed with the comparative fit indexes, which were in all cases close to or above 0.9, thus confirming the good fit of the model to the data collected. Finally, the many dimensions of the CSR expectations were tested with a second-order CFA. Once again, the values of the χ^2 were significant ($\chi^2_{SB}=437.18$, $p=0.00$; $\chi^2_{CB}=446.36$, $p=0.00$) but the comparative fit indexes confirmed the validity of the proposed scale (NFI, NNFI, CFI and IFI ranged from 0.91 to 0.95 in both samples).

Table 1 about here.

Method to test the research hypotheses. To test the hypotheses H1 to H6, several univariate statistics were calculated which allowed the authors to determine the CSR expectations of both savings banks and commercial banks customers. Also several t-statistics were calculated to analyse if significant differences existed among customers concerning their CSR expectations. To test the hypotheses H7a and H7b, two K-means cluster analyses, two ANOVAs and several t-statistics were performed to determine if it was possible to identify different customer groups depending on their CSR expectations (Vassilikopoulou et al., 2005).

4. FINDINGS

4.1. Univariate statistics

First, the results of a comparison of means (t-statistic) between the general CSR expectations of savings banks and commercial banks customers demonstrated that a significant difference existed in the level of CSR expectations of both types of customers ($t=2.14$, $p<0.05$). Specifically, savings banks customers had significantly greater CSR expectations ($\text{Mean}_{\text{SB}}=5.78$) than commercial banks customers ($\text{Mean}_{\text{CB}}=5.68$). Thus, the hypothesis H1 is supported.

When analysing the dimensions of the CSR expectations of savings banks customers (Table 2), it was observed that these customers were especially concerned about legal and ethical issues (the general dimension of the CSR expectations) ($\text{Mean}_{\text{SB}}=6.17$) as

well as customer worries ($\text{Mean}_{\text{SB}}=6.15$). The results of several comparisons of means (t-statistics) demonstrated that both dimensions were equally important for customers in the sample ($t=-0.77$, $p>0.1$) while they were significantly more important than CSR towards employees ($\text{Mean}_{\text{SB}}=5.91$), the community ($\text{Mean}_{\text{SB}}=5.74$) and shareholders and supervising boards ($\text{Mean}_{\text{SB}}=5.70$) ($6.71<|t|<12.35$, $p<0.01$). Because it was expected that savings banks customers would allocate more importance to CSR oriented to the community than to other stakeholders, the hypothesis H2 is not supported.

Table 2 about here.

This analysis was also implemented in the commercial banks sample. In this regard, commercial banks customers also allocated the greatest importance to customer worries ($\text{Mean}_{\text{CB}}=6.13$) and legal affairs ($\text{Mean}_{\text{CB}}=6.11$) (Table 3). Both dimensions were significantly more relevant for customers than CSR focused on employees ($\text{Mean}_{\text{CB}}=5.77$), shareholders and supervising boards ($\text{Mean}_{\text{CB}}=5.64$) and the community ($\text{Mean}_{\text{CB}}=5.44$). Nonetheless, no significant differences were observed between the expectations concerning customer and legal issues ($t=0.49$, $p>0.1$). Thus, the hypothesis H4, which proposed that commercial banks customers would allocate more importance to the CSR oriented to customers than to any other stakeholder, is only accepted partially.

Table 3 about here.

Finally, Table 4 shows how the CSR expectations of savings banks and commercial banks customers differed when the dimensions of the CSR expectations construct were analysed independently. New t-statistics were calculated to analyse the differences between both types of customers. The results demonstrated that no significant differences existed in the expectations that savings banks and commercial banks customers had concerning the responsibilities of their banking providers towards customers ($t=0.30$, $p>0.1$), shareholders and supervising boards ($t=0.84$, $p>0.1$) and in the general dimension of legal and ethical concerns ($t=1.03$, $p>0.1$). Nonetheless, significant differences existed for the dimensions of employees ($t=1.90$, $p<0.05$) and the community ($t=4.30$, $p<0.01$). Based on these results, the hypothesis H3, which predicted that savings banks customers would allocate more importance to the CSR oriented to the community than to the CSR oriented to other stakeholders, is accepted. On the contrary, the hypothesis H5, which considered that commercial banks customers would allocate more importance to the CSR oriented to customers than savings banks customers, is not supported. Finally, the hypothesis H6 is only supported partially because, contrary to the expectations of the authors, a significant difference existed concerning the CSR expectations of savings banks and commercial banks customers in the 'employees' dimension.

