

“Role of CSR in Reinforcing Brand Image Using Comparative Strategy”

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Date of Submission: 15-02-2023

Date of Acceptance: 25-02-2023

ABSTRACT:

The role of Corporate Social Responsibility (CSR) in reinforcing brand image using a comparative strategy is an important factor in the success of any business. CSR is a way for companies to demonstrate their commitment to social and environmental responsibility, and to build a positive reputation with customers, employees, and other stakeholders. By engaging in CSR activities, companies can differentiate themselves from their competitors and create a unique brand image.

A comparative strategy can be used to reinforce a company's brand image by comparing its CSR activities to those of its competitors. Companies can use this strategy to highlight their commitment to social and environmental responsibility, and to demonstrate how their CSR activities are superior to those of their competitors. This can help to create a positive perception of the company's brand and can help to attract new customers.

In addition, companies can use a comparative strategy to demonstrate how their CSR activities are helping to improve the lives of their customers and employees. By highlighting the positive impact of their CSR activities, companies can create a positive brand image and can demonstrate their commitment to social and environmental responsibility.

Overall, the role of CSR in reinforcing brand image using a comparative strategy is an important factor in the success

Keywords: Corporate social responsibility, Comparative strategy, Brand Image

I. INTRODUCTION

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, companies can be conscious

of the kind of impact they are having on all aspects of society, including economic, social, and environmental.

To engage in CSR means that, in the ordinary course of business, a company is operating in ways that enhance society and the environment instead of contributing negatively to them.

Corporate social responsibility is a business model by which companies make a concerted effort to operate in ways that enhance rather than degrade society and the environment.

CSR helps both improve various aspects of society as well as promote a positive brand image of companies.

Corporate responsibility programs are also a great way to raise morale in the workplace.

CSRs are often broken into four categories: environmental impacts, ethical responsibility, philanthropic endeavors, and financial responsibilities.

Aside from the positive impacts to the planet, here are some additional reasons businesses pursue corporate social responsibility.

Brand Recognition According to a study published in the Journal of Consumer Psychology, consumers are more likely to act favorably towards a company that has acted to benefit its customers as opposed to companies that have demonstrated an ability to deliver quality products.³ Customers are increasingly becoming more aware of the impacts companies can have on their community, and many now base purchasing decisions on the CSR aspect of a business. As a company engages more in CSR, they are more likely to receive favorable brand recognition.

Investor Relations In a study by Boston Consulting Group, companies that are considered leaders in environmental, social, or governance matters had an 11% valuation premium over their competitors.⁴ For companies looking to get an edge and outperform the market, enacting CSR strategies

tends to positively impact how investors feel about an organization and how they view the worth of the company.

Employee Engagement In yet another study by professionals from Texas A&M, Temple, and the University of Minnesota, it would found that CSR-related values that align firms and employees serve as non-financial job benefits that strengthen employee retention.⁵ Works are more likely to stick around a company that they believe in. This in turn reduces employee turnover, disgruntled workers, and the total cost of a new employee.

Risk Mitigation Consider adverse activities such as discrimination against employee groups, disregard for natural resources, or unethical use of company funds. This type of activity is more likely to lead to lawsuits, litigation, or legal proceeds where the company may be negatively impacted financially and be captured in headline news. By adhering to CSR practices, companies can mitigate risk by avoiding troubling situations and complying with favorable activities.

II. LITERATURE REVIEW

Kotler and Lee (2005) It is a difficult concept to pin down as it overlaps with other such concepts as sustainable business, corporate citizenship and business ethics.

Lai, Griffin & Babin, (2009) A positive brand image helps to increase numerous outcomes such as customer's contentment, service superiority, loyalty and repurchasing intention.

Arendt, S. and Brettel, M. (2010) Contingency models show that CSR triggers the corporate-image-building process and that its relationship to company success varies significantly based on company size, industry and marketing budget.

