

Corporate Social Responsibility, Brand Preference, Satisfaction and Loyalty of Thai Consumer on Thai Beer in Bangkok Metropolitan Area

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Abstract

This study investigates the influence of corporate social responsibility (CSR) across two dimensions—stakeholder-focused and society-focused—on brand preference, satisfaction, and customer loyalty, including purchase intention and positive word-of-mouth, in the Thai beer industry. This controversial and socially sensitive sector requires careful CSR practices to address public concerns and enhance corporate reputation. Mixed-mode surveys (online and face-to-face interviews) were conducted with 400 Thai beer consumers in Bangkok, and partial least squares structural equation modeling (PLS-SEM) was employed to analyze the data and test the hypotheses. The findings reveal that both stakeholder- and society-focused CSR positively and directly impact brand preference and satisfaction, with stakeholder-focused CSR demonstrating a stronger influence. Satisfaction exerts a greater positive effect on purchase intention, while brand preference shows a stronger impact on positive word-of-mouth. Satisfaction also partially mediates the CSR-loyalty relationship for both dimensions of CSR, while brand preference partially mediates the stakeholder-focused CSR-loyalty pathway. Furthermore, brand differences significantly moderate the effects of CSR on brand preference and satisfaction, underscoring the importance of tailored CSR strategies for different market segments. To enhance customer loyalty and strengthen brand reputation in the Thai beer industry, firms should prioritize stakeholder-focused CSR initiatives that directly benefit stakeholders, such as community programs and employee welfare schemes, as these have a stronger influence on brand preference and satisfaction. Society-focused CSR, such as philanthropic activities and environmental conservation projects, should be leveraged to address broader societal concerns, complementing stakeholder-focused efforts. Effective CSR communication is critical, and firms should clearly communicate CSR initiatives through social media, advertising, and on-pack messaging to build trust and brand preference. Recognizing the moderating role of brand differences, firms are advised to segment CSR strategies by brand, tailoring activities to reflect unique values and positioning. Monitoring and evaluating the impact of CSR initiatives using metrics such as customer satisfaction, brand preference, and loyalty can help refine strategies and maximize their effectiveness. This study provides valuable insights for practitioners and policymakers in managing CSR initiatives within controversial industries. From a managerial perspective, integrating stakeholder-focused and society-focused CSR can foster both attitudinal and behavioral loyalty, enhancing overall brand equity. Policymakers can leverage these findings to encourage responsible corporate behavior in industries that pose potential societal risks, such as alcohol and tobacco. Future research can explore long-term CSR impacts and extend these findings to other industries and cultural contexts to deepen understanding.

Keywords: *Corporate Social Responsibility, Brand Preference, Satisfaction, Loyalty, Thai Beer.*

Introduction

In Thailand, Buddhism, the predominant religion, emphasizes the importance of self-discipline through practices such as abstaining from intoxicants. Paradoxically, the alcohol beverage industry thrives and remains a lucrative sector, despite its perceived conflict with cultural and religious values. In November 2023, Carabao Group entered the Thai beer market, capitalizing on the industry's rapid growth and high revenue potential, despite its controversial image. The beer market is predominantly controlled by two major players: Boon Rawd Brewery Co., Ltd., which owns brands such as Singha, Leo, and My Beer, and Thai Beverage PCL (ThaiBev), which owns Chang, Archa, and Federbräu. Together, these companies hold over 90% of the market share, with Boon Rawd Brewery at 57.9% and ThaiBev at 34.1% as of 2023 (National Food Institute, Ministry of Finance, 2024).

Despite its success, the beer industry faces significant social challenges. Drunk driving has been a major public concern in Thailand since 1995, contributing to approximately 60% of injuries and fatalities in road accidents (Don't Drive Drunk Foundation, 2024). Initiatives like the "Don't Drive Drunk" campaign, launched in 1997, highlight the cooperation between government, law enforcement, and civil society to

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address this issue. During the Songkran festival in April 2023, there were 6,116 reported traffic accidents, with 95.96% involving drunk driving. However, stricter enforcement and awareness campaigns reduced drunk driving cases by 22.7% during the same period in 2024 (The Government Public Relations Department, Office of the Prime Minister, 2024).

The beer industry's dominance in the alcohol sector, with a 55% market share compared to spirits (37%) and wine (7%), has made it a focal point for societal criticism (National Food Institute, Ministry of Finance, 2024). To address these challenges, corporate social responsibility (CSR) has emerged as a key strategy. CSR initiatives, particularly those focusing on philanthropic efforts, are widely recognized as tools for enhancing brand image and mitigating public pressure (Porter & Kramer, 2006; Liu et al., 2013). For example, ThaiBev has implemented stakeholder engagement strategies that emphasize creative and inclusive activities to reduce the social risks associated with its operations (Thailand Sustainable Development Report, 2022). Similarly, Boon Rawd Brewery established the "Singha-A-SA" network during the 2011 floods, focusing on social services, environmental conservation, and community development, further integrating CSR into its brand identity (Hoeffler & Keller, 2002; Liu et al., 2013).