Table 4 about here.

4.2. Cluster analyses

The two K-means cluster analyses performed in the savings banks and commercial banks samples generated the same number of clusters (three) as the most suitable solution to classify customers based on their CSR expectations. Based on these findings, the hypotheses H7a and H7b, which predicted that different types of savings banks and commercial banks customers could be identified based on their CSR expectations, are accepted. Also, two ANOVAs were implemented to demonstrate that significant differences existed among the three clusters concerning their CSR expectations in all the dimensions analysed in this paper. Both ANOVAs demonstrated that the differences among the three groups of customers were significant to a 99% confidence level ($p < 0.01$). To understand the differences among groups better, Tables 5 and 6 show the results of several t-statistics implemented to analyse the way that the three groups of customers expected their banking companies to behave in the CSR realm. In this regard, it is noticeable that the characteristics of the three groups of customers were pretty similar in the both samples of the study, demonstrating that the CSR expectations of savings banks and commercial banks customers were quite homogeneous. A description of the CSR expectations and demographic characteristics of each of the three groups of customers is included next.

Table 5 about here.

Table 6 about here.

Customer-oriented customers

The first group of customers included those customers who gave the lowest importance to all the dimensions of the CSR expectations construct. Nonetheless, significant differences existed in their CSR expectations of customer-centric initiatives and the rest of dimension of the CSR expectations construct. In both samples, customers had the greatest expectations concerning the CSR oriented to customers ($\text{Mean}_{\text{SB}}=4.60$; $\text{Mean}_{\text{CB}}=5.10$), followed by general CSR ($\text{Mean}_{\text{SB}}=4.28$; $\text{Mean}_{\text{CB}}=4.66$) and CSR oriented to shareholders and supervising boards ($\text{Mean}_{\text{SB}}=3.88$; $\text{Mean}_{\text{CB}}=4.33$), the community ($\text{Mean}_{\text{SB}}=3.85$; $\text{Mean}_{\text{CB}}=3.78$) and employees ($\text{Mean}_{\text{SB}}=3.42$; $\text{Mean}_{\text{CB}}=3.73$), which were significantly lower ($1.57 < |t_{\text{SB}}| < 3.63$, $0.01 < p < 0.1$; $1.67 < |t_{\text{CB}}| < 7.04$, $0.05 < p < 0.1$). This group was the smallest in both the savings banks and commercial banks samples. Customer-oriented customers represented the 7.56% of savings banks customers and the 13.87% of commercial banks customers. They were mostly women (SB=53.1%; CB=60.6%), young (under 44) (SB=51%; CB=48.5%) and educated customers (with college degrees) (SB=73.5%; CB=57.6%).

Legally(customer)-oriented customers

A second group of customers was composed of banking customers who equally appreciated the corporate compliance of legal and ethical responsibilities and customer-centric CSR over other types of CSR carried out by banking companies. In this regard, customers had the greatest expectations concerning the legal and ethical CSR

undertaken by banking companies ($\text{Mean}_{\text{SB}}=5.79$; $\text{Mean}_{\text{CB}}=5.97$) and the customer-oriented CSR ($\text{Mean}_{\text{SB}}=5.81$; $\text{Mean}_{\text{CB}}=5.95$). CSR oriented to employees ($\text{Mean}_{\text{SB}}=5.43$; $\text{Mean}_{\text{CB}}=5.55$), shareholders and supervising boards ($\text{Mean}_{\text{SB}}=5.29$; $\text{Mean}_{\text{CB}}=5.26$) and the community ($\text{Mean}_{\text{SB}}=5.20$; $\text{Mean}_{\text{CB}}=5.03$) were significantly less important for legally(customer)-oriented customers ($3.24 < |t_{\text{SB}}| < 12.18$, $p < 0.01$; $1.89 < |t_{\text{CB}}| < 8.71$, $0.01 < p < 0.1$). This category represented the 40.59% of savings banks customers and the 37.67% of commercial banks customers. Legally(customer)-oriented customers were mostly men (SB=53.2%; CB=54.7%), young (under 44) (SB=49.1%; CB=50.3%) and not highly educated customers (qualifications below college degree) (SB=67.7%; CB=57%).

