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INFLUENCE OF STRATEGIC CORPORATE SOCIAL RESPONSIBILITY COMMUNICATION ON COMPETITIVE ADVANTAGE IN COMMERCIAL BANKS IN KENYA

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ABSTRACT

In recent years, scholars and executives alike have dedicated their attention to the implication of corporate social responsibility practices as well as their relationship to a strategy which has led to Kenya banks devoting time in it. The banking industry is highly competitive and dynamic sector owing to globalization, advancement of technology, deregulation of financial services and privatization of banks that were initially public. Therefore, to curb these challenges and be sustainable in the fragile business environment, banks have shifted their focus towards strategic CSR. The purpose of this study was therefore to investigate the influence of CSR communication on competitive advantage in commercial banks in Kenya and to establish the influence of bank size in the relationship between CSR communication and competitive advantage in commercial banks in Kenya. The study results should assist managers in the commercial banks to strike a balance in strategy and corporate social responsibility. A descriptive cross-sectional survey was used to collect data. The target population was 305 branches within Nairobi County, a sample size of 170 branch managers and community champions. The researcher used inferential statistics. The findings indicated that CSR communication positively affected competitive advantage in commercial banks and that bank size was not a moderating factor between CSR communication and competitive advantage. The study recommended that commercial banks should apply proper CSR communication. Further studies should be conducted on the areas of holistic CSR communication in other Kenya sectors.

Key words; *Commercial banks, Strategic Corporate Social Responsibility, strategy, competitive advantage, communication*

INTRODUCTION

In contemporary years, scholars have devoted their attention to managerial implications of corporate social responsibility (henceforth, CSR). Although there has been considerable discussion about moral choices banks' managers face when encountering CSR (McWilliams & Siegel, 2010), most banks studies in management literature focus on the relationship between CSR and firm performance (e.g., Chege, 2013; Nzovah, 2012; McWilliams & Siegel, 2010), which can help us understand whether firms benefit financially, on average, from engaging on CSR activities. However, there is a scarcity of theoretical evidence from banks on strategic aspects and benefits of CSR and gains to the society from these actions. Studies done by Chandler (2014) and Sousa (2010) states that strategic CSR is increasingly becoming central to business success in the twenty first century and understanding, adopting and implementing strategic CSR is the source of sustainable value creation for the business.

The banking sector in Kenya is very lucrative but offer homogenous products and services. Marketing initiatives to differentiate and create a lasting competitive advantage has increased over the years with the aim of attracting and retaining new and existing customers. Communication efforts have been fruitful in brand building and product/service awareness but this has not offered a long-term solution for banks that aim at long-term growth and stakeholder loyalty. The need for creation of a lasting competitive advantage has recently led to revisions of both long term and short-term goals. The CSR initiatives are some of the earmarked strategies utilized by some commercial banks. Deliberate efforts have been undertaken by some banks to set aside annual budgets to run selected thematic CSR initiatives (Mbithi, 2015; Nzovah, 2012).

Statement of the Problem

Kenya banks overall goal is to achieve a sustainable competitive advantage. This, however, is a challenge because banks products and service are homogenous, that is, they are of similar offering amongst players in the industry (Chege, 2013). Husted and Salazar (2006) examined CSR strategies infirm with the objective of maximising both profits and social performance through a comparison between firms, the authors identified three types of social investment (altruistic, selfish and strategic) concluding that strategic investment creates better results for companies that try to simultaneously achieve the maximisation of both profit and social performance.

Thus strategic investment consists of additional benefits such as an enhanced reputation, better and more qualified labour and the differentiation of products and extraction of a premium price. The conclusion of this study points out that a company can add value and obtain a competitive advantage through socially responsible activities, but it must act strategically and CSR should be connected with corporate strategies. Therefore, banks action should be seen as adding value to products in the eyes of the public and should also improve the local business environment (Porter and Kramer, 2006)

However, the Kenya banking industry is highly competitive and dynamic sector owing to globalization, advancement of technology, deregulation of financial services and privatization of banks that were initially public (Achua,2008). Lack of differentiation in the sector has led to no significant and impactful long-term competitive advantage. Studies show that if CSR is used strategically, it can provide an avenue for differentiation in the homogenous industry (Chege, 2013; Sousa, 2010; Porter & Kramer, 2006). Unlike the strategies currently employed that can be easily duplicated, strategic CSR is not easily duplicated and can, therefore, have long-term benefits to the banks (Mbithi, 2015).