From a strategic perspective, CSR has become a critical tool for gaining competitive advantage by positively influencing consumer perceptions. According to the European Commission, CSR involves voluntary initiatives addressing stakeholder concerns related to social and environmental issues (Lai et al., 2015; Srivastava & Singh, 2021). Companies that adopt CSR practices often experience enhanced customer-related outcomes, as stakeholders, particularly customers, play a pivotal role in generating revenue through repeat purchases and recommendations (Rivera et al., 2016; Srivastava & Singh, 2021). For Thailand's beer industry, CSR initiatives offer a pathway to balance the sector's economic benefits with its societal impacts.

Although CSR's direct influence on customer loyalty has been widely studied, the relationship between brand preference and customer loyalty remains underexplored (Bhattacharya & Sen, 2004; Liu et al., 2013). Previous studies suggest that CSR's impact on customer retention is often mediated by factors such as brand preference and satisfaction (Martin & de Maya, 2013; Tuskej et al., 2013; Saeidi et al., 2015). This study aims to fill this gap by examining how CSR, segmented into stakeholder-focused and society-focused dimensions, influences customer loyalty through the mediating effects of brand preference and satisfaction.

The study objectives are as follows:

- To examine the direct effects of CSR on brand preference and satisfaction and assess their impact on customer loyalty, including purchase intention and positive word-of-mouth.
- To investigate the mediating roles of brand preference and satisfaction in the CSR-loyalty relationship.
- To explore the moderating effects of brand differences on the relationships between CSR and customer perceptions.

By evaluating CSR initiatives in the context of Thailand's controversial beer industry, this study contributes valuable insights for businesses and policymakers. The findings aim to inform strategies that balance economic growth with social responsibility, fostering stronger customer relationships and enhancing societal well-being. This paper is structured into five sections: the introduction, a literature review with hypothesis development, research methodology, data analysis and findings, and a discussion of implications, limitations, and recommendations for future research.

Literature Review and Hypotheses Development

This study employs three foundational theories to analyze the role of corporate social responsibility (CSR): stakeholder theory, social identity theory, and social exchange theory.

Stakeholder Theory

Stakeholder theory emphasizes that organizations should address the needs and expectations of all stakeholders, including employees, customers, business partners, and the community (Theodoulidis et al., 2017; Srivastava & Singh, 2021). In the context of CSR, stakeholders expect firms to engage in social initiatives and environmental conservation to improve societal welfare and living standards (Wolter et al., 2017). According to Donaldson and Preston (1995), businesses have moral and ethical obligations to engage in activities that enhance societal well-being, such as environmental conservation and social development programs. This approach is especially pertinent in controversial industries, where stakeholder-focused CSR initiatives can build trust and mitigate negative perceptions (Wolter et al., 2017; Farmaki, 2019; Rhou & Singal, 2020; Srivastava & Singh, 2021).

Social Identity Theory

Social identity theory explains how CSR fosters customer loyalty by aligning corporate values with individual self-identity (Abdullah et al., 2017). Customers who identify with an organization's CSR efforts often develop a sense of belonging and pride (Bhattacharya & Sen, 2003; Martinez & Del Bosque, 2013; Fatma et al., 2018). Engagement in CSR encourages customers to support an organization's actions (Rather, 2018), as individuals seek self-esteem through social group affiliation. In industries with reputational challenges, such as alcohol, CSR initiatives can effectively enhance corporate image and mitigate negative societal views (Tajfel & Turner, 1986; Porter & Kramer, 2006; Liu et al., 2013). Customers engaged with CSR activities are more likely to exhibit positive behaviors, including repeat purchases and word-of-mouth recommendations (Rather, 2018).

Social Exchange Theory

Social exchange theory is also incorporated in this study, exploring the reciprocal relationships between organizations and stakeholders, focusing on the balance of costs and benefits (Homans, 1961). Fair CSR practices foster trust, satisfaction, and loyalty, as stakeholders perceive value in the relationship (Oliver, 1997). While this theory is frequently applied in employee-related studies, its principles are equally relevant to customer perceptions, particularly in industries like alcohol where CSR can significantly shape consumer attitudes (Cheon & Cheon, 2016; Srivastava & Singh, 2021). CSR efforts that emphasize fairness and societal contributions strengthen stakeholder loyalty and satisfaction. This study aims to bridge this gap by focusing on CSR's impact on customer loyalty through brand preference and satisfaction in the Thai beer sector.