CSR-oriented customers

The third group of customers gathered those customers who gave the greatest importance to all the dimensions of the CSR expectations construct. Again, these customers had the greatest expectations concerning the legal and ethical initiatives of banking companies ($\text{Mean}_{\text{SB}}=6.75$; $\text{Mean}_{\text{CB}}=6.64$) while the rest of dimensions of the CSR expectations construct were significantly less important for this group. Nonetheless, their expectations concerning the CSR oriented to customers ($\text{Mean}_{\text{SB}}=6.64$; $\text{Mean}_{\text{CB}}=6.57$), employees ($\text{Mean}_{\text{SB}}=6.64$; $\text{Mean}_{\text{CB}}=6.52$), the community ($\text{Mean}_{\text{SB}}=6.44$; $\text{Mean}_{\text{CB}}=6.24$) and shareholders and supervising boards ($\text{Mean}_{\text{SB}}=6.28$; $\text{Mean}_{\text{CB}}=6.31$) were still greater than in the other two customer categories identified in this study. CSR-oriented customers represented the largest group in both the savings banks and commercial banks samples. They represented the 51.85% of savings banks customers and the 48.53% of commercial banks customers. CSR-oriented customers

were mostly women (SB=59.2%; CB=54.1%), young (under 44) (SB=44.1%; CB=42.8%) and not highly educated customers (qualifications below college degree) (SB=66.7%; CB=62.8%).

5. DISCUSSION

These results confirm the idea that customers in the banking industry are quite customer-centric (Pomering and Dolnicar, 2006; McDonald and Rundle-Thiele, 2008; McDonald and Lai, 2011) in the sense that they consider a company's customer responsibilities to be paramount compared to employees, the community or shareholders and supervising boards. Previous findings on customer expectations of the CSR oriented to the community are also confirmed. In this regard, and although community issues are central when the CSR construct is discussed, scholars have demonstrated that general CSR such as charity, cultural and social contributions, or respecting and protecting the natural environment are not especially appreciated by customers, who demand other types of initiatives to label a socially responsible company (Pomering and Dolnicar, 2006; McDonald and Lai, 2011). Finally, the results concerning customer legal and ethical expectations have not been reported by previous researchers. Thus, the high customer expectations in this regard might be directly attributed to the crisis context in which this study was developed. As it was presented in the literature section, the international business climate of the last decade has been marked by frequent financial scandals in the Spanish banking industry, which have led to the loss of customer confidence in banking companies and

an increase in their demands for companies to implement ethical practices (KPMG, 2011).

Also these customer general CSR expectations are pretty similar between savings banks and commercial banks customers. In this regard, the hierarchy of expectations is quite similar in both samples, in such a way that customers expect exactly the same initiatives to be implemented by both savings banks and commercial banks. This result is justified by the financial deregulation that took place in Spain in the late 1970s, which finished with the traditional geographic and functional segmentation of both types of companies and made it possible for savings banks to compete on equal terms with big commercial banks (Maixé, 2010; Pérez and Rodríguez del Bosque, 2012). As a consequence of the deregulation, the competitive strategies of savings banks and commercial banks have aligned and so have done customer CSR expectations. Nonetheless, general CSR expectations are higher among savings banks customers. Also the pressures put on the obligations towards employees and the community are higher among savings banks customers. These results are justified by the long CSR tradition of savings banks in Spain and internationally. As it was theoretically discussed in the literature review of the paper, CSR has been traditionally better integrated in the corporate identity of savings banks because their origins are associated to the exercise of charitable and social works (Pérez and Rodríguez del Bosque, 2012). Savings banks have also reported more CSR information in the past and these circumstances may have increased customer CSR expectations (Bravo et al., 2012).

