



When Social Responsibility Trascends Differences: Interactivity, Customer Co-Creation, and Perceived Value during a Boycott

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Abstract

Interactivity in corporate social responsibility (CSR) is a significant catalyst for customer involvement, however, its role in sustaining brand value under socio-political pressure, such as boycott movements and across religious groups remains underexplored. This study examines the impact of perceived CSR interactivity on customer brand co-creation behavior (CBCB) and perceived value in the context of the Boycott, Divestment, and Sanctions (BDS) movement against Starbucks, while assessing potential differences between Muslim and Christian consumers. A quantitative approach was applied using PLS-SEM to test direct and indirect effects, alongside Multi-Group Analysis (MGA) to evaluate cross-religious responses. Data were collected from 110 Starbucks customers through online surveys using non-probability sampling. The result indicate that perceived CSR interactivity positively CBCB, which in turn enhances perceived value, confirming the mediating role of co-creation behavior. MGA reveals no significant differences between Muslim and Christian customers, suggesting that interactive CSR grounded in universal social values operates consistently across religious groups. Theoretically, this study extends Service-Dominant Logic by demonstrating that value co-creation through interactive CSR remains effective in crisis context characterized by boycott pressure. Businesses are therefore encouraged to design inclusive and interactive CSR initiatives to strengthen customer engagement and sustain brand value during reputational challenges.

Keyword: Corporate Social Responsibility, Customer Brand Co-Creation, Behavior, Perceived Value, Religiosity.

Abstrak





Interaktivitas dalam *Corporate Social Responsibility* (CSR) berperan penting dalam meningkatkan keterlibatan pelanggan, namun perannya dalam mempertahankan nilai merek di bawah tekanan sosial-politik seperti gerakan boikot dan dalam konteks lintas agama masih belum banyak diteliti. Penelitian ini menganalisis pengaruh persepsi interaktivitas CSR terhadap *Customer Brand Co-Creation Behavior* (CBCB) dan *perceived value* dalam konteks gerakan Boycott, Divestment, and Sanctions (BDS) terhadap Starbucks, serta membandingkan respons konsumen Muslim dan Kristen. Pendekatan kuantitatif digunakan dengan metode Partial Least Squares–Structural Equation Modeling (PLS-SEM) dan Multi-Group Analysis (MGA) terhadap 110 responden yang dikumpulkan melalui survei daring. Hasil penelitian menunjukkan bahwa persepsi interaktivitas CSR berpengaruh positif terhadap CBCB, yang selanjutnya meningkatkan *perceived value*, serta mengonfirmasi peran mediasi CBCB. Analisis lintas kelompok menunjukkan tidak terdapat perbedaan yang signifikan antara konsumen Muslim dan Kristen, yang mengindikasikan bahwa CSR interaktif berbasis nilai sosial universal beroperasi secara konsisten pada lintas kelompok agama. Secara teoretis, penelitian ini memperluas Service-Dominant Logic dengan menunjukkan bahwa *co-creation value* melalui CSR yang interaktif tetap efektif dalam konteks krisis akibat tekanan boikot.

Kata kunci: *Corporate Social Responsibility, Customer Brand Co-Creation Behavior, Perceived Value* dan religiusitas.

Introduction

Consumer responses to socio-political conflicts increasingly shape market dynamics and brand value, particularly through boycott movements driven by ethical, religious, and humanitarian concerns. One prominent example is the Boycott, Divestment, and Sanctions (BDS) movement, which gained renewed global attention following the escalation of the Israel-Palestine conflict in 2023 (Putra et al., 2024). These developments illustrate how political and humanitarian crises can translate into changes in consumer behavior, affecting purchasing decisions, corporate reputation, and brand values.

The Israel–Palestine conflict, rooted in long-standing territorial, religious, ethnic, and political tensions, escalated in 2023 into a severe humanitarian crisis that intensified global solidarity actions (Putra et al., 2024). One manifestation of this solidarity was the renewed momentum of the BDS movement. Established in 2005 by Palestinian civil society, BDS seeks to pressure Israel to end its occupation and comply with international law through boycotts, divestment, and sanctions (Awad, 2021; Chaitin et al., 2017). The movement increasingly targets





multinational corporations perceived to have ties with Israel, leveraging collective action to generate economic and reputational pressure (Fahlevi, 2023; Shaban & Awais, 2023). Prior studies show that BDS has effectively mobilized consumers through media and global networks, encouraging disengagement from targeted brands as a form of ethical protest (Schneider, 2021; Palacios Florencio et al., 2019).

Such boycott actions often result in reputational damage and declining consumer support, underscoring the role of market-based pressure in social change (Buheji & Ahmed, 2023). Starbucks, a prominent global coffee brand, became a focal point of BDS-related advocacy due to allegations of support for Israel, despite the company's denial of financial involvement. Public perceptions were further shaped by social media, where negative information has been shown to be more influential in motivating boycott behavior than positive information in fostering brand support (Neilson, 2010).