Corporate Social Responsibility in the Thai Beer Industry

In Thailand's beer industry, CSR serves as both a strategic marketing tool and management policy aimed at enhancing corporate reputation and mitigating negative societal perceptions (Liu et al., 2013; Srivastava and Singh, 2021). According to the European Commission, CSR is defined as a corporation's voluntary actions benefiting society and addressing stakeholders' environmental concerns (Lai et al., 2015; Srivastava and Singh, 2021). CSR initiatives are generally categorized into two dimensions: stakeholder-focused and society-focused (Lai et al., 2015; Liu et al., 2013). Stakeholder-focused CSR addresses the immediate needs of key groups such as employees and customers, while society-focused CSR emphasizes broader goals like environmental sustainability and philanthropy. Both dimensions significantly impact customer satisfaction and loyalty by improving brand reputation and aligning corporate actions with societal expectations (Perez et al., 2013; Cheng et al., 2019). Customers, as key stakeholders, play a crucial role in evaluating business performance. Effective CSR can enhance brand reputation and foster customer loyalty, particularly in the alcohol sector (Vong and Wong, 2013; Davvetas and Diamantopoulos, 2017; Farmaki, 2019; Gonzalez-Rodriguez et al., 2019).

Leading firms such as ThaiBev and Boon Rawd Brewery have integrated CSR into their business strategies. ThaiBev focuses on stakeholder engagement through creative activities and transparent communication, as outlined in its Thailand Sustainable Development Report (2022). Similarly, Boon Rawd Brewery's "Singha-

A-SA” network promotes social services, environmental conservation, and community development. Both companies utilize CSR as part of their marketing strategies to improve brand image, customer satisfaction, and loyalty (Porter & Kramer, 2006; Perez et al., 2013; Gao and Mattila, 2014; Srivastava and Singh, 2021). These efforts demonstrate how CSR can mitigate reputational risks, enhance brand preference, and drive customer loyalty in controversial industries (Porter & Kramer, 2006; Liu et al., 2013).

Key CSR Drivers in Customer Loyalty

CSR initiatives improve business performance by fostering customer satisfaction and loyalty. These outcomes are driven by CSR’s ability to enhance brand reputation and influence customer perceptions positively. CSR activities addressing stakeholders’ concerns create opportunities for companies to align with consumer values, leading to increased repurchase intentions and positive word-of-mouth (Vong & Wong, 2013; Gonzalez-Rodriguez et al., 2019). Satisfaction and brand preference, in particular, act as the critical mediators in the CSR-loyalty relationship, as they foster trust and long-term engagement (Luo & Bhattacharya, 2006; Gao & Mattila, 2014).

Study Framework and Hypotheses

Direct Effects of CSR

- H₁: CSR positively affects satisfaction.
 - H_{1a}: CSR to stakeholders positively affects satisfaction.
 - H_{1b}: CSR to society positively affects satisfaction.
- H₂: Customer satisfaction positively affects loyalty.
 - H_{2a}: Satisfaction positively affects purchase intention (behavioral loyalty).
 - H_{2b}: Satisfaction positively affects positive word-of-mouth (attitudinal loyalty).

Mediating Effects of Satisfaction:

- H₃: Satisfaction mediates the CSR-loyalty relationship.
 - H_{3a}: Satisfaction mediates CSR to stakeholders and purchase intention.
 - H_{3b}: Satisfaction mediates CSR to society and purchase intention.
 - H_{3c}: Satisfaction mediates CSR to stakeholders and positive word-of-mouth.
 - H_{3d}: Satisfaction mediates CSR to society and positive word-of-mouth.

Direct Effects of Brand Preference:

- H₄: CSR positively affects brand preference.
 - H_{4a}: CSR to stakeholders positively affects brand preference.
 - H_{4b}: CSR to society positively affects brand preference.
- H₅: Brand preference positively affects loyalty.
 - H_{5a}: Brand preference positively affects purchase intention.

- H_{5b}: Brand preference positively affects positive word-of-mouth.

Mediating Effects of Brand Preference:

- H₆: Brand preference mediates the CSR-loyalty relationship.
 - H_{6a}: Brand preference mediates CSR to stakeholders and purchase intention.
 - H_{6b}: Brand preference mediates CSR to society and purchase intention.
 - H_{6c}: Brand preference mediates CSR to stakeholders and positive word-of-mouth.
 - H_{6d}: Brand preference mediates CSR to society and positive word-of-mouth.

Moderating Role of Brand Differences: Brand differences are hypothesized to moderate the impact of CSR on customer perceptions. ThaiBev and Boon Rawd Brewery's distinct CSR strategies emphasize the importance of tailoring initiatives to individual brand identities (Hoeffler & Keller, 2002; Liu et al., 2013).

- H₇: Brand differences moderate the effect of CSR on brand preference.
 - H_{7a}: Brand differences moderate CSR to stakeholders and brand preference.
 - H_{7b}: Brand differences moderate CSR to society and brand preference.
- H₈: Brand differences moderate the effect of CSR on satisfaction.
 - H_{8a}: Brand differences moderate CSR to stakeholders and satisfaction.
 - H_{8b}: Brand differences moderate CSR to society and satisfaction.

