

CHAPTER V

Conclusion and Suggestion

V.1 Conclusion

In conclusion, this research contributes a further understanding upon correlations between corporate social responsibility towards customers' behavioral intention (purchase intention, spread word-of-mouth, willingness-to-pay and loyalty intention) within the cosmetic industry in Indonesia. The study shows a positive significant correlation among CSR and BI. Upon the correlations, purchase intention has the strongest correlations with CSR, followed by word-of-mouth, loyalty intention and willingness-to-pay, which has the lowest correlation. The researcher hopes that this could be a basis for future CSR research towards customers' BI in Indonesia. As there were no other similar studies in cosmetic industries, this research provides a new insight upon CSR correlating to behavioral intention in the cosmetics industry, especially upon word-of-mouth. Future research is very important to consider other factors as well as other models to contribute even more findings for theoretical as well as practicing implication.

This study gives several insights that may be important for practitioners especially in Indonesia. Implications for the cosmetic industry will be as follows:

1. Ethical responsibility is one of the most important among the twelve items, cosmetic companies who wants to start adopting CSR in their companies may start and focus from that point.
2. Although the adopted model of this research shows that contextual factors in terms of moderating role, other research shows differences in what matters to the customers (due to tradition and other factors). Further research is needed to provide a standing ground.
3. This study shows that Indonesian customers who are satisfied with the cosmetic products that they are using, they tend to stay loyal with the products.

V.II Suggestion

Though the study shows that the research is supported, this research also has its limitations. This study is bias to female consumers where 95.20% of the respondents are female. Further research can be done where the gender is divided equally. Another point is that most of the respondents' state that they are currently using fair cosmetic products but there is no way to validate whether they do use fair cosmetic products. In addition, this research does not investigate upon the contextual factors. The moderating variables from the original model could also be incorporated in the research for further insights. Another limitation is within the methodology of the research. The research could provide deeper insights by using SEM (also known as Structural Equation Modelling). CSR which identifies as a latent variable would be more suitable in using SEM analysis. An assumption in using SEM is to have a normal data but at the same time with the help of certain techniques, SEM analysis can be used for non-normal data. But with all the limitation, the study is expected in providing new information upon CSR and behavioral intention in Indonesia's cosmetic industry.

These are several suggestions for future research:

1. Further research should analyse the data using SEM analysis to obtain deeper results.
2. Further research can be done in other industries, to compare whether CSR correlating to behavioral intention in other industries shows any difference upon significance and correlation value.
3. Different CSR models could be incorporate within the research.
4. Incorporating other variables (independent/mediating) into the model could give more information and insights to the research.