In Indonesia, boycott actions intensified following support from the Indonesian Ulema Council (MUI), which issued Fatwa No. 83 and reinforced it through Fatwa No. 14/Ijtima' Ulama/VIII/2024, encouraging consumers to avoid products affiliated with Israel (Majelis Ulama Indonesia, 2024). Given Indonesia's Muslim-majority population, these religious directives significantly influenced purchasing decisions and were associated with declines in Starbucks' sales performance and market capitalization. Beyond sales outcomes, the impact of boycott movements was also reflected in brand value dynamics. In 2024, Starbucks' brand value declined by approximately 1%, although it retained its position as the world's most valuable restaurant brand, with an estimated value of USD 60.7 billion (Interbrand, 2024). These developments highlight the vulnerability of even established global brands to shifts in consumer perceptions under socio-political pressure.

To examine how brands may sustain value creation under such conditions, this study adopts the Service-Dominant Logic (SDL) framework, which emphasizes value creation through use and interaction rather than through products alone (Vargo & Lusch, 2008a; Tommasetti et al., 2017). Within this perspective, customers are viewed as active actors who co-create value through their experiences and interactions with firms (Vargo & Lusch, 2008a; Yi & Gong, 2013). Corporate





social responsibility (CSR), particularly when designed as an interactive platform, represents a strategic mechanism for engaging consumers in value co-creation (Biggemann et al., 2014; Sung & Lee, 2023). In the context of Starbucks, interactive CSR initiatives enable consumer participation in social and environmental programs, which may stimulate Customer Brand Co-Creation Behavior (Iglesias et al., 2020; Sung & Lee, 2023).

Customer Brand Co-Creation Behavior reflects consumers' active involvement not only in service consumption but also in the brand-building process through activities such as feedback, advocacy, development, and helping behaviors (France et al., 2020; Yi & Gong, 2013). Such involvement can strengthen emotional attachment and perceived ownership of the brand, thereby enhancing perceived value (Ramaswamy & Ozcan, 2016). Although the role of CSR in shaping brand image (Sung & Lee, 2023) and consumer loyalty (Biggemann et al., 2014) has been widely examined, studies explicitly investigating interactive CSR as a value co-creation mechanism under boycott conditions remain limited. Moreover, empirical evidence on whether these mechanisms operate similarly across religious groups, particularly in contexts where religious norms influence consumption decisions, remains underexplored.

Addressing these gaps, this study examines the impact of perceived CSR interactivity on Customer Brand Co-Creation Behavior and perceived value in the context of the Boycott, Divestment, and Sanctions (BDS) movement against Starbucks. In addition, this study compares responses between Muslim and Christian consumers to assess whether value co-creation mechanisms differ across religious groups. By doing so, this research aims to contribute to Service-Dominant Logic and provide practical insights into managing brand value under socio-political pressure.

Literature Review

With globalization pushing companies to enhance their value and competitiveness, collaboration between companies and customers to build long-term relationships is increasingly being adopted (Gilsing et al., 2021). This aligns with the concept of Service-Dominant Logic Theory, which states that a company's value is created through collaborative efforts between the





company and its customers (Vargo, 2020). These collaborative efforts are based on interaction and engagement from both parties (Gilsing et al., 2021). Starbucks is one such company that collaborates with its customers to create value through direct interaction with them.

Customer involvement in enhancing the company's value can be seen through Perceived CSR Interactivity, which refers to how actively customers engage in the company's CSR programs (Biggemann et al., 2014). Perceived CSR Interactivity, when disseminated through social media, can influence customer behavior in creating value for a brand, commonly known as Customer Brand Co-Creation Behavior (CBCB) (Sung & Lee, 2023). A brand is considered co-creative when it can design CSR programs that appeal to customers and influence their decision to engage. CBCB involves four dimensions: development, feedback, advocacy, and helping (France et al., 2018). Development refers to the role of consumers in the company's product development process, allowing them to co-create better products with the company and enhance the product's appeal to other consumers. Meanwhile, the Feedback dimension allows consumers to provide criticism and suggestions to the company, enabling the company to evaluate its services. Customer involvement can also include product recommendations to others, either directly or indirectly, as represented by Advocacy behavior. Advocacy influences the perceptions of others and indirectly contributes to the creation of value. A company's value can also be affected by the Helping dimension, where customers help other customers improve their experience with the brand and assist them in solving issues or answering questions related to the company's products. Based on this identification, the hypothesis proposed is that Perceived CSR Interactivity has a positive influence on Customer Brand Co-Creation Behavior (H1).