In recent year scholars have devoted considerable attention to the managerial implication of CSR. Although there has been considerable discussions about the moral choices managers face when encountering CSR(McWilliams& siege, 2001) most CSR studies in the management literature focus on the relationship between CSR and firm performance (Margolis &Walsh,2001; McWilliams & Siege,2000;Chege 2013; Muchiri, 2011) which can help us understand whether banks benefit financially on average from engaging in this activity. However, there is a paucity of direct theoretical or empirical evidence on the strategic aspects and benefits of CSR and the gains to society from these actions. From a theoretical standpoint, there are little considerations of strategic aspects of CSR. On the empirical side, it is difficult to evaluate the benefits of CSR because such actions typically constitute an intangible resource or capability. Furthermore, the provision of CSR is often bundled with product attributes or linked additional value or existing managerial practices making it difficult to quantify the additional value contributed by socially responsible activities. Lastly, there has been little consideration of the conditions under which CSR can contribute to sustainable competitive advantage.

Therefore, this study focused to investigate the influence of CSR communication on competitive advantage on commercial banks in Kenya and to establish the influence of bank size in the relationship between CSR communication and competitive advantage.

Study Objectives

- To determine influence of CSR communication on competitive advantage in commercial banks in Kenya
- To establish the influence of bank size in the relationship between CSR communication and competitive advantage

LITERATURE REVIEW

Conceptual Frame Work

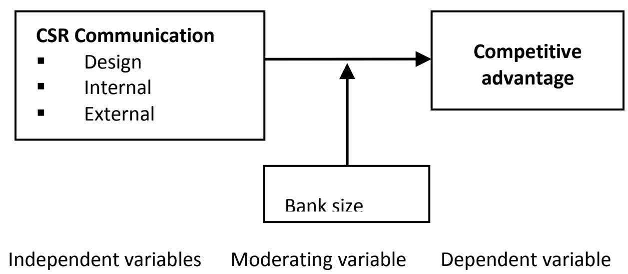

Figure 1: Conceptual framework

Empirical Review

CSR Communication

CSR communication is an important component to successfully achieve strategic corporate social responsibility intentions and vital CSR activities (McWilliams & Siege, 2001). Communication should be strategically planned as it affects attitudes towards banks'. According to Isaksson (2010) both the structure (Design) and the timing of corporate social responsibility related information are important parts of strategically planned CSR communication. Corporate social responsibility communication can create trust and legitimacy when firms are believed to operate consistently with social norms and expectations which can lead to price premiums effects and increased quality perception. These positive customer and market reactions derived from corporate social responsibility activities are further enhanced by increased market communication (McWilliams & Siegel, 2001).

Corporate social responsibility can however only provide benefits if it is communicated internally and externally with a multitude of available new communication channels (like blogs, twitter, YouTube). It becomes increasingly difficult to design communication strategies to measure its outcomes and decide when to communicate (timing). In order to gain from corporate social responsibility, firms are thus recommended to take strategic management approach towards their CSR planning, to structure and align it with firm's objectives and to decide when and how to communicate CSR efforts to the marketplace (Isaksson, 2010, Du et al., 2010).

According to Luo & Bhattacharya, (2009) states that CSR should be properly communicated to support firm level objectives, banks should ensure that the customer notice and understand the CSR information. Thus communication of corporate social responsibility must be efficient. Banks must, therefore, evaluate what and how to communicate CSR specifics without being perceived as solely self-serving (Du et al, 2010). According to Noha, (2009) one way to overcome this potential issue is to apply a more holistic approach to embedding corporate social responsibility information as an extension of the normal market or product communication. It is important to ensure that the employees are aware of all corporate social responsibility activities through internal marketing since it is likely and expected that the market responds to CSR information.

Research also suggests that some communication approaches are preferred than others. While a proactive approach is viewed as preferable, there appears to be no one best way of communicating behaviours to carry corporate social responsibility messages (Wagner, et al., 2009; Ziek, 2009). However for the banks to avoid CSR related market communication becoming counterproductive, they should act in a responsible way to support their behaviour with information. Contrary, if the banks perform some unfavourable act in the marketplace and consumers, customers or other stakeholders become aware of the fact, they should immediately communicate the wrongdoing, why it happened and what they are doing to mitigate and rectify it (Wagner et al., 2009). The quality of communication strategies can reduce perceived banks insincerity; external CSR communication should follow observed behaviour in a reactive yet pre-emptive way (Isaksson, 2010).

