



The Link of Corporate Social Responsibility Communication towards Customer Value Co-creation: An Empirical Study in Banking Business Indonesia

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Abstract

Corporate Social Responsibility (CSR) is integral to its strategy to promote long-term success and improve the community's well-being. It involves identifying and implementing strategies and procedures designed to promote ethical practices. The concept of CSR is crucial to a banking business's overall strategy to enhance its relationship with its customers. This study aimed to analyze the impact of CSR on the interactions between social media influencers, customer company identification, CSR communication, and customer value co-creation. The study was conducted through quantitative research. The primary data was based on stratified sampling obtained through the 400 samples from Indonesians who have purchased and recognized the CSR of the banking business. This study employed a standardized questionnaire to assess the model derived from the literature. The statistics have applied confirmatory factor analysis and the structural equation model AMOS 28. CSR communication and each construct considerably affect banking business performance in exploring sustainability programs. Results revealed that social media influencers have a positive impact on CSR communication. Correspondingly, CSR communication has a positive impact on customer company identification. CSR communication has a positive impact on customer value co-creation. The paper comes up with the literature by confirming that consumers in Indonesia intend to sponsor the banking business's CSR activities. Then, the increasing number of investigations related to CSR could help improve the banking industry's competitive advantage and financial performance.

Keywords: Social Media Influencers, Customer Company Identification, CSR Communication, Customer Value Co-creation

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1. Introduction

Corporate Social Responsibility (CSR) has a crucial purpose for each institution, society, and business (Zhang & Ahmad, 2022). It positively impacts customer satisfaction and perception, a strong identity, corporate reputation, and all performance (Fatmawati & Fauzan 2021). CSR is designed to accomplish many objectives (Shayan et al., 2022). According to Shayan et al. (2022), the implementation of CSR is intended to encourage corporations, governments, and individuals to adopt a more socially responsible approach in the banking industry in response to environmental and social change. In CSR activities, a bank is supposed to have digital platforms that allow collaboration with influencers, maintain relationships with stakeholders, and promote its products and services. In today's digital age, a bank should leverage tools, including social media platforms like Facebook, Instagram, LinkedIn, and YouTube, to effectively communicate its CSR initiatives to its stakeholders. To fully realize the potential of CSR, banks need to communicate their initiatives and engage with their customers, which can lead to customer value co-creation. In this context, it is vital to define and describe the process of CSR communication toward customer value co-creation, emphasizing the significance of both concepts in promoting ethical practices and enhancing the banking business relationship with its stakeholders.

Social media platforms are increasingly used to discuss CSR, which encompasses a broad range of issues beyond environmental concerns, such as poverty and economics. These platforms are practical tools for raising awareness about various sustainability issues and promoting responsible business practices. Through influencer advertising, businesses can enhance their CSR communication. The influencer marketing industry is expected to grow from \$8 billion in 2019 to \$15 billion by 2022 (Lou, 2022). CSR communication is becoming more prevalent and can help businesses gain a competitive advantage. Effective corporate advertising can help boost awareness of their initiatives and attract more potential customers (Morsing & Schultz, 2006). The study also noted that Social Media Influencers (SMIs) have higher levels of trust and identification than traditional celebrities. It makes them valuable endorsements for businesses. Schouten et al. (2020), stated that social media influencers (SMIs) can play a crucial role in supporting banks to enhance their CSR efforts in the banking business in Indonesia by sharing relevant materials and identifying various aspects of their Customer-Company Identification (CCI). This connection between SMIs and CCI is particularly relevant in the banking industry, as it helps to promote sustainability and environmental awareness, poverty reduction, and economic development in Indonesia. CCI is frequently utilized in CSR research to evaluate the behavior of customers (Bhattacharya et al., 2017). Similar to self-esteem, customers' level of self-regard can be assessed by their identification with a company, which in turn can satisfy their specific needs. According to Mohd Paiz et al. (2020), a customer's purchase intention is based on the achievement of a good experience when visiting place-selling services. A similar study by Islam et al. (2021) revealed that customer loyalty is linked to customer value co-creation. A third study conducted in 2020 revealed that customers' perceptions of the effectiveness of marketing communications are related to their decisions.