Finally, and in spite of the generally high CSR expectations of banking services customers, the results of the paper allow the authors to classify customers based on their preferences. In this regard, it is observed that customers can be categorized as either customer-, legally(customer)- or CSR-oriented customers. This categorization is consistent for savings banks and commercial banks customers, a fact that gives robustness to the findings of the paper. The results of the cluster analyses confirm the ideas of McDonald and Rundle-Thiele (2008) and McDonald and Lai (2011) who consider that a significant share of customers is customer-centric. Nonetheless, the results also confirm that CSR-oriented customers represent the largest group of customers in the banking industry (Mohr et al., 2001; Vassilikopoulou et al., 2005; Pomeroy and Dolnicar, 2006), a fact that can be justified based on two ideas. First, because of modern legislation, which has played a part in raising customer expectations of corporate behaviour and has also helped customers “to move from the ‘caveat’ emptor’ position of the 1960s to a more socially responsible era” today (Carrigan and Attalla, 2001, 562). Secondly, because of customer sophistication, which has taken customers to be better informed, more educated and aware of customer rights and CSR concerns (Carrigan and Attalla 2001).

6. CONCLUSIONS

The contributions of this paper to the academic literature on customer CSR expectations are three-fold. First, the authors report information about customer CSR expectations in a crisis context. Previous papers on the topic (Mohr et al., 2001; Dawkins and Lewis, 2003; Vassilikopoulou et al., 2005; Auger et al., 2007; Podnar and

Golob, 2007; Ramasamy and Yeung, 2009) had not analysed CSR expectations in recession periods and as so their managerial implications might not fit the necessities of companies facing a crisis. Specifically, the findings of this paper confirm that during recession periods customers are quite customer-centric and that they prefer those companies which are efficient, reliable, courteous, show positive attitudes and behaviour to customers and respond well to customer concerns. It is also important that at the face of an economic or trust crisis companies take special care of complying with the normative, ethical and moral premises generally accepted in the communities where they operate. Legal and ethical compliance is especially relevant during recession periods because customers have lost confidence in the morality of companies and they have the tendency to more closely scrutinize those business areas which have failed and led companies to the crisis.

Secondly, the analyses are implemented in two samples of banking customers (savings banks and commercial banks customers) and as so the results of the paper are highly robust and allow scholars and practitioners to understand CSR expectations more deeply. Previous papers analysing CSR expectations in the banking industry (Maignan, 2001; Pomeroy and Dolnicar, 2006; Marín and Ruiz, 2007; Rugimbana et al., 2008; McDonald and Rundle-Thiele, 2008; Poolthong and Mandhachitara, 2009; McDonald and Lai, 2011) had not taken into account that different types of companies exist in the industry and as so their results may lack validity for companies. The results of the paper demonstrate that, although customer preferences are similar in both samples, CSR expectations are higher among savings banks customers and that additional pressure is put on these companies to comply with employees and community issues.

The results are justified by resorting to the longer CSR tradition of savings banks when compared to commercial banks.

Thirdly, the cluster analyses implemented in the research report a more detailed classification of customers than previous papers. In this regard, scholars have mostly considered that customers can be classified in two general customer groups based on their CSR expectations: generally low and high CSR expectations (Rugimbana et al., 2008). However, the results of this paper demonstrate that customer expectations are quite complex and three groups of customers can be identified based on their CSR expectations. This finding extends previous results reported by McDonald and Lai (2011), who already demonstrated that customers can be classified depending on their customer-centric or CSR-orientation. Still, the results in this paper demonstrate that the greatest number of customers have very high CSR expectations, and as so the potential for this group to influence the demand for CSR among other less CSR-sensitive customers is high (Pomeroy and Dolnicar, 2009).

7. MANAGERIAL IMPLICATIONS

The findings reported in this paper have significant implications for the management of CSR in the banking industry. For savings banks, the results concerning the CSR expectations of their customers counter the current business strategy of this type of banking companies, which are progressively abandoning some of their CSR aspirations in order to be more profitable (Bravo et al., 2012). In this regard, it is observed that, despite the social origin of savings banks and the economic-driven orientation of

banks, the gap in the CSR behaviour of these banking companies is becoming less visible (Bravo et al., 2012). Indeed, while during the last years commercial banks have been more interested in informing about their CSR, savings banks have been forced to modify their management systems in order to refinance their capitals and solve cash-flow problems. This process is resulting in mergers of savings banks that have been constituted in new banks driven by economic motivations instead of CSR and charitable objectives (Bravo et al., 2012). Even when the results of this paper confirm that the reorientation of the management strategy of savings banks might be adequate (because customers are more interested in customer- and economic-oriented issues than community initiatives), the managers of savings banks should not forget that their CSR tradition may endangered the success of their new strategies if they keep reducing their CSR budgets (mostly because customers still have greater CSR expectations put on savings banks than on commercial banks). This is especially critical if savings banks take into account the fact that CSR-oriented customers are more numerous in the marketplace than any other type of banking service customer with a different CSR orientation.