According to Orlitzky, et al., (2003) CSR Communication design for the banks should include both hard and soft issues. Social policies, programs and organizational structures are considered hard issues, while organizational culture and employees values and norms are soft issues. Hence CSR communication should be holistic (Carroll & Shabana, 2010).

Wagner, et al, (2009) states that it is important that as banks engage with stakeholders in the market environment (Customers and suppliers) through economic transactions and with their regulators, environmental organizations and unions to address social and political issues. Employees working in sales, marketing procurement, logistics or customer service are often the first to hear and learn about market concerns regarding environmental practices and other CSR related concerns. Banks should use this feedback to enhance the quality of CSR communication hence retaining their customers' loyalty. Customer satisfaction leads to competitive advantage (Lam et al., 2010).

The top management team is important as credibility derived from CSR communication can be leveraged across banks brand. Market reactions can also be enhanced by increasing market intensity (Advertising cost) to positively affect competitive advantage (Luo & Bhattacharya, 2009; McWilliams & Siege, 2001) This further translates into the positive relation between diversification market communication and CSR(Noha,2009).

According to Fombrum, (2000) CSR Communication must be properly timed and designed and viewed as a concept since banks investing in CSR can create market-based intangible assets. These can be achieved in banks through brand and customer loyalty, reputational capital and improved sales performance. Luo & Bhattacharya (2009) states that CSR communication creates a reputation for reliability and honesty customers assume that the products of a reliable and honest bank are of high quality.

A study done by Maak, (2008) argues that CSR is an important part of the bank's identity and integrity which are pertinent to communicate internally and externally. Since both positive and negative banks behaviours affect external stakeholders and internal stake holders, internal communication is an important issue as well (Isaksson, 2010). Internal communication instils banks identification, feeling of oneness and organizational belongings. Employees with direct customer interaction improve sales performance when the organizational identification is enhanced. Lam et al., (2010) indicates that internal communication is fundamental to extract value from external CSR communication that has been positively embraced by stakeholders at large.

A well-structured internal communication, not only saves time and cost but also lead to the great performance of the banks. Competitive advantage for the banks will be embedded in the quality of internal communication. A study done by Murray& Montanari, (1986) suggests that a well-crafted internal communication strategy in the field of CSR holds power to increase interdependencies between internal and external stakeholders and can enhance existing relationships. Employees can feel that their daily tasks are supported by CSR activities making them more secure in their job roles leading to a higher competitive advantage for the banks.

Banks that undertake CSR activities with a strategic intent that is an intention to gain a competitive advantage should initiate a respectful and honest communication with their customers (Noland & Phillips, 2010). Thus as the relationship banks have with their customers, makes up the market in which they operate is favourable. According to Du et al., (2010) external CSR communication must be efficient just like any other market communication. The key questions are what to communicate and how to communicate a bank's CSR efforts without being perceived as a solely serving. The risk when planned sub-optimally is that communication of CSR might not benefit the communicating bank but instead risk scepticism and cynicism among customers and investors defeating the communication purpose (Isaksson, 2010).

Competitive advantage

A company can use social initiatives to improve its competitive context, enhancing the quality of the business environment in the places it operates. Focusing on context allows the bank to increase its potentialities in the support of social responsibility actions and contributions toward the society in a structured fashion. Consequently, the bank's actions should be directly connected to its core business in order to maximize the potential of the actions (Porter & Kramer 2002; Zadek, 2005)

A study by Diab (2013) focused on cost, flexibility, and delivery as well as quality dimension to measure competitive advantage in Jordan private hospitals. The four dimensions of competitive capability used were operationalized as follows: Cost: the focus being cost reduction especially to customers who are price sensitive. Flexibility: the organization's ability to provide a variety of and different levels in the target market through its ability to keep pace with development in technology, and design products and services according to customer expectations. Quality: the ability of a product or service to meet customer needs and expectations. Most managers agree that cost and quality will continue to remain the competitive advantage dimensions of a firm (D'Souza & Williams, 2000).

A study done by Hong, Callaway and Kunnathur (2010) argue that the important features of delivery performance improvements as related to delivery speed and reliability reduced cost and quality. Delivery speed is the ability to reduce the time between order taking and customer delivery to as close to zero as possible. Reliability is the ability for firms to meet quoted or anticipated delivery dates and quantities. Flexibility can be focused to achieve a variety of operating attributes such as the ability to respond to special service requests.