CSR communication could enhance consumer behavior and responses to CSR. Mubushar et al. (2020) CSR and co-creation to see a significant correlation between CSR functions and customer behavior. Consumer engagement and business-customer relationships have altered the objectives of the services industry (Boccia et al., 2019). CSR communication benefits both the community and business. Consumers are more

likely to provide feedback on goods or services if they feel a strong social connection. In co-creation, customers contribute to a new product or service. It involves customers in product and service development decisions, especially in banking. Through co-creation, individuals can contribute new ideas, designs, or materials to a banking business (Schallehn et al., 2019). Several studies attest to the divergent creation of CSR across Europe and Asia (Cordeiro et al., 2018). When CSR communication diffuses from the United States to Europe and developing countries (Kaplan & Kinderman 2017), our study analyzes CSR communication in the Indonesian banking business sector.

In 2020, the banking industry updated its sustainable framework to reflect stakeholder demands (Kumar & Prakash, 2020). It ensures that the organization is committed to being a responsible financial institution. The financial sector benefits the entire community as an essential part of the economy. Reports of financial firms provide an overview of the company's activities and products, as well as its environmental and social contributions. Gupta et al. (2021), CSR communication helps employees, customers, and communities of Spanish banks. Banks should prioritize social and environmental activities and manage their profits through solid corporate governance. Numerous studies have shown that the environmental impact of companies operating in sensitive industries can significantly impact their performance. However, how do businesses manage their social and environmental impacts when dealing with non-sensitive sectors such as banking? Due to the lack of sufficient empirical studies on various aspects of CSR, requirements for companies in Southeast Asia have been implemented to provide comprehensive reports about their activities.

According to a previous study, requirements for companies in the region to provide detailed reports about their activities have been identified (Abaidoo et al., 2021). Several countries within the region have also started requiring companies to provide information about their activities related to the environment. These include the Philippines, Singapore, Thailand, and Malaysia (Gupta et al., 2021). Although the various initiatives aimed at improving the sustainability of companies in the Southeast Asian region have been implemented, their performance remains below that of other countries.

This study aimed to investigate the relationship between SMIs, CCI, CSR communication, and value co-creation in the financial services industry of ASEAN countries, with a specific focus on non-environmentally sensitive industries. The financial services sector is a critical component of the economies of ASEAN countries. It specifically explores the role of CSR communication in enhancing the performance of banks operating in Indonesia and increasing their engagement with customers and other stakeholders. By analyzing the various factors that influence the effectiveness of CSR communication within the banking industry, the aim is to identify critical strategies for improving the performance of banks in Indonesia. Our analysis reveals that effective CSR communication can help banks build a positive reputation and improve their financial performance by enhancing stakeholder engagement and fostering greater customer trust and loyalty.

Furthermore, it can contribute to the overall well-being of the business environment in Indonesia. Despite the growing importance of CSR in the banking industry, whether mandatory disclosure of CSR truly benefits companies in this sector still needs to be determined. The valuable insights into the role of CSR communication in enhancing the performance of banks in Indonesia provide practical recommendations for improving the effectiveness of CSR communication strategies (Tandelilin & Usman, 2022).

The importance of CSR continues to grow; it is becoming increasingly crucial for organizations to communicate their CSR programs and activities to their stakeholders effectively. To better understand the relationship between CSR communication and its

outcomes, the authors propose several constructs, such as SMIs, CCI, CSR Communication, and Customer Value Co-Creation, which are integrated with the theory of reasoned action (TRA) (Ajzen & Fishbein, 1975).

The increasing awareness of the importance of CSR in the banking industry is a process that can help banks improve their customer satisfaction. This study contributes to the emerging research field by providing a comprehensive understanding of the various aspects of CSR communication and its impact on bank performance. The paper presents an in-depth analysis of the various facets of CSR in the banking business in Indonesia, contributing to the literature on the topic.