Vinay kumar (2013) CSR does not give immediate results. The same CSR initiative will also not work for all types of organisations. For a successful CSR initiative requires careful planning and implementation mechanism. Integrating the innovative CSR strategies into different marketing communication strategies to build and sustain a competitive advantage. Thus, CSR becoming a fast-developing and increasingly competitive field, the case for demonstrating corporate responsibility is getting stronger as expectations among key opinion formers, customers and the public are increasing.

Guzmán, F. and Davis, D. (2017) The impact of corporate social responsibility on brand equity. A significant stream of research investigates the influence of corporate social responsibility (CSR) initiatives on firm performance and consumer response to CSR programs.

Sankar Sen, C. B. Bhattacharya, Daniel Korschun(2006) the authors demonstrate that the impact of CSR in the real world is not only less pervasive than has been previously acknowledged but also more multifaceted than has been previously conceptualized. The findings indicated that contingent on CSR awareness, which was rather low, stakeholders did react positively to the focal company not only in the consumption domain but in the employment and investment domains as well.

Javier Blanch(2012) Results suggest that the most efficient CSR activities, improving corporate performance, fit into four strategic categories, namely: enhancement of relationships with stakeholders, generation of business opportunities, strengthening brand equity, and maximization of corporate media and communication strategies.

Sami Aladwan(2017) Relationship between Corporate Social Responsibility and Marketing Performance. CSR can provide many benefits to companies: maximize sales and market share, strengthen corporate image, attract and retain talented employees, reduce the cost, creating competitive advantage and improved customer loyalty.

III. RESEARCH METHODOLOGY

Research Design

- Type of study

The type of study conducted for the population taken was a Quantitative type of study that deals with the numerical or quantitative form of data.

- Type of research

The type of research taken into consideration for the research is a Survey method

- Method of survey

The Questionnaire was prepared as per the survey method in order to collect the quantitative data of the given sample.

- Sample size

The sample size taken for the research purpose is 100 (Demographics)

• Method of sampling

Convenience sampling is applied for the research looking at the situation and circumstances of the researchers.

Non-Parametric Correlation

Spearman's Correlation test is used in order to understand the Correlation between the variables. Spearman's Correlation test is also called as non

Parametric test. Spearman's Correlation uses ranks of data rather than absolute values of the variables

a) Spearman Correlation between CSR Activities and Brand Awareness

In this case data is obtained from 150 respondents on their view on the CSR activities done by TATA and their view on Brand Awareness of TATA.

Table1:Nonparametric Correlations

	Does TataFoundation workstowards CSRactivitiesinIndia?	BrandAwareness
DoesTataFoundationworktowardsCSRactivitiesinIndia?	1.000	.774(**)
Correlation Coefficient Sig. (2-tailed)	.150	.150
NCorrelation CoefficientSig. (2-tailed)	.774(**)	1.000
Brandawareness		

* Correlation is significant at the 0.01 level (2-tailed)

* Interpretation:

- The Significance value is 0.00 which is less than 0.05. So there is a significant correlation between the variables CSR Activities and Brand Awareness.
- Since the significance value is less than 0.05, hence we reject the null hypothesis H0 and accept the alternate hypothesis H1.
- Hence, we can conclude that there is significant correlation between the independent variable CSR Activities and the dependent variable Brand Awareness.

- The Correlation Coefficient between CSR Activities & Brand Awareness is 0.774.The direction is positive which means if CSR activities increases, Brand Awareness also increases. The strength is 77.4% which is strong correlation.

b) Spearman Correlation between CSR Activities and Brand Loyalty

In this case data is obtained from 150 respondents on their view on the CSR activities done by Tata and their view on Brand Loyalty towards Tata.

Table2:Nonparametric Correlations

	Does TataFoundation workstowards CSRactivitiesinIndia?	BrandAwareness
DoesTataFoundationworktowardsCSRactivitiesinIndia?	1.000	.653(**)
Correlation Coefficient Sig. (2-tailed)	.150	.150
NCorrelation CoefficientSig. (2-tailed)	.653(**)	1.000
Brandawareness		

** Correlation is significant at the 0.01 level (2-tailed).

Interpretation:

The Significance value is 0.00 which is less than 0.05. So there is a significant correlation between the variables CSR Activities and Brand Loyalty. Since the significance value is less than 0.05, hence we reject the null hypothesis H0 and accept the alternate hypothesis H1.