In the light of the low standing of commercial banks in their customer's estimation following the economic crisis, the findings of this research are also important for them. Roughly speaking, the results suggest that the CSR strategies of commercial banks are correctly oriented. They are managing their CSR in accordance to the philosophy of customer orientation (Pérez and Rodríguez del Bosque, 2012) when customer-centric issues constitute the most important CSR dimension for commercial banks customers. Nonetheless, the poor corporate image in this subsector is directly related to the

frequent financial scandals and legal abuses that have characterised the business practices of commercial banks in the last decade (Bravo et al., 2012). In a crisis context such as the one that the society is experiencing right now, customers demand ethical and legal compliance and report it to be as important as customer orientation. These ideas imply that commercial banks should make additional efforts to demonstrate their compliance to the new business standards that have been developed by national and supranational institutions of the European Union after the latest economic recession. The development of control metrics to assure that the banking companies are adopting the new rules is as essential as the design of an external communication plan to regain customer trust and improve corporate image.

8. LIMITATIONS AND FUTURE LINES OF RESEARCH

This study is not without limitations. Specifically, survey data typically suffers from the 'social desirability response bias' and this fact might have influenced the findings of the paper. This is an especially significant problem when scholars want to relate CSR expectations to customer behaviour (Mohr et al., 2001). Nonetheless, the purpose of the authors in this paper has not been to report the effect of CSR expectations on customer behaviour. The authors' purpose has been to describe the preferences of customers in the CSR realm to help companies designing more effective CSR. Thus, the authors consider that, even if some expectations are inflated, the findings still serve the goal of knowing which dimensions of the CSR expectations construct are more relevant for customers in the banking industry. A second limitation is related to the fact that customer CSR expectations in the light of the latest economic recession were

not statistically compared to customer CSR expectations before the downturn. Thus, some of the interpretations proposed by the authors, such as their consideration that legal and ethical expectations are higher after a crisis, need to be taken cautiously and tested empirically in future research.

As another future line of study, the authors consider that it would also be interesting that scholars extend this line of research on customer CSR expectations by determining how customer CSR expectations relate to customer behaviour in the crisis context of the Spanish banking industry. Scholars have demonstrated that possessing customer sophistication and high expectations is no guarantee that customers actually participate in wise or ethical buying practices (Carrigan and Attalla, 2001). Nonetheless, this idea has not been tested in a crisis context and new information is needed in this regard.

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10. APPENDIX

Table 7 about here.

Table 1. First-order CFAs of the CSR expectations construct

Latent variables	Measured variables	Factor loadings		R ²		Cronbach's α		AVE		Goodness of fit	
		SB	CB	SB	CB	SB	CB	SB	CB		
Customers	CSR1	0.73	0.60	0.53	0.37	0.85	0.80	0.54	0.45	Savings banks: S-Bχ ² =475.44 (p=0.00) NFI=0.90 NNFI=0.93 CFI=0.94 IFI=0.94	
	CSR2	0.78	0.69	0.61	0.48						
	CSR3	0.77	0.60	0.59	0.36						
	CSR4	0.67	0.67	0.45	0.45						
	CSR5	0.72	0.77	0.52	0.59						
Shareholders and supervising boards	CSR6	0.59	0.58	0.34	0.34	0.76	0.74	0.53	0.49		
	CSR7	0.85	0.81	0.72	0.66						
	CSR8	0.71	0.69	0.51	0.48						
Employees	CSR9	0.86	0.86	0.75	0.73	0.93	0.92	0.74	0.71		
	CSR10	0.90	0.91	0.81	0.83						
	CSR11	0.86	0.86	0.74	0.73						
	CSR12	0.87	0.82	0.75	0.67						
	CSR13	0.80	0.76	0.63	0.58						
Community	CSR14	0.82	0.77	0.67	0.60	0.92	0.91	0.64	0.62		Commercial banks: S-Bχ ² =473.01 (p=0.00) NFI=0.86 NNFI=0.90 CFI=0.92 IFI=0.92
	CSR15	0.85	0.77	0.72	0.60						
	CSR16	0.80	0.75	0.64	0.56						
	CSR17	0.81	0.86	0.66	0.74						
	CSR18	0.83	0.82	0.68	0.68						
	CSR19	0.69	0.75	0.48	0.57						
General	CSR20	0.76	0.73	0.58	0.53	0.81	0.79	0.58	0.56		
	CSR21	0.79	0.73	0.62	0.54						
	CSR22	0.73	0.78	0.54	0.61						