Customer participation in Brand Co-Creation Behavior can also enhance their perception of the brand itself (France et al., 2018). The dimensions of Customer Brand Co-Creation Behavior are related to the perceived value of customers (France et al., 2020). The Advocacy and Development dimensions of CBCB can significantly increase customer satisfaction emotionally, socially, and in terms of product quality and price. On the other hand, the Feedback dimension has a limited impact on Perceived Value compared to Advocacy and Development. This occurs because the Feedback dimension requires a response from the company, meaning its impact on





Perceived Value also depends on the company's response to customer feedback. The Helping dimension has a negative impact on the company's emotional value and price, with no significant effect on social value or product quality. Similarly to CBCB, Perceived Value also has its own dimensions, consisting of quality, emotional, price, and social. The Quality dimension reflects consumers' evaluation of the company's product quality. Meanwhile, the Price dimension reflects the value derived from the balance between the product price and the benefits received by the customers. Perceived Value is also shaped through the Emotional dimension, allowing customers to evaluate the company based on how they feel toward the company. Lastly, the Social dimension of Perceived Value reflects whether the company's products can enhance the social image or social identity of its customers. Based on this, Customer Brand Co-Creation Behavior is hypothesized to have a positive influence on customers' Perceived Value of the company (H2).

Based on Service-Dominant Logic Theory, value is not created solely by the firm but emerges through interactive processes and the active participation of customers in value co-creation (Vargo & Lusch, 2008). While Perceived CSR Interactivity reflects the extent to which customers perceive interactive engagement in a company's CSR activities, the translation of such interactivity into Perceived Value may depend on customers' involvement in co-creation behaviors. Customers with higher levels of Customer Brand Co-Creation Behavior (CBCB) are more likely to internalize CSR interactivity through active participation in development, feedback, advocacy, and helping behaviors, which enhances the meaning and relevance of CSR initiatives (France et al., 2018). Conversely, customers with lower CBCB levels tend to perceive CSR initiatives more passively, resulting in a weaker impact on their value perceptions. Prior studies suggest that customer engagement strengthens the relationship between interactive marketing activities and customer value perceptions (Jaakkola & Alexander, 2014). Therefore, Customer Brand Co-Creation Behavior is expected to moderate the relationship between Perceived CSR Interactivity and Perceived Value (H3).

Beyond behavioral engagement, consumer responses to CSR may also be shaped by religious identity. Religion functions as a core component of social identity that influences ethical evaluations, moral judgments, and consumption-related decisions (Vitell, 2015). From a religion-





based consumer behavior perspective, religious values can guide how consumers interpret corporate actions, including CSR initiatives, particularly in socially sensitive contexts. Differences in religious norms and moral frameworks may therefore shape the extent to which perceived CSR interactivity motivates Customer Brand Co-Creation Behavior across consumer groups. Accordingly, this study explores whether the effect of perceived CSR interactivity on Customer Brand Co-Creation Behavior differs between Muslim and Christian consumers (H4).

Similarly, perceived value is a subjective evaluation influenced by individual belief systems, including religious identity (Sheth et al., 1991). Religious values may affect how consumers assess emotional, social, quality, and price-related benefits derived from brand interactions. Prior studies suggest that the outcomes of co-creation behaviors can vary depending on consumers' underlying value frameworks (France et al., 2020). Therefore, this study examines whether the effect of Customer Brand Co-Creation Behavior on perceived value differs between Muslim and Christians consumers (H5).

Furthermore, the alignment between corporate values communicated through CSR initiatives and consumers' personal values plays a critical role in shaping customer evaluations of CSR outcomes. In socially sensitive contexts, such as those involving ethical or humanitarian issues, religious background may further influence how customers interpret CSR interactivity and assess the benefits derived from the company (Lindgreen & Swaen, 2010; Fatma et al., 2016). In ethically and socially sensitive contexts, religious identity may influence how consumers interpret CSR interactivity and translate it into perceived value. Given these considerations, this study investigates whether the relationship between perceived CSR interactivity and perceived value varies between Muslim and Christians consumers, adopting a comparative and exploratory multi-group perspectives (H6).

Method

This study utilizes a quantitative methodology to evaluate the hypotheses within the suggested research framework. Primary data was gathered by the dissemination of questionnaires addressing three principal variables: Perceived CSR Interactivity, Customer Brand Co-Creation





Behavior, and Perceived Value. Perceived CSR Interactivity was measured using three indicators developed by Sung & Lee (2023). Meanwhile, Customer Brand Co-Creation Behavior was adopted by France et al. (2020), which categorizes consumer behavior into four dimensions: development, feedback, advocacy, and helping. The final variable, Perceived Value, also references France et al. (2020) and includes four dimensions: quality, emotional benefits, price, and social benefits. All variables were assessed using a 5-point Likert Scale, with responses ranging from strongly disagree (1) to strongly agree (5).

Data collection was executed via Google Forms, disseminated online utilizing a purposive sampling technique. The respondent selection criteria included: (1) having access to social media; (2) being an active Starbucks consumer during the study period; (3) adhering to either Muslim or Christian. Of the 189 respondents who participated, 110 met these criteria. The demographic attributes of the respondents are included in Table 1 to furnish a more accurate representation of the research sample.

