Determining Customer Loyalty Outcomes through Corporate Social Responsibility (CSR) and Customer-Based Brand Equity (CBBE): A Study of Private Bank in Myanmar

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ABSTRACT

The objectives of this study are to analyze the impact of corporate social responsibility (CSR) related to stakeholders and Customer-Based Brand Equity (CBBE) on customer loyalty and to analyze the influence of customer loyalty on the customer loyalty outcomes (i.e. identification, exclusive consideration, advocacy, strength of preference, and share of wallet) of bank service users in Myanmar. The structured questionnaire survey was conducted to collect responses from customers who used banking services in Yangon, the former capital city and one of the major commercial cities in Myanmar. The number of private bank's financial service users' in Yangon (3,000,000) was used for population of this study. The study used the convenience sampling method by using structured questionnaires during October 2018. In making decision for the sample size, calculation method had been used. The feedbacks from 450 convenient samples were analyzed using Structuring Equation Model to explore the correlations between CSR, CBBE, customer loyalty, and customer loyalty outcomes. The outputs of the research explained that CSR to customers and CSR to employees highly influenced on customer loyalty. The Customer-Based Brand Equity elements - brand loyalty, brand association, and brand awareness significantly influence customer loyalty. And customer loyalty significantly influences customer loyalty outcomes. These results reveal the guidance

to bank management to participate in CSR activities that can contribute to customers and employees including building up a brand association and brand awareness in order to increase bank loyal users.

Introduction

Customer loyalty is perceptibly important for the businesses searching to receive a distinctive competitive advantage in a highly competitive market (Pan, Sheng, & Xie, 2012; Severi & Ling, 2013). Companies providing the service to the customers especially attempt to have a strong relationship with their clients because of the weakness that service users experience reviewing the service quality and the interpersonal relationships frequently built between service providers and their clients (Berry, 1995). As a result of increased competition, expenses of attracting new customers are increasing day by day even for the major market shareholders who already received their mature level (Kotler & Armstrong, 1999). Financial sector cannot avoid from this situation that is why banks have to conduct the new efficient managerial strategies to retain their loyal customers (Osayawe Ehigie, 2006). In order to protect the switching of customers to other banks, the bank managers have to know and meet the customers' requirements as well as raise the good long-term relationships with them (Ali Gillani & Awan, 2014). The participation in Corporate Social Responsibility (CSR) activities as a business strategy becomes the more concern and interest of customers, employees, and management, and the key factor for successful business competition (Yusof, Manan, Karim, & Kassim, 2015).

Since Myanmar started to open up in 2011, the government has launched a number of different reforms to its economic policy in order to have a good impact on market-oriented structural changes (Myanmar Ministry of Planning and Finance, 2019). The role of financial sector had become a part of reforms for the development of the country's economy. Myanmar financial sector has experienced some required reforms after several years of speedy growth and double-digit credit growth (Oxford Business Group, 2019). As a result of conducting reform, Myanmar banking industry become a major part of country's development and very competitive between the banks

by offering the innovative and advanced technological services to customers. As a result of increased competition in the bank service industry, customer loyalty becomes a critical component to sustain in a competitive industry. For the private banks in Myanmar, CSR activities become the strategic tool to keep the good image in the mind of customer. Welford (2013) stated that companies that can show their CSR practices and comprehensive improvement will gain customer loyalty. Based on the research outcomes of Bowling and Said (2012), twenty one percentage of businesses operated in Myanmar performed the CSR activities within the country. Minyin (2018) described that there are four major Myanmar corporations including two private banks that have been supported to local businesses and provided the efficient supplies to those who need in local. It has been supposed that the major players implementing CSR activities within the country to get loyal customers are private banks from financial sectors. According to the participation of banks in CSR activities, it is assumed that CSR become an important factor in a competitive industry. Based on the importance of CSR activities to the private banks, it is essential to explore the impact of CSR on customer loyalty. The relationship between CSR and customer loyalty in the private banking industry is an attractive area

to explore. Many former researches rarely studied to the private banks of the financial sector in Myanmar, just on other sectors such as tourism and agribusiness. Therefore, this study tried to fulfill the need by conducting research to explore the effect of CSR activities on the loyalty of customers. More specifically, this study aimed to focus on the factors developed by Turker (2009), consists of CSR to social and non-social stakeholder (community, natural environment, young generation, and non-profit organizations), CSR to employees, CSR to customers, and CSR to public authorities. Thus, this study is aimed to examine the impact of CSR to social and non-social stakeholders, customers, employees, and public authorities on customer loyalty in the private banking industry in Myanmar.

