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CSR Disclosure and Firm Value: Is Customer Loyalty Matter?

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Abstrak

Penelitian ini bertujuan untuk menguji pengaruh pengungkapan tanggung jawab sosial perusahaan (CSR) terhadap nilai perusahaan dengan loyalitas pelanggan sebagai variabel mediasi. Penelitian ini menggunakan sampel yaitu perusahaan manufaktur yang terdaftar pada Bursa Efek Indonesia periode 2018-2022 dengan 109 sampel final. Data diperoleh dari Database OSIRIS dan diuji menggunakan analisis jalur dan *bootstrapping*. Hasil penelitian menunjukkan bahwa pengungkapan CSR tidak berpengaruh terhadap loyalitas pelanggan dan nilai perusahaan. Loyalitas pelanggan juga tidak mampu memediasi pengaruh pengungkapan CSR terhadap nilai perusahaan. Kebaruan dalam penelitian ini adalah menggunakan konten analisis untuk memperluas pengukuran pengungkapan CSR dan penggunaan *public market share* untuk pengukuran loyalitas pelanggan pada perusahaan publik sektor manufaktur.

***Kata Kunci**:* Pengungkapan CSR, Loyalitas Pelanggan, Nilai Perusahaan.

Abstract

This study aims to investigate the effect of Corporate Social Responsibility (CSR) Disclosure on firm value through mediation of customer loyalty. This study used manufacturing public companies listed in the Indonesian Stock Exchange during 2018-2022. The final sample is 109 firm year observations based on purposive sampling. This study uses quantitative approach and analyze secondary data obtained from OSIRIS Dataset and sustainability reports. The data are examined using path analysis and bootstrapping method in Model 4 PROCESS Macro for SPSS 25 by Andrew Hayes. The results show that CSR Disclosure doesn't affect customer loyalty and firm value. Customer loyalty doesn't affect firm value as well. In addition, customer loyalty does not mediate the relationship between CSR disclosure and firm value. The novelty of this study is using content analysis in measuring CSR Disclosure with the extended measurement and the use of public market share as measurement of customer loyalty in public manufacturing companies.

***Keywords:** CSR Disclosure, Customer Loyalty, Firm Value.*

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INTRODUCTION

The main objective of a business is to generate earnings. The company was created with the purpose of continuing to operate indefinitely, which means there was no plan of closing down after a few years. Company management must guarantee that the company's financial performance is satisfactory in order to keep the business running, while also being cautious not to be caught up in unpaid responsibilities. The price that prospective purchasers are willing to pay for a firm when it is sold is referred to as its value (Kesumastuti & Dewi, 2021). The share price reflects investors' perceptions of how successful the company's management is in achieving these aims (Harningsih et al., 2019). As we gain more knowledge about business and the necessity of environmental protection, so does our comprehension of this management role. Management is not only responsible for increasing the well-being of the firm owners who allocate management activities to them, but they must also consider the interests of various stakeholders. Corporate Social Responsibility (CSR) embodies the company's commitment to ensuring the long-term viability of its operations by prioritizing the interests of stakeholders, including financial, human, and environmental considerations (Sari & Setiahadi, 2019). This is founded on the realization that by maintaining a balance between the interests of stakeholders, including those companies that preserve environmental sustainability will be able to survive and even grow in the future.

As a means to manage its commercial operations, the corporation interacts with a variety of stakeholders. These parties' interests are different, and each stakeholder has specific expectations of the organization. As a result, the corporation relies on the consent and cooperation of its stakeholders to remain in business and operate its operations in order to fulfil its objectives. According to stakeholder theory, a company's obligation extends beyond its owners to all stakeholders, including shareholders, creditors, consumers, suppliers, employees, and local and national governments. (Freeman and Medoff, 1985). Financial reports, annual reports, and sustainability reports are all ways for firm management to communicate to stakeholders how the company was handled during a specific time period. Of course, the identified aspects are not same.