Table 1. Demographic of Respondents

No.	Characteristics	Criteria	Frequency	Percentage
1.	Domicile	Special Region of Yogyakarta	59	54
		Central Java	22	20
		East Java	10	9
		West Java	11	10
		Special Capital Region of Jakarta	4	4
		Banten	1	1
		Riau Island	1	1
		North Sumatera	2	2
2.	Gender	Male	40	36
		Female	70	64
3.	Religion	Islam	70	65
		Christianity	40	35
4.	Age	15 – 25 years	81	74
		26 – 35 years	20	18





No.	Characteristics	Criteria	Frequency	Percentage
		36 – 45 years	5	5
		46 – 55 years	4	4
5.	Education	High School	68	62
		Diploma	5	5
		Bachelor’s Degree	31	28
		Postgraduates	6	5
6.	Income/month	< 1 million	37	34
		1 – 5 million	63	57
		> 5 million	10	9
7.	Frequency of Starbucks Purchases per Month	< 5 times	98	89
		5 – 10 times	10	9
		> 10 times	2	2
8.	Awareness of Starbucks CSR Programs	Yes	81	74
		No	29	26

Source: own compilation, 2024

The gathered data was examined utilizing the Partial Least Squares-Structural Equation Modelling (PLS-SEM) method, selected for its capacity to evaluate models containing multidimensional variables, including customer brand co-creation behavior and perceived value. This analysis employed a two-stage approach, with the initial stage concentrating on assessing the measurement model to verify construct validity and reliability, and the subsequent stage targeted at examining the structural model to analyze the interrelationship among variables. This study utilized Multi-Group Analysis (MGA) to investigate disparities in responses between Muslim and Christian consumers concerning CSR initiatives and their influence on customer brand co-creation behavior and perceived value.

Results and Discussion

This study seeks to ascertain differences in the impact of perceived CSR interactivity on perceived value through customer brand co-creation behavior among Muslim and Christian





consumers in the context of the BDS Movement's pressures. The data analysis in this study commenced with the assessment of the measurement model and evaluation of the structural model.

Evaluation of Measurement Model

This study employs a reflective measurement model for all variables. The assessment of the reflective measurement model include a loading factor of $\geq 0,70$, Composite Reliability of $\geq 0,70$, Cronbach's Alpha; and Average Variance Extracted ($AVE \geq 0,50$), in addition to evaluations of discriminant validity utilizing the Fornell & Larcker Criterion and HTMT below 0,90.

The first step in data analysis using the two-stage approach was conducted by measuring at the dimensional level. This step is essential to generate latent variable scores. The variables in this study consist of multiple dimensions: customer brand co-creation behavior and perceived value. The research instrument must first be tested by examining the outer loading values. If the outer loading value exceeds, the research instrument is considered valid (Hair et al., 2021).

Table 2. First Order Measurement Model Result

Variable	Indicator	Loading Factor	Dimension	CR	AVE
Customer Brand Co-Creation Behavior	Taking photos with Starbucks products and sharing them on social media	0,822	Development	0,854	0,661
	Sharing Starbucks advertisements/campaigns on social media	0,851			
	Developing products for Starbucks	0,763	Feedback	0,911	0,718
	Providing feedback when having positive experiences with Starbucks	0,810			
	Offering ideas on how to enhance the Starbucks brand	0,867			





Variable	Indicator	Loading Factor	Dimension	CR	AVE	
Perceived Value	Informing Starbucks if notice any issues with the brand	0,852	Advocacy	0,953	0,834	
	Suggesting ideas for improving Starbucks	0,859				
	Recommending Starbucks products to others	0,903				
	Talking positively about Starbucks to others	0,937				
	Spreading the good news about Starbucks	0,919				
	Encouraging friends and family to consume Starbucks	0,894	Helping	0,932	0,873	
	Offering advice to other customers about Starbucks	0,935				
	Sharing new things about Starbucks with others	0,933				
	Perceived Value	Starbucks has consistently quality	0,946	Quality	0,951	0,906
		Starbucks products are always well-made	0,957			
Starbucks is one of the brands I like		0,902	Emotional	0,948	0,821	
Starbucks membuat saya ingin membeli produknya		0,929				
Starbucks makes me want to buy its products		0,898				
Starbucks is one of the brands that make me feel relaxed when consuming it	0,894	Price	0,857	0,750		
Starbucks' prices are quite affordable	0,833					





Variable	Indicator	Loading Factor	Dimension	CR	AVE
	The money I spend is worth the quality of Starbucks products	0,898			
	I feel accepted in the environment when consuming Starbucks	0,888			
	Starbucks creates a positive impression on others	0,938	Social	0,909	0,834

Source: own compilation, 2024

Table 1 shows that all questionnaire items measuring the dimensions in this study are valid, with loading factor values above 0,70. Overall, the questionnaire items measuring each dimension are consistent. This is demonstrated in Table 2, where the Composite Reliability (CR) values exceed 0,70. This signifies that the questionnaire employed as the research tool is both valid and reliable.