In a competitive era, a brand name is a key marketing tool for every organization. With the highly competitive environment in the banking sector, marketing and marketing strategy of a bank become essential for every bank (Sanhe, 2016). Brand equity is a marketing effect and outcome that can raise a good or service with its brand name (Vikasgautam, 2012). The power of brand equity reflected not just the customers' willingness to pay a premium price for a favorite brand in comparing with other but the way customers advocates to their colleagues (Hutton, 1997). In terms

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of Keller's concept (1993), strong brand equity improves the good image of a product/ service and enhances customer loyalty for the whole brand. Shailesh and Reddy (2016) claimed that brand equity determined the customers' preference and repurchase intention. Moreover, Ahmad and Hashim (2010) proposed that the brand equity as a useful item in conducting the brand positioning and assessing the marketing strategy. In the development and competitive era of Myanmar banking industry, the brand equity of the bank plays an important role in creating the loyalty of service users. Studying customer-based brand equity of the banking sector in the service industry is rarely conducted by researchers especially in Myanmar which is listed in lower GDP countries. Some of the studies of brand equity only explored the relationship between overall brand equity and customer loyalty as well as the impact of only one or two elements of brand equity on customer loyalty in each study (Ahmad & Hashim, 2010; Al-Abdallah & Abo-Rumman, 2013; Musinguzi, 2009). This research intended to investigate the effect of the elements of customer-based brand equity i.e. brand loyalty, brand aware-ness, perceived quality, and brand associa-tion (Aaker, 1991) on customer loyalty in the banking service sector in Myanmar.

Objectives

The research objectives of this study are (1) to explore the effect of CSR to stakeholders on customer loyalty in the private banking industry in Myanmar, (2) to analyze the influence of customer-based brand equity on customer loyalty in the private bank in Myanmar; and (3) to analyze the influence of customer loyalty on customer loyalty outcomes in the private bank in Myanmar.
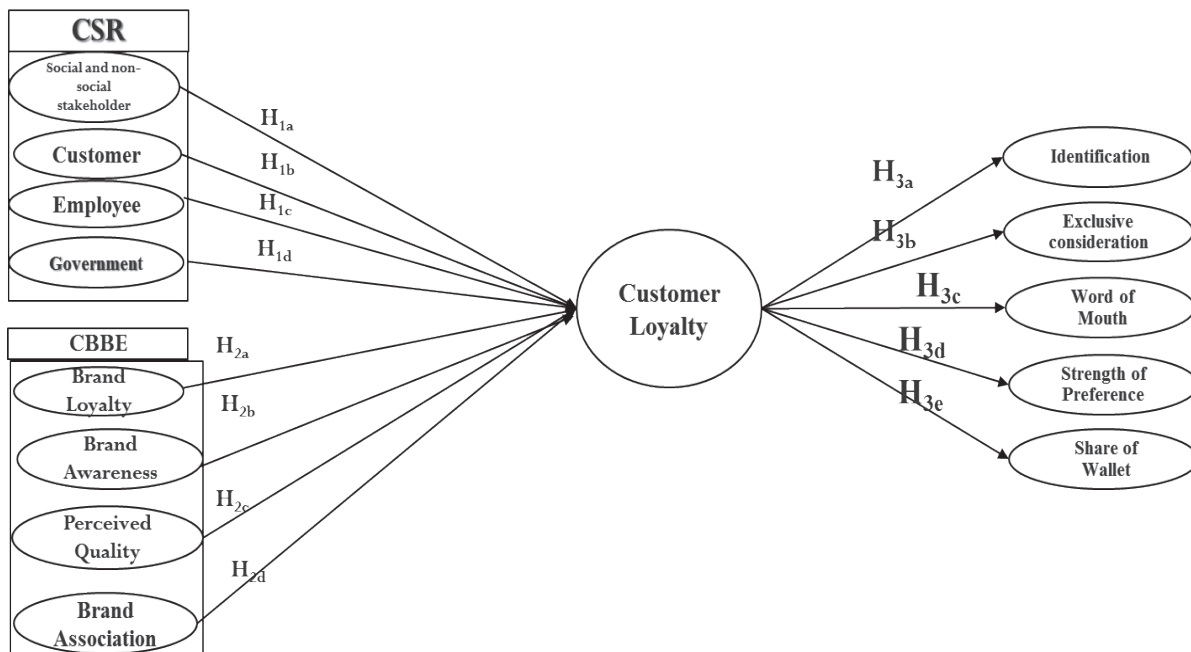
Figure 1   Conceptual framework

