

CAN CSR ACTIVITIES BY INDIAN COMPANIES BUILD THE BRAND?

Tanvi Jain¹, Satya Prasad VK²

¹Symbiosis Institute of Business Management, Hyderabad

²Symbiosis International (Deemed University), Pune, India

²vk.satyaprasad@sibmhyd.edu.in

Abstract

In words of Jamshedji Tata “The clear definition of Corporate Social Responsibility is that the community is not just another stakeholder in our business but the very purpose of our existence”. In the beginning, CSR was viewed as more of a moral responsibility of business managers but with aggressive competition and changing times it is being seen as a strategy for the long term interest of corporates. Quite often we come across the question whether companies are genuine about their CSR initiatives or is it a marketing gimmick to build their brand? To discourse the question, this paper intends to study the kind of impact CSR has on building a brand of an organization in Indian subcontinent. A self-directed questionnaire is prepared to collect first-hand, primary data. Findings from the study turned out to be opposite from the assumption that was made initially

Key words: CSR; Brand; Brand-building; Marketing strategy; Welfare; Corporate

Introduction

In recent times, CSR has become quite prominent among businesses. The term CSR stands for Corporate Social Responsibility which is explained as combination of environmental and societal matters in organizational operations conducive to accomplish a balance of social, environmental and economic needs while addressing the expectations of the stakeholders. The profits of the businesses are devoted in fields like gender equality, destitution, education, and malnutrition to comply with CSR requirements. Shell was the first company to implement CSR in 1998. CSR has gained much popularity among the Indian corporations because the companies have realised that building a reliable, honest and viable relationships with the society at large is as important as growing their businesses. In fact India was the very first country to mandate CSR for corporates by following an amendment of the Companies Act, 2013. According to this amendment, organizations with a cash flow of minimum Rs 500 crores, or yearly turnover of Rs 1000 crores or more, or net profit of Rs 5 crores or more are entailed to devote minimum 2 per cent of the average net profits of three years on CSR activities. The new regulation further imposes a monetary penalty of minimum Rs 50,000 along with imprisonment up to 3 years in case of non-compliance. The close competition between corporates in current times have led to the need for formulating convincing and effective branding strategies for value maximization. Therefore, most of the companies are embracing corporate social responsibility because it strengthens the brand and its image among the stakeholders. Executing a CSR policy generates a trusting and long standing relationship that leads to customer loyalty, stockholder capital investments, and supplier investments (Garbarino & Johnson, 1999; Maignan & Ferrell, 2004; Sen, Bhattacharya & Korschun, 2006). Since trust and reputation are fundamental in building competitive advantage, CSR is a key factor when building sustainable strategies for companies today. The understanding of CSR is shifting from company's charity to the key for sustainable competitiveness. And hence it is right to say that the fact that companies are beginning to engage in CSR is a result of increased pressure from society.

Amidst the outbreak of this deadly corona virus, the Ministry of Corporate Affairs in India has reported that expenditures incurred by corporates to combat the pandemic will be valid to meet CSR requirements prescribed under the amendment. Funds could be spent on various activities like preventive healthcare, sanitation, and disaster management. Huge Indian corporates Adani Group, Mahindra & Mahindra, Jindals, Hero Group, TVS, ITC, Hyundai, Bajaj Group, Axis Bank, DCB Bank, Infosys, Godrej Group, BPCL, HUL etc etc. have contributed in cash and kind for the community at large and are helping the government to tackle the COVID-19.

Purpose of Study

Corporate social responsibility is concerns with organizations changing their role from offering their products and services for the purpose of generating more revenue and profits to the upliftment of society and investing in social empowerment. A company's CSR initiative affects all its stakeholders' perception towards the firm. It also influences the intentions to work with the company, consumption of the products and services. Keeping this idea in mind, the paper tries to probe whether the CSR Activities done by corporates are helping in Branding building or not

Literature Review

Corporate Social Responsibility

The theory of corporate social responsibility (CSR) has an extensive and diverse history. Every domain has its own definition of Corporate Social Responsibility. The CSR, as a concept, has evolved in the 1950s as social responsibility (SR) because the corporate had not occurred by then. (Carroll, 1999) Companies increased their consideration towards the corporate responsibilities over time to analyse the impacts of their strategies and operations on various stakeholders, society and the environment. The developing framework around CSR includes business institutions, civil institutions and government institutions to develop a new kind of soundness for companies. (Waddock, 2008) CSR has become the legal, legitimate, and crucial achievement for business leaders (Gelb & Strawser, 2001). The CSR concept is based on four pillars; economic, legal, ethical and philanthropic expectations. (Carroll, 1979) CSR initiatives also consist of activities like promotion of genuine causes, societal marketing, corporate charity and so on (Kim, Park, & Wier, 2012). Similarly, the motivations for CSR comes from three standpoints namely economic, strategic and ethical perspective. (Thorne et al., 2005) To gain economic and strategic motivations, most companies put in their best to create longstanding profit maximization by balancing cost and benefit of CSR activities. (Friedman, 1970) While most of the theories agree with Friedman many others object these theories by stating stakeholder perspective. Ethics cannot be separated from business sends out the messages that organizations initiatives with regards to CSR are likely to induce strong and often optimistic reactions among both internal and external stakeholders. Researches have presented the potential of business benefits through the communication of corporate social responsibility (CSR) efforts. (Maignan et al. 1999) CSR activities are further divided into two types namely CSR engagement and responsive and strategic CSR. CSR engagement is concerned with being a good corporate citizen by eliminating the harm from the corporate value chain and strategic CSR refers to using CSR to gain a unique position and thereby attain benefits. (Porter & Kramer, 2006) And hence CSR acts as a mechanism for corporations to better understand the various requirements and expectations for better growth (Steurer, Martinuzzi, & Margula, 2012)

CSR in India

From over a decade Indian economy is greatly being influenced by Globalization and liberalization that has lead to a shift of focus from economic aspirations to welfare of various stakeholders (Singh & Verma, 2017). Initially there were very few writings on CSR initiatives in India. Since then there is a rising awareness towards contribution to social activities with a motive to improve the environment (Shinde, 2005). It has also been observed that most of the companies who are genuinely interested in socially responsible behaviour are favoured by the public for their goods and services. Lately, CSR activities in India have gone beyond aids and donations, and is pondered upon in a more sophisticated way. CSR has become an essential part of the company's core strategy. Companies have separate philanthropic wing that develops budget, guidelines, strategies and goals. Therefore, in today's time where data is readily available to common man, CSR has become a crucial part of organizations (Mathew, Dhanuraj & Suresh, 2016).

