

# Social Responsibility of Corporate in Boosting Brand Image of an Organisation

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## Abstract

As a result of corporate social responsibility, consumers are more inclined to remember the brand. Different techniques are being used by firms to improve the value of their intangible assets due to worldwide competition, a rise in media clutter, and a decreased level of uniqueness in brand names. CSR not only raises brand awareness among consumers but also generates a good image of the brand in the eyes of future customers. Corporate Social Responsibility (CSR) has become a more frequent practice in business. Corporate Social Responsibility (CSR) may improve company image, according to this research study's objective. Books, journals, periodicals, papers, and online sites were used to gather secondary data for this study. Books, journals, periodicals, papers, and online sites were used to gather secondary data for this study.

## Keywords

Brand awareness, Brand image, CSR, organization,

## INTRODUCTION

A company's social and environmental concerns are incorporated into its commercial operations and relationships with its stakeholders under the idea of **corporate social responsibility (CSR)**. According to CSR, a company's activities must be both ethical and useful to society. As a socially responsible company's revenues and goodwill grow, thus does its brand equity. This is done through giving back to the community, participating in charitable activities, and providing good social value. In order to make a distinction and promote their company's reputation, companies are progressively resorting to CSR initiatives. As a result, CSR initiatives are ways for firms to improve their reputation, which has a positive impact on brand equity. The impact of CSR on the performance and brand image of an organization will be described in this research study.

### Concept of CSR and its benefit

A company's social and environmental responsibilities are implemented into its commercial operations and interactions with its constituents under the principle of corporate social responsibility (CSR). Company-wide corporate social responsibility is a company's commitment to properly manage its activities' social, environmental, and economic impacts and to meet public expectations. On the other hand, as per the words of [11], sustainability is defined as the ability to maintain or improve one's current level of economic, social, and environmental well-being through time.



**Figure 1: Benefits of CSR**

(Source: Vishwanathan *et al.* 2020)

### Benefits of Corporate social responsibility

In addition to building excellent reputations and attracting favourable attention, CSR helps organizations save money via operational efficiency, reduce environmental consequences, recruit top talent, and drive innovation.

#### Enhance employee satisfaction

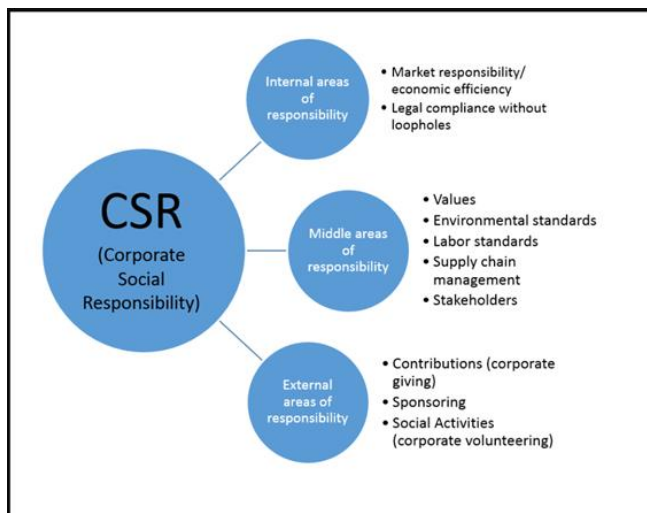
Workers that also are involved with their communities also serve as brand ambassadors. Their productivity increases the more involved and invested they are in your business and community. Engaged employees improved firm profitability by 21 percent.

#### Enhanced creativity

Employees will feel emboldened as a result of this social participation to begin contributing to the larger picture. Innovative goods or internal procedures may be the result of their creativity. Employees may also be able to come up with new problem-solving strategies. The company will inspire and assist company workers to find new and better methods to accomplish their jobs when they exhibit their company's beliefs and interests via community service activities.

### Importance of CSR for growth of an organization

As per the words of [4], social responsibility is more important than ever for corporations today. As a simple definition, "social responsibility" is the obligation of a corporation to pursue reasonable long-term objectives in the interest of its employees and the world at large. CSR strategy is one of the main reasons individuals apply to different firms. According to [12], the CSR plan demonstrates that a firm is caring and treats everyone, especially its employees, with respect and sensitivity. Companies devoted to helping the world are also more inclined to recruit talented employees. Therefore, the employees of an organization are taking social duty significant seriously. As a result of CSR activities, employees are more productive and enjoy a more favourable working environment. Employees are encouraged to volunteer and to make good contributions to the organization. In today's business environment, the market is very competitive, and it can be difficult for a firm to distinguish it from the competitors in the eyes of clients. On the other hand, socially responsible enterprises may win over customers, build a marketing platform, and gain the attention of their audience.



**Figure 2:** Branches of CSR in business  
(Source: Agudelo *et al.* 2019)

It can help consumers perceive the firm as a beneficial influence in society, simply stated. In addition to raising awareness for vital issues, the initiatives that a company and its staff undertake may also serve to maintain the firm in the public eye. Investors may find companies that are socially responsible more desirable as well. According to [3], investors in a firm share the same aim which is to earn a higher return on their investment than they did before. Accounting and transparency are hallmarks of firms that can manage their finances while also contributing to the community at large. CSR investments are not seen as a waste of money by investors but rather as a sign of a business culture less prone to make costly mistakes like financial fraud. As mentioned by [6], CSR is viewed as an indication

of ethical business behaviour by 61 percent of investors. Therefore, through the findings, it can be easily stated that the implication of CSR supports the development of an organization.