Literature Review and Hypotheses

Corporate Social Responsibility (CSR) was described as a concept which is correlated to the loyalty in the banking sector, and moral and charitable activities had been supposed as a highly affected concept on trust, identification, and loyalty (Salmones, Perez, & Rodriguez del Bosque, 2009). Concerning with the customer satisfaction and service quality, establishing the fair price, making communication with honesty, taking into account the customer safety are major responsibility of the company toward their customers. In concern with the service industry, the customer loyalty is not easy to track down and unforeseen in comparing with other different industries (Vlachos & Vrechopoulos, 2012), and many research findings have investigated in banking industry (Chomvilailuk & Butcher, 2014; Perez & Rodriguez del Bosque, 2013). CSR affairs become the opportunity for the business to enhance the reputation, positive image, and loyalty from the stakeholders' perspective including shareholders, employees and customers (Lantos, 2002). Moreover, consumers will give a favor to choose the organization with good CSR records or even with positive information in the form of tolerance to non-positive information about the organization (Bhattacharya & Sen, 2004). Therefore,

most of the businesses take account the implementation of CSR activities as a major business objective (Wagner, Lutz, & Weitz, 2009).

Corporate Social Responsibility (CSR) had been approved as a strongly related concept to the good relationships among the businesses and their stakeholders (Bhattacharya & Sen, 2004; Peloza & Shang, 2011). Fatma, Rahman, and Khan (2014); Turker (2009) developed one of the most useful methods to measure the CSR image of the organizations from the perception of stakeholders' point of view including customers, employees, shareholders, society, and general. In many past studies, researchers have investigated that CSR developed customer loyalty through structuring of competitive advantage, which resulted the strong positive stakeholder's interrelations and consequently financial benefits (Brammer & Pavelin, 2006; Peloza & Shang, 2011; Perez & Rodriguez del Bosque, 2015). Moreover, Choi, and La (2013) proposed that the organizations following rules and regulations specified under the constitution highly affect customer loyalty, the impact being connected by customer satisfaction. According the previous studies, the study hypothesized that;

H_{1a}: CSR to Social and non-social stakeholders has a positive impact on Customer Loyalty.

H_{1b}: CSR to Employees has a positive impact on Customer Loyalty.

H_{1c}: CSR to Customers has a positive impact on Customer Loyalty.

H_{1d}: CSR to Government has a positive impact on Customer Loyalty.

Brand equity is assumed that as the group of benefits (and financial obligation) connected with the product's name and character which promote or decrease the value supported from the products to a business and that business's clients (Aaker, 1991). Aaker (1991) affirmed the brand equity as a multifactorial notion. The elements of brand equity consist of: 1) Brand name awareness, 2) Brand loyalty, 3) Perceived quality and 4) Brand associations.

The customer's understanding to the customer-based brand equity becomes a proxy tool for the success of a business brand management. Mohan and Sequeira (2016) proposed that brand equity is one of the most useful and important marketing concept which have been discussed by researchers and practitioners. Brand equity has become essential for businesses to know and measure for the customers' perceived value to the brand (Ambler, 2003).

Aaker (1991) found out even a customer with a little loyalty highly affects the achievement and benefit to the brand equity. Ahmad and Hashim (2010) investigated that the impact of brand awareness on customer loyalty of service industry. Binangkitsari and Sulistiono (2018); Mandhachitara and Poolthong (2011); Vijayakumar, Babu, VenKatesh, and Sureshkumar (2018) found brand equity components brand awareness, perceived quality, brand loyalty, and brand association to be positively affected to the loyalty of customers. In term of the previous researchers' results, the following hypotheses were developed;

H_{2a}: Brand Loyalty has a positive influence on Customer Loyalty.

H_{2b}: Brand Awareness has a positive influence on Customer Loyalty.

H_{2c}: Perceived Quality has a positive influence on Customer Loyalty.

H_{2d}: Brand Association has a positive influence on customer loyalty.