Building a Brand

Building a brand takes various aspects into consideration like brand equity, brand awareness, brand loyalty and brand image. Brand equity is the brand value built up over time which is made up of functional, tangible and

intangible attributes. Higher the equity of the brand, higher loyalty. Brand equity generates importance for both the company and the consumers (Aaker, 1991). Same has been seen from different standpoints viz., customer-based, company-based and financial based (Keller and Lehmann, 2006). The existence that a brand has in the minds of consumers is termed as Brand Awareness (Foroudi et al., 2018). According to Keller (1993), brand awareness comprises of two main elements- recognition & recall. Consumers' capability to recover the brand from a given product category refers to brand recall. Brand recognition is basically the consumers' ability to validate past experience with the brand when the brand is given as a hint. Brand awareness ultimately leads to the conception and boosting of brand associations in the minds of consumers (Aaker, 1991). The awareness level about the brand is one of the fundamental elements while assessing a brand as the consumers prefer a brand that they are more aware of (Foroudi et al., 2018; Yasin et al., 2007). According to Torelli et al. (2012), customers' assess CSR information with previous knowledge they have about the brand. The extent to which a consumer trust a specific brand can be evaluated in terms of repeated purchases, regardless the pressure created by the competitors is brand loyalty. (Jones, David, & Sharon, 2002). Consumers rank 'interactional' relationship above the transactional. In today's times, the term interaction is not limited to relation between customers and company, it has elevated to the relation between company and customers, environment, and society at large.

CSR for Brand Building

CSR initiatives benefits the individuals, society, the environment and also helps in building reliable consumer base who are ready to pay a little more for product or brand that are CSR-differentiated (McFadden, Deselnicu, & Costanigro, 2013). According to Drucker (1984, p. 62) business should convert the social problem into economic opportunity leading to all-rounder growth the organization as well as its stakeholders. Corporate social responsibility is certainly on top the mind of any brand manager's mind. CSR practically has the same effects as other marketing activities like advertisements as it showcases an optimistic image of the company. By incorporating the brand name in CSR campaigns, brand awareness and brand recognition are considerably increased. A multi-attribute judgment model is drawn on the branding literature to study the direct and instant effect of CSR on various magnitudes of brand equity. It gives an understanding of how each element influence the overall transformation of brand equity. It has been suggested that when consumers are introduced to CSR information of a company or a brand, their earlier opinions of brand awareness, brand loyalty, and overall brand equity are affected. CSR has gained popularity in every characteristic of the organizational structure. CSR initiatives basically reduce negative externalities and increase positive externalities (Mishra, Sinha, & Singh, 2013; Petkuse & Woodruff, 1992). Previous researches supports the assumption that CSR activities lead to increased brand loyalty (e.g., Du, Bhattacharya, & Sen, 2007; Nareeman & Hassan, 2013; Virvilaite & Daubaraite, 2011). In the era of advance information technology, consumers are more sensitive to the negative information (Simmons & Becker-Olsen, 2004). If conveyed well, CSR can be a foundation of brand building to the companies (Sen & Bhattacharya, 2001).

Research Questions

In the context of the problem in hand, the following questions are essential for the research:

- How do companies align their CSR activities with their corporate brand to strengthen their market share and position?
- To what extent can the CSR activities influence a brand?

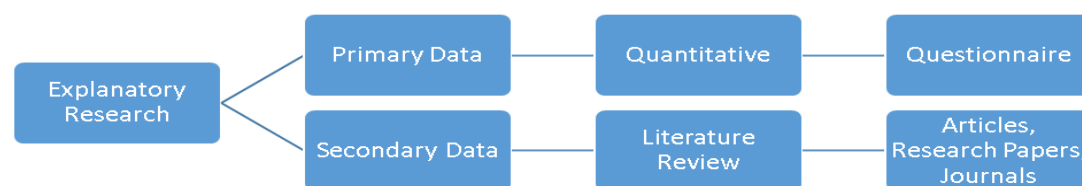
Research Objectives

- To understand the relationship between CSR activities and brand building activities in the Indian context
- To analyse the parameters of CSR that result in building a brand
- To study the extent to which CSR influence the company's market share and position

Research Problem

The world is rapidly getting competitive day by day. Competition exists in each and every activity whether it is a needle making company or a Boeing Company. Like any other activity the landscape of CSR in the companies is also becoming increasingly competitive where each organization strive to achieve a greater share of the market. CSR, in past few years, has become more of a strategic activity than social responsibility. While researchers have done an extensive study on the CSR activities helping in building a brand, there are very few studies on the Indian context. The intention behind this paper is to study the strategic CSR undertaken for brand building in the Indian context. It is, therefore, appropriate to study CSR activities by Indian companies as a strategic tool to build a brand through academic research lenses.

Research Methodology



Research Design

The research design is explanatory in nature as it focuses more on understanding the nature of cause and effect relationship. The research aims to answer how and why questions. It is structured properly. Exploratory research analyze and explains the pattern of relationship between variables. . The intention is the study CSR activities by multinational companies of Indian origin during the current Covid-19 crisis tool for building the brand. A detailed descriptive questionnaire is also used for studying what the general public thinks and compare the trends appropriately.

Research Approach and Data Collection Tools

The research paper aims at finding the various factors that identify the relationship between CSR activities and building a brand, especially in the Indian subcontinent. Thus, explanatory research would be appropriate in recognizing the elements contributing to the research problem and the hypothesis. For executing the research, both primary and secondary data collection tools will be used. Further, for primary data collection, quantitative data will be collected by questionnaires respectively. In addition, the literature review will assist with the collection of secondary data.