2. Literature Review

2.1 CSR in Banking Industry

In the literature review section, this study discusses the role of banks in CSR and how it impacts their market value and performance (Sun et al., 2020). Despite the traditional belief that banks have limited responsibilities regarding environmental, safety, and product issues, they still produce CSR reports. These reports provide information about their environmental activities, waste management practices, and energy conservation programs, aiming to maintain a transparent and credible public image (Cheng et al., 2021). However, banks' investment and lending policies can also contribute to the environment (Wu et al., 2021).

Furthermore, the importance of effectively communicating CSR programs and activities to stakeholders. In addition to the usual factors that affect a bank's performance, CSR also plays a significant role in a company's market value and performance (Fatma et al., 2018). Therefore, organizations must communicate their programs and activities to their stakeholders thoroughly. To better understand the relationship between CSR communication and its outcomes, the authors propose several constructs, such as SMIs, CCI, CSR Communication, and Customer Value Co-Creation, which are integrated with the theory of reasoned action (TRA). However, the authors may want to elaborate further on the relationship between each construct and its outcome variables, particularly in the context of TRA. Eventually, the literature review highlights the importance of effective CSR communication for banks and emphasizes the need for clear communication with stakeholders.

2.2 Theory of Reasoned Action (TRA)

The TRA can be applied in the banking industry to understand the factors influencing customers' decision-making and behaviors related to financial products and services. (Ajzen & Fishbein, 1975) developed TRA as a model to explain and predict individual behavior, focusing on the factors that influence the planning of actions and the assumptions that underpin people's behavior.

In the context of CSR communication for banking businesses, this study aims to analyze various features utilizing the TRA framework. The framework encompasses SMIs, CCI, customer value co-creation, and CSR communication. SMIs can help banks promote their CSR initiatives, while CCI reflects how customers identify with a bank's values and objectives. Moreover, the intention component of the study indicates the bank's intention to carry out CSR initiatives, while the attitude component evaluates the effectiveness of these initiatives. By considering the role of SMIs and CCI in the TRA framework, banks can better anticipate the likelihood of their customers using their financial products and services within a given period and tailor their CSR communication

strategies accordingly. This approach can also help banks enhance their reputation, build customer trust, and foster long-term relationships.

2.3 Social Media Influencers (SMIs)

The effectiveness of social media influencers in endorsing products is a topic of increasing discussion. Recent policy regulations mandate that social media influencers disclose sponsored content when employing a form of native advertising. Influencer marketing is a type of marketing that involves leveraging the influence of prominent opinion leaders (Bialkova & te Paske, 2021). It can help boost brand awareness and improve attitudes. Social media users are also more likely to rely on it for information (Puriwat & Tripopsakul, 2021). SMIs are individuals who are identified as party endorsers. They can also influence the perceptions of others through their social media activities. Lou (2022) states that these individuals are not actors. Instead, they are influencers who create material for their followers by describing their daily lives in a way that draws a large following. SMIs provide information on CSR messages in exchange for monetary compensation from companies (Dalla-Pria et al., 2022).

Social learning theories and the leadership abilities of SMIs can enhance consumer engagement with their CSR. They can also help consumers develop an interest in the program through interaction (Cheng et al., 2021). For instance, when consumers consider an endorser of a project as a tastemaker, they become more likely to participate in the SMIs learning process. Through communicative and behavioral actions, consumers can contribute to the promotion of CSR by following SMIs recommendations. They also strengthen their ties with the organization. In addition, by becoming taste and opinion leaders, SMIs can deliver effective CSR messages (Youn & Cho, 2021).

Hypothesis (H1): Social media influencers have an effect on CSR communication.

2.4 Customer-Company Identification (CCI)

CCI is a widely used measure of people's perceptions of organizations (Raza et al., 2020). The concept of social identification refers to how individuals identify with groups (Kassemeier et al., 2021). For instance, clients might identify with firms that provide exceptional commodities or services. According to Kuah et al. (2022), organizations that can satisfy the expectations of their customers can attract them to their brand. Despite the importance of CCI, it has been relatively less studied in studies on consumer behavior and CSR (Castro et al., 2022). Utkarsh & Gupta's (2022) social identity theory explains how CCI helps people identify with organizations because they are involved in commercial relationships. Customers must first understand the fundamental concepts of a company and its products and services to start the identification process. In addition, customers tend to gravitate toward groups they believe are socially responsible. According to a study conducted by Afonso et al. (2022), those who identify with socially responsible organizations are more likely to suggest the products and services of these organizations in business and professional settings.