Customer loyalty is a critical concept for the firms which seek to get the competitive advantage by conducting the exceptional customer value in a competitive market (Ganesh, Arnolds, & Reynolds, 2000; Rai & Medha, 2013; Severi & Ling, 2013). The essential of loyalty conducted many research that investigated different configurations included customer loyalty and its various correlates (Pan et al., 2012). The antecedents of customer loyalty that has been identified from the previous studies of Bourdeau (2005); Srivastava and Rai (2014) may defy in term of five items based on the loyalty of customer such as identification, exclusive consideration, advocacy, strength of preference, and share of wallet. Bourdeau (2005) proposed that the completed structure of the consequences and results of being a loyal customer as the extension of Oliver's conceptualization (1999). Pan et al. (2012) identified various antecedents of customer loyalty into customer related factors customer satisfaction, trust, commitment, loyalty programs and product related variables. Srivastava and Rai (2014) confirmed that the correlations of customer loyalty to its outcomes (i.e. identification, exclusive consideration, advocacy, strength of preference, and share of wallet) hold significance to marketers planning to design beneficial loyalty programs. Many literatures reported various antecedents of customer loyalty including repeat purchase, word of mouth, brand equity, cross buying intention, strength of preference and share of wallet (Pan et al., 2012; Rai & Medha, 2013; Severi & Ling, 2013). Based on the empirical results from former researchers, this study intended to explore the influence of customer loyalty on

customer loyalty outcomes. According to the previous studies, the following hypotheses generated for this study are;

H_{3a}: Customer Loyalty has a positive influence on Identification.

H_{3b}: Customer Loyalty has a positive influence on Exclusive Consideration.

H_{3c}: Customer Loyalty has a positive influence on Advocacy.

H_{3d}: Customer Loyalty has a positive influence on Strength of Preference.

H_{3e}: Customer Loyalty has a positive influence on Share of Wallet.

Research Benefits

This study increased the customer awareness and knowledge about the corporate social responsibility activities in Myanmar, not only banking but also all types of service industries such as hospitals, tourism, insurance companies, etc. It also contribute to the local and foreign businesses who want to get the clear understanding about CSR issues and customer perceived value to CSR in Myanmar. From this study, businesses from various sectors are aware of the importance of participation in CSR to improve the level of customer loyalty in a competitive environment.

The research also supports the correlation between customer loyalty and loyalty outcomes of private bank's customers in Myanmar. Moreover, this study combined CSR, customer-based brand equity, customer loyalty, and loyalty outcomes together within one conceptual framework that will contribute CSR and customer-based brand equity theoretical perspective for the private banks in service industry specifically, Myanmar as a developing country.

Research Methodology and Sampling Design

The population of this study is private bank service users who lived in Yangon area, Myanmar. Yangon city which is the former capital and major commercial city of Myanmar was selected as the research area. In 2018, the number of private bank's financial service users' in Yangon has reached out to three millions. This study used the convenience sampling method by using structured questionnaires during October 2018. Yamane (1987) formula was used to determine the sample size of this research. The research questions were developed by adapting from the previous research scale items based on the theoretical background, and then the index of Item-Objective Congruence (IOC) was applied to assess the

valid content of scale items in the survey question. The questionnaire edited based on the IOC results is then back-translated to Myanmar using back-translation technique. Then the pilot study was conducted using 30 samples. After collecting data from the pilot study, the reliability analysis using Cronbach's Alpha was tested to check the internal reliability of the scale items assessment and Exploratory Factor Analysis (EFA) was analyzed to assess the discriminant and convergent validity for all the scale items as preliminary analysis before main data collection. Table 1 illustrated the results of exploratory factor analysis of the scale

items. Table 2 described the results of IOC test before refined the scale items for the main data collection. The refined questionnaire was used to collect responses from six hundred respondents in Yangon and after removing incomplete, click through responses, and missing data, 450 useable responses were used for the main data analysis. The Cronbach's Alpha illustrated in table 3 was analyzed in order to be the reliable variables and then Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) were used to measure the scale validity and the relationship among the variables.