Questionnaire

The questionnaire was circulated to Indian consumers. It is precise, self-explanatory, and formal and will have limited open-ended questions. The main objective of the questionnaire would be to obtain the insights that support or contradict the research undertaken.

Literature Review

Secondary data is sometimes helpful in conducting research as it is already available and is needed to be extracted from a source. A detailed literature review has been written for the same purpose. The information is available from both internal and external sources. However, in this study, external sources are only being used, such as online databases like Emerald Insight, Research Gate, EBSCO, online articles and research papers.

Sampling Plans

Sample

The research has been conducted by surveying age group above 18 who actively participate in the purchasing process and take a keen interest in developments and activities happening around them.

Sampling Method

The technique of convenience sampling is used in this research. It is a non-probability sampling and the focus is on respondents above 18 years of age. The sample size is determined from the portion of the target population. The major factors influencing sample size are the type of information needed and resource constraints. Since the data is collected from 18 years and above, the target is 135 respondents. On a confidence interval of 95% of valid responses, 101 respondents would suffice the need.

Hypothesis

Through the research gap found and the problem identified, following hypothesis are put forward:

- H_0 – CSR activities help in building a brand

H_1 – CSR activities does not help in building a brand

- H_0 – CSR is a good strategy for brand building, increasing market share and strengthening the position in market

H_1 – CSR is not a good strategy for brand building, increasing market share and strengthening the position in market

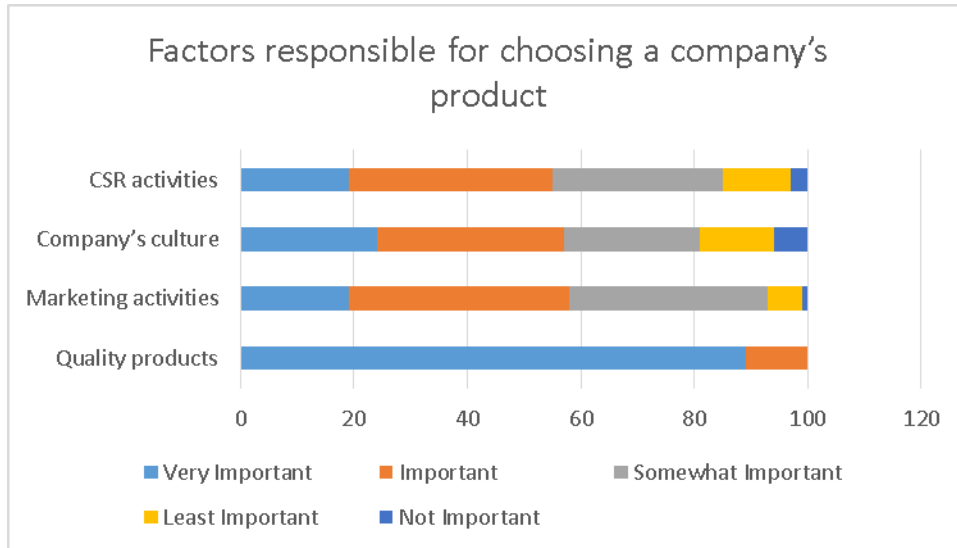
Analysis and Inferences

Analysis through Graphical Representations

As a part of research methodology, the required data has been collected through questionnaires. Through the questionnaire, certain relationships between CSR and brand building was established.

a. Factors responsible for choosing a company's product

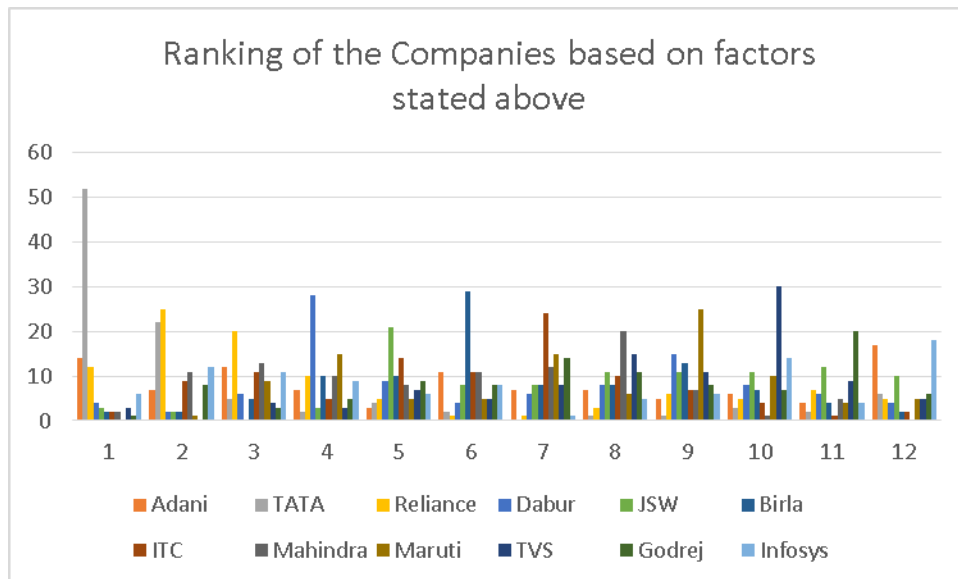
	Quality products	Marketing activities	Company's culture	CSR activities
Very Important	89	19	24	19
Important	11	39	33	36
Somewhat Important	0	35	24	30
Least Important	0	6	13	12
Not Important	0	1	6	3



After referring to various articles and research papers, following factors were selected as the parameters responsible for selecting products and services from various companies. In today's time where information is available at fingertips, quality of the product was most important factor for respondents. Consumers want value for amount spent of a particular product or service and hence quality of products/ services is very important. It was followed by culture within the company. The employees are the stakeholder of the company and if they themselves are not happy with the company, they cannot generate value for their customers as well. CSR activities companies are engaged in also an important factor for consumers. If a company cannot give back to the society they exist in and engage in welfare of the society raises the question about their products and services. Lastly the marketing activities determines whether a person will choose a particular company over other.