The sustainability report clarifies in detail the economic aspects, financial performance, and economic impact of the business; the environmental aspects, such as raw materials, energy and water use, ecological diversity of the company's operational locations, emissions of greenhouse gasses and various other chemicals, waste and how it is handled, and the environmental effects of shipping products transportation; and the social aspects, employment, occupational health. Corporate social responsibility is thoroughly covered in the sustainability report. Corporate social and environmental responsibility is essentially a variation of stakeholder theory in which businesses strike a balance between paying attention to the interests of its stakeholders and ensuring the company's sustainability. This is of course carried out not only by emphasizing the company's financial aspects (profit), but also by devoting attention to the best interests of the human elements (people) and aspects of the immediate surroundings (planet) in which the company exists.

Companies strive to align their behavior with societal values that are widely recognized in their community. When these two value systems are compatible, society regards the company as legitimate. However, when these two value systems diverge, a challenge to the company's legitimacy emerges. This danger can take the shape of societal punishments, whether legal, economic, or social (Dowling and Pfeffer, 1975).

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Dowling and Pfeffer's legitimacy thesis emphasize that in order for a firm to continue to exist and flourish, it must earn legitimacy from society. Legitimacy from the community will help the company continue to exist and grow in society. Legitimacy is linked to how the public perceives the company and its ideals. Because of the requirement for a positive community perspective, businesses are pushed to pursue development that also considers social and environmental factors in order to project a positive image. So that the public has a positive perception of the business as a whole.

Corporate social responsibility can take many forms, depending on the conditions of society and the surrounding environment, as well as the relevant regulations that apply in the country and region where the company conducts business operations, which, of course, depends on the type of business, sector, and sub-sector of the company's industry. These various forms of social responsibility are expressed in the company's annual report, which has evolved in recent years into a sustainability report that includes not only the company's financial aspects, namely the entity's financial performance and financial position, but also non-financial aspects of the company, such as how the company strives for business sustainability in all of its activities. The Indonesian government regulates corporate social and environmental responsibility disclosure under Law (UU) 40 of 2007 on Limited Liability Companies and Government Regulation (PP) 47 of 2012 on Social and Environmental Responsibility of Limited Liability Companies. Companies whose business processes involve or have an influence on the environment are required to declare forms of corporate social and environmental responsibility in their annual reports. Aside from that, Article 2 PP 47/2012 specifies that every firm, as a legal entity, has social and environmental duties.

Previous research discovered that the average disclosure of corporate social and environmental responsibility in Indonesia remains at 40.35%, with the highest observed score being 0, indicating that many corporate social and environmental responsibility items are still not disclosed in the annual report or company sustainability report (Anggraeni & Djakman, 2018). Other research that used the variable quality of disclosure of corporate social and environmental responsibility with the same measurement method (content analysis) in subsequent years found similar results, that there were still few aspects of corporate social and environmental responsibility disclosure in sustainability reports for companies in Indonesia, namely around 30% (Razak and Helmy, 2020).

Previous studies conducted regarding the effect of CSR disclosure on company value has yielded mixed results. Many prior researches have demonstrated that disclosing corporate social and environmental responsibilities enhances firm value (Grishunin et al., 2022; Handayati et al., 2022; Kesumastuti & Dewi, 2021). However, previous research has found that disclosure of corporate social and environmental responsibility has a significant negative effect on Tobin's Q, positive on systematic risk, and negative on idiosyncratic risk, all of which are proxies for the company value variable, so it can be concluded that the relationship between these two variables is a "double-edged sword" (Guo et al., 2020). Siddiqui et al. (2023) discovered contradictions in CSR disclosures regarding Tobin's Q after excluding the mediating variable of business reputation from the calculation. Meanwhile, research by Worokinasih et al. (2020) found that CSR disclosure has no meaningful impact on firm value. As a result, previous research findings on the impact of CSR disclosure on corporate value are inconsistent.