Research Methodology

Samples

To examine the effects of CSR (towards stakeholders and society) on customer loyalty (both attitudinal and behavioral), mediated by brand preference and customer satisfaction, and moderated by brand differences, a quantitative research design was adopted. Data were collected through a mixed-mode survey approach (Burns et al., 2017), combining self-administered online surveys using Google Forms and traditional face-to-face interviews conducted at business centers in Bangkok. These centers were selected for their high foot traffic, encompassing department stores, grocery stores, restaurants, pubs, and bars, which provided ideal locations for intercepting participants.

The sample size was determined using the “10-times rule” method for partial least squares structural equation modeling (PLS-SEM) (Hair et al., 2011), which requires a sample size greater than 10 times the maximum number of inner or outer model links pointing to any latent variable in the model (Kock & Hadaya, 2016). The final sample comprised 400 participants who were regular consumers of Thai beer and familiar with the respective companies' CSR activities, exceeding the minimum requirements.

Demographic data revealed that 213 respondents (53.25%) were customers of Boon Rawd Brewery (Singha, Leo brands), while 187 (46.75%) consumed ThaiBev products (Chang brand). Among the respondents, 221 (55.25%) were male, 226 (56.5%) belonged to Generation Y (born between 1980 and 1997), 244 (61%) held a bachelor's degree, and 147 (36.75%) were private sector employees.

Measurement

A five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) was employed to measure six constructs:

- **CSR to Stakeholders:** Measured by five items derived from Liu et al. (2013), based on Clarkson (1995) and Turker (2009).
- **CSR to Society:** Measured by four items adapted from Liu et al. (2013), originally developed from Clarkson (1995) and Holcomb et al. (2007).
- **Brand Preference:** Measured by four items adapted from Sirgy et al. (1997) and Jamal and Goode (2001), as utilized by Liu et al. (2013).
- **Customer Satisfaction:** Measured by four items from Srivastava and Singh (2021), developed based on Saecidi et al. (2015).
- **Purchase Intention:** Measured by four items used by Liu et al. (2013) and Abbas et al. (2018).
- **Positive Word-of-Mouth:** Measured by four items from Abbas et al. (2018), adapted from Brown et al. (2005) and Romani et al. (2013).

PLS-SEM Estimation

PLS-SEM was employed as the primary analytical technique to explore the relationships between constructs. This approach uses factor analysis to form constructs and evaluate the impact of independent variables on dependent variables. SmartPLS 4.0 software (Ringle et al., 2015) was used for the analysis, which followed a two-step approach:

- **Measurement Model Validation:** Confirmatory factor analysis (CFA) was conducted to assess the reliability, convergent validity, and discriminant validity of the constructs. Constructs that met the required thresholds proceeded to the next stage.
- **Structural Model Evaluation:** Hypotheses were tested within the validated constructs, and the structural model's fitness was evaluated based on path coefficients, significance levels, and explained variance.

This methodological approach ensures robust analysis and reliable findings, enabling an in-depth understanding of the mediating and moderating effects within the study framework.

Results

Measurement Model

Table 1 presents the reliability of items within each construct, internal consistency, and the model's convergent and discriminant validity. Factor loadings ranged from .875 to .979, surpassing the recommended threshold of 0.7. The highest factor loading was observed for CSR to society (CSR3) at .979, while the lowest was for CSR to stakeholders (CSR1) and brand preference (BP3) at .875. Mean values for constructs were as follows: CSR to stakeholders (3.30–3.34), CSR to society (3.46–3.61), brand preference (3.03–3.39), satisfaction (3.08–3.16), purchase intention/behavioral loyalty (3.33–3.76), and positive word-of-mouth/attitudinal loyalty (3.25–3.58). Standard deviations were below 1 (.57–.75) for all items.

Table 1. Confirmatory Factor Loading, Mean, And Standard Deviation

Construct	Item	Factor Loading	Mean	Standard Deviation
CSR to Stakeholders	CSRA1	.875**	3.30	.59
	CSRA2	.961**	3.31	.66
	CSRA3	.947**	3.24	.66
	CSRA4	.949**	3.34	.71
	CSRA5	.948**	3.30	.70
CSR to Society	CSRB1	.977**	3.59	.69
	CSRB2	.939**	3.46	.71
	CSRB3	.979**	3.60	.69
	CSRB4	.961**	3.61	.68
Brand Preference	BP1	.923**	3.27	.59
	BP2	.953**	3.19	.63
	BP3	.875**	3.39	.57
	BP4	.941**	3.03	.60
Satisfaction	S1	.972**	3.08	.64
	S2	.976**	3.15	.63
	S3	.974**	3.10	.61
	S4	.973**	3.16	.64
Purchase Intention or Behavioral Loyalty	PI1	.968**	3.64	.66
	PI2	.977**	3.61	.65
	PI3	.922**	3.76	.61
	PI4	.955**	3.33	.75
Positive word-of-mouth or Attitudinal Loyalty	WOM1	.908**	3.25	.62
	WOM2	.907**	3.58	.57
	WOM3	.884**	3.55	.55
	WOM4	.912**	3.39	.60

Note: ** stands for p-value <.01.