SB = Savings banks; CB = Commercial banks

Discriminant validity. The correlation between pairs of latent factors ranges from 0.42 to 0.76 in both samples. The intervals for the correlation between pairs of latent factors range from 0.32 to 0.84 in both samples.

Table 2. CSR expectations among savings banks customers

CSR expectations	Mean	S.D.	t-statistics			
			(2)	(3)	(4)	(5)
Customers	6.15	0.87	11.85***	5.60***	9.94***	-0.77
Shareholders ⁽¹⁾	5.70	1.04	-	-4.79***	-0.95	-12.35***
Employees	5.91	1.20		-	3.80***	-6.71***
Community	5.74	1.11			-	-12.20***
General	6.17	0.94				-

*** denotes significance at the 99% level of confidence

(2) shareholders and supervising boards; (3) employees; (4) community; (5) general

⁽¹⁾ ... and supervising boards

Table 3. CSR expectations among commercial banks customers

CSR expectations	Mean	S.D.	t-statistics			
			(2)	(3)	(4)	(5)
Customers	6.13	0.80	10.97***	7.74***	13.62***	0.49
Shareholders ⁽¹⁾	5.64	1.07	-	-2.68***	3.60***	-9.25***
Employees	5.77	1.18		-	6.20***	-7.23***
Community	5.44	1.19			-	-14.83***
General	6.11	0.95				-

*** denotes significance at the 99% level of confidence

(2) shareholders and supervising boards; (3) employees; (4) community; (5) general

⁽¹⁾ ... and supervising boards

Table 4. Differences in the CSR expectations of savings banks and commercial banks customers

CSR expectations	Mean SB	Mean CB	t-statistics
Customers	6.15	6.13	0.30
Shareholders ⁽¹⁾	5.70	5.64	0.84
Employees	5.91	5.77	1.90*
Community	5.74	5.44	4.30***
General	6.17	6.11	1.03

*, *** denote significance at the 90% and 99% level of confidence, respectively

SB = Savings banks; CB = Commercial banks

⁽¹⁾ ... and supervising boards

Table 5. K-means cluster analysis with the savings banks customers

Customer categories	Mean	S.D.	t-statistics ⁽²⁾			
			(2)	(3)	(4)	(5)
<u>Customer-oriented:</u>						
Customers	4.60	1.26	3.39***	3.63***	2.85***	1.57*
Shareholders ⁽¹⁾	3.88	0.95	-	1.87*	0.14	-1.81*
Employees	3.42	1.42		-	-1.73*	-3.05***
Community	3.85	1.17			-	-2.21**
General	4.28	1.15				-
<u>Legally(customer)-oriented:</u>						
Customers	5.81	0.76	8.97***	0.13	6.01***	-4.08***
Shareholders	5.29	0.84	-	-8.11***	-3.24***	-12.18***
Employees	5.43	0.91		-	5.63***	-3.75***
Community	5.20	0.57			-	-9.59***
General	5.79	0.36				-
<u>CSR-oriented:</u>						
Customers	6.64	0.40	7.66***	5.05***	8.11***	0.22
Shareholders	6.28	0.68	-	-1.86*	1.08	-7.13***
Employees	6.64	0.50		-	2.74***	-5.02***
Community	6.44	0.88			-	-8.83***
General	6.75	0.72				-

*, **, *** denote significance at the 90%, 95% and 99% level of confidence, respectively

