

**Title: The Impact of Consumer Social Responsibility and Brand Social Responsibility Image
on Brand Loyalty with reference to companies in India.**

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Abstract:

CSR (Corporate Social Responsibility) initiatives are becoming the heart and soul of how companies are thinking about their future strategically and responsibly. There are two different aspects among “brand” and “branding” A company or organization’s brand is derived not from “branding” but from the totality of its working strategies, initiatives, products and services, positioning, , target customers, responsibility to stakeholders and media communications (including design and marketing efforts). Corporate social responsibility (CSR) is considered as an excellent strategic marketing tool and it has momentous influence on consumers’ behaviours. The present paper focus on the indirect effects of different dimensions of CSR (consumer social responsibility along with corporate social responsibility or brand social responsibility) on brand loyalty in a real business context and try to understand consumer social responsibility for cause related brand and how their preference level changes with different firm donations, and how this activity leads to brand loyalty in long run. The exploratory study shows that consumers like cause related marketing campaigns and ready to do extra effort for that brand, provided the donation amount invested by companies should be high as much high as company can provide for the cause rather than collecting it from the customers. Elaborative offers with emotional connectivity and attitude toward the advertisement affect the social brand image of the company, and these affects along with brand image produce positive results on brand loyalty among consumers for such low involvement products.

Key words: Consumers, Brand loyalty, Brand social responsibility image, Cause related marketing, Consumer social responsibility, corporate social responsibility.

Introduction

Today's era of globalization process is continuous and in its full speed across the world, this process has also brought some problems with it. As technology and luxury advancement is at its peak leads to environmental problems that affect all living beings negatively. These aforementioned environmental problems have started to come to the agenda more and more in the recent years and people have started to talk these negativities setbacks. Consumers now are aware and worried about the future of the world and as results of this mostly prefer environment friendly products or brands promoting the social cause are making a mark in the minds of people. Business value and social or environmental values can go hand in hand. If organizations not only create socio-environmental value by caring for people and our environment, but also drive business value and profit through such initiatives, then their brand social responsibility or corporate social responsibility CSR can be a source of competitive differentiation and advantage which could in long run help to build brand loyalty. Corporate Social Responsibility (CSR) is a thought that has attracted worldwide attention and acquired a new resonance in the global and social economy while globalization and international deal have given way to tremendous opportunities, it has also opened the door to increased complexities for countries across the globe. This has resulted in the call and urge for enhanced transparency and corporate citizenship and opened the access for a culture called Corporate Social Responsibility or CSR which in fact allows for corporations to take on a role in the society, to play the guardian and to illustrate it cares. Developing countries like India represent a lucrative business opportunities for multinational companies (Sethi et al., 1990). In India the market size and potential is much greater than any European countries (Malik, 2004b). all company tries to innovative its products and services, distinguishes it from other competitive brands from the minds of the Indian consumers. In such companies, sustainability initiatives are close to the core businesses which leverage the competencies of the company and in line with company values and principles. As competition become strong, companies try to think something else than functional attributes. Consequently, companies try to develop communication programs like cause related marketing (CRM) to help brands to survive in market (Barnes and Fitzgibbons, 1991). In the contemporary promotion tools CRM is considered as preferable tool for promotion and brand building. CRM preferred by companies for a cause in which customers are involved, because on every purchase they do a small proportion provided for charity (Varandarajanand Menon, 1988). Researchers like Webb et al., (1998) found that businesses choose advertisements for such social causes and