The other measure of competitive advantage is quality. Juran (2004) defines quality as fitness for use, where fitness is defined by the customer. Weinberg (2011) describes fitness more holistically as value to some person. Quality can be achieved by adding unique attributes to products to enhance their competitive attractiveness so as to benefit customers in the final stages (Al-Rousan & Qawasmeh, 2009). Also quality can be achieved through a couple of dimensions such as the quality of design which means to adapt product design to its function (Adam & Elbert, 1996) and the quality of conformity which stands for the organizational capability to transform inputs to comfortable outputs (Hill, 1993) or outputs in accordance to the specific design characteristics and the focus on quality will be reflected in competitive advantage and profitability of the organization.

RESEARCH METHODOLOGY

The researcher used a descriptive cross-sectional survey research design. Arungai (2015) applied a descriptive research design to assess the role of service innovative on competitive advantage in the banking sector. Descriptive cross-sectional approaches as applied in this study was aimed at making predictions regarding the occurrence of the phenomenon under the study and by taking a sample of the population at one point at a time (Elahi & Dehashti, 2011).

The target population was 305 branches within Nairobi County in 27 commercial banks that were willing and carried out CRS at branch level. The study randomly selected 170 branch managers and community champions who formed sample size.

The sample size determination formulas and procedures for categorical data (Cochran, 1977; Bartlett et al, 2001) was adopted and calculated according to the following formula:

$$\mathbf{n} = \frac{\mathbf{z^2} \times \mathbf{p\ (1-p)}}{\mathbf{e^2}}$$

Where: **n** = required sample size

z = Confidence Level at 95% (standard value of 1.96)

p = population reliability; where p is 0.5 which is taken for all developing countries population

e = Margin of error at 10% (standard value of 0.1)

$$\mathbf{n} = \frac{1.96^2 \times \mathbf{0.5(0.5)}}{\mathbf{0.1^2}}$$

=96.04

$$= \frac{96.04*305}{96.04+305}$$

= 73.04

Equation 2

$$\text{Adj } n = \frac{nN}{n+N}$$

N is known 385

$$n = \frac{305*385}{305+385}$$

= 170 branches

FINDINGS AND DISCUSIONS

Measurement of CSR communication

Influence CSR communication on competitive advantage

The study sought to establish the influence of CSR communication on competitive advantage. As reported in Table 1 most of the respondents agreed that there was a clear process of CSR communication at the departmental level according to 88.8% of the respondents. The study revealed that there was a clear mode of communication in their bank on CSR activities according to 90.7% of the respondents. With regards to the level of internal CSR communication, 86% of the respondents indicated that their communication was proactive. Majority of the respondent cited that there is a great level inflow of information on CSR activities as reveal by 80.4%.

Top management supported new technology in communicating CSR activities to their customers. This was depicted by 86.9% of the respondents. From the findings, a unilateral opinion according to 82.3% of the respondents who stated that the banks level of external CSR communication was proactive. Majority of the respondents cited that the bank's level of external communication was efficient and clear. This was supported by 86% of the respondents. With regards to lack of clear CSR communication, 73.2% disagreed with the statement. This is demonstrated in Table 2.

This results agreed with a study done by Murray & Montanari (1986), which stated that a well-crafted internal communication strategy in the field of CSR holds power to increase interdependencies between internal and external stakeholders and can enhance existing relationship and also supported by Maak (2008) which states that CSR becomes important components of a firm identity and thus recommended that responsible firms should support their behaviours with information.

Table 1: CSR Communication

	SD	D	NS	A	SA		
	%	%	%	%	%	Mean	Std. Deviation
Clear process	.9	1.9	8.4	43.0	45.8	4.3084	.78201
Clear mode of communication of bank's CSR activities	.9	3.7	4.7	58.9	31.8	4.1682	.75842
The banks level of internal CSR communication is proactive	.9	2.8	10.3	44.9	41.1	4.2243	.81621
Great level of flow of information on CSR activities	.9	5.6	13.1	43.0	37.4	4.1028	.90005
Top management support on new technology to communicate CSR activities	.9	4.7	7.5	55.1	31.8	4.1215	.80927
Level of external communication is proactive	.9	3.7	13.1	47.7	34.6	4.1121	.83922
Level of external communication is efficient and clear	.9	5.6	7.5	53.3	32.7	4.1121	.83922
No clear process of CSR communication at departmental level	72.9	9.3	4.7	10.3	2.8	1.6075	1.13899