Fatma et al. (2018) state that customer loyalty connects CSR and a company's identity. According to SIT, customers identify with a company because they have a set of criteria that they can meet. When a company takes specific actions to improve its operations, it shows its shared values and individuality. A customer's attributes and values are then used to form an identification procedure, which helps them make informed decisions about buying from a socially responsible company. This form of identification can also help customers perform extra-duty activities. CCI has been studied extensively but has received less attention in consumer behavior and corporate social responsibility studies. According to CCI hypothesis, customers who identify with socially responsible

companies are more likely to recommend their products and services to their colleagues and clients (Fatma et al., 2022).

Hypothesis (H2): CCI has a significant effect on CSR communication.

2.5 CSR Communication

Companies use CSR communication strategies to achieve their goals and brand trust (Leclercq-Machado et al., 2022). Seele & Lock (2015) categorized these tools as instrumental and deliberative. After analyzing the various aspects of CSR communication, this study will focus on the taxonomy proposed (Dai & Reich, 2022). The first category is mono-logical, which is one-way communication that a company uses to communicate with its stakeholders. This approach is commonly referred to as "telling, not listening." Besides using websites and advertisements, mono-logical communication also involves using social media tools. Dialogical CSR communication is interactive and two-way communication between a firm and its stakeholders. It commonly utilizes various forms of media, such as stakeholder roundtables and social media (Georgiadou, 2022).

2.6 Customer Value Co-creation

Value co-creation is a collaborative process that involves businesses and customers working together to develop new products and services (Nguyen et al., 2021). Rindfleisch & O'Hern (2010) stated that value co-creation encompasses four distinct processes: collaboration, experimentation, co-designing, and submission. In co-creation, customers voluntarily collaborate with businesses to improve the design, content, and functionality of new goods and services. According to Nguyen et al. (2021), customers often seek suggestions from other consumers but ultimately select ideas that align with the organization's strategies and objectives. Additionally, when customers are invited to submit ideas for future products or services, this is called co-designing. The concept of value co-creation extends beyond new product development and can also involve businesses and customers working together to do something for others.

Similarly, marketing has recently shifted toward including customers in developing brand identities, experiences, communications, and even physical products (Iglesias et al., 2020). Co-creation is a term that refers to the process through which customers and producers interact to build value (Ahmad et al., 2021; von Wallpach et al., 2017). The word co-creation, defined by Pongsakornrunsilp & Schroeder (2011), refers to end users' active engagement in various stages of the creative process. For instance, firms may include customers in the ideation process, conduct feasibility studies on new concepts or product designs, and offer new products (Chang et al., 2018). According to Simpson et al. (2020), the effectiveness of co-creation is stage-dependent. Co-creation occurs, with the ideation and launch stages, offering the most lucrative chances for end users to participate since they reduce the time to market (Chang & Taylor, 2016).