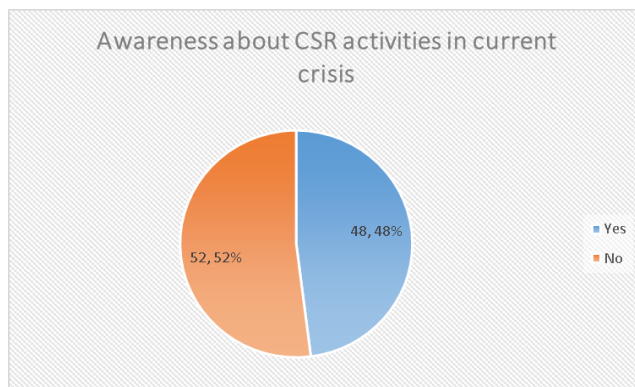
b. Ranking of the companies based on factors stated above

Rank	Adani	TATA	Reliance	Dabur	JSW	Birla	ITC	Mahindra	Maruti	TVS	Godrej	Infosys
1	14	52	12	4	3	2	2	2	0	3	1	6
2	7	22	25	2	2	2	9	11	1	0	8	12
3	12	5	20	6	0	5	11	13	9	4	3	11
4	7	2	10	28	3	10	5	10	15	3	5	9
5	3	4	5	9	21	10	14	8	5	7	9	6
6	11	2	1	4	8	29	11	11	5	5	8	8
7	7	0	1	6	8	8	24	12	15	8	14	1
8	7	1	3	8	11	8	10	20	6	15	11	5
9	5	1	6	15	11	13	7	7	25	11	8	6
10	6	3	5	8	11	7	4	1	10	30	7	14
11	4	2	7	6	12	4	1	5	4	9	20	4
12	17	6	5	4	10	2	2	0	5	5	6	18



The respondents were asked to rank the following companies based on factors listed in question above. As the graph suggests, TATA was ranked number one by the respondents. Second rank was given to Reliance followed by Adani, Dabur, JSW, Birla, ITC, Mahindra, Maruti, TVS, Godrej and lastly Infosys. To understand why the respondents ranked the following companies in given order, question regarding the factors responsible for their ranking was asked.

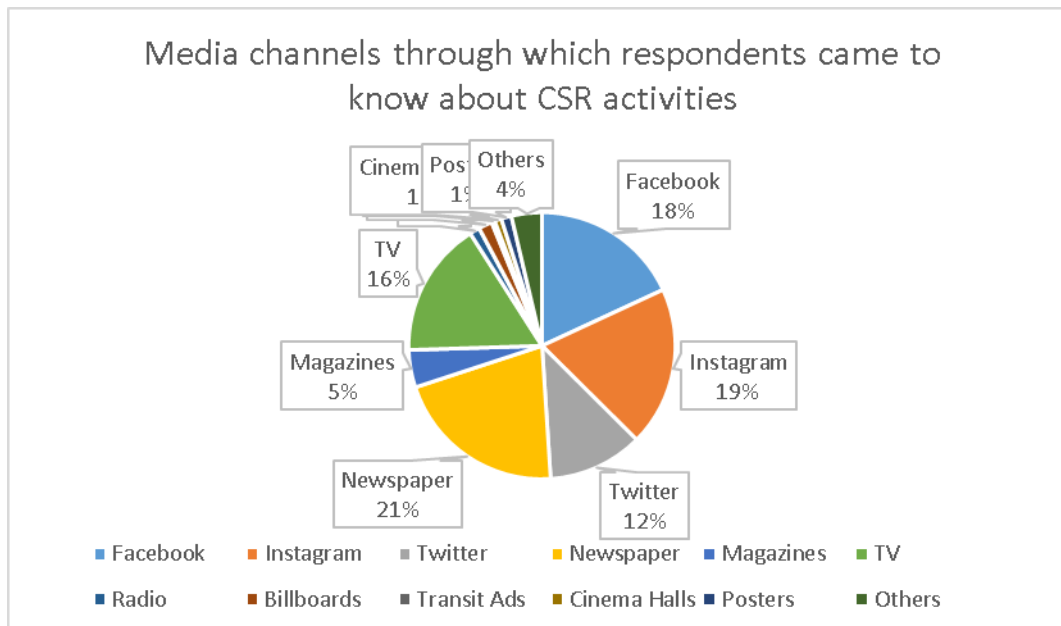
c. Awareness about CSR activities



The respondents were asked whether they were aware of the CSR activities that the listed companies are engaging in especially during COVID-19 crisis. Out of all 48% were aware of the CSR activities.

d. Media channels through which respondents came to know about CSR activities

Media Channels	Percentage
Facebook	18
Instagram	19
Twitter	12
Newspaper	21
Magazines	5
TV	16
Radio	1
Billboards	2
Transit Ads	0
Cinema Halls	1
Posters	1
Others	4



A company uses various channels to create awareness about their CSR activities. According to the data gathered from questionnaire, newspaper creates more awareness than any other medium. Though the world is moving into digitalization, traditional print media still remains the best source to create awareness.