also predicted that most of the subjects surveyed were aware of the CRM, and had CRM effect on their future purchases. Brand loyalty effect on a company's financial performance and allows companies to charge premium prices and to increase market share (Chaudhuri and Holbrook, 2001). Once consumers become brand loyal of the product they are ready to spend more on that product or service and they are the source of positive word of mouth of advertising (Aaker, 1996). The objective of the current paper is to understand the impact of cause related campaigns and help managers to understand the consumer perceptions related to such campaigns. The purpose of this research is, first, to advance our understanding of how consumer social responsibility orientation affects brand image inclination, attitude toward the advertisement. Secondly, how firm donations affect CSR and attitude toward the advertisement. There has been significant empirical evidence showing that consumers buy brands that mirror their own values. Thus, it is very important that modern organizations never underestimate the impact of their social responsibility efforts. Brand image is affected, people become reluctant to patronize a brand and all these domino effect leads to a downhill on profits and sales volumes. The business value created by consumer social responsibility initiatives ranges from employee and customer loyalty, positive word of mouth, resilience to negative information about the company and several other coveted business outcomes. To incorporate CSR successfully, management should be committed to its social causes, integrate all stakeholders in the initiatives and communicate through advertisements about projects in an open, honest and authentic way. Much like other aspects of marketing strategy, there is a need to monitor and measure sustainability efforts to tune activities and assure overall success.

Literature Review:

Cause-related marketing

Cause Related Marketing is a commercial activity by which businesses and charities (or causes) form a partnership with each other to market an image, product or service for mutual benefit. It is a marketing tool used to help address the social issues of the day, through providing resources and funding, whilst at the same time addressing important business objectives. Cause-related marketing (CRM) is a jointly beneficial collaboration between a corporation and a nonprofit designed to promote the and the latter's cause. Believe it as "a general alliance between

businesses and non-profit causes that provide resources and funding to address social issues and business marketing objectives” (Cui et al. 2003). Sometimes, consumers had self-serving motives to involve in company campaign (Becker-Olsen et al., 2006). Moderating variables also consequence on consumer choice (Barone et al., 2000), consumer purchase decisions (Webb and Mohr, 1998), and consumer attitudes towards CRM itself (Barnes, 1992). Such moderating cause builds congruency between the company and the cause (Pracejus and Olsen, 2004). Cause-related marketing (CRM) campaigns occur our CSR-based corporate image advertising. Such campaigns, often considered as CSR activity (Ellen et al., 2006), but they are different from CSR, as they focused on firm’s socially-linked sales promotion and branding. CRM can induce favorable brand attitude (Berger et al., 2006 and Ross et al., 1992), favourable product evaluations (Berger et al., 2006), and favorable attitude toward the social partner (Ross et al., 1992). The inclination among customers for campaign also depends on the amount of donation companies invest for such cause (Pracejus et al., 2003/4). CRM had a preferable option for sponsoring companies and such campaigns were preferable by women and by men (Ross et al., 1992). This positive impact increases when the campaign affect local cause, then national causes (Brown and Dacin, 1997). Researchers like Strahilevitz and Meyers (1998) predicted that some customers check the unit contribution to a charity with a unit reduction in the price of the item. Some researchers also considered the impact of celebrity endorsers, and found that their impact was successful, and increased product fit results in a favourable product attitude and usage (Kamins and Gupta, 1994).

Types of cause marketing

- Cause marketing can take on many forms, including:
- Product, service, or transaction specific
- Promotion of a common message
- Product licensing, endorsements, and certifications
- Local partnerships
- Employee service program

Varadarajan and Menon (1988, 60) first offered a definition of cause-related marketing stating that it is the process of formulating and implementing marketing behavior that are characterized by an offer from the firm to contribute a particular amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives. In