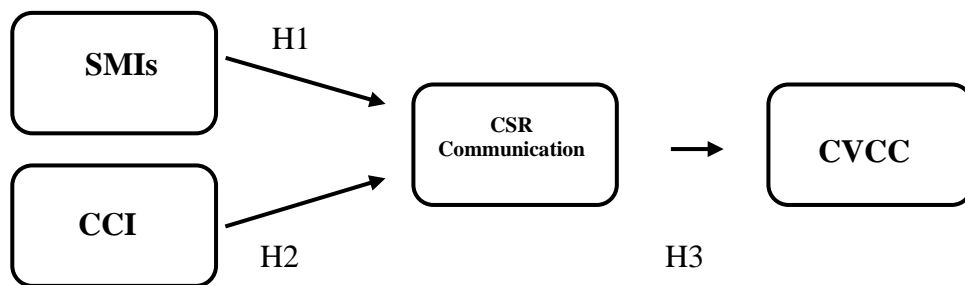
According to Wallpach (2017), a modern corporate strategy would be more consumer-oriented by directly pertaining to customers when producing market items. CSR increases consumer happiness, and when customers are satisfied, they coin this term (Biggemann et al., 2014). Ahen et al. (2015) asserted that when customers gain awareness of a business's CSR process, they establish a stronger bond with the organization and a willingness to offer their resources to aid the organization in executing co-creation duties efficiently. Simpson et al. (2020) predicted consumers' proclivity to engage in activities other than those motivated by internal and external incentives dictated by past objectives, which may involve contacts with others in the community. Consumer willingness to co-create impacts transcendent reasons, such as the benefit their engagement provides to others in society. Then, customers are more likely to collaborate with brands or

companies they believe are socially responsible. Co-creation of customer value and CSR communication approach positively correlate (Martínez-López et al., 2021).

Hypothesis (H3). CSR communication has a significantly positive effect on the co-creation of customer value.

The concept of the study is based on the literature review that was previously published. It contains five main variables related to the development and implementation of CSR communication. Without a doubt, to test the various hypotheses, the study was conducted through a conceptual framework that considers the direct and indirect effects of the constructs. The consequences of the study will be discussed in the discussion and analysis.

Figure 1: Conceptual Framework



Notes: SMIs = social media influencers, CCI = customer company identification, and CVCC = customer value co-creation.

Source: own authors conceptual framework

3. Research Methodology

The study aimed to investigate the use of CSR communication in the Indonesian banking industry to respond to the competitive environment and the growing need for sustainability. The study's population comprised customers of the Indonesian banking industry who had purchased bank products and were familiar with CSR programs. The research utilized a quantitative survey approach with a stratified study design to ensure that the selection of respondents did not influence the results. The authors selected participants from West, Central, and East Indonesia to ensure a representative sample.

A sample of 400 individuals demonstrating a basic understanding of CSR by answering two screening questions was selected for the study. Participants provided their consent to answer the questionnaires and were required to be followers of the banks' social media accounts or recognize the banks' CSR programs. The research followed ethical protocols, including obtaining informed consent from participants, ensuring their anonymity and confidentiality, and allowing for the withdrawal of their submissions.

The online questionnaire, administered to participants aged 20 to 50, was created using Google Forms. The questionnaire was distributed to the sample population via various social media platforms, such as Facebook, Instagram, Line, and WhatsApp, to ensure a broad reach and increase the chances of obtaining representative responses. It consisted of screening questions to identify eligible participants, general demographic questions, and questions related to the study's constructs. Participants were asked to rate their knowledge of CSR on a 7-point Likert scale. All ethical protocols were observed, including obtaining informed consent and ensuring participant anonymity. Using online data collection and distribution tools helped streamline the research process and increase accessibility for participants.

Data analysis was conducted using SPSS and AMOS 28 software to address potential standard method bias, estimate the model, and determine hypotheses within the research framework. Variables were initially examined through multicollinearity tests. Structural Equation Modeling (SEM), including measurement and structural models, was employed as the final step in statistical analysis (Hair et al., 2010). Confirmatory Factor Analysis (CFA) evaluated convergent validity, discriminant validity, and reliability in the measurement models, while the structural model tested the proposed hypotheses using SEM. The study's findings revealed various factors influencing the development and maintenance of CSR communication in the Indonesian banking sector, providing valuable insights for further research and practical applications.

4. Result and Analysis

4.1 Demographic Data Analysis

The authors present the study of demographic data from 400 sample respondents, respectively. Table 1 shows that most respondents were male (73%). Then, marital status stated that married was 56%. The samples' highest educational backgrounds were bachelor's degrees (68%). Moreover, respondents were entrepreneurs and employees (58.3%). Finally, most respondents answered that the average monthly income over 300 USD is 38%.