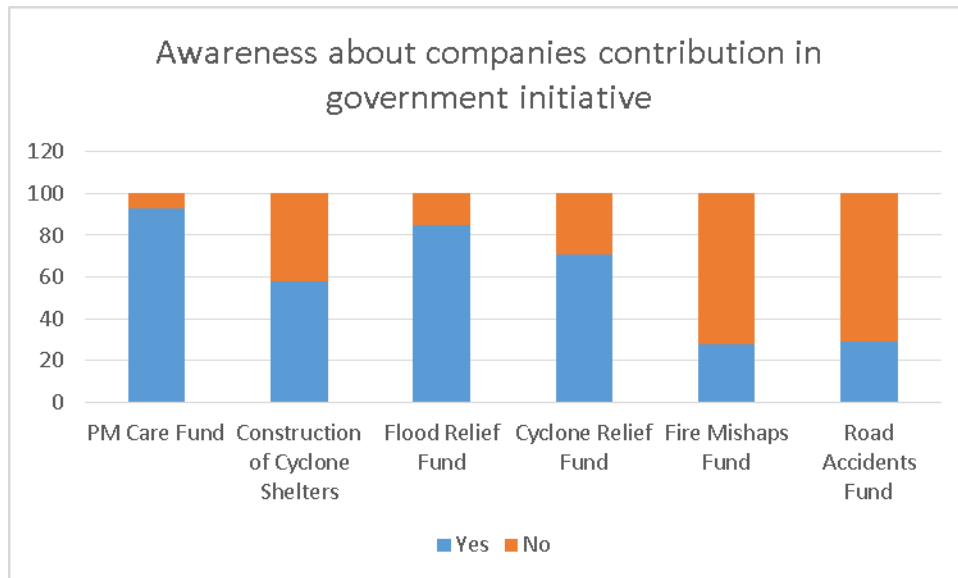
e. Few CSR initiatives that caught respondents attention



When the respondents were asked about the CSR initiatives that caught their attention during COVID crisis, the above listed responses were received. Setting up hospitals was most repeated answer.

f. Awareness about companies contribution in government initiative

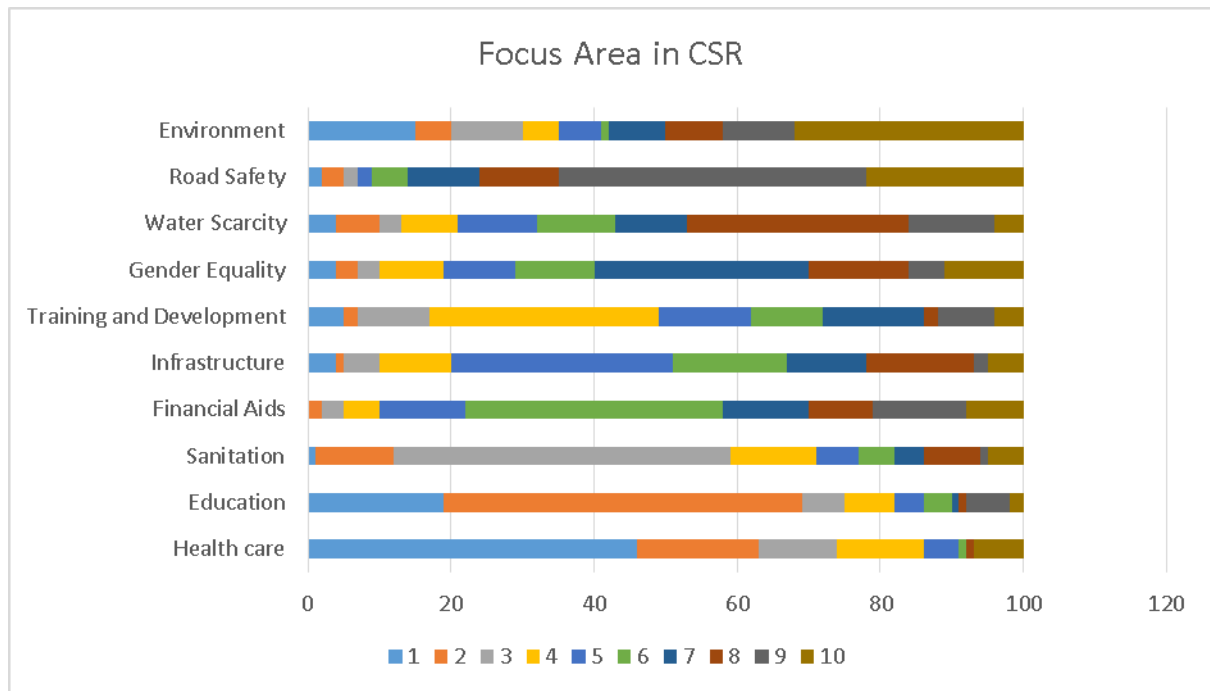
Contribution	PM Care Fund	Construction of Cyclone Shelters	Flood Relief Fund	Cyclone Relief Fund	Fire Mishaps Fund	Road Accidents Fund
Yes	93	58	85	71	28	29
No	7	42	15	29	72	71



Apart from their personal contribution to tackle COVID-19 crisis, the companies also donated a lump sum amount to government initiatives and respondents were very well aware of the contributions.

g. Focus area for CSR activities

Focus Area	1	2	3	4	5	6	7	8	9	10
Health care	46	17	11	12	5	1	0	1	0	7
Education	19	50	6	7	4	4	1	1	6	2
Sanitation	1	11	47	12	6	5	4	8	1	5
Financial Aids	0	2	3	5	12	36	12	9	13	8
Infrastructure	4	1	5	10	31	16	11	15	2	5
Training and Development	5	2	10	32	13	10	14	2	8	4
Gender Equality	4	3	3	9	10	11	30	14	5	11
Water Scarcity	4	6	3	8	11	11	10	31	12	4
Road Safety	2	3	2	0	2	5	10	11	43	22
Environment	15	5	10	5	6	1	8	8	10	32



According to the data collected, health care is the major area of focus for CSR activities. The data was collected during the global pandemic therefore health care tops the list. After healthcare companies tend to engage in education activities. After the Swatch Bharat Abhiyan, a positive trend in sanitation related activities has also been seen gaining momentum. Initially environment was the main CSR activity but lately the importance to environmental activities has gone down.