This study aims to investigate the effect of CSR disclosure on firm value, using customer loyalty as a mediating variable. Many prior researches recommend investigating additional factors that may play a role in the relationship between CSR

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disclosure and corporate value. The author decided to re-examine the impact of CSR disclosure on company value by including customer loyalty as a mediating variable, as in Narsa and Isnalita's (2017) research, by changing the measurement of CSR disclosure to content analysis, and by narrowing the scope of the research to public companies in the manufacturing sector based in Indonesia within 2018 and 2022. The author chose this new research topic because he believes that more and more organizations are becoming aware of the importance of CSR, particularly due to POJK 51 of 2017, which compels public corporations to publish sustainability reports by 2020. More public corporations are publishing sustainability reports in 2018-2022 than in previous years. The manufacturing sector was also chosen since there was little study on CSR disclosure, customer loyalty, and corporate value among Indonesian manufacturing enterprises. Narsa and Isnalita (2017) use customer loyalty as a mediating variable, and their findings suggest that CSR disclosure has an indirect impact on firm value when customer loyalty is considered.

Customer loyalty was considered as a mediating variable because it was determined that it could mitigate the impact of CSR disclosure on corporate value (Hichri and Ltifi, 2021). Customer loyalty is defined as a strong commitment by customers to buy or reuse products or services they enjoy in the future, resulting in recurrent purchases from the same brand, regardless of marketing efforts. Other items or brands have the capacity to influence client behavior (Oliver, 1999). CSR disclosure has been shown to increase consumer loyalty (Islam et al., 2021; Mohammed & Al-Swidi, 2019; Muflih, 2021). Customer loyalty will enhance the company's sales level, ultimately creating corporate value. This study contributes to a better understanding of the impact of corporate social responsibility on company value by considering customer loyalty as a mediating component. This research provides an update on how to measure the corporate social responsibility disclosure variable. Previous research frequently assigns a score of 0 for standard components that are not reported and 1 for standard components that are disclosed in the company's sustainability report. Meanwhile, this study assigns a score of two to standard components that are disclosed extensively, one to standard components that are disclosed quickly, and zero to standard components that are not published in the company's sustainability report.

The research is organized as follows. Section 1 provides an introduction, grand theory, and hypothesis development. Section 3 explains the research methodology. Section 4 presents and discusses the empirical results, and the final section provides conclusions and recommendations for further research.

RESEARCH METHODOLOGY

Sample

The research's population consists of all publicly traded manufacturing enterprises based in Indonesia during 2018 and 2022. Purposive sampling was used to choose the sample for this study, ensuring that all companies meeting the researcher's requirements were included. This study's sampling criteria were as follows:

1. Public enterprises in the manufacturing sector located in Indonesia during 2018 and 2022.
2. From 2018 to 2022, companies that produce sustainability reports must adhere to GRI criteria.
3. Companies that provide all of the data and information required to measure the variables in this research.

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Data Source

This study utilizes a quantitative technique to determine the impact of corporate social responsibility disclosure on firm value, with customer loyalty serving as a mediating variable. This research relied on secondary data. This study was conducted using secondary data gathered from content analysis of sustainability reports released by public companies in Indonesia's manufacturing sector, a list of which was obtained from the OSIRIS Dataset. The sustainability reports are gathered from each company's official website. This study also employs data from the OSIRIS Dataset, namely outstanding shares, gross sales, current assets, total assets, current liabilities, long-term liabilities, ROA, and ROE for companies included in the research population. Aside from that, the site id.investing.com provides year-end closing stock price data.