Table 2 demonstrates Cronbach's alpha (α), composite reliability (CR), average variance extracted (AVE) and Fornell-Larcker discriminant validity. For internal consistency, α and CR are higher than 0.7 (Hair et al., 2017). The results from Table 2 showed that all constructs had α values ranging from .925 to .982. All variables had CR values ranging from .938 to .982, which exceeds the recommended threshold of 0.7. AVE values ranged from .815 to .948, which were above 0.5 for all constructs to satisfy convergent validity (Fornell and Larcker, 1981). Discriminant validity can identify the AVE value of all constructs was higher than 0.5. Additionally, the square root of AVE for each construct surpassed inter-construct correlations, satisfying discriminant validity (Hair et al., 1998; Bentler et al., 2000).

Table 2. Internal Consistency, Convergent and Discriminant Validity

Construct	α	CR	AVE	CSRA	CSRB	BP	S	PI or LB	WOM or LA
CSRA	.965	.969	.877	.936					
CSRB	.975	.978	.930	.760	.964				
BP	.942	.943	.853	.736	.744	.924			
S	.982	.982	.948	.747	.760	.839	.974		
PI or LB	.958	.962	.890	.696	.781	.707	.731	.943	
WOM or LA	.925	.938	.815	.713	.779	.759	.754	.793	.903

Common Method Bias test

Variance inflation factor (VIF) analysis was conducted to assess collinearity and address common method bias (CMB) concerns. All VIF values ranged between 2.185 and 3.007, below the threshold of 3.3, confirming no multicollinearity issues (Kock, 2015).

Structural Model Assessment: PLS-SEM

This study employed PLS-SEM to analyze the framework. The structural model was assessed based on the coefficient of determination (R^2), standardized path coefficients (β), and statistically significant levels. Explanatory power (R^2) explains the amount of variance explained by independent variables for dependent variable (Hair et al., 2017). Chin (1998) states that R^2 values of 0.19, 0.33, 0.67 identify weak, moderate and substantial explanatory power, respectively. The structural model's explanatory power was evaluated through R^2 values and path coefficients. R^2 values indicated substantial explanatory power: 64.8% for brand preference (was closed to substantial), 74.3% for satisfaction, 69.7% for purchase intention, and 75.7% for positive word-of-mouth (Chin, 1998).

Table 3 demonstrated hypotheses testing for direct effects, path analysis, and significance levels as follows:

Table 3. Hypotheses Testing and Path Analysis Results

Hypotheses	β	S.E.	t-value	p-value	Conclusion
H _{1a} : From CSR to stakeholders to Satisfaction	.579	.082	7.042***	.000	Accepted
H _{1b} : From CSR to society to Satisfaction	.312	.072	4.337***	.000	Accepted
H _{2a} : From Satisfaction to Purchase Intention	.620	.072	8.625***	.000	Accepted
H _{2b} : From Satisfaction to Positive word-of-mouth	.399	.073	5.445***	.000	Accepted
H _{4a} : From CSR to stakeholder to Brand Preference	.600	.101	5.947***	.000	Accepted
H _{4b} : From CSR to society to Brand Preference	.229	.088	2.600**	.009	Accepted
H _{5a} : From Brand Preference to Purchase Intention	.224	.071	3.180**	.001	Accepted
H _{5b} : From Brand Preference to Positive word-of-mouth	.485	.077	6.333***	.000	Accepted

p < .01, * p < .001.

The results in Table 3 provide robust evidence supporting the hypotheses. CSR directed toward stakeholders (H_{1a}) exhibited a strong and significant positive effect on satisfaction ($\beta = .579$, $p < .001$), while CSR to society (H_{1b}) also positively impacted satisfaction, albeit to a lesser degree ($\beta = .312$, $p < .001$). Satisfaction demonstrated a substantial influence on both purchase intention (H_{2a}, $\beta = .620$, $p < .001$) and positive word-of-mouth (H_{2b}, $\beta = .399$, $p < .001$). These findings highlight the pivotal role of satisfaction as a driver of customer loyalty.

For brand preference, CSR directed toward stakeholders (H_{4a}, $\beta = .600$, $p < .001$) exhibited a stronger effect compared to CSR to society (H_{4b}, $\beta = .229$, $p < .01$). Brand preference significantly influenced purchase intention (H_{5a}, $\beta = .224$, $p < .01$) and positive word-of-mouth (H_{5b}, $\beta = .485$, $p < .001$), underlining its critical intermediary role in fostering loyalty outcomes. Collectively, these results underscore the nuanced effects of CSR dimensions and the mediating role of satisfaction and brand preference in the Thai beer industry context. Figure 1 illustrates the PLS-SEM estimation results and demonstrates the hypotheses in between constructs as paths.