SA= Strongly Agree, A= Agree, N=Not sure, D=Disagree, SD=Strongly Disagree, n=107

The researcher sought to establish some of the communication channels used in the branches within commercial banks in Kenya. The findings from most of the branches in commercial banks indicated, Sms alerts, press release, emails and printed media were frequently used to reach out customers on banks' CSR activities and products. This predicts that the bank's top management team have embraced new technology in passing information. This was supported by Luo & Bhattacharya (2009) who stated that CSR can only provide benefits if it is communicated internally and externally with a multitude of available new communication channels (that is, blogs, flicker, twitter, YouTube and Sms alerts). They continue to argue that CSR should be communicated to support banks level objectives.

Cronbach alpha for the items and Aggregation of the items

Table 2: Reliability Statistics

Cronbach's Alpha	N of Items
.751	8

The study reported an overall Cronbach's alpha value of 0.751 for the questionnaire instrument (Table 2) above. These value is above 0.70 thresholds as recommended by Zinbarg,(2005) implying that the data collected had achieved a relatively high level of consistency and can be generalised to be representative of the target population which should be used for further analysis.

Normality Test

Regression can only be accurately estimated if the basic assumptions of multiple regressions are met. To test normality assumption Kolmogorov-Smimov and Shapiro-Wilk tests were used. The results were as shown in Table 3.

Table 3: Results Kolmogorov-Smirnov and Shapiro-Wilk Normality Test

Tests of Normality						
	Kolmogorov-Smirnov[a]			**Shapiro-Wilk**		
	Statistic	**df**	**Sig.**	**Statistic**	**df**	**Sig.**
CSR Communication	.142	107	.000	.963	107	.001
Competitive advantage	.131	107	.000	.960	107	.000
a. Lilliefors Significance Correction						

Kolmogorov-Smimov and Shapiro-Wilk tests were used to test whether the distribution as a whole deviated from a comparable normal distribution. According to Field (2009), if the test is non-significant (p >.05) it means that the distribution of the sample is not significantly different from a normal distribution (that is, it is probably normal). If, however, the test is significant (p<.05) then the distribution in question is significantly different from normal distribution (i.e. it is non-normal) with (p<.05) for CSR Communication. The results were significant even after conversion. This then means that the distribution was different from normal. To test the significance of parting from normality, Q-Q plots were done and the results were shown in figure 2.

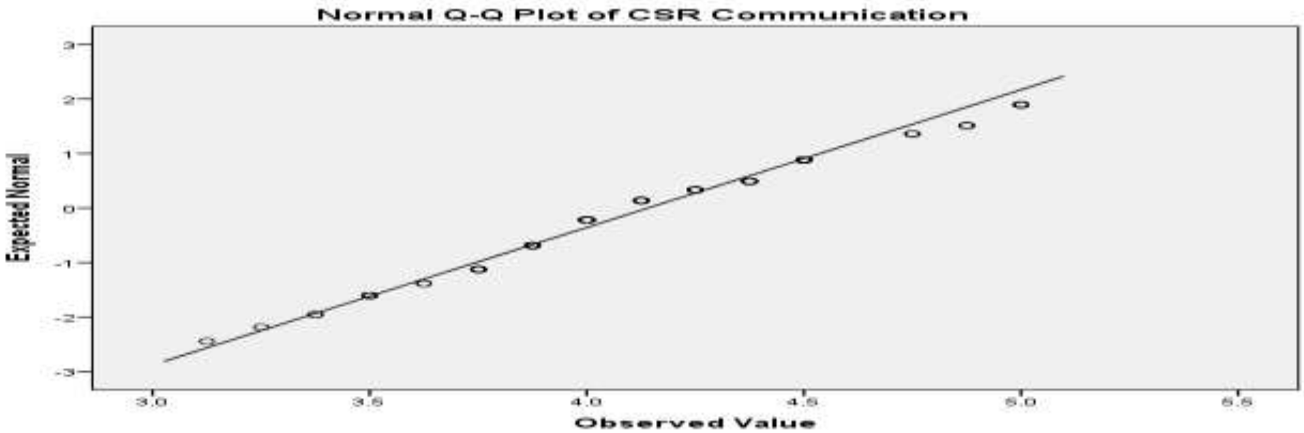

Figure 2: Normal Q-Q Plot for CSR Communication

Figure 2 displayed that normality distribution for CSR communication was approximately distributed along the normal line indicating that the data close to normal and therefore can be used to run regressions.