In this study, several variables used dimensions, including Customer Brand Co-Creation Behavior and Perceived Value. The Customer Brand Co-Creation Behavior variable consists of four dimensions: development, feedback, advocacy, and helping. The AVE value for the development dimension is 0,661, meaning that the data variation for the items in the development dimension accounts for 66,1%. The AVE value for the feedback dimension indicates a data variation of 71,8%. The advocacy dimension has an AVE value of 0,834 or a data variation of 83,4%. The AVE value for the helping dimension, measured with two items, shows a data variation of 87,3%.

The perceived value variable comprises four dimensions: quality, emotional, price, and social. Data variation for each dimension is 90,6%, 82,1%, 75%, and 83,4%, respectively. The AVE values for all dimensions constituting the variables in this study demonstrate good convergent validity. Subsequently, the latent variable scores derived from the measurements at the dimensional level will be assessed at the variable level. Refer to Table 3 for additional details.





The assessment at the variable level indicates that the Perceived CSR Interactivity variable is qualified using three questionnaire questions, exhibiting outer loading values between 0,875 and 0,896. All three items accurately represent the measurement of perceived CSR interactivity. The variable's reliability is deemed satisfactory, as evidenced by Composite Reliability ratings exceeding 0,70. The level of convergent validity, signified by AVE values over 0,50, satisfies the criteria for robust convergent validity. The variability in the measurement items within the variable is 71,5%.

Table 3. Second Order Measurement Model Result

Variable	Item	Loading Factor	Cronbach's Alpha	CR	AVE
Perceived CSR Interactivity	When I see Starbucks CSR campaigns on social media, Starbucks will respond if I send a message	0,896			
	When I see Starbucks CSR campaigns on social media, Starbucks responds to my message quickly	0,886	0,863	0,916	0,785
	When I see Starbucks CSR campaigns on social media, I can communicate directly with Starbucks	0,875			
Customer Brand Co-Creation Behavior	Development	0,810			
	Feedback	0,842	0,881	0,917	0,785
	Advocacy	0,887			
	Helping	0,889			
Perceived Value	Quality	0,740			
	Emotional	0,909	0,850	0,899	0,690
	Price	0,824			
	Social	0,842			

Source: own compilation, 2024

The customer brand co-creation behavior variable is assessed through the dimensions of development, feedback, advocacy, and helping, with outer loading values of 0,810, 0,842, 0,887, and 0,889, respectively. The four measurement dimensions accurately represent customer brand co-creation behavior. The variable's reliability is deemed adequate, as indicated by a Composite Reliability rating of 0,917, exceeding the threshold of 0,70. The convergent validity, demonstrated by an AVE value of 0,785, above the threshold of 0,50, hence satisfying the criteria for robust





convergent validity. The variation in the measurement items under the customer brand co-creation behavior variable is 78,5%.

The Perceived Value variable comprises four dimensions: quality, emotional, price, and social. All four dimensions are valid, with outer loading values beyond 0.70, and dependable, with Composite Reliability values surpassing 0.70. The AVE score for the Perceived score variable demonstrates strong convergent validity, with the assessment items exhibiting a variance of 69%.

Subsequently, it is essential to assess discriminant validity to confirm that the variables are both conceptually different and experimentally validated. This evaluation utilizes the Fornell-Larcker Criterion and HTMT for measurement. For additional information, please consult Table 4.

Table 4. Discriminant Validity

<i>Fornell-Larcker Criterion</i>			
	Customer Brand Co-Creation Behavior	Perceived CSR Interactivity	Perceived Value
Customer Brand Co-Creation Behavior	0,857		
Perceived CSR Interactivity	0,494	0,886	
Perceived Value	0,724	0,471	0,831
<i>Heterotrait-Monotrait Ratio (HTMT)</i>			
	Customer Brand Co-Creation Behavior	Perceived CSR Interactivity	Perceived Value
Customer Brand Co-Creation Behavior			
Perceived CSR Interactivity	0,566		
Perceived Value	0,801	0,548	

Source: own compilation, 2024





Table 4 above indicates that the square root of the Average Variance Extracted (AVE) for each variable exceeds the correlation among the variables. The square root of the Average Variance Extracted (AVE) for the Customer Brand Co-Creation Behavior variable is 0.857. This figure exceeds the correlation between Customer Brand Co-Creation Behavior and Perceived CSR Interactivity (0.494) as well as the connection between Customer Brand Co-Creation Behavior and Perceived figure. The results demonstrate that the discriminant validity of the Customer Brand Co-Creation Behavior variable is satisfied. The same is true for the other two measures, Perceived CSR Interactivity and Perceived Value. Simultaneously, the assessment of discriminant validity using HTMT is satisfactory, since the HTMT values for each variable pair remain below 0.90.