alignment with that thinking, Varadarajan and Menon (1988, 60), Andreasen (1996, 4), Polonsky and Speed (2001, 1362), depict cause-related marketing as a specific marketing strategy, different from sales promotion, sponsorship and philanthropy. Webb and Mohr (1998, 227) analysis cause-related marketing as a strong marketing communication tool that can be used for different goals of a profit organization for short term. Adkins (1999, 11) defines cause-related marketing as a commercial activity. She thinks that it is a partnership between profit and nonprofit organizations, intended with a goal of promoting a product's or service's image and meeting nonprofit goals. Nonprofit organization or cause (purpose) can be a humanitarian organization, universal cause, or any other type of nonprofit initiatives. (Adkins, 1999, 10). Daw (2006, 24) correspondingly points out that cause-related marketing initiatives provide benefits for both profit and nonprofit organizations. Profit organizations endow in a cause-related marketing program, its market position and strength, marketing expertise, relationship with employees, consumers and other stakeholders, and financial help, brand developing, loyalty while nonprofit organizations contribute to the program by its name, reputation, and connection to donators, volunteers and eminent members of the community, thus linking the cause related marketing program to a cause. Daw (2006, 61) depicts three different types of initiatives of cause-related marketing campaigns: initiatives connected to the product, initiatives connected to the promotion activities and initiatives connected to the program. Varadarajan and Menon (1988, 64) agree that cause-related marketing campaigns can be realized in different ways and at different levels, such as: strategic alliances of profit and nonprofit organizations, linkage of a certain product to a nonprofit cause, or linkage of a certain brand to a nonprofit cause. Andreasen (1996, 5) distinguishes three forms of cause-related marketing programs: promotions based on transactions, promotion of common issues and licensing. It can be concluded that cause-related marketing represents a fairly new marketing initiative that ensures multiple benefits for all of the partners concerned. Schiffman and Kanuk define attitudes as a learned predisposition to act in coherent favorable or unfavorable way to the object (2004, 200), while Page and Luding describe it as a psychological personal drift to a coherent positive or negative response and behavior due to stimulants and as a result of an attitude toward it (2003, 149). In case of organizations they do it for sales volumes or brand loyalty. With the aim of understanding the attitudes and the relationships between consumer attitudes and consumer behavior, and therefore the effective action on their formation and change, numerous models for attitude interpretation are created.

Schiffman and Kanuk (2004, 202) emphasize the theoretical model of attitudes that present affective, conative and cognitive components of attitude. They emphasize that research in consumer behavior indicates that conative aspect of attitude is often treated as an expression of consumer intention to buy or to sustain brand loyalty. Fishbein and Ajzen developed the theory of reasoned action (Summers, Bellau, 2006, 407; Matos, Ituassu, Rossi, 2007, 37) that relates attitudes, intentions and behavior and predict consumers' purchasing activities. They point out that the attitude is in a high positive correlation with intention to buy, and that it can correctly predict consumer buying act. They conclude that consumers' intention to buy is a better indicator of a final decision to buy in relation only to the attitude toward the buying object. Verdurme and Viaene (2003, 97) point to that after the theory of reasoned action Ajzen developed The theory of planned behavior to which the intended behavior is determined by personal attitudes toward behavior, subjective norms and perceived behavioral control. In doing so, the personal attitudes towards the behavior are defined by certain beliefs about the behavior and their subjective assessment. Pratkanis and Turner (1994, in Page, Luding, 2003, 149) emphasize that the strength of an attitude has a positive effect on attitudes and behavior in the way that more a positive attitude towards the brand or product leads to a more positive impact on purchase intention.

Consumer social responsibility

Consumer social responsibility or say green consumers who adopt environmentally friendly behavior or who purchase green product or brands ethical and value in line with the social cause over standard alternatives. Consumer social responsibility is that consumers are getting aware of the products environmental cause not only internationally but locally also. Consumer social responsibility is a drive to create internally-controlled consumers as they believe that an individual consumer can be effective in environmental protection. In its broadest form, consumer social responsibility can be defined as the conscious and deliberate choice to make certain consumption choices based on personal and moral beliefs. Major emphasis is given on an ethical component relating to the underlying importance of the non traditional and social components of a companies products and business strategies. Consumer Attitude towards the ethical behavior of firm is majority of study done by researchers (Creyer and Ross, 1997). CSR activities try to minimize negative externalities and maximize its positive externalities (Petkus and Woodruff, 1992). Various researchers cited the CSR conceptualization across its operating activities

(Verschoor, 2008). Researchers (Orlitzky et al., 2003 and Oh and Durden, 2007) find the relation between CSR and financial performance, which also affects reputation and enlighten the interest of the consumers. According to the consumption survey report only 10% of Indian consumers recognize the social and environmental .i.e ecological product labels sold in the supermarkets. CSR activities seem beneficial in luring customers in falling situations and creating halo effect in consumer perceptions (Ricks, 2005). Other benefits claimed because of CSR include brand differentiation (McWilliams and Siegel, 2001), brand equity (Hoeffler and Keller, 2002), competitive advantage (Porter and Kramer, 2002), customer loyalty (Bhattacharya and Sen, 2003) and customer satisfaction (Luo and Bhattacharya, 2006).