Research Model

This research model can be expressed through the following empirical model:

1) $CL_{i,t} = \alpha + \beta CSRD_{i,t-1} + \varepsilon$
2) $FV_{i,t} = \alpha + \beta_1 CL_{i,t} + \beta_2 ROA_{i,t} + \beta_3 ROE_{i,t} + \varepsilon$
3) $FV_{i,t} = \alpha + \beta_1 CSRD_{i,t-1} + \beta_2 ROA_{i,t} + \beta_3 ROE_{i,t} + \varepsilon$
4) $FV_{i,t} = \alpha + \beta_1 CSRD_{i,t-1} + \beta_2 CL_{i,t} + \beta_3 ROA_{i,t} + \beta_4 ROE_{i,t} + \varepsilon$

$FV_{i,t}$ means firms value, $CSRD_{i,t-1}$ indicates CSR Disclosure for firm i in t-1, CL means customer loyalty, following by ROA and ROE which is Return on Assets and Return on Equity respectively.

Variable Operationalization

Firm Value

The dependent variable in this study is the firm value. The Q ratio, also known as Tobin's Q (TQ), is used as a proxy in this study to evaluate the company value variable, and the greater the Tobin's Q value, the higher the company value. When the Q ratio is greater than one, a company's market price exceeds its book price, and vice versa. If the Q ratio exceeds one, investing in the company is justified, and vice versa. (Grishinin et al., 2022).

$$Tobin's\ Q = \frac{MVE + DEBT}{TA}$$

MVE means Market Value of Equity = number of outstanding ordinary shares * closing share price each year. DEBT: short-term liabilities – current assets + long-term liabilities, whereas TA means book value of total assets. In this study, the Q ratio was used as a proxy for firm value one year after corporate social responsibility (CSR) disclosure was quantified as an independent variable, as specified in the research empirical model. This is predicated on the assumption that last year's CSR disclosure influenced this year's company value (Siddiqui et al., 2023; Wei et al., 2020).

Corporate Social Responsibility Disclosure

Corporate social responsibility disclosure serves as the study's independent variable. Disclosure of corporate social responsibility in this study was measured using the author's content analysis of disclosure of corporate social responsibility in sustainability reports, which is guided by the GRI Standards published by globalreporting.org in 2016 and effective in 2018. The Global Reporting Initiative (GRI) provides standardized reporting criteria for businesses to record their sustainability performance, including parts of corporate social responsibility (Nasih et

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al., 2023). GRI Standards 2016 have been used in this study since practically all listed firms in Indonesia follow the GRI Sustainability Reporting Standards when issuing their sustainability reports (Anggraeni & Djakman, 2018). Furthermore, the 2016 GRI Standards employed in this study went into force in 2018, according to the author's start date for the research period. The total number of 2016 GRI Standards components employed in this research is 144, with a maximum score of 288. The content analysis technique used in this study assigns a score of 0 to each standard element that is not disclosed in the company's sustainability report, a score of 1 to each component that is disclosed briefly, and a score of 2 to each component that is disclosed in depth.

$$CSRDI_{i,t-1} = \frac{\sum X_{i,t-1}}{N}$$

Customer Loyalty

Consumer loyalty is a consumer's decision to continually purchase a company's products without being influenced by marketing attempts of other items to modify customer behavior (Muflih, 2021). CSR disclosure has an impact on customer loyalty, which in turn shapes company value. Customer loyalty was investigated as a mediating variable in this study one year after the independent variable of corporate social responsibility (CSR) was assessed. This is predicated on the notion that consumer loyalty develops following CSR disclosure (Islam et al., 2021; Mohammed & Al-Swidi, 2019; Muflih, 2021). Customer loyalty can be measured using market share (Narsa & Isnalita, 2017). This study used industry sales for public manufacturing companies.

$$Market\ share = \frac{Company's\ Sales}{\sum Industry\ Sales} * 100\%$$

Return on Assets (ROA)

Return on Assets (ROA) is a financial metric that compares a company's profitability to its total assets. ROA can be utilized as a control variable in determining corporate value. (Grishunin et al., 2022; Maylina and Wuryani, 2022).

$$ROA = \frac{Net\ Income}{Total\ Assets}$$

Return on Equity (ROE)