### METHODS AND TECHNIQUES

Since the research topic is related to the importance of CSR in the enhancement of brand image, therefore, the research study has implicated the *secondary method of data collection*. Peer-reviewed publications and scholarly articles from academic sources such as Proust and Google Scholar were selected based on a set of criteria to offer secondary data. The use of thematic analysis was another successful way of evaluating secondary data, which helped uncover related themes and sub-themes [10]. Discovering and studying unique patterns with varying meanings is a regular task for this discipline it is possible to find or detect such trends in the study by using themes. In addition, descriptive research techniques use successful themes as cost-effective, widely applicable, and flexible tools. Themes can also be viewed as the foundation of qualitative data analysis techniques. Since this researcher was able to link or combine data analysis techniques, he was able to focus on the most cost-effective and flexible study plan.

### RESULT AND DISCUSSION

#### Impact of CSR on the brand image of an organization

Due to its beneficial influence on the brand image, corporate social responsibility (CSR) helps a firm spread the word about its brand and improve its reputation with customers. Surely, this establishes a solid relationship and long-term commitment between the firm and its clients [1]. According to the consumer's opinion, brand loyalty is based on the product's quality and characteristics. People who responded to the survey were aware of the brand, but they defined their connection with a business based on the product's quality and customer service. It is important to them that a company invests in social issues that are aligned with its vision and purpose. They also respect the brand image and reputation. Consumer perceptions, loyalty, and re-purchase intention are all improved when the company has a positive brand image [2]. For example, fair procedures to reduce harmful environmental consequences are included in corporate social responsibility. Customers punish or reward firms that comply or disobey social responsibility initiatives.

According to several experts and directors, the consumer must be concerned with social responsibility. In response to client requests for responsible products, the firm will provide such items. CSR affects the attitudes of customers, which in turn impact the wants of those customers [7]. Some data suggests that businesses have supported CSR efforts such as charity, relationship-based marketing, minorities' safety plans, and social responsibility development for many years. Corporate social responsibility initiatives should be targeted, straightforward, and directly related to the company's brand

image. According to [9], the power of the customer has become increasingly important in today's competitive corporate environment. There is a location where items may be selected for purchase in order to support local economies and minimize detrimental environmental consequences. Concerning ethical standards and moving to sustainable economies, companies confront several obstacles to success. Despite references to consumer power by corporations and the government, firms do not provide customers with critical information regularly. Apart from that, buyers attach little importance to corporate social responsibility initiatives.

### **Challenges in CSR**

While considering the positive impact of CSR activity, there are also some negative impacts or challenges in CSR activity that may create a negative impact on the development of an organization. Here in this part of the research study, a brief overview will be provided on the challenges of CSR.

#### **Lack of resources**

In addition to financial resources, human capital, knowledge, and experience have been cited as major barriers to CSR implementation in the past. CSR in shipping requires a considerable number of resources. The problem is that resources for CSR are often insufficient and are out competed by other programmes that provide a greater rate of return [5]. There is no CSR section in most shipping firms. Managing CSR is often delegated to other departments, whose success is evaluated based on their original responsibilities. A career in CSR is relatively new to the maritime industry, and its practitioners must be multi-disciplinary in their approach to the subject. CSR implementation in shipping is complicated by a lack of information and competent individuals with the necessary expertise.

#### **Lack of vision in strategy**

The strategic vision is typically ascribed to the absence of top-level management support. Organizational leaders must take the lead in formalizing and introducing CSR. Incorporating CSR into a company's purpose, vision, objectives, and goals is one approach to demonstrate commitment. In transportation businesses, however, this has not been frequently noticed. CSR is also solely addressed at the operational level by shipping firms and is not incorporated into their vision and strategic objectives. In addition, there is a paucity of empirical proof for the link between CSR and financial efficiency.

#### **Lack of measurement function**

To quantify the advantages of CSR, measurement techniques are needed. Additionally, these metrics may be used to evaluate and monitor CSR performance, as well as to determine incentives. CSR, on the other hand, is a nebulous word that managers interpret differently. Sustainability, governance practices, corporate responsibility, and business ethics are all terms that are commonly used interchangeably. Determining tangible management activities to execute CSR

may be difficult for managers due to differing opinions on CSR. The number of economic and environmental indicators approved or endorsed by corporate organizations is limited at the current time. The introduction of ISO 26000, which gives guidelines for optional CSR practices, was not warmly accepted by shipping firms, and no genuine measuring or benchmarking methodologies have been established yet. In addition, the financial reports of many companies do not include standardized metrics that may be compared. Aside from this, benchmarking standards for CSR in shipping are still in their infancy and, as a result, provide little input to the creation of a useful measuring system.

#### **Lack of cost-efficiency**

When an organization integrates a CSR system into its operations, the cost factor affects it in two ways. Because organizations must find and implement techniques that are distinct from their regular mode of operation in order to fulfil CSR standards, they incur extra expenditures for doing so, which burden the business (Moon, 2020). It is also costly to train workers, invest in initiatives for the betterment of society and environmental protection that raises the organization's overall costs and expenditures.

### **CONCLUSION**

Businesses that care about the community and the marketplaces in which they operate are more inclined to expand effectively. Socially responsible business practices are becoming increasingly common among organizations. Customers even demand companies to be socially responsible. CSR doesn't provide benefits immediately, though. Not all organizations will benefit from the same CSR programmed. The planning and implementation of a CSR programmed are crucial to its success to create and retain a competitive edge, integrating CSR initiatives with marketing communication strategies is key. As CSR develops and becomes more competitive, the argument for showing corporate responsibility becomes stronger as expectations among important opinion formers, consumers, and the general public increase in importance.

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