Table 1. Demographics of the Survey

	Categories	Freq.	(%)
Gender	Male	204	51
	Female	196	49
Ages	Under 20 years	2	0.5
	20 – 30	292	73
	31 – 40	101	25.6
	41 - 50	4	1.0
	More than 51	1	0.3
Marital Status	Single	175	43.8
	Married	224	56
Education	Under bachelor's	103	25.8
	Bachelor's	275	68
	Master's Degree	22	5.5
Occupation	Student	108	27
	Entrepreneur	53	13.3
	Employees	233	58.3
	Other	6	1.5
Monthly Income	Under 133 USD	28	7
	133 – 232 USD	84	21
	232 – 300 USD	136	34
	Over 300 USD	152	38
		400	100

Notes: The total number of respondents, Freq = frequency, % = Percentage
 Source: Survey data (2022).

4.2 Model Analysis Result

This research employed the SEM approach to examine the proposed hypothesis model (Anderson & Gerbing, 1988). CFA was conducted to analyze the unidimensionality of all factors, reliability, and validity of measurement instruments, including each multi-item construct in the theoretical framework. Additionally, the reliability and validity of the variables were approved at this stage. Secondly, SEM analyses the theoretical relationships between variables. As shown in Table 2, the results of the CFA suggest that the measurement model provides an excellent fit to the data based on the statistics. SPSS and AMOS software was used to complete the total analysis procedure. The authors checked each data set for multicollinearity, which was determined using the VIF and tolerance parameters; no multicollinearity was found (van de Vijver & Leung, 2021). Then, we continue to test the reliability analysis and measurement model shown in Table 2.

Table 2: Collinearity Statistics

	Tolerance	VIF
SIMs	.352	2.837
CCI	.324	3.085
CSR Communication	.341	2.934

Notes: VIF = variance inflation factor.

Source: Survey data (2022).

Cronbach's coefficient alphas for each variable exceeded the required level of 0.80 (Hair et al., 2010), as shown in Table 3. The results explained the values of CR and AVE calculated from the formula proposed. It can be observed that the CR satisfies the criteria of 0.70 (Hair et al., 2010). Then, the AVE exceeded the criteria of .50 (Mishra et al., 2019).

Table 3: The Construct Reliability and Validity

Items	Loading	R2	CR	AVE	α
SIMs	0.829	0.687	0.856	0.598	0.856
	0.758	0.575			
	0.764	0.584			
	0.740	0.548			
CCI	0.780	0.608	0.878	0.591	0.878
	0.724	0.524			
	0.674	0.454			
	0.825	0.681			
	0.830	0.689			
CSR Communication	0.823	0.677	0.822	0.538	0.823
	0.633	0.401			
	0.735	0.540			
	0.730	0.533			
CVCC	0.735	0.540	0.810	0.587	0.810
	0.738	0.545			
	0.822	0.676			

Notes: CR = composite reliability, AVE = average variance extracted, α = Cronbach's alpha.

Source: Survey data (2022).

4.3 Hypothesis Testing

The authors then analyzed the results of the first phase using the direct effect model. The outcome disclosed that the various hypotheses were significant (p-value < 0.05). CSR communication has a significant relationship between variables. Our study adapted the SEM model to test the research model among constructs, as revealed by testing the path coefficient in Table 4. RMSEA 0.020, NFI: 0.997, CFI: 0.999, GFI: 0.996, AGFI: 0.984, SRMR: 0.0138, p: 0.247 to indicate a good model fit line with prescribed values based on Hair et al. (2010).

Table 4: Hypothesis Testing

				Estimate	SE	CR	p	Decision
H1	SMI	->	CSR Communication	0.404	0.038	10.578	***	Supported
H2	CCI	->	CSR Communication	0.389	0.037	10.493	***	Supported
H3	CSR Communication	->	CVCC	0.979	0.044	22.482	***	Supported

Notes: H = hypothesis, S.E = standard error, C.R = critical ratios, ***p-values = < 0.001, **p-value < 0.005, *, *** = significant values.

Source: Survey data (2022).