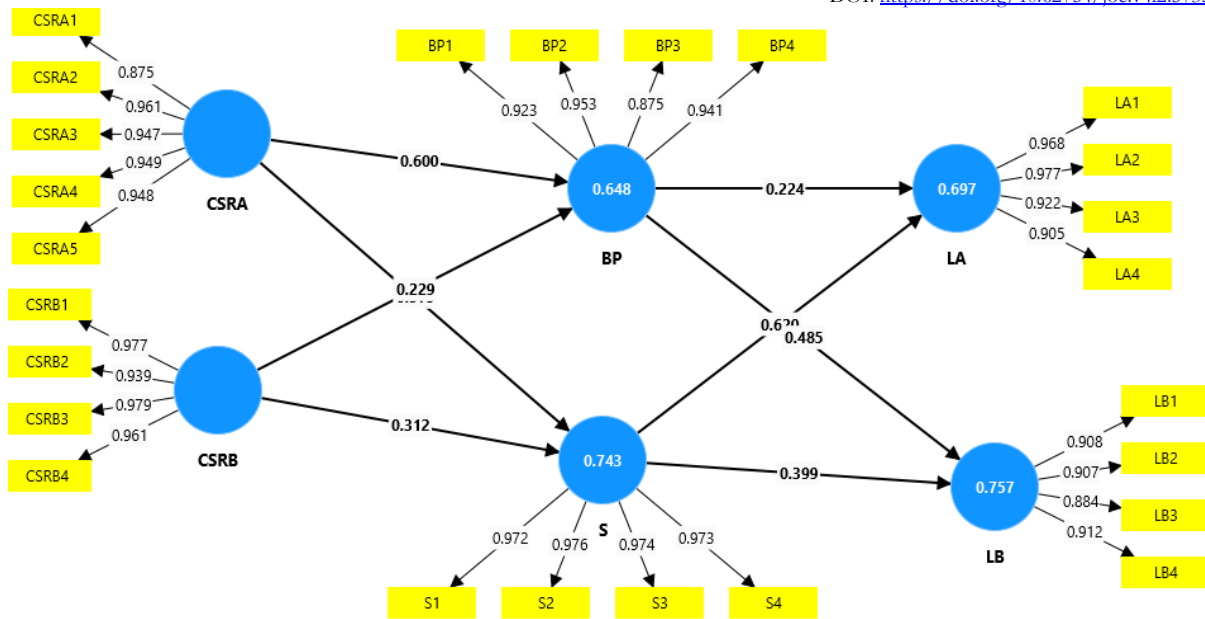


Figure 1. Findings of PLS-SEM With Standardized Path Coefficients

Mediation Analysis

Bootstrapping (5,000 samples) assessed mediation effects. When an interval for a mediating effect does not contain zero, the indirect effect is significant different from zero with 95% confidence level (Agyei et al., 2021, p.8). In this study, SmartPLS 4.0 was analyzed the indirect path coefficients assessed mediation effects to verify hypotheses 3 and 6. Table 4 identifies the findings of the mediation analysis as follows:

Table 4. Mediation Analysis with Bootstrap Tests

Hypotheses	β	t-value	p-value	95% CI Lower	95% CI Upper	Conclusion
H _{3a} : CSR to stakeholders → Purchase intention → Sat.	.359	5.308***	.000	.233	.496	Accepted
H _{3b} : CSR to society → Sat. → Purchase intention	.194	3.953***	.000	.110	.305	Accepted
H _{3c} : CSR to stakeholders → Sat. → Positive WOM	.231	4.086***	.000	.128	.352	Accepted
H _{3d} : CSR to society → Sat. → Positive WOM	.124	3.584***	.000	.068	.211	Accepted

H _{6a} : CSR to stakeholders Preference → Purchase intention	Brand	.135	2.935**	.003	.057	.238	Accepted
H _{6b} : CSR to society Preference → Purchase Intention	Brand	.051	1.776	.076	.012	.128	Rejected
H _{6c} : CSR to stakeholders Preference → Positive WOM	Brand	.291	4.726***	.000	.181	.427	Accepted
H _{6d} : CSR to society Preference → Positive WOM	Brand	.111	2.190*	.029	.030	.231	Accepted

*p < .05, **p < .01, *** p < .001.

