

**The Impact of Supplier's CSR On Loyalty of Customers in Georgian Building
Materials Business-To-Business Market Through Customer Company
Identification: The Mediating Effect of Fit Level Between the Supplier's
Business and Its Philanthropic CSR Engagement**

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Abstract

Corporate Social Responsibility is becoming the core part of companies' marketing strategies all over the world. On market with ever-growing competition the companies are looking for new ways to gain the competitive advantage and Corporate Social Responsibility is now among most popular tools to achieve it.

Corporate Social Responsibility is a quite novel topic for Georgian market and even though the companies are carrying around different kinds of programs, the actual results have never been measured. Furthermore, absolute majority of empirical studies on CSR programs were focusing on B2C (Business to Customer) market, while in this paper we aim to explore B2B (Business to Business) market as the building materials market is driven by business to business transactions.

The depended variable in our study will be the Customer Loyalty. As explained in literature review later on in this study CSR affects Loyalty through different intermediate variables from where we have chosen Customer Company Identification as it is playing the vital role in building long-term relationship between company and customer.

In addition to make this study even more valuable for the companies and help them to plan the most effective CSR strategy, we have measured whether fit level of CSR programs with company's core business affect Customer Company identification and Loyalty at the end.

The process of data collection for this study consists of online questionnaire, where mono-method of quantitative results of 205 respondents were analysed via SPSS software using ANOVA, Correlation Matrix, Frequency & Regression Analysis.

For this study we have adopted deductive approach where the theories provided by the existing literature will be tested using the data provided as a result of survey. The philosophy of positivism will allow us to test existing theory using primary data acquired within the study.

Results of the research demonstrated that there is positive influence of Corporate Social Responsibility activities on Business to Business customers' loyal attitudes toward the supplier.

Customer Company Identification mediates the positive relationship of Corporate Social Responsibility and customer loyalty. However, type of the CSR activities (high fit or low fit) showed no influence neither on CCI, nor on customer loyalty.