Statistical Analysis through SPSS

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The company was a market leader even before engaging in CSR activities.	100	1	5	2.21	1.066
The company had a great awareness even before its CSR initiatives	100	1	5	2.30	.990
The company had great goodwill before engaging in CSR activities.	100	1	5	2.24	.900
Customers preferred this company even before their engagement in CSR activities.	100	1	5	2.32	1.062
CSR initiatives do not affect customers perception of the company	100	1	5	3.28	1.164

CSR changes the perception of the company.	100	1	5	2.24	.911
CSR activities lead to greater brand awareness	100	1	5	2.11	.994
CSR activities strengthen a company's position.	100	1	5	2.27	.863
CSR activities increase the market share of the company.	100	1	5	2.84	.961
Customers are influenced by CSR initiatives to purchase a product/ service from a company.	100	1	5	2.78	1.031
CSR activities enhance brand equity.	100	1	5	2.43	1.008
CSR activities help in building a brand.	100	1	5	2.19	.929
Customers think highly of a company post their CSR initiatives.	100	1	5	2.46	.989
The short term CSR can improve a company's goodwill for the long term.	100	1	5	2.58	1.065
Engaging in CSR for brand building is a good strategy.	100	1	5	2.22	.980
Companies engage in CSR activities for their benefit and not for giving back to the social welfare.	100	1	5	2.82	1.009
Is it apt for companies to adopt CSR as a brand-building strategy?	100	1	5	2.54	1.029
Valid N (listwise)	100				

From the table given above, 5th variable that is CSR initiatives do not affect customer's perception of the company has the highest mean value. This concludes that it is the most important variable that is to be considered for the research.

Correlation Matrix

	The company was a market leader even before engaging in CSR activities.	The company had a great awareness even before its CSR initiatives.	The company had good will before engaging in CSR activities.	Customers preferred this company even before their engagement in CSR activities.	CSR initiatives do not affect customers' perception of the company.	CSR changes the perception of the company.	CSR activities lead to greater brand awareness.	CSR activities strengthen a company's position.	CSR activities increase the market share of the company.	Customers are influenced by CSR initiatives to purchase a product/service from a company.	CSR activities enhance brand equity.	CSR activities help in building a brand.	Customers think highly of a company post their CSR initiatives.	The short term CSR can improve a company's goodwill for the long term.	Engaging in CSR for brand building is a good strategy.	Companies engage in CSR activities for their benefit and not for giving back to the social welfare.	Is it apt for companies to adopt CSR as a brand-building strategy?
Sig. (1-tailed)	The company was a market leader even before engaging in CSR activities. The company had a great awareness even before its CSR initiatives. The company had good will before engaging in CSR activities. Customers preferred this company even before their engagement in CSR activities.																
	.000	.000	.000	.000	.208	.378	.329	.359	.208	.379	.389	.272	.060	.437	.100	.282	.029
	.000		.000	.000	.384	.491	.055	.149	.450	.446	.239	.131	.088	.440	.120	.200	.015
	.000	.000		.000	.398	.023	.042	.167	.105	.076	.052	.009	.072	.046	.191	.486	.041
	.000	.000	.000		.435	.069	.032	.129	.495	.293	.280	.275	.342	.228	.090	.417	.062

CSR initiatives do not affect customers perception of the company. CSR changes the perception of the company. CSR activities lead to greater brand awareness. CSR activities strengthen a company's position. CSR activities increase the market share of the company. Customers are influenced by CSR initiatives to purchase a product/service from a company. CSR activities enhance brand equity. CSR activities help in building	.208	.384	.398	.435		.020	.003	.007	.252	.048	.275	.002	.034	.143	.038	.020	.156
	.378	.491	.023	.069	.020		.000	.000	.000	.000	.000	.000	.000	.000	.000	.022	.000
	.329	.055	.042	.032	.003	.000		.000	.001	.000	.000	.000	.000	.000	.000	.055	.000
	.359	.149	.167	.129	.007	.000	.000		.000	.000	.000	.000	.000	.000	.000	.372	.000
	.208	.450	.105	.495	.252	.000	.001	.000		.000	.000	.000	.000	.003	.000	.001	.000
	.379	.446	.076	.293	.048	.000	.000	.000	.000		.000	.000	.000	.000	.000	.050	.000
	.389	.239	.052	.280	.275	.000	.000	.000	.000	.000		.000	.000	.000	.000	.005	.000
	.272	.131	.009	.275	.002	.000	.000	.000	.000	.000	.000		.000	.000	.000	.010	.000

ng a brand.																		
Custo mers think highl y of a comp any post their CSR initiat ives. The short term CSR can impro ve a comp any's good will for the long term. Enga ging in CSR for brand buil ding is a good strate gy. Comp anies engag e in CSR activit ies for their benefi t and not for givin g back to the social welfa re. Is it apt for comp anies to adopt CSR as a brand - buil ding strate gy?	.060	.088	.072	.342	.034	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	
	.437	.440	.046	.228	.143	.000	.000	.000	.003	.000	.000	.000	.000		.000	.006	.000	
	.100	.120	.191	.090	.038	.000	.000	.000	.000	.000	.000	.000	.000		.000	.001	.000	
	.282	.200	.486	.417	.020	.022	.055	.372	.001	.050	.005	.010	.000	.006	.001			.004
	.029	.015	.041	.062	.156	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.004		

The above table displays the correlation coefficients between the variables. If any pair has a value less than 0.5, they cannot be used for further analysis. For model to be good the values on the left and right side of diagonal table should be close to zero. The table satisfies both the conditions which means all the variables can be used for further analysis and it is a good model.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.822
Bartlett's Test of Approx. Chi-Square	778.395
df	136
Sig.	.000

KMO test is done to know if the responses are enough. Here the value is 0.822 which indicates that the sample size is acceptable. Bartlett's test is an indicator of strength of the relationship among variables. The significance level is 0 which means the correlation matrix is not an identity matrix.