Table 1   Results of exploratory factor analysis

Item	Compo-nent 1	Commu-nalities	Item	Compo-nent 2	Commu-nalities	Item	Compo-nent 3	Commu-nalities
SOP1	0.87	0.82	PQ1	0.76	0.69	CSR1	0.75	0.69
SOP2	0.77	0.76	PQ2	0.81	0.73	CSR2	0.74	0.67
SOP3	0.84	0.78	PQ3	0.81	0.71	CSR3	0.75	0.65
SOP4	0.94	0.58	PQ4	0.81	0.75	CSR4	0.72	0.66
WOM1	0.73	0.77	PQ5	0.89	0.80	CSR5	0.73	0.68
WOM2	0.82	0.81	PQ6	0.76	0.74	CSR6	0.60	0.51
WOM3	0.76	0.72	BAs1	0.60	0.65	CSR7	0.68	0.643
WOM4	0.82	0.79	BAs2	0.73	0.77	CSR8	0.69	0.66
WOM5	0.81	0.79	BAs3	0.77	0.77	CSR9	0.56	0.58
WOM6	0.80	0.79	BAs5	0.63	0.66			
SOW1	0.72	0.73	BAs6	0.65	0.71			
SOW2	0.66	0.75	Idy1	0.63	0.75			
SOW3	0.69	0.71	Idy2	0.58	0.71			
SOW4	0.56	0.53	Idy3	0.70	0.77			
ExCo1	0.54	0.71	Idy4	0.49	0.66			
ExCo3	0.43	0.76	Idy6	0.53	0.77			
CSRC7	0.59	0.74	BL1	0.34	0.69			
Idy5	0.49	0.74						
Idy7	0.39	0.63						

Table 1   Results of exploratory factor analysis (cont)

Item	Component 4	Communalities	Item	Component 5	Communalities
BAw1	0.67	0.62	CSRE1	0.75	0.67
BAw2	0.70	0.66	CSRE2	0.89	0.73
BAw3	0.93	0.78	CSRE3	0.78	0.70
BAw4	0.91	0.76	CSRE4	0.92	0.71
BAw5	0.88	0.73	CSRE5	0.66	0.60
BAw6	0.80	0.64	CSRC1	0.62	0.62
BAs4	0.54	0.63	CSRC2	0.61	0.67
			CSRC3	0.57	0.59
			CSRC4	0.52	0.69
			CSRC5	0.62	0.53
			CSRC6	0.49	0.69
			CSRC8	0.39	0.61

Table 1   Results of exploratory factor analysis (cont)

Item	Component 6	Communalities	Item	Component 7	Communalities	Item	Component 8	Communalities
CSRG1	0.98	0.78	BL2	0.51	0.77	ExCo2	0.50	0.75
CSRG2	0.98	0.79	BL3	0.55	0.71	ExCo4	0.56	0.74
CSRG3	0.79	0.74	BL4	0.58	0.81	BL7	0.32	0.62
CSRG4	0.72	0.74	BL5	0.53	0.78			
CSRG5	0.68	0.72	BL6	0.40	0.77			
CSRG6	0.57	0.66						

Table 2 Item-Objective Congruence (IOC) results for each scale items

Items	IOC	Items	IOC	Items	IOC	Items	IOC	Items	IOC	Items	IOC
CSR1	0	CSRC5	0	CSRG5	0	BAw5	1	BAs6	1	WOM2	1
CSR2	0	CSRC6	0	CSRG6	1	BAw6	1	Idy1	0	WOM3	0
CSR3	1	CSRC7	1	BL1	0	PQ1	0	Idy2	0	WOM4	0
CSR4	0	CSRC8	0	BL2	-1	PQ2	0	Idy3	1	WOM5	1
CSR5	1	CSRE1	1	BL3	0	PQ3	1	Idy4	1	WOM6	1
CSR6	1	CSRE2	1	BL4	0	PQ4	1	Idy5	1	SOP1	1
CSR7	1	CSRE3	1	BL5	1	PQ5	1	Idy6	1	SOP2	0
CSR8	1	CSRE4	1	BL6	1	PQ6	1	Idy7	1	SOP3	1
CSR9	1	CSRE5	1	BL7	1	BAs1	0	ExCo1	1	SOP4	0
CSRC1	1	CSRG1	1	BAw1	1	BAs2	0	ExCo2	0	SOW1	1
CSRC2	-1	CSRG2	1	BAw2	0	BAs3	-1	ExCo3	0	SOW2	1
CSRC3	1	CSRG3	1	BAw3	1	BAs4	0	ExCo4	0	SOW3	0
CSRC4	1	CSRG4	0	BAw4	0	BAs5	1	WOM1	1	SOW4	1

Note: Irrelevant (-1), Not clear (0), 1 (Relevant)

Table 3 Reliability analysis of variables: Cronbach's Alpha (n=450)

Variables	No of Items	Cronbach's Alpha(α)
CSR to Social and Non-Social Stakeholders	9	0.91
CSR to Customer	8	0.89
CSR to Employee	5	0.89
CSR to Government	6	0.91
Brand Loyalty	7	0.92
Brand Awareness	6	0.89
Perceived Quality	6	0.93
Brand Association	6	0.89
Identification	7	0.90
Exclusive Consideration	4	0.89
Word of Mouth	6	0.95
Strength of Preference	4	0.89
Share of Wallet	4	0.86

