

**INFLUENCE OF MARKET ORIENTATION ON CORPORATE SOCIAL  
RESPONSIBILITY OF LICENSED COMMERCIAL BANKS**



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## Abstract

Marketers are expected to add value to the customers by identifying and fulfilling the needs and expectations of their customers. This process is known as market orientation. Meanwhile concerns and awareness of social issues have increased among the society and customers in the past few decades. Therefore society and customers expect marketers to be involved their business in socially responsible manner. Thus it becomes necessary for the market orientated businesses to adopt corporate social responsibility to fulfill the social expectations of their customers and society. Hence marketers are expected to develop a socially responsible business behavior. This study examined the research problem of whether market orientation influences corporate social responsibility in the licensed commercial banking sector. This research was carried out with the objectives of evaluating market orientation and corporate social responsibility practices and to analyze the influence of market orientation on corporate social responsibility in the licensed commercial banking sector. Furthermore conceptual model has been developed to link market orientation and corporate social responsibility. Customer orientation, competitor orientation and inter functional coordination are considered as the measurement variables of market orientation and it was derived from Narver and Slater (1990). Similarly economic, legal, ethical and discretionary responsibilities are the measurement variables of corporate social responsibility and it was extracted from Carroll (2000). Quantitative methodology has been applied for this research and questionnaires were used to collect data. 27 managers and 154 staff from whole licensed commercial banks in Batticaloa district have been selected for this study. Correlation and multiple regressions have been used for the analysis. Findings have shown that market orientation and corporate social responsibility practices of licensed commercial banks are at higher level. Furthermore it was also found that there is a positive relationship between market orientation and corporate social responsibility; and market orientation significantly influences corporate social responsibility practices of the licensed commercial banking entities. These findings would be useful to foster socially responsible business behavior among the entities and industries which will satisfy customers that are socially conscious and also will meet the expectations of various stakeholders.

**Key Words:** Market orientation, customer orientation, competitor orientation, inter functional coordination, corporate social responsibility.