Communalities

	Initial	Extraction
The company was a market leader even before engaging in CSR activities.	1.000	.716
The company had a great awareness even before its CSR initiatives	1.000	.643
The company had great goodwill before engaging in CSR activities.	1.000	.544
Customers preferred this company even before their engagement in CSR activities.	1.000	.617
CSR initiatives do not affect customers perception of the company	1.000	.633
CSR changes the perception of the company.	1.000	.602
CSR activities lead to greater brand awareness	1.000	.605
CSR activities strengthen a company's position.	1.000	.634
CSR activities increase the market share of the company.	1.000	.509
Customers are influenced by CSR initiatives to purchase a product/ service from a company.	1.000	.520
CSR activities enhance brand equity.	1.000	.531

CSR activities help in building a brand.	1.000	.715
Customers think highly of a company post their CSR initiatives.	1.000	.614
The short term CSR can improve a company's goodwill for the long term.	1.000	.367
Engaging in CSR for brand building is a good strategy.	1.000	.588
Companies engage in CSR activities for their benefit and not for giving back to the social welfare.	1.000	.621
Is it apt for companies to adopt CSR as a brand-building strategy?	1.000	.509

1. Extraction Method: Principal Component Analysis.

Communalities shows the variance in variables for extracted factor. All the values must be above 0.5 for further analysis. Therefore, it can be said that 14th variable – The short term CSR can improve a company's goodwill for long term cannot be analysed further.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.118	35.986	35.986	6.118	35.986	35.986	5.975	35.145	35.145
2	2.446	14.387	50.374	2.446	14.387	50.374	2.575	15.145	50.290
3	1.405	8.266	58.639	1.405	8.266	58.639	1.419	8.349	58.639
4	.994	5.847	64.487						
5	.843	4.957	69.443						
6	.742	4.366	73.809						
7	.665	3.914	77.723						
8	.621	3.653	81.375						
9	.574	3.374	84.750						
10	.521	3.064	87.813						
11	.437	2.572	90.385						
12	.379	2.232	92.617						

13	.339	1.997	94.614						
14	.290	1.707	96.321						
15	.261	1.535	97.856						
16	.214	1.259	99.115						
17	.150	.885	100.000						

Extraction Method: Principal Component Analysis.

Eigenvalue indicates the number of factors whose sum should be equal to items subjected to factor analysis. From the table above, it is clear that first three factors are significant while remaining are not. Company was a market leader even before engaging in CSR activities, company had great awareness even before its CSR initiatives and the company had great goodwill before engaging in CSR activities are significant factors.

Component Matrix(a)

	Component		
	1	2	3
CSR activities help in building a brand.	.833	-.078	-.127
Customers think highly of a company post their CSR initiatives.	.773	-.050	.115
CSR activities strengthen a company's position.	.769	-.090	-.186
Engaging in CSR for brand building is a good strategy.	.758	-.028	.112
CSR changes the perception of the company.	.748	-.120	-.167
CSR activities lead to greater brand awareness	.739	-.004	-.243
CSR activities enhance brand equity.	.717	-.125	.034
Is it apt for companies to adopt CSR as a brand-building strategy?	.694	.098	.133
Customers are influenced by CSR initiatives to purchase a product/ service from a company.	.690	-.207	-.036
CSR activities increase the market share of the company.	.601	-.110	.369
The short term CSR can improve a company's goodwill for the long term.	.599	-.083	.042

The company was a market leader even before engaging in CSR activities.	.151	.827	.095
The company had a great awareness even before its CSR initiatives	.199	.776	.039
Customers preferred this company even before their engagement in CSR activities.	.194	.756	-.090
The company had great goodwill before engaging in CSR activities.	.295	.671	-.080
CSR initiatives do not affect customers perception of the company	-.242	.095	.752
Companies engage in CSR activities for their benefit and not for giving back to the social welfare.	.343	-.099	.702

Extraction Method: Principal Component Analysis.

a 3 components extracted.

The table shows the extracted values of the 17 variables on the 3 factors that were extracted. We know that the higher the value, the more factor contributes to the variable. It can be said that component 1 and component 2 contributes more to the variables than component 3 which means company was a market leader even before engaging in CSR activities and company had great awareness even before its CSR initiatives are more important.

Rotated Component Matrix(a)

	Component		
	1	2	3
CSR activities help in building a brand.	.838	.081	-.081
CSR activities strengthen a company's position.	.781	.058	-.144
CSR changes the perception of the company.	.765	.024	-.126
Customers think highly of a company post their CSR initiatives.	.762	.094	.158
Engaging in CSR for brand building is a good strategy.	.743	.113	.153
CSR activities lead to greater brand awareness	.739	.137	-.202

CSR activities enhance brand equity.	.725	.011	.074
Customers are influenced by CSR initiatives to purchase a product/service from a company.	.717	-.073	.002
Is it apt for companies to adopt CSR as a brand-building strategy?	.655	.225	.171
The short term CSR can improve a company's goodwill for the long term.	.601	.030	.075
CSR activities increase the market share of the company.	.590	.001	.402
The company was a market leader even before engaging in CSR activities.	-.013	.840	.103
The company had a great awareness even before its CSR initiatives	.048	.799	.050
Customers preferred this company even before their engagement in CSR activities.	.054	.780	-.079
The company had great goodwill before engaging in CSR activities.	.167	.715	-.063
CSR initiatives do not affect customers perception of the company	-.296	.040	.737
Companies engage in CSR activities for their benefit and not for giving back to the social welfare.	.318	-.041	.720

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 4 iterations.

The rotated component matrix does not change anything but makes interpretation of analysis easier. Looking at the table we can say that nothing much has changed and analysis from above table remains same.

Based on the analysis done from the data collected through questionnaire, it can be concluded that both the null hypothesis that is CSR activities help in building a brand and CSR is a good strategy for brand building, increasing market share and strengthening the position in market are not accepted. Therefore it will not be wrong to say assume that CSR activities does not play a big role in building a brand which is against the common belief that it does.

Limitations of the Research

Following issues were faced which limited the scope for the research:

- **Sampling**

The sample size was comparatively small and similar in nature and arriving at a firm and accurate conclusion for entire population based on the sample size will not be justify the cause.

- **Responses**

Since the questionnaire was circulated online, the personal touch to survey was lacking due to which queries arising while filling the questionnaire couldn't be solved. Also convenience sampling was done which failed to get opinions from people from different background.

- **Time constraint**

The period in which research was conducted was not sufficient to reach significant number of people.