Hence, we can conclude that there is significant correlation between the independent variable CSR Activities and the dependent variable Brand Loyalty.

The Correlation Coefficient between CSR

Activities & Brand Loyalty is 0.653. The direction is positive which means if CSR activities increases, Brand Loyalty also increases. The strength is 65.3% which is strong correlation.

c) Spearman Correlation between CSR Activities and Perceived Quality

In this case data is obtained from 150 respondents on their view on the CSR activities done by TATA and their view on Perceived Quality of TATA products and services.

Table3:Nonparametric Correlations

	Does TataFoundation workstowards CSRactivitiesinIndia?	PerceivedQuality
DoesTataFoundationworktowardsCSRactivitiesinIndia?	1.000	.084
Correlation Coefficient Sig. (2-tailed)-150		.308
NCorrelation CoefficientSig. (2-tailed)-.084		1.000
PerceivedQuality	.308	

** Correlation is significant at the 0.01 level (2-tailed).

Interpretation:

- The Significance value is 0.308 which is more than 0.05. So there is no significant correlation between the variables CSR Activities and Perceived Quality of products and services.
- Since the significance value is more than 0.05, hence we accept the null hypothesisH0and reject the alternate hypothes is H1.
- Hence, we can conclude that there is no significant correlation between the independent variable CSR Activities and the dependent variable Perceived Quality.

- The Correlation Coefficient between CSR Activities & Perceived Quality is 0.084.The direction is positive which means if CSR activities increases, Brand Loyalty also increases. The strength is 8.4% which is very weak correlation.

d) Spearman Correlation between CSR Activities and Brand Satisfaction

In this case data is obtained from 150 respondents on their view on the CSR activities done by TATA and their view on Brand Satisfaction for TATA.

Table4:NonparametricCorrelations

	Does TataFoundation workstowards CSRactivitiesinIndia?	BrandSatisfaction
DoesTataFoundationworktowardsCSRactivitiesinIndia?	1.000	.504(**)
Correlation Coefficient Sig. (2-tailed)-150		150
NCorrelation CoefficientSig. (2-tailed)-.504(**)		1.000
BrandSatisfaction		

**Correlation is significant at the 0.01level (2-tailed).

Interpretation:

- The Significance value is 0.00 which is less than 0.05. So there is a significant correlation between the variables CSR Activities and Brand Satisfaction.
- Since the significance value is less than 0.05, hence we reject the null hypothesis H₀ and accept the alternate hypothesis H₁.
- Hence, we can conclude that there is significant correlation between the independent variable CSR Activities and the dependent variable Brand Satisfaction.
- The Correlation Coefficient between CSR Activities & Brand Satisfaction is 0.504. The direction is positive which means if CSR activities increases, Brand Loyalty also increases. The strength is 50.4% which is moderate correlation.

IV. CONCLUSION

From the interpretation of all the three tests, we observed the following results:

- CSR Activities by TATA Foundation has significant and strong impact on the Brand Awareness of the company TATA.
- CSR Activities by TATA Foundation has significant and strong impact on the Brand Loyalty towards the company TATA.
- CSR Activities by TATA Foundation has no significant impact on the Perceived Quality towards the product and services of the company TATA.

CSR Activities by TATA Foundation has significant but moderate impact on the Brand Satisfaction for products and services of the company TATA.

Out of the 4 dimensions of Brand Image (Brand Awareness, Brand Loyalty, Perceived Quality and Brand Satisfaction), the three dimensions i.e., Brand Awareness, Brand Loyalty and Brand Satisfaction are impacted significantly by the CSR Activities conducted by the SBI Foundation. Whereas, the dimension Perceived Quality is not impacted significantly by the CSR Activities conducted by the SBI Foundation.

Hence, we can conclude from the above interpretation that CSR Activities conducted by the organization (SBI in this case) have overall positive and significant impact on the Brand Image of the organization. Hence, the role of CSR Activities in reinforcing the Brand Image is significant and impactful.

REFERENCES

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