Evaluation of Structural Model

This analysis evaluates the measurement model. This evaluation pertains to testing the hypothesis regarding the influence among the research variables. The assessment of the structural model occurs in multiple phases, which involve analyzing the Inner VIF size, t-statistics or p-values, and multi-group comparisons.

The initial phase of this assessment involves examining multicollinearity among the variables by utilizing the Inner VIF (Variance Inflation Factor) measurement. A VIF value under 5 suggests that there is no multicollinearity present among the variables (J.F. Hair et al., 2021). This study shows that the Inner VIF values for all variables are below 5, indicating the absence of multicollinearity among the variables. This enhances the reliability and impartiality of the parameter estimation outcomes in PLS-SEM. The results of the examination are presented in Table 5.

Table 5. Multicollinearity of Variables

Customer Brand Co-Creation Behavior	Perceived CSR Interactivity	Perceived Value
Customer Brand Co-		1,000





Creation Behavior	
Perceived CSR Interactivity	1,000
Perceived Value	

Source: own compilation, 2024

The concluding phase in assessing the structural model involves hypothesis testing. This study will evaluate the hypothesis concerning variables through an analysis of the p-value. A p-value less than 0.05 indicates a significant relationship between the variables. Table 6 presents the results of the hypothesis test.

Table 6. Direct and Indirect Testing Results

Hypothesis	Path Coefficient	P-Value	95% Confidence Interval for Path Coefficient		Conclusion
			Lower Bound	Upper Bound	
Perceived CSR Interactivity → Customer Brand Co-Creation Behavior	0,494	0,000	0,354	0,638	Supported
Customer Brand Co-Creation Behavior → Perceived Value	0,724	0,000	0,636	0,816	Supported
Perceived CSR Interactivity → Customer Brand Co-Creation Behavior → Perceived Value	0,358	0,000	0,250	0,488	Supported

Source: own compilation, 2024

The analysis results indicate that perceived CSR interactivity significantly enhances customer brand co-creation behavior, evidenced by a path coefficient of 0.494 and a p-value of 0.000. This finding provides strong empirical support for the hypothesis that customers' perception of CSR program interactivity can drive their active involvement in co-creation activities. This





study strengthens previous findings in the literature. Iglesias et al. (2020) highlighted that CSR initiatives engaging customers can foster significant partnerships through value co-creation. Yi & Gong (2013) demonstrated that interactivity increases customer engagement in the form of idea contribution and feedback. Moreover, this finding aligns with the study by France et al. (2020), which indicated that CSR programs that demonstrate direct customer involvement through interactive dialogue will strengthen their tendency to participate in various co-creation activities.

This study adds a significant dimension by incorporating the concept of CSR program interactivity in the context of social media. Social media enables companies to build interactive, personalized, and two-way dialogues, thereby creating a more meaningful experience for customers (Abeza et al., 2020). This perspective supports the study by (Prahalad & Ramaswamy, 2004), which explains that co-creation value arises from interactions designed to engage customers as active partners in the company-customer relationship.

Moreover, within the context of Service-Dominant Logic, the results emphasize that value co-creation transpires through cooperative engagements between customers and firms (Vargo & Lusch, 2008a). Perceived interactivity in CSR programs serves as a key catalyst that not only strengthens the brand-customer relationship but also creates co-created value that is strategically valuable. Therefore, this study suggests that companies able to design CSR programs with interactivity at their core can leverage the immense potential of social media to enhance customer co-creation behavior. This strategy not only fosters deeper customer loyalty but also extends customers' contributions to achieving the company's social objectives.

The findings from the second hypothesis test indicate that Customer Brand Co-Creation Behavior significantly enhances Perceived Value, evidenced by a path coefficient of 0.724 and a p-value of 0.000. This suggests that customer engagement in co-creation activities markedly enhances their sense of the brand's worth.

In the literature, active customer engagement has long been considered the key to creating valuable experiences. (Seno et al., 2019) emphasize that value is not only derived from products or services but also from the collaboration process that occurs through interactions between customers and companies. France et al. (2020) further add that co-creation activities, such as





sharing ideas and customer contributions, deepen customer relationships with the company and enhance their evaluation of perceived benefits. The Service-Dominant Logic theoretical framework provides an additional perspective to understand these results. Service-Dominant Logic emphasizes that value is not intrinsic to a product but is collaboratively generated through interactions between customers and companies, with customers serving as co-creators (Vargo, 2020). These findings align with this approach, where Customer Brand Co-Creation Behavior is not just a result of customer experience but also a central component in the formation of co-created value perceptions. Moreover, this study expands the understanding of how customer activities, such as idea contributions, brand advocacy, or design collaboration, can enhance perceived value. Through this interactive process, customers not only discover functional benefits but also experience emotional and social satisfaction in their relationship with the brand.