Return on Equity (ROE) is a financial metric that compares a company's profitability to shareholder equity. ROE can be used as a control variable to help determine firm value. (Agustina, 2012; Mufidah and Purnamasari, 2018). The ROE is calculated as follows:

$$ROE = \frac{Net\ Income}{Shareholders'\ Equity}$$

Data Analysis

The data for this study was analysed using descriptive statistics, Pearson correlation analysis, and the multiple linear regression technique. The data for this study was analysed using statistical techniques such as IBM SPSS Version 26. The technical data was analyzed using the classical assumption test and have already clear, the t test, path analysis, and bootstrapping test. Baron and Kenny (1986) define perfect mediation (complete mediation) as the independent variable having no direct impact on the dependent variable after passing through the mediating variable. Partial mediation happens when the independent variable continues to have a significant influence on the dependent variable after passing through the mediator. This bootstrapping method can be used with small samples to produce accurate and dependable findings, even if the data is not normally distributed. (Hayes, 2022).

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Linear regression in PROCESS Macro for SPSS 4.2 employs the 4 Simple Mediation model. This model examines the influence of study variables in two pathways: direct effects and indirect effects. The two paths in the image above show direct and indirect effects, where the direct effect is shown by path c' and the indirect effect is shown by paths a and b. The total effect is the sum of the direct and indirect effects in the regression equation.

c=c^'+(a*b)

RESULTS AND DISCUSSION

Descriptive Statistic

This study has already free from normality, heteroscedasticity, autocorrelation, and multicollinearity problem. The final sample size for this study was 109 observations. The CSR disclosure variable's minimum value is 0.368, highest value is 0.684, average is 0.4866, and standard deviation is 0.068916. The customer loyalty variable ranges from less than 0.001 to 0.167, with an average of 0.0147 and a standard deviation of 0.029429. The firm value variable ranges from -0.294 to 15.85, with an average of 1.7242 and a standard deviation of 2.624968. The ROE variable ranges from -69.94 to 145.09, with an average of 13.0426 and a standard deviation of 30.860283. The ROA variable's minimum value is -4.61, maximum value is 3.58, average is 1.3905, and standard deviation is 1,279348.

Table 1. Descriptive Statistic

Variable	N	*Minimum*	*Maximum*	*Mean*	*Std Deviation*
CSR Disclosure	109	0.368	0.684	0.4866	0.068916
Customer Loyalty	109	0.000	0.167	0.0147	0.029429
Firm's Value	109	-0.294	15.85	1.7242	2.624968
ROE	109	-69.94	145.09	13.0426	30.860283
ROA	109	-4.61	3.58	1.3905	1.279348

Source: researcher, 2023

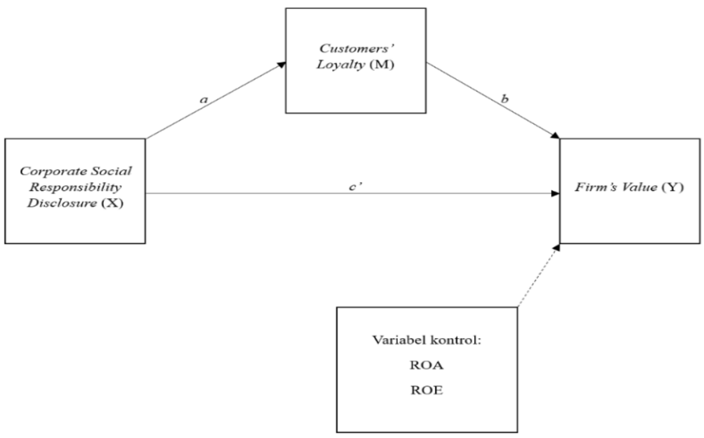

Figure 1. Conceptual Framework and Path Analysis

Table 2 presents the results of hypothesis testing for the first and second equations. Path an illustrates the impact of CSRD disclosure on customer loyalty. Path b demonstrates the impact of client loyalty on company value. Path c demonstrates the impact of CSR disclosure on corporate value. So, c depicts the overall impact of CSR disclosure on firm value, either directly or through the mediation of customer loyalty. Table 2 illustrates path a, which represents the independent variable's influence on the

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mediating variable in the absence of any other factors. The results show that the independent variable has no effect on the mediating variable, as the significant value F (p-value) is greater than 0.05.