The results on Table 4 indicate that satisfaction mediated the CSR on both dimensions- loyalty in both dimensions relationship, which supported H_{3a} ($\beta = .359$, $p < .001$), H_{3b} ($\beta = .194$, $p < .001$), H_{3c} ($\beta = .231$, $p < .001$), and H_{3d} ($\beta = .124$, $p < .001$), and the value of zero is not contained in the relationships CSR (both to stakeholders and to society) satisfaction →

→ loyalty (both purchase intention and positive word-of-mouth), respectively. Results indicated that satisfaction mediated the relationship between CSR and loyalty in all dimensions. Hence, we can conclude that the indirect effects are significant on H₃.

The results also show that brand preference ($\beta = .135$, $p < .01$) mediated the CSR to stakeholders-purchase intention relationship, supporting H_{6a}. However, brand preference ($\beta = .051$, $p > .05$), did not mediate the CSR to society-purchase intention, which is not support H_{6b} even though the value of zero is not contained in the relationship between them. Brand preference mediated the CSR on both dimensions-positive word-of-mouth relationships, supporting H_{6c} ($\beta = .291$, $p < .001$), and H_{6d} ($\beta = .111$, $p < .05$), respectively. In conclusion, brand preference mediated the CSR-loyalty relationships in all hypotheses, except H_{6b}.

Moderation Effect Assessment

The moderating variable reflects the relationship between the independent and dependent variables that may change under certain conditions or scenarios. This change may be the strength of the relationship between the independent (CSRA, CSRB) and dependent variables (BP, S), or it relates to the strength (Hair et al., 2021). Moderating effects of brand differences were analyzed using bootstrapping.

Table 5. Bootstrap Moderation Effect Test

Hypotheses	β	t-value	p-value	95% CI Lower	95% CI Upper	Conclusion
H _{7a} : BD x CSRA → BP	.724	4.457***	.000	.406	.832	Accepted
H _{7b} : BD x CSRB → BP	.564	3.641***	.000	.262	.782	Accepted
H _{8a} : BD x CSRA → S	.493	3.593***	.000	.222	.759	Accepted
H _{8b} : BD x CSRB → S	.282	2.142*	.032	.126	.532	Accepted

BD stands for brand differences.

The findings from Table 5 identifies the relationship between CSR to stakeholders and brand preference is positively moderated by brand differences. The standardized interaction coefficient is .724, with t-value is 4.457 and p-value is .000, supporting H_{7a}. The relationship between CSR to society and brand preference is positively moderated by brand differences. The standardized interaction coefficient is .564, with t-value is 3.641 and p-value is .000, supporting H_{7b}.

The relationship between CSR to stakeholders and satisfaction is positively moderated by brand differences. The standardized interaction coefficient is .493, with t-value is 3.593 and p-value is .000, supporting H_{8a}. The relationship between CSR to society and satisfaction is positively moderated by brand differences. The standardized interaction coefficient is .282, with t-value is 2.142 and p-value is .032, supporting H_{8b}.

R² values increased when brand differences were incorporated, confirming the presence of significant moderation effects. For instance, R² for CSR to brand preference rose from .648 to .691, and for CSR to satisfaction, it rose from .743 to .765. Therefore, moderation effect exists the relationship between CSR in both dimensions and brand preference and satisfaction.

Discussion

This study provides a comprehensive understanding of the effects of corporate social responsibility (CSR), brand preference, and customer satisfaction on customer loyalty within the Thai beer industry—a highly controversial sector in a Buddhist-majority society. By integrating the results of structural, mediation, and moderation analyses (Tables 3, 4, and 5), this discussion highlights key theoretical contributions, practical implications, limitations, future research directions, and conclusion.

Theoretical Contributions

The results demonstrate significant theoretical contributions by integrating stakeholder theory, social identity theory, and social exchange theory to explain the relationship between CSR and customer loyalty. The study confirms that CSR initiatives have direct and indirect impacts on customer loyalty through mediating effects of brand preference and satisfaction. This aligns with previous findings by Bhattacharya and Sen (2003) and Liu et al. (2013), who emphasized the importance of CSR initiatives in influencing customer behavior.

Direct Effects of CSR on Satisfaction and Brand Preference

The findings indicate that CSR to stakeholders ($\beta = 0.579$, $p < .001$) has a stronger positive effect on customer satisfaction compared to CSR to society ($\beta = 0.312$, $p < .001$). Similarly, CSR to stakeholders significantly influences brand preference ($\beta = 0.600$, $p < .001$) more strongly than CSR to society ($\beta = 0.229$, $p < .01$). This suggests that CSR initiatives directly addressing stakeholder concerns—such as customer well-being, ethical practices, and engagement—carry more weight in shaping customer perceptions and preferences than general societal initiatives. This finding is consistent with Clarkson's

(1995) stakeholder theory, which posits that firms' responsibility toward key stakeholders (e.g., customers) significantly influences firm performance.

The comparative weakness of CSR to society highlights that while CSR addressing societal concerns (e.g., environmental conservation, social campaigns) is appreciated, its impact on customer attitudes is less immediate. This reflects findings by Gao and Mattila (2014), who argue that customers prioritize CSR activities with direct relevance to their personal experience.