Instruments

The questionnaire of this research was divided into two sections: demographic information (i.e. gender, age, education, occupation, and income) and scale items for the measurement of variables. 78 scale items from previous studies had been modified and were used for measuring thirteen variables. The questionnaire includes 78 scale items (28 items for four dimensions of CSR to stakeholder, 25 scale items for four elements of CBBE, 25 scale items for five variables of customer loyalty outcomes). In this research, the items of each variable were measured by using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

According to the results of data collection, the number of respondents was 450. The majority of respondents (74.90%) were female whereas age between 21 and 30 represented 61.80 %, and bachelor degree or same education with bachelor degree represented 40.70%. Most of the respondents are private company staff and government staff comprised 58.90% of the sample, and the overwhelming majority of the sample (45.00%) was received between 150,001 and 300,000 (MMK).

Cronbach's Alpha values of all variables ranked from 0.887 to 0.948 meet and are higher than the required level 0.7. After data running process and modifying the model based on the modification index of CFA, 65 items left to measure 13 variables, 25 items for four variables of CSR to stakeholders, 21 items for four elements of CBBE model, and 19 items for five loyalty outcomes.

In order to get the required thresholds limit of Goodness-of-Fit (GFI) 0.90, some of the items were removed and is left 28 after running for SEM. CFA and SEM results are presented in table 4.

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Table 4   Results of CFA and model fit

Items	GFI	AGFI	CFI	NFI	TLI	RMSEA
Fit Criteria	≥0.90	≥0.80	≥0.90	≥0.90	≥0.90	‹0.08
CFA of CSR to Stakeholders	0.950	0.930	0.989	0.966	0.986	0.030
CFA of CBBE	0.952	0.929	0.989	0.974	0.985	0.038
CFA of Customer Loyalty Outcomes	0.951	0.923	0.987	0.974	0.982	0.043
SEM Model	0.900	0.874	0.937	0.909	0.925	0.064

Note: Normed Fit Index (NFI), Tucker-Lewis Index (TLI), Comparative Fit Index (CFI), Adjusted Goodness-of-Fit Index (AGFI), and Root Mean Square Error of Approximation (RMSEA)

Research Result

For CFA and SEM model, all of the results of fit indices meet the model fit thresholds limit index developed by Hair, Black, Babin, and Anderson (2014). After CFA of each set of dependent and independent variables and overall SEM model has analyzed, hypotheses testing results of each relationship were analyzed and described in table 5.

Table 5   Summary of hypotheses testing results

Hypothesis	Standardized Coefficient(β)	CR (t-value)	Supported
H_{1a}	0.003	0.048	No
H_{1b}	0.313	4.272***	Yes
H_{1c}	0.103	1.067*	Yes
H_{1d}	0.068	0.85	No
H_{2a}	0.172	2.147*	Yes
H_{2b}	0.141	2.71*	Yes
H_{2c}	0.232	1.474	No
H_{2d}	0.369	2.166*	Yes
H_{3a}	0.977	15.149***	Yes
H_{3b}	0.896	16.957***	Yes
H_{3c}	0.933	17.097***	Yes
H_{3d}	0.927	17.035***	Yes
H_{3e}	0.877	16.768***	Yes

Note: ***Significant level at $p<0.001$, **Significant level at $p<0.01$, *Significant level at $p<0.05$

The results showed that customers' perception of CSR responsibility toward social and non-social stakeholder and government on the customer loyalty, perceived quality to customer loyalty cannot support the positive relationship as hypothesized in theory hence; these hypotheses (H_{1a}, H_{1d}, and H_{2c} were rejected. The relationship between CSR to employee and customer loyalty was a significant and positive relationship, followed by how customer perceived the company's responsibility toward the customer thus, supporting H_{1b} and H_{1c}. Similarly, path

relationship between brand loyalty to customer loyalty and brand association to customer loyalty as well as brand awareness to customer loyalty were significant and have a positive relationship among them. As a result, H_{2a} and H_{2b}, and H_{2d} were supported. The impact of customer loyalty on identification, exclusive consideration, advocacy, strength of preference, and share of wallet are positively significant in this study. All of those relationships show significant thus; the entire hypotheses ranging from H3a to H3e (H_{3a}, H_{3b}, H_{3c}, H_{3d}, and H_{3e}) were