Table 2. Hypothesis Test Results (a)

Pathway	R	R-sq	MSE	F	df1	df2	p
a	0,1719	0,0296	0,0009	1,0660	3	105	0,3669
c'+b	0,8527	0,7271	1,9525	69,2820	4	104	0,0001
c	0,8507	0,7237	1,9580	91,6874	3	105	0,0001

Source: researcher, 2023

Table 3 below shows that the coefficient value of the effect of CSR disclosure on customer loyalty (path a) is -0.0605, with a significance level of 0.1535. This indicates that CSR disclosure has no effect on consumer loyalty because the significance level is greater than 0.05. The influence of customer loyalty on firm value (path b) is -5.2768, with a significance level of 0.2578. This implies that customer loyalty has no effect on company value because the significance level is greater than 0.05. The direct effect of CSR disclosure on firm value (path c') has a coefficient value of -2.6719 and a significance level of 0.1885. This implies that CSR disclosure has no impact on firm value because its significance is bigger than 0.05.

Path c is the overall impact of CSR disclosure on firm value in this study model. This means that it considers the impact of CSR disclosure on corporate value, either indirectly through customer loyalty or directly. Mathematically, the route coefficient c can be expressed as c = c' + (a * b). The path coefficient value, c, is -2.3528, with a significance level of 0.2425. This suggests that CSR disclosure has no overall influence on company value because the significance level exceeds 0.05.

Table 3. Path Analysis Results

Pathway	Coefficients	p-value	Description
a	-0.0605	0.1535	Not significant
b	-5.2768	0.2578	Not significant
c'	-2.6719	0.1885	Not significant
c	-2.3528	0.2425	Not significant

Source: researcher, 2023

Table 4 below represent the result of mediation test. Accordingly, the mediating effect of customer loyalty on the relationship between CSR disclosure on firm value has a BootLLCI value of -0.0913 and a BootULCI value of 0.8738. The confidence interval range between the bottom point (BootLLCI) and the top point (BootULCI) includes the number 0, implying that customer loyalty does not mediate the effect of CSR disclosure on firm value.

Table 4. Mediation Test

Variablel	BootLLCI	BootULCI	Description
Customer Loyalty	-0.0913	0,8738	No mediation effect

Source: researcher, 2023

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The Impact of CSR Disclosure on Firm Value

According to the study's results, CSR disclosure has no effect on company value. Similar findings were observed by Worokinasih et al. (2020), who discovered that CSR disclosure has no impact on company value. Investors often consider CSR disclosure when determining whether to invest in a firm. All corporate social and environmental responsibility activities are designed to suit stakeholders' interests while ensuring the company's sustainability. However, the findings of this study indicate that investors are not responding positively to CSR disclosures provided by companies. This is due to the fact that CSR has yet to establish itself as a factor affecting investor decision making. Furthermore, CSR disclosure in sustainability reports for public enterprises in Indonesia's manufacturing sector would be required only in 2021. As a result, investors have begun to consider additional factors while making decisions. Investors have always considered financial success and good corporate governance when analyzing a company (Mufidah & Purnamasari, 2018).