The Relation between CSR Initiatives and the Consumers:

There are various researches which demonstrate the contingent effect of Corporate Social Responsibility on consumer, Corporate Social Responsibility are not the conditions or asterisk which change as per demand of the market. Corporate Social Responsibility activities focuses on environmental initiatives (waste reduction, green energy consumption, free child care, education, feed the homeless and many more but is this to attract the attention of consumers as a marketing strategy or for social cause. Undoubtedly companies have started with a noble initiative but some companies are using this as green washing to attract their stakeholders. Consumers are considered as the “drivers” of any business strategy for Corporate Social Responsibility and many researches are made in regards to this field to know precise impact Corporate Social Responsibility on consumers. It has being widely speculated that brand social responsibility image will be subjected to a halo effect, and consumers social responsibility awareness will influence their perceptions of Corporate Social Responsibility performance in other areas.

Brand Knowledge:

Various modern Research shows that brand knowledge described as evoke of a brand when a customer is exposed to some external stimulus (Leong, Ang and Tham, 1996). In todays demonetization and digital world it is important to know that what brand knowledge is composed of must be understood very carefully as it manipulate what comes to customers mind as a response to marketing activity for that particular brand as said by (Keller, 1993). Brand knowledge is an important aspect in todays business world. Its an important elements that boost

marketing efficiency, and market penetration to some what extent the knowledge that has been knotted with the brand in a customer's mind significantly influences the consumer information process of a brand (Keller, 1993). Thus right knowledge can either build a brand or crash it. Therefore, it is precious to look at how the different level of brand knowledge to different set of target people affect and predict attendee behaviors. Brand knowledge is about the perception and the ideas consumers have in their mind and what memories they have about the brand, in all that brand association and brand awareness (Keller, 2003). Researchers makes an attempt to show that brand knowledge have shown different scope, making brand knowledge including awareness attribute features, benefits personal value, images visual information, ethics, thoughts personal cognitive, feelings personal affective, close associate emotions about the brand, attitude judgment and experience purchase online or offline, further defined customer based brand equity in terms of brand knowledge conceptualizing brand knowledge in terms of brand awareness and brand image (Keller, 1993).

A universal marketing strategy has been to associate a product with an object possessing positive attributes and impact. For instance, in event sponsorship or an CSR activity, a product is often associated with an event that is well liked by the public. (various welfare programs like film fare awards, social causes etc) Celebrity endorsement, on the other hand, normally pairs a product with a well-regarded public figure or status. The increasingly popular brand-extension strategy ties a new product with an existing reputable brand. In CRM, a product is paired with a nonprofit organization or a social cause, toward which people generally hold positive attitudes like child education most of the umbrella brands donate or contribute 1Rs behind every product purchased. For all these marketing strategies, the matching, or "fit," between the product and the object it is related with has been regarded as a critical issue (Aaker and Keller 1990; Drumwright 1996; Kamins and Gupta 1994; Rifon et al. 2004) Perceived fit can also be influenced by an individual's idiosyncratic theories (Dawar 1992). In an event sponsorship, researchers propose that perceptions of fit could result from either "functional based similarity" (Gwinner 1997), which occurs when the sponsor's product is used during the event, or "image based similarity" (Benezra 1996), which represents the matching of core morals between the sponsor and the event.

Brand Social Responsibility Image:

Brand Social Responsibility Image (BSRI) has a very strong relation and influencing effect on the ethics part (Litz, 1996) and morals (Logsdon & Yuthas, 1997) in society and in the minds of consumers also. The concept of Brand Social Responsibility Image is not very old; it is a recent Phenomenon (Pava & Krausz, 1996). The concept of the Brand Social Responsibility Image is not very simple and straightforward but strategically very tactful. Detailed researches have to be conducted in a particular society in order to know their customs in order to get better help in developing effective strategies (Marphy & Enis, 1986). The perception of BSRI is very important in today's Indian market, as we know that the customers are more knowledgeable, aware and have more options to go for due to tremendous competition, we know that the power belong to them, as a result the marketers have to be very responsible in terms of social benefit. As we know that, the societies have a strong impact on the individuals so marketers have to take care of that (Wood, 1991). Literature clearly shows that the objective for doing more and more research on the socially responsiveness is gaining more importance as the marketers know that how important this factor is for the brand to survive in market. Most of the companies fail not because of their product quality or service but for not being socially responsible (Mark-Herbert and Schantz, 2007). There are Research shows that there are many strategies that a company can adopt in order to prove itself as a socially responsible and all the brands that come under its offerings are for the well being of the society (Meehan, Meehan and Richards, 2006). This paper changes the foundation of competition among the competitor finding suggest that now the battle is that which company is more socially responsible and doing work for the well-being of the society, environment and for that it has to be very strong in its strategies and their true implementation (Galbreath, 2009). Therefore, this research studied the significance of consumer social responsibility orientation and brand social responsibility image in the determination of brand loyalty". Research on Brand Social Responsibility Image is being the hub of attention for most of the researchers for the last decade or so, particularly for the sensitive and more frequently used (high demand) products like mobiles phones, electronic gadgets, construction real estate, manufacturing sector and it directly influence the loyalty and evidence is there that a socially responsible brand have more acceptance and better brand loyalty (Salmones, Crespo and Bosque, 2005). In today concentrated competition, it is very important to know your customers and their perceptions about the brand and for that a company have to be socially responsible and

that will eventually turn into the brand loyalty (Bloom, Hoeffler, Keller and Basurto Meza, 2006).

Brand Loyalty:

The brand loyalty is the trust and faith that customer has on any particular brand or product. The increasing importance of brand loyalty in context of BCRI is due to the fact it yields diverse benefits including increased sales, repeat purchase etc. (Ballester and Aleman, 2001). A good thing to strong brand is that they enjoy brand loyalty an ability to charge price premium and brand power to support new product launch (Ghodeswar, 2008). The concept of brand loyalty is equally significant in industrial goods, services and retail business as it decline the probability of customer switching and involves the customer in repeat purchase behavior along with customers influencing their close associates too. The profit and market shares are closely associated with the brand equity, as more purchase loyalty will lead to increase in market shares and attitudinal loyalty will lead to higher relative price for the Brand (Chaudhuri and Holbrook, 2001). Through loyalty the customers develops likeness towards the brand (McConnell, 1968) and thus emotionally attached towards it.

Conclusion:

Corporate Social Responsibility initiatives are not only about philanthropy but translating these ideas into practical business strategies. Corporate Social Responsibility driven efforts does not only relate to donating money but it talks about integrating social and ethical practices into business strategies that help the consumer in creating a positive brand image and socially responsible. With the increase in corporate social responsibility consciousness, some companies promote a very elementary understanding of corporate governance and ethical standards. Another important aspect of corporate social responsibility is that it channels funds of socially responsible investors into promoting corporate social responsibility among investors thus to create a unique mark in the society. The substance of corporate social responsibility creates an emotional connection with consumers and builds connections between the brand, its corporate social responsibility initiatives and the viewers to greater extent. Linking brand image with the

help of corporate social responsibility initiatives encourages positive comments and ultimately has a positive effect on the brand, and its company because the company is being transparent about its external communications and internal practices which show alignment. As by observing the findings we can clearly understand that brand loyalty is highly dependent on respective independent variables. Therefore, an improvement in the independent variables consumer social responsibility have resulted an increase in the brand loyalty of various sector. As a consequence, all of the four independent variables namely Brand Social Responsibility Image, Brand Knowledge, Consumer social responsibility and CSR have a strong impact on the Brand Loyalty. We can say that now people go after the fine brand names which are also affected by the social activities involved by that brand. Brands are powerful assets that must be carefully developed and managed. Today's companies understand the impact of CSR on the actions of consumers as most people care about the environment and make day –to-day decisions based on the values of organization which work for the society. Consumers are ready to pay extra for products and services from companies committed to positive social and environmental impact. At least the consumers shall make an attempt if they are made aware of their social responsibility to purchase at least one product in six months from one or more socially responsible companies.

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