The next phase was determining the effects of mediation to know if SMIs on CSR communication could mediate CVCC. Second, to know if CCI could mediate the CSR communication to CVCC. Then, we must contrast the outcomes of the standardized direct effect and indirect effect (Demming et al., 2017). Furthermore, the result of each construct's indirect effect has shown that Table 5 has favorable, mainly mediating effects among relationships in Table 6.

Table 5: Standardized Direct and Indirect

Standardized Direct Effects			
	CCI	SMI	CSR Communication
CSR Communication	0.389	0.404	0.000
CVCC	0.000	0.000	0.945
Standardized Indirect Effects			
	CCI	SMI	CSR Communication
CSR Communication	0.000	0.000	0.000
CVCC	0.381	0.396	0.000

Source: Survey data (2022).

Table 6: Result of Mediating Test

	Relationship	Direct	Indirect	Result
H4	SMI-CSR Communication-CVCC	0.404x0.945=0.381	0.404+0.381=0.785	Supported
H5	CCI-CSR Communication-CVCC	0.389x0.945=0.367	0.389+0.367=0.756	Supported

Notes: The results of a mediating hypothesis test

Source: Survey data (2022).

The structural analysis outcome of the mediation model was examined using AMOS. It has facilitated the mediation effect of the proposed relationships, and a contemporary approach was utilized, which has been supported by prior research (Demming et al., 2017). The results supported the proposed hypotheses, indicating that SMIs and CCI mediate the relationship between CSR communication and CVCC. Specifically, H4, which posited that SMIs mediate the relationship between CSR communication and CVCC, was supported with a mediation effect of 0.785. Similarly, H5, which proposed that CCI mediates the relationship between CSR communication and CVCC, was also supported with a mediation effect of 0.756. As presented in Table 6,

these findings provide empirical evidence for the mediating effect of SMIs and CCI on the relationship between CSR communication and CVCC.

5. Discussion

This study makes significant contributions to both theory and practice by exploring the relationship between CSR communication, SMIs, CCI, and CVCC in the banking industry of Indonesia, a developing nation. The study's findings suggest that implementing the TRA can benefit entrepreneurship scholars and banking industry professionals seeking to establish businesses (Mi et al., 2018). The results also provide insights into the elements of CSR communication for governments and other interested parties in Indonesia. The study's conceptual model with mediated interactions provides an in-depth understanding of the relationship between CSR communication and each construct's impact on sustainable performance in the Indonesian banking industry. The study adds to the knowledge of sustainable performance literature by illuminating the connection between the constructs for improving bank performance in Indonesia. Overall, the study's findings are consistent with the TRA and underscore the importance of businesses developing and utilizing internal resources to their advantage in the Indonesian banking industry.

The current research has been conducted to assess the driving factors of CSR communication in the Indonesian banking industry. The investigation indicates that the concluding model was appraised based on the bodywork of presumption, assuming that CSR communication is critical in SMIs, CCIs, and CVCCs. Our discovery is consistent with the diverse conceptual standpoints of the present time. We can conclude that a corporate source should post the most effective SMIs and be framed by values-driven motives (i.e., society-oriented) (Cheng et al., 2021; Cheng et al., 2021; Dalla-Pria & Rodríguez-de-Dios, 2022). Hypothesis 2 acceptance is consistent with prior findings, and this study implies that CCI and CSR communication are associated (Raza et al., 2020; Zhang & Ahmad, 2022). The study on the relationship between CCI and CSR communication is the first to examine the link between these two factors. It shows that these investments can contribute to developing positive bank performance. The creation of CCI and CSR communication helps banks develop intangible resources that can enhance customer loyalty. These resources can also help them create a competitive advantage (Raza et al., 2020).

Furthermore, the study added to the hypothesis by exploring the mediating function of SMIs between CSR communication and CVCC. The outcomes of SMIs are concerned with CSR communication. They should create a corporate source focused on society-oriented motives and provide excellent customer service. They should also use marketing channels and production techniques to create a conducive customer environment. Another critical research study verified the CCI mediating effect between CSR communication and CVCC. This finding can be explained through social identity theory. Based on this theory, customers are more inclined toward companies with positive CSR (Lichtenstein et al., 2004). In addition, customers want to have a relationship with banks capable of providing them with self-enhancement and superior capabilities. It is why they need to identify with the bank to form loyalty. It is therefore essential that practitioners thoroughly understand the various elements of their communications to address the concerns of their customers. It can help them avoid creating false claims and ensure that their messages are delivered in a way that is beneficial to their consumers' value co-creation.