The impact of CSR disclosure on customer loyalty

Based on the test results, it is readily apparent that CSR disclosure has no impact on consumer loyalty. According to stakeholder theory, CSR disclosure is a company's endeavor to consider the interests of stakeholders in order to ensure the company's sustainability. CSR disclosure can help customers trust the company's products and build customer loyalty to the brand, hence maintaining sales value. However, the findings of this study suggest that customers do not respond to the company's CSR disclosures. This is due CSR disclosure has yet to establish itself as a factor influencing the decision-making of manufacturing firm consumers in Indonesia. Furthermore, CSR disclosure in sustainability reports for public enterprises in Indonesia's manufacturing sector became essential in 2021. Customers have already made purchase and retention decisions before viewing and contemplating CSR disclosures in the media or firm sustainability reports. Previous study has shown that other criteria, such as product quality and customer satisfaction, have a greater impact on consumer loyalty.

The Impact of Customer Loyalty on Company Value

Based on the test results, it is clear that customer loyalty has no impact on firm value. Loyal clients will ideally keep the company's sales levels consistent year after year, allowing investors to monitor the company's performance and determine whether to put their capital in it. The consistency and increase in company sales resulting from loyal client purchases should be able to boost company value in the long run. However, the findings of this study reveal that consumer loyalty has little influence on decision-making among stakeholders. This is due to the fact that shareholder concern for customer loyalty in Indonesian public enterprises in the manufacturing sector is indirect. Shareholders have always seen financial performance and excellent corporate governance as essential factors in influencing decision-making. (Harningsih et al., 2019; Inastri and Mimba, 2017; Wati et al., 2019).

The Impact of CSR Disclosure on Firm Value, Mediated by Customer Loyalty

According to the test results, total CSR disclosure has no effect on corporate value by influencing consumer loyalty. This demonstrates that the company has failed to communicate CSR to its stakeholders, and that stakeholders are not sufficiently concerned with the company's CSR disclosures. Conditions similar to this may exist in the corporate sector, where CSR disclosure has yet to establish itself as a factor in shareholder and stakeholder decision-making. Specifically, in Indonesia's public firm manufacturing

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sector, CSR disclosure through sustainability reports was set necessary in 2020 but was then postponed until 2021. CSR disclosure has not yet been an issue for stakeholders. As a result, customers do not consider CSR when deciding whether to stay loyal, and investors do not yet consider CSR disclosure when making investment decisions. Customers prioritize the quality of the product and satisfaction with it (Min & Tangjitprom, 2023). Meanwhile, investors prioritize financial performance and excellent corporate governance (Harningsih et al., 2019; Inastri & Mimba, 2017; Wati et al., 2019).

CONCLUSION

This study offers empirical evidence regarding the effect of CSR disclosure on company value as mediated by customer loyalty. This study was conducted on public businesses in the manufacturing sector headquartered in Indonesia between 2018 and 2022 that met the purposive sampling requirements. This study's ultimate sample size was 109 observations. The results indicate that CSR disclosure has no effect on consumer loyalty. Customers of public firms in the Indonesian manufacturing sector have not responded positively to the company's CSR disclosures. Responses like this demonstrate that CSR disclosure does not yet play a well-established role in determining customers' decisions to buy items from Indonesian manufacturing enterprises. Customer loyalty has no impact on corporate value. CSR disclosure does not have a direct impact on company value. This is because stakeholders in public firms in Indonesia's manufacturing sector have not responded positively to corporations' CSR disclosures. This demonstrates that CSR disclosure does not yet have an established role in stakeholder decision-making. CSR disclosure has no effect on corporate value as a result of consumer loyalty. This is because stakeholders are not yet concerned about corporations' CSR disclosures. Accordingly, the following limitations were discovered: Due to data restrictions, this study only considers the gross sales value of public companies in the manufacturing sector, so it excludes gross sales of private companies in the manufacturing sector when determining the company's market share for measuring customer loyalty. This study has a subjective component because CSR disclosure is measured via content analysis. Based on these limitations, the following suggestions are future researchers should include the private sector when calculating market share to quantify consumer loyalty so that it can more accurately reflect industry realities. Future studies should also be able to use a second assessor in the content analysis of sustainability reports to measure CSR disclosures, reducing the assessment's subjectivity.

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