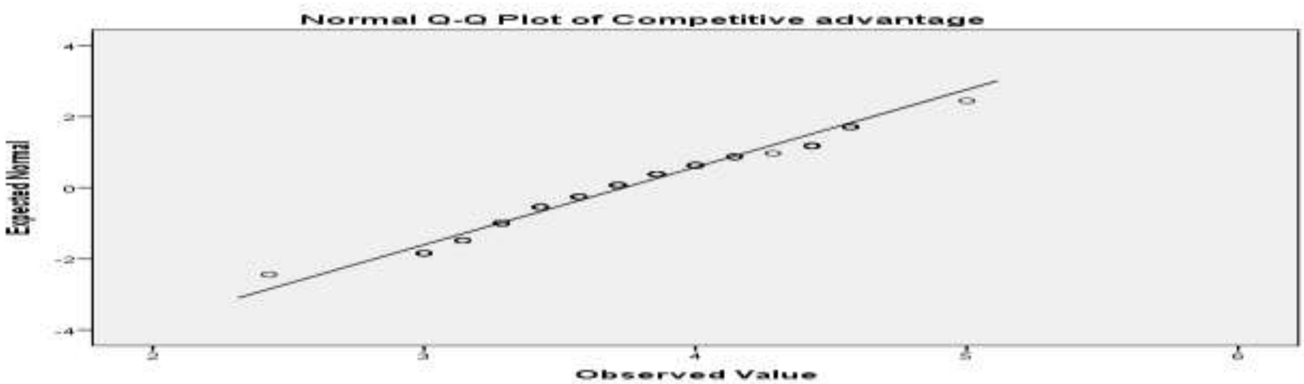

Figure 3: Normal Q-Q Plot OF Competitive Advantage

Figure 3 showed that the departure from normality for competitive advantage was not much, indicating that the data was bordering to normal and therefore could be used to run regressions.

Inferential Analysis of CSR communication and competitive advantage

Communication was positively correlated to competitive advantage at (r= 0.192, P= 0.048). Bank size is not correlated to communication as evidenced by (r= 0.065, p=0.509). Competitive advantage was positively correlated to Communication at (r=0.192, p= 0.048). On overall the correlation coefficients were far much less than 0.8 threshold indicating that there was no concern for multicolinearity (Kennedy, 1985). Correlation between communication and competitive advantage in commercial banks in Kenya was found be significant. This was evidenced by (r =0.192, p =0.048), the study concluded that there is a positive relationship between communication and competitive advantage. This implies that an increase of CSR communication leads to an increase on the banks competitive advantage by the same unit of measure.

Table 4: Correlations

		X1	Bank Size	Y
X1	Pearson Correlation	1	.065	.192*
	Sig. (2-tailed)		.509	.048
	N	107	107	107
Bank Size	Pearson Correlation	.065	1	-.175
	Sig. (2-tailed)	.509		.071
	N	107	107	107
Y	Pearson Correlation	.192*	-.175	1
	Sig. (2-tailed)	.048	.071	
	N	107	107	107

X1= Communication

Table 5: Regression analysis of communication and competitive advantage

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.192[a]	.037	.028	.80546

a. Predictors: (Constant), X2

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.605	1	2.605	4.016	.048[b]
	Residual	68.120	105	.649		
	Total	70.726	106			

a. Dependent Variable: Y (Competitive advantage)

b. Predictors: (Constant), X2 (Communication)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.374	.579		4.097	.000
	X1	.299	.149	.192	2.004	.048

a. Dependent Variable: Y

A simple regression was fitted to the data and was found to be significant (F (1,105) = 4.016, p=0.048) at 0.05 level of significance. The hypotheses H_{01} : β_{01} =0 (The type of CSR Communication does not influence competitive advantage in commercial banks in Kenya) is therefore rejected, since β_1= 0.299 and it is positive as shown in table 3 above.

The value of R^2 = 0.037 as shown in table 5 above which meant type of communication explained

3.7% of the variance in competitive advantage in the Commercials banks in Kenya.