5.1 Implication for Theory and Practice

The study explores a relationship between CSR communication, SMIs, CCI, and CVCC in the Indonesian banking industry. The study contributes to theoretical and practical perspectives, highlighting the potential benefits of implementing the TRA framework in developing regions like Indonesia (Mi et al., 2018). The empirical evidence presented in the study emphasizes the positive correlation between CSR communication and the constructs mentioned above. The study's findings contribute to the existing body of knowledge on sustainable performance literature by illuminating the connection between the constructs and improving bank performance in Indonesia.

Furthermore, the study's conceptual model with mediated interactions provides a comprehensive understanding of the impact of CSR communication on sustainable performance in the banking industry. The study also adds to the existing practice regarding the effects of CSR communication on developing sustainable performance. Banks can benefit from their CSR efforts by increasing consumer loyalty and boosting their acquisition likelihood. The study's results have practical implications for banking industry professionals seeking to establish businesses in Indonesia, governments, and other interested parties regarding effective CSR communication.

The results indicated a positive connection between theory and practice. TRA to comprehend how the interaction of specific resources and capabilities leads to sustainability and to understand any potential link between CSR communication and a bank's performance. The study further added to the hypothesis by exploring the mediating function of CSR between SMIs, CCI, and CVCC. The study also adds to the body of knowledge on the connection between the constructs in improving evidence of the bank industry in Indonesia as our setting study. As a result, the study's findings are consistent with the TRA, which maintains that businesses can develop and utilize internal resources to their advantage.

This study assists stakeholders in their understanding of CSR, SMIs, CCI, and CVCC. It is precious for the banking sector, which is already regarded as a "homogenized" industry. The consumers' psychological features are also crucial. Due to the homogenization of the industry, it is hard for consumers to gain loyalty and strengthen their purchasing preferences. It is caused by less variation in banking goods and services. In order to engage them emotionally, brands should be able to provide them with positive CSR communication.

CSR communication can accommodate social responsibilities while providing a competitive advantage. Undoubtedly, it is vital for the banking industry as it allows it to maintain its competitive advantage. However, due to the homogenized nature of the sector, product distinction can be challenging for all players. Without a product distinction strategy, it is difficult for banks to increase their customers' likelihood of making a purchase. A bank can easily communicate its CSR strategy through social media and create a competitive advantage. Most banks in Indonesia practice CSR from a philanthropic perspective. However, this research suggests that this approach can achieve other business goals. For instance, a bank can boost its marketing efforts by increasing the likelihood of consumers making purchases. Policymakers at banks must understand the rise of social media and how it can be used for CSR communication.

In order to enhance the quality of services and increase the accessibility of banking products and services, company management should consider adopting CSR communication practices in various community development activities. These include the construction of schools, roads, and water supply projects. This new medium can provide them with a way to provide their customers with a personalized brand experience. Some banks in Indonesia have a considerable following on social media. However, the most important thing they need to do is involve their consumers more in the brand's

development. Subsequently, this survey aims to provide a comprehensive view of how banks can use social media to improve their customer experience.

5.2 Limitations and Direction for Future Research

This study is restricted to the banking sector, and future studies may investigate other service industries, such as consumer goods, tourism, and hospitality. Although the results of this study are limited to Indonesia's population, they can be used to analyze the social and cultural factors that influence customers' decisions in other developing countries. This research could also provide valuable insight into the various factors that affect the development of the service industry. Similar research can also be conducted to examine the role of environmental dynamics in developing countries such as Vietnam, Laos, and Thailand. This study utilized a cross-sectional design and stratified sampling. Further research can also be conducted through various sampling techniques. New variables, such as customer engagement and brand equity, can be added to the study to create a more comprehensive framework.

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