Therefore, these findings suggest that companies that encourage customer engagement in the co-creation process can create more profound and meaningful co-created value. Such strategies not only strengthen the brand-customer relationship but also help brands create a more excellent perception of value in the eyes of consumers.

The findings indicate that Customer Brand Co-Creation Behavior serves as a significant mediator between Perceived CSR Interactivity and Perceived Value, exhibiting a path coefficient of 0.358 and a p-value of 0.000. This indicates that the positive effect of perceived CSR program interactivity on the enhancement of customer value perception is effectively mediated by their involvement in brand co-creation. These findings reinforce the theory that active customer engagement in co-creation generates valuable co-created value. Previous studies, such as Iglesias et al. (2020), explain that customers involved in co-creation activities perceive greater value, both in terms of emotional connection and brand trust. France et al. (2020) add that CSR programs emphasizing customer involvement can encourage them to contribute positively to brand innovation and value enhancement.

According to the principles of Service-Dominant Logic, value is not only created by companies but also by customers who are involved in interactions and co-creation (Vargo, 2020). These findings support the Service-Dominant Logic perspective by showing that CSR interactivity





provides opportunities for customers to contribute to value creation. Collaborative Brand Development with Customers Behavior acts as the connection between favorable CSR perceptions and elevated brand value perceptions. Conversely, these findings underscore the necessity of developing more engaging programs that enable customers to feel appreciated and participate in value creation. Research by Ibe et al. (2015) supports this idea by finding that customers who are directly involved in CSR programs tend to have higher perceptions of value towards the company.

To further explore the differences in the relationships between Perceived CSR Interactivity, Customer Brand Co-Creation Behavior, and Perceived Value, this study conducted a Multi-Group Analysis (MGA) by comparing customer groups based on religious factors, namely Muslim and Christian. This test aims to identify whether there are differences in the effects between the research variables in both religious groups. The detailed results can be seen in the Multi-Group Testing Result Table.

Table 7. Multi-Group Testing Result

Hypothesis	Group 1 Muslim	Group 2 Christian	P- Value Group 1	P- Value Group 2	Group Difference	P-Value Group Difference	Conclusion
Perceived CSR Interactivity → Customer Brand Co- Creation Behavior	0,487	0,525	0,000	0,000	-0,038	0,784	Not Supported
Customer Brand Co- Creation Behavior → Perceived Value	0,771	0,617	0,000	0,000	0,153	0,127	Not Supported
Perceived CSR	0,376	0,324	0,000	0,000	0,051	0,649	Not Supported





Hypothesis	Group 1 Muslim	Group 2 Christian	P-Value Group 1	P-Value Group 2	Group Difference	P-Value Group Difference	Conclusion
Interactivity → Customer Brand Co- Creation Behavior → Perceived Value							

Source: own compilation, 2024

The findings of the Multi-Group Analysis (MGA) indicate that there are no significant disparities between Muslim and Christian consumers about the impact of Perceived CSR Interactivity, Customer Brand Co-Creation Behavior, and Perceived Value. This finding indicates that both Muslim and Christian customers engage with the brand through CSR in a similar way despite having different religious backgrounds. Starbucks' CSR program successfully captured the attention of both customer groups without differentiating based on religion. This success reflects that Starbucks' CSR was able to create a universal co-creation experience, which does not solely focus on one religious or social group.