Conclusion

The focus of the paper is to investigate the relationship between CSR and brand building which has not been studied by many with respect to Indian companies in the prior research. This study shows that CSR has no effect on corporate brand building. While the theory suggests CSR has significantly positive impact on brand building the result of the primary research contradicts the claim. Since the sample size has similar characteristics, there could be a bias in results. Through the CSR initiatives, Companies might not really generate favourable stakeholder attitudes and behaviours (e.g., repeat purchases, seeking employment, investing in the company) but in the long run, they may strengthen stakeholder–company relationships and enhance stakeholders' advocacy behaviours for the company, for example, word-of-mouth, employee–organizational commitment and citizenship behaviour. The research conducted has deeper scope for future in terms of relationship between CSR activities and building a brand. Through primary research it was found that CSR activities does not really contribute much in building a brand. A separate research can be conducted to analyse the major factors contributing in building a brand. Furthermore a research can be done on identifying the actual motive behind companies engaging in CSR

References

1. Aaker, D.A. (1991), *Managing Brand Equity*, Free Press, New York, NY.
2. Anderson, N.H. (1982), *Methods of Information Integration Theory*, Vol. 2, Academic Press, New York, NY.
3. Anderson, N. H. (1971). Integration theory and attitude change. *Psychological review*, 78(3), 171.
4. Beaudoin, S. (2009). *New Age of Cause Marketing'*. PR Newswire, New York.
5. Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *Academy of management review*, 4(4), 497-505.
6. Carroll, A. B. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & society*, 38(3), 268-295.
7. Clavadetscher, J.E. and Anderson, N.H. (1991), "Contributions to information integration theory", *Cognition*, Vol. 1, Academic Press, New York, NY.
8. Drucker, P. F. (1984). Converting social problems into business opportunities: The new meaning of corporate social responsibility. *California Management Review* (pre-1986), 26(000002), 53.
9. Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International journal of research in marketing*, 24(3), 224-241.

10. Friedman, M. (1970). A Friedman doctrine: The social responsibility of business is to increase its profits. *The New York Times Magazine*, 13(1970), 32-33.
11. Foroudi, P., Jin, Z., Gupta, S., Foroudi, M. M., & Kitchen, P. J. (2018). Perceptual components of brand equity: Configuring the Symmetrical and Asymmetrical Paths to brand loyalty and brand purchase intention. *Journal of Business Research*, 89, 462-474.
12. Garbarino, E., & Johnson, M. S. (1999). The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of marketing*, 63(2), 70-87.
13. Gelb, D. S., & Strawser, J. A. (2001). Corporate social responsibility and financial disclosures: An alternative explanation for increased disclosure. *Journal of Business Ethics*, 33(1), 1-13.
14. Jones, M.A., David, L.M., & Sharon, E.B. (2002). Why customers stay: Measuring the underlying dimensions of services switching costs and managing their differential strategic outcomes. *Journal of Business Research*, 55(4), 41–50.
15. Keller, K. L., & Lehmann, D. R. (2006). Brands and branding: Research findings and future priorities. *Marketing science*, 25(6), 740-759.
16. Kim, Y., Park, M. S., & Wier, B. (2012). Is earnings quality associated with corporate social responsibility?. *The accounting review*, 87(3), 761-796.
17. Maignan, I., Ferrell, O. C., & Hult, G. T. M. (1999). Corporate citizenship: Cultural antecedents and business benefits. *Journal of the Academy of Marketing Science*, 27(4), 455-469.
18. Maignan, I., & Ferrell, O. C. (2004). Corporate social responsibility and marketing: An integrative framework. *Journal of the Academy of Marketing science*, 32(1), 3-19.
19. Mahoney, L. S., & Thorne, L. (2005). Corporate social responsibility and long-term compensation: Evidence from Canada. *Journal of Business Ethics*, 57(3), 241-253.
20. Mathew, J., Dhanuraj, P. C., & TS, S. (2016). Brand building through corporate social responsibility; an Indian scenario. *Asian Journal of Research in Business Economics and Management*, 6(4), 1-8.
21. McFadden, D. T., Deselnicu, O., & Costanigro, M. (2013). How consumers respond to corporate social responsibility initiatives: a cluster analysis of dairy consumers. *Journal of Food Distribution Research*, 44(856-2016-58108), 17-24.
22. Porter, M. E., & Kramer, M. R. (2006). The link between competitive advantage and corporate social responsibility. *Harvard business review*, 84(12), 78-92.
23. Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of marketing Research*, 38(2), 225-243.
24. Shinde, S. (2005). Social responsibility corporate style.
25. Sen, S., Bhattacharya, C. B., & Korschun, D. (2006). The role of corporate social responsibility in strengthening multiple stakeholder relationships: A field experiment. *Journal of the Academy of Marketing science*, 34(2), 158-166.
26. Simmons. C., & Becker-Olsen, K. (2004). When do social sponsorship enhance or dilute equity: Fit, message source and the persistence of effect. *Advances in Consumer Research*, 29(1), 287–289.

27. Singh, A., & Verma, P. (2017). How CSR affects brand equity of Indian firms?. *Global Business Review*, 18(3_suppl), S52-S69.
28. Sinha, P. K., Mishra, H. G., & Singh, S. (2014). Impact of consumer social responsibility and brand social responsibility image on brand loyalty.
29. Steurer, R., Martinuzzi, A., & Margula, S. (2012). Public policies on CSR in Europe: Themes, instruments, and regional differences. *Corporate Social Responsibility and Environmental Management*, 19(4), 206-227.
30. Torelli, C. J., Monga, A. B., & Kaikati, A. M. (2012). Doing poorly by doing good: Corporate social responsibility and brand concepts. *Journal of Consumer Research*, 38(5), 948-963.
31. Virvilaite, R., & Daubaraite, U. (2011). Corporate social responsibility in forming corporate image. *Engineering Economics*, 22(5), 534-543.
32. Waddock, S. (2008). Building a new institutional infrastructure for corporate responsibility. *Academy of Management perspectives*, 22(3), 87-108.
33. Yasin, N. M., Noor, M. N., & Mohamad, O. (2007). Does image of country-of-origin matter to brand equity?. *Journal of Product & brand management*.
34. https://www.business-standard.com/podcast/current-affairs/how-indian-companies-are-contributing-to-the-war-against-coronavirus-120033001663_1.html