accepted. In this research, 10 hypotheses out of 13 were accepted. Therefore, it can be concluded that the results of this study were supported on theory. Figure 2 presented the SEM measurement model of this research.
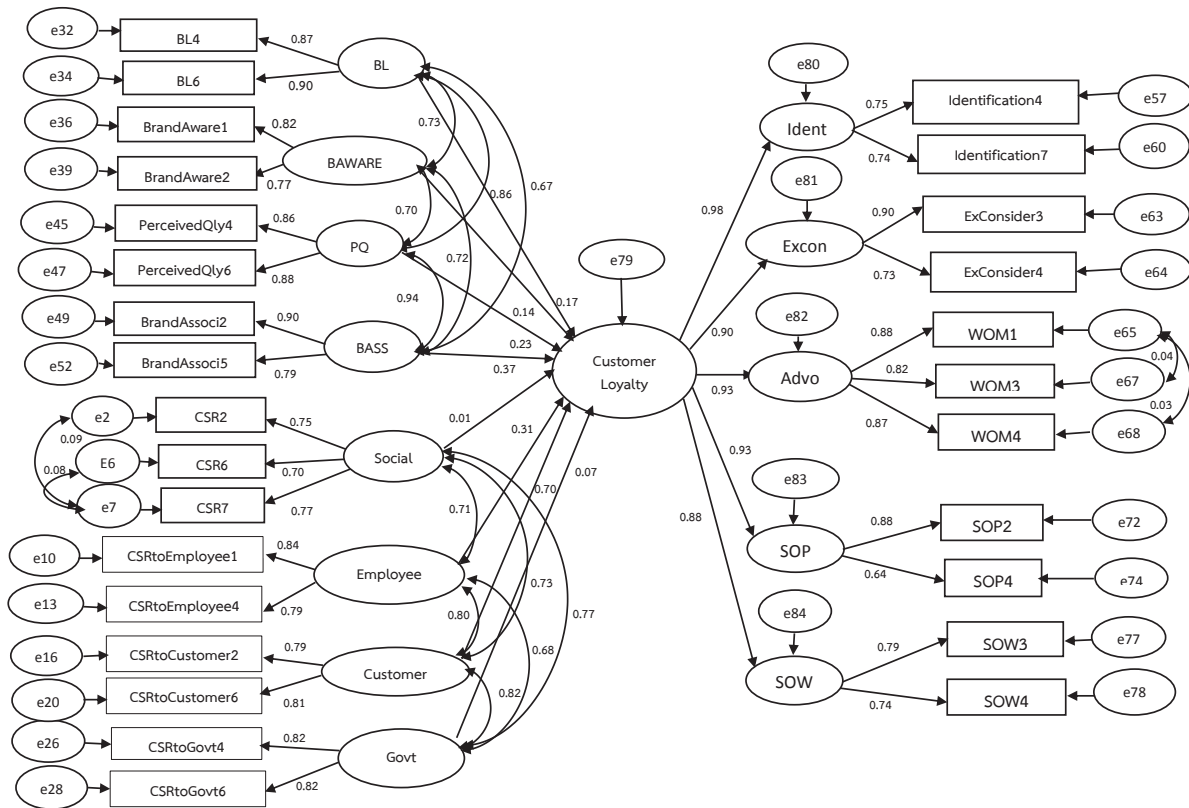

Figure 2 SEM measurement model of the research

Discussion

This study reveals the relationships among CSR, customer-based brand equity elements and customer loyalty and the effect of customer loyalty on customer loyalty outcomes in the private banks in Myanmar. For CSR to customer loyalty, CSR to customers and CSR to employees positively effect to customer loyalty. These results are relevant with the previous studies such as those of Moisescu (2015; 2017), Walsh and Beatty (2007).

Customer perception of company responsibility with regard to social and non-social stakeholders and government didn't have a significant influence on customer loyalty. Two hypotheses of CSR to customer loyalty were rejected and these two CSR dimensions did not influence on customer loyalty of private banks in Myanmar. Some of the former research found that although the customers in developed countries are participated the CSR actively; clients in lower income and less developing countries don't

possess enough knowledge of corporate social activities and concept (Frynas, 2006). Moisescu (2015) also explored that CSR activities to the community did not have a positive effect on customer loyalty in conducting survey to the customers in personal care products markets of Central-Eastern European country. Ajina, Japutra, Nguyen, Syed Alwi, and Al-Hajla (2019) already investigated that customers' perception to CSR activities did not influence on customer loyalty for private banks. Therefore, the outputs of the current research analysis in some of CSR dimensions contradicted the findings of previous studies because of the different societies, attitudes, value, and the level of income in difference countries, specifically in paying attention into the customers of an ex-military socialist country.