The type of CSR Communication has a negative influence on competitive advantage in commercial banks in Kenya. The model equation generated for Resources and Competitive advantage is Y= β_0 + β_1X_1; which implies that

Y =2.374 +0.299X_1…………………………………………………….1

Since Y was competitive advantage and X_2 was communication, this meant competitive advantage =2.374 +0.299(Communication). It further denoted that any one unit increase in communication, competitive advantage increased by 0.299. This demonstrated that the type of CSR communication in the banks statistically significant. This is supported by a study done by Lou& Bhattacharya (2009) which stated that corporate social responsibility should be properly communicated to support bank's level objectives; firms should ensure that customer notice and understand the CSR information. Thus, communication of CSR must be efficient for it to create competitive advantage to the firm. This is echoed by Noha, (2009) who stated that communication of CSR must be evaluated to understand what and how to apply the communication without it being perceived as solely self-serving and to be holistic embedding CSR information as an extension of normal market or product communication to create competitive advantage. According to Isaksson (2010) communication should be strategically planned as it affects altitudes towards firms. Both the structure and the timings of corporate social responsibility related information is important parts of strategically planned CSR communication. This supports that there is a significant relationship between CSR communication and competitive advantage of the firm.

The moderating effect of bank size in relation to CSR communication

Table 6: moderating effect between communication and competitive advantage

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig.F Change
1	.192[a]	.037	.028	.80546	.037	4.016	1	105	.048
2	.264[b]	.070	.052	.79539	.033	3.676	1	104	.058
3	.292[c]	.085	.059	.79248	.016	1.764	1	103	.187

a. Predictors: (Constant), X2

b. Predictors: (Constant), X2, Bank Size

c. Predictors: (Constant), X2, Bank Size, Size*Communication

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.605	1	2.605	4.016	.048[b]
	Residual	68.120	105	.649		
	Total	70.726	106			
2	Regression	4.931	2	2.465	3.897	.023[c]
	Residual	65.795	104	.633		
	Total	70.726	106			
3	Regression	6.038	3	2.013	3.205	.026[d]

Residual	64.687	103	.628		
Total	70.726	106			

a. Dependent Variable: Y
b. Predictors: (Constant), X1
c. Predictors: (Constant), X1, Bank Size
d. Predictors: (Constant), X1, Bank Size, Size*Communication

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Collinearity Statistics Tolerance	Collinearity Statistics VIF
1	(Constant)	2.374	.579		4.097	.000		
	X1	.299	.149	.192	2.004	.048	1.000	1.000
2	(Constant)	2.554	.580		4.404	.000		
	X1	.294	.147	.189	1.995	.049	1.000	1.000
	Bank Size	-.296	.154	-.181	-1.917	.058	1.000	1.000
3	(Constant)	4.126	1.317		3.132	.002		
	X1	-.114	.340	-.073	-.334	.739	.186	5.370
	Bank Size	-.299	.154	-.183	-1.945	.054	.999	1.001
	Size*Communication	.501	.377	.290	1.328	.187	.186	5.369

a. Dependent Variable: Y

The model indicates that bank size is not a moderating factor on CSR communication and competitive advantage

The model was found to be insignificant (F (1,105) = 2.013, P=0.187). The hypotheses H_{01}: β_{01} =0 (The relationship between communication and competitive advantage by commercial banks in Kenya is not influenced by bank size banks).We therefore fail to reject the null hypothesis.

The value of R^2 = 0.085 as shown in table 4 above which means the effect of banks size on communication and competitive advantage in the Commercials banks in Kenya is 8.5%. The study found that bank size was not a moderating effect between CSR communication and competitive advantage in the commercial banks in Kenya.

Conclusion and Recommendations

Conclusion

Competitive advantage within commercial banks in Kenya is vital for their performance and coexistence. CSR communication is vital too for the banks to remain top in competition. CSR communication should be holistic and should create a reputation of reliability and honesty for the customer which makes them assume that products of a reliable and honest bank are of high quality. The null hypothesis was rejected because CSR communication has a significant relationship to competitive advantage. When CSR activities are communicated and understood, it can act as insurance like protection which yields moral capital from enhanced credibility and reputation

(McWilliams & Siege, 2001). Bank size does not moderate communication and competitive advantage of the commercial banks in Kenya. To mean that small and large banks should have the capacity to pass information both internally and externally without challenge.

Recommendations and areas of further study

From the findings of the study, communication has significant effect on competitive advantage and therefore commercial banks in Kenya should continuously design good channels of communication. Internal and External communication should be clear and understood by every stakeholder. The researcher recommended that further research should be conducted to understand other factors that influence holistic CSR communication in other sectors in Kenya.

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