Mediating Role of Satisfaction and Brand Preference

The mediation analysis reveals that customer satisfaction plays a partial mediating role in the relationship between CSR and customer loyalty. For instance:

- CSR to stakeholders → satisfaction → purchase intention ($\beta = 0.359, p < .001$) and
- CSR to stakeholders → satisfaction → positive word-of-mouth ($\beta = 0.231, p < .001$).

Similarly, CSR to society has a weaker but still significant mediation effect through satisfaction:

- CSR to society → satisfaction → purchase intention ($\beta = 0.194, p < .001$) and
- CSR to society → satisfaction → positive word-of-mouth ($\beta = 0.124, p < .001$).

These findings support Saeidi et al. (2015) and Perez et al. (2013), who emphasized that satisfaction mediates the CSR-loyalty relationship. Satisfaction emerges as a critical mechanism through which CSR activities translate into both behavioral loyalty (purchase intention) and attitudinal loyalty (word-of-mouth).

The results also reveal that brand preference mediates the relationship between CSR and positive word-of-mouth but shows weaker mediation for purchase intention (CSR to society → purchase intention: $\beta = 0.051, p > .05$). This partial mediation aligns with Marin and de Maya (2013), who argued that brand preference strengthens emotional loyalty (positive reviews) more than behavioral loyalty. This underscores the role of CSR in enhancing customer-brand identification, consistent with social identity theory (Tajfel & Turner, 1986).

Moderating Effect of Brand Differences

The moderation analysis highlights that brand differences significantly strengthen the relationship between CSR and customer outcomes. For example:

- Brand differences significantly moderate the effect of CSR to stakeholders → brand preference ($\beta = 0.724, p < .001$) and CSR to society → brand preference ($\beta = 0.564, p < .001$).
- Similarly, brand differences moderate the CSR to stakeholders → satisfaction relationship ($\beta = 0.493, p < .001$) and CSR to society → satisfaction relationship ($\beta = 0.282, p < .05$).

These findings align with Kim et al. (2020), who noted that well-established brands enhance the perceived credibility of CSR initiatives, leading to greater customer satisfaction and loyalty. For dominant players like Boon Rawd Brewery and ThaiBev, CSR efforts have a more pronounced impact on customer attitudes and preferences, reinforcing the importance of brand equity in amplifying CSR effectiveness.

Practical Implications

The results provide actionable insights for managers in controversial industries, such as the Thai beer sector.

Prioritize Stakeholder-Centric CSR: Firms should focus on CSR initiatives that directly address stakeholder concerns, such as product quality, responsible consumption campaigns, and ethical business practices. These initiatives are more effective in driving satisfaction and brand preference compared to broader societal CSR activities.

Enhance Customer Satisfaction: Given satisfaction's strong mediating role in loyalty outcomes, firms must integrate CSR with superior customer experiences. For example, firms can link CSR campaigns with tangible customer benefits, such as product innovation and responsible service practices.

Leverage Brand Preference for Emotional Loyalty: Firms should tailor CSR campaigns to align with customer values and foster emotional attachment to the brand. Initiatives that promote social responsibility while enhancing brand identity can strengthen positive word-of-mouth.

Utilize Brand Strength as a Competitive Advantage: Established brands, such as ThaiBev and Boon Rawd Brewery, should continue leveraging their market position to amplify CSR efforts. Credible communication and transparency in CSR activities can differentiate brands in a highly competitive market.

Limitations

While this study provides valuable insights, certain limitations should be acknowledged. First, the sample is limited to consumers in Bangkok, which may not fully represent the diversity of consumer perceptions across Thailand. Second, the study's focus on the beer industry limits its generalizability to other sectors. Finally, the cross-sectional design of this study restricts causal inferences.

Future Research Directions

Contextual Expansion: Future studies should test this model in other controversial industries (e.g., tobacco, gambling) or cultural contexts to improve generalizability.

Longitudinal Studies: A longitudinal approach would provide deeper insights into how sustained CSR efforts impact customer loyalty over time.

Additional Mediators and Moderators: Future research can explore other mediators, such as brand trust or corporate reputation, and moderators, such as generational differences or cultural norms, to further refine the CSR-loyalty framework.

Qualitative Insights: Incorporating qualitative methods, such as interviews, can offer a richer understanding of customer perceptions toward CSR in controversial industries.

Conclusion

This study bridges significant gaps in understanding the role of CSR in fostering customer loyalty in the Thai beer industry. By demonstrating the critical pathways through satisfaction and brand preference and highlighting the moderating role of brand differences, this research provides a robust foundation for both theoretical advancements and practical applications. Firms in controversial industries can leverage CSR not only as a strategy for societal contribution but also as a tool for enhancing customer loyalty and long-term competitiveness.

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