Binangkitsari and Sulistiono (2018); Budiarti, Surachman, Hawidjojo, and Djumahir (2013) investigated that four elements of customer-based brand equity had a significant correlation to the loyalty of customer for the inflight services of Garuda Indonesia. The study of Ahmad and Hashim (2010) found that the influence of customers' brand equity on customer loyalty in the hotel service businesses. Three elements of customer-based brand equity, brand loyalty, brand awareness, and brand association, had a

significant influence on customer loyalty of private bank's users in Myanmar and the outcomes of this research are under the same concept with the previous study of Al-Abdallaha and Abo-Rummanb (2013).

Most previous research confirmed that customers' perceived service quality significantly effected on customer loyalty in service sector (Mandhachitara & Pool-thong, 2011). However, some of the researchers found that perceived quality did not directly effect on customer loyalty because perceived quality was personal and customers' perception and it might not be similar for goods and service without having specific benchmarks. (Marakanon & Panjakajornsak, 2017). According to the result, perceived service quality as a part of customer-based brand equity elements does not have a positive impact on loyalty of bank customers in Myanmar.

Regarding the effect of customer loyalty on customer loyalty outcomes in the private banks sector in Myanmar, the outputs of the current study are significantly supported the research objectives in which the customer loyalty has a positive influence on loyalty outcomes. The results duplicated the similar findings of Martinez and Rodriguez del Bosque (2013) who approved effect of customer loyalty on loyalty outcomes, identification, exclusive consideration,

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advocacy, strength of preference, and share of wallet in different service industries.

Recommendations

The research outcomes indicated that CSR activities have contributed to customer loyalty. Most of the researchers already investigated that the relationship between CSR activities to stakeholders and customer loyalty (Lam, 2016; Moisescu, 2015; Yusof et al., 2015). The outputs also supported the contention that the importance of CSR to customers and employees enhance customer loyalty, and indirectly influence customer loyalty outcomes. Perez and Rodriguez del Bosque (2015) found that customer's perceptions about the CSR activities had a positive impact on customer identification with the bank service firms, satisfaction, and recommendation and repurchase behaviors in financial institutions. As an advantage, the more customers and employees received the CSR activities, the more customers are bound to be loyal and also make referrals for the bank. Banks should present up-to-date information related to their CSR activities on their own websites or social media in order to get favorable awareness and feedback from customers. Moreover, bank managers should create a work-life balance mechanism for employees by offering adequate salary, equal employ-

ment opportunities, and career development programs in order to be the loyal employees who treat customers well and provide the good service quality that could indirectly contribute to the better customer loyalty.

Bank executives need to maintain an impressive image of the bank in public by producing new and creative products and services, and understanding and meeting customer's requirements. The banks should provide speedy financial transactions, active and quick response information centers, technical experts to answer and solve problems in software and mobile banking to maintain and promote customer loyalty as well as to attract potential customers in the banking industry. The number of ATM machines should be increased in downtown areas and markets to reach all of the customers around the country.

Employees of the banks may feel the shame if the organizations offer the unsafe product or service. On the other hand, if the bank pays attention for the high quality service to the customers, the employee may feel proud as a member of social responsible private banks. According to Turker (2009), CSR activities of the business have an impact on the loyalty of employee and customer to the organization. Therefore, as the agents of the organizations, employees should treat the customers honestly by serving the high

quality services such as giving the accurate information, quickly handling customer complaints to make customers feel being respected. CSR activities have been identified as a significant tool to influence the feeling, repurchase intention of the target customers in the businesses (Turker, 2009). Based on the experiences and knowledge of CSR concept from real practice banks, the customers should prioritize to use the products or services of the firms which participate in many CSR activities in private banking industry and also other businesses. Moreover, as the policy maker, the government should focus on the requirements of CSR rules and regulations for the private banks to be more socially responsible businesses in the banking industry.

Limitation and Further Research

Although the sample size was large, this study focused on one private bank's customers in Yangon area in Myanmar. It might not cover the whole area of Yangon region because the data were collected in the downtown area. This study emphasized on CSR practices and customer-based brand equity as independent constructs influenced customer loyalty. Other factors such as customer satisfaction, trust, self-image congruence, and service quality might be used to forecast the loyalty of customers for the service provided businesses.

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