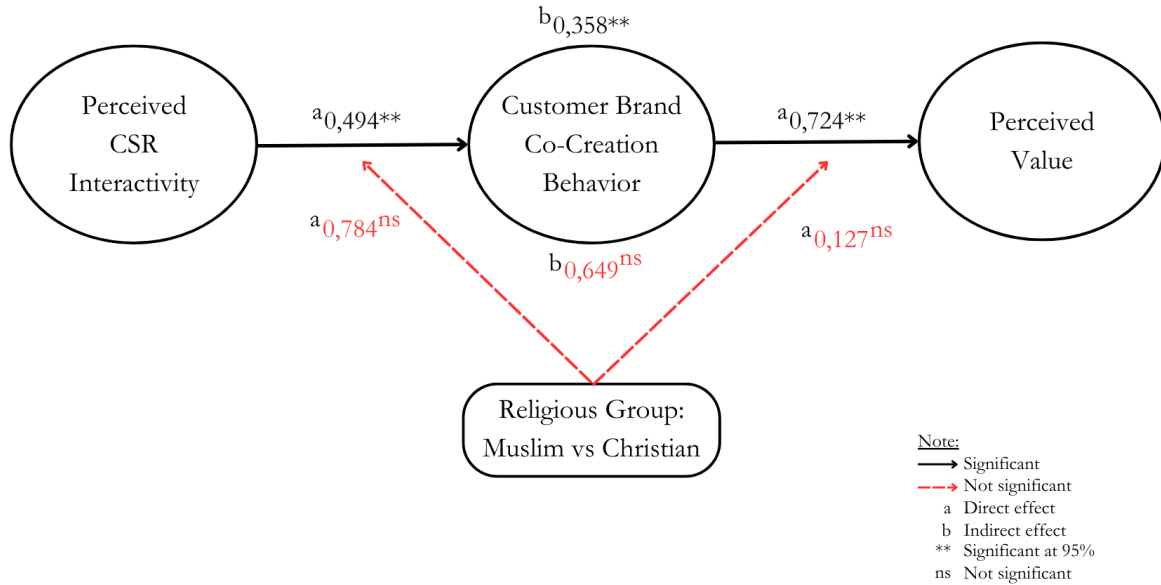


Figure 1. Model Testing Results

In the framework of Service-Dominant Logic, Starbucks' CSR acts as a platform for customers to interact collaboratively, generating co-created value in the form of tangible social contributions, regardless of their religious identities. This interactivity occurs inclusively, focusing on social issues that are acceptable to many groups, such as sustainability or community well-being. Therefore, these findings suggest that Starbucks has successfully positioned itself as a global agent of social change that is not limited to any specific religious identity or values.

However, when highlighting the context of the BDS Movement, we can observe a more complex dynamic regarding customer interactions with the brand. BDS is an international movement that calls for a boycott of companies deemed to support the controversial policies of the Israeli government. Starbucks has been accused of being involved with Israel, although the company has denied this involvement. Nevertheless, the movement has had a significant impact on brand perception among consumers who are more concerned with political issues and human rights.

Based on the findings from the MGA, we can observe that although Starbucks has differing perceptions regarding the religion of its customers, it does not disrupt its level of engagement with the brand in broader CSR programs. This suggests that customers focus more on CSR programs



that are inclusive and support universal social values. The Theory of Planned Behavior (TPB) can also explain that despite disagreements or negative views from some parties towards specific political policies that may be associated with the brand (as in the case of Starbucks with the BDS movement), customer engagement with CSR is not significantly affected if the CSR program focuses on more inclusive social values and has a direct positive impact on their communities.

Social Identity Theory is also relevant in explaining this phenomenon. Ultimately, although religious groups or even political ideologies may influence consumer decisions to (Lipari, 2018) engage in a boycott, customers are more interested in contributing to social and sustainability initiatives promoted by Starbucks. The CSR approach based on global social values provides a broader and more inclusive sense of ownership for customers, allowing Starbucks to remain connected with them, even amidst potential political tensions, as seen in the BDS movement.

Overall, Starbucks has successfully managed its relationship with customers, whether Muslim, Christian or those who support or oppose the BDS movement, through CSR programs that are widely accepted. Starbucks emphasizes sustainability and positive social impact as the core of its brand values rather than focusing on political or religious issues that might spark controversy. While the BDS movement tries to polarize consumer attitudes towards the company, inclusive CSR programs that have a tangible impact on the broader community positively affect the overall brand image. This shows that involvement in co-creation is more influenced by a commitment to greater social values, rather than by political or ideological protests alone.

Conclusion

This study seeks to examine the impact of Perceived CSR Interactivity, Customer Brand Co-Creation Behavior, and Perceived Value, while also investigating the variances in responses between Muslim and Christian consumers regarding Starbucks' CSR initiatives in the context of the BDS Movement. The results demonstrate that Perceived CSR Interactivity greatly positively influences Customer Brand Co-Creation Behavior, which in turn substantially enhances Perceived Value. Moreover, Customer Brand Co-Creation Behavior functions as a significant mediator in connecting the impact of Perceived CSR Interactivity on Perceived Value, highlighting that





customer involvement in co-creation is essential for generating shared value. However, the results of the religious group differences analysis through Multi-Group Analysis (MGA) show no significant differences in the relationship patterns among the variables, suggesting that CSR programs designed with inclusivity in universal social values can be equally well-received by both Muslim and Christian customers.

In the context of the BDS Movement, which calls for a boycott of Starbucks over alleged involvement in the Israel-Palestine conflict, this study provides an understanding that a focus on inclusive CSR programs, such as environmental sustainability and community empowerment, can effectively maintain positive customer-brand relationships. A CSR approach grounded in Service-Dominant Logic offers companies the opportunity to engage customers as partners in value co-creation, positioning them as active actors in crafting brand experiences that deliver social, emotional, and functional impact.

As a policy recommendation, companies are advised to design CSR programs that prioritize interactive dialogue and direct engagement opportunities with customers to strengthen brand loyalty even amidst external pressures such as boycotts. Starbucks should also continue to transparently communicate the positive impacts of its CSR initiatives through digital platforms to ensure inclusivity and relevance across diverse social groups. By doing so, the company can foster long-term sustainable relationships with customers while maintaining a robust brand image, even during times of crisis.

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