(2) shareholders and supervising boards; (3) employees; (4) community; (5) general

⁽¹⁾ ... and supervising boards

⁽²⁾ Results of the ANOVA analyses for the dimensions of the CSR expectations (customers, shareholders and supervising boards, employees, community and general): $265.04 < F < 441.07$; $p < 0.01$. Results of the post-hoc statistics: $p < 0.01$ for all the comparisons among the three clusters

Table 6. K-means cluster analysis with the commercial banks customers

Customer categories	Mean	S.D.	t-statistics ⁽²⁾			
			(2)	(3)	(4)	(5)
<u>Customer-oriented:</u>						
Customers	5.10	1.10	4.08***	7.04***	6.59***	2.60**
Shareholders ⁽¹⁾	4.33	1.21	-	3.22***	2.74***	-1.67*
Employees	3.73	1.17		-	-0.25	-4.21***
Community	3.78	1.14			-	-5.76***
General	4.66	1.06				-
<u>Legally(customer)-oriented:</u>						
Customers	5.95	0.62	6.26***	1.12	6.92***	-1.89*
Shareholders	5.26	0.85	-	-4.27***	1.22	-6.95***
Employees	5.55	0.72		-	5.69***	-2.94***
Community	5.03	0.86			-	-8.71***
General	5.97	0.75				-
<u>CSR-oriented:</u>						
Customers	6.57	0.42	9.08***	5.63***	11.11***	-0.29
Shareholders	6.31	0.58	-	-3.77***	2.32**	-7.54***
Employees	6.52	0.52		-	5.52***	-5.57***
Community	6.24	0.64			-	-11.44***
General	6.64	0.49				-

*, **, *** denote significance at the 90%, 95% and 99% level of confidence, respectively

(2) shareholders and supervising boards; (3) employees; (4) community; (5) general

⁽¹⁾ ... and supervising boards

⁽²⁾ Results of the ANOVA analyses for the dimensions of the CSR expectations (customers, shareholders and supervising boards, employees, community and general): $149.42 < F < 402.06$; $p < 0.01$. Results of the post-hoc statistics: $p < 0.01$ for all the comparisons among the three clusters

Table 7. The CSR expectations construct

Items
<i>I believe a (savings/commercial) bank should...</i>
<p><u>CUSTOMERS</u> - <u>CSR1</u>) Establish procedures to comply with customers' complaints; <u>CSR2</u>) Treat its customers honestly; <u>CSR3</u>) Have employees who offer complete information about corporate products/services to customers; <u>CSR4</u>) Use customers' satisfaction as an indicator to improve the product/service marketing; <u>CSR5</u>) Make an effort to know customers' needs</p> <p><u>SHAREHOLDERS AND SUPERVISING BOARDS</u> – <u>CSR6</u>) Try to maximize its profits; <u>CSR7</u>) Keep a strict control over its costs; <u>CSR8</u>) Try to insure its survivals and long-term success</p> <p><u>EMPLOYEES</u> – <u>CSR9</u>) Pay fair salaries to its employees ; <u>CSR10</u>) Offer safety at work to its employees; <u>CSR11</u>) Treat its employees fairly (without discrimination or abuses); <u>CSR12</u>) Offer training and career opportunities to its employees; <u>CSR13</u>) Offer a pleasant work environment (e.g., flexible hours, conciliation); <u>CSR14</u>) Help solving social problems</p> <p><u>COMMUNITY</u> – <u>CSR15</u>) Use part of its budget for donations and social projects to advance the situation of the most unprivileged groups of the society; <u>CSR16</u>) Contribute money to cultural and social events (e.g., music, sports); <u>CSR17</u>) Play a role in the society beyond the economic benefits generation; <u>CSR18</u>) Be concerned with improving the general well-being of society; <u>CSR19</u>) Be concerned with respecting and protecting the natural environment;</p> <p><u>GENERAL</u> – <u>CSR20</u>) Always respect rules and regulations defined by law; <u>CSR21</u>) Be concerned with fulfilling its obligations vis-à-vis its shareholders, suppliers, distributors and other agents with whom it deals; <u>CSR22</u>) Be committed to well established ethic principles</p>

Figure 1. The CSR concept in the banking industry

