



## **Understanding Corporate Social Responsibility towards building A sustainable Brand Image**

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### **ABSTRACT**

In the world of dynamic business environment where corporate social responsibility received its prominence as a tool to enhance brand image and capabilities to strategize, thereby formulate an approach to capture the customer attention. Therefore, the idea of social responsibility embraces the businesses with the aim to attain their goals needs to be good citizens, balancing their money-making processes with events that benefit society, be it on a local, national, or global measure. Corporate Social responsibility in marketing involves concentrating the efforts on attracting consumers who want to make a positive difference with their purchases. Numerous companies have adopted socially responsible essentials in their marketing strategies to provide assistance to a community through beneficial services and products. In this connection researches reveal that people have become more and more aware, concerned about social responsibility when it originates to corporate ascendancy and the behaviour of organizations. Hence Socially responsible marketing strategies enhancing brand image is appeared to be comeback to dubious marketing practices that have aggressive effects on the public in particular and the society at large. This paper makes an effort to understand CSR concept in building brand image.

**KEY WORDS:** Marketing capabilities, Customer attention, Corporate Social responsibility, Society at large

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### **INTRODUCTION**

As the world has become the global village, brands exist everywhere and companies want to establish a positive brand image so that their products can penetrate into the minds of the customers. Corporate Social Responsibility is one such tool with which enhancement of brand image can be possible to a greater extent. In recent times corporate companies are using CSR (Corporate Social Responsibility) to gain competitive advantage and to establish long lasting relationship with its stakeholders.

CSR could be advantageous for creating a favourable brand representation and building consumers mental makeup with positive attitudes. So CSR is a key source of creating and generating competitive advantage. Endorsement of brand image with the aid of CSR initiatives assures positive remarks and ultimately has a constructive impact on the brand for the reason that a corporate should be crystal clear about its external communication to the world outside as well as internal deployment of resources.

A company's public image is developed through corporate social responsibility. Businesses are aware of how important it is for the public, especially their target audience, to see them favourably.

Although CSR has been described and conceptualised in a variety of ways by many writers for a long time, new ideas are continually developing. The necessity to create lucrative, original, and authentically sustainable companies has increased as a result of this generation's rising environmental consciousness. In order to compete with other businesses, it is crucial for firms to include CSR.

## **OBJECTIVES OF THE STUDY**

The following are the objectives of the study

1. To observe the brand image and related to CSR initiatives by the corporate companies
2. To understand CSR as a tool to enhance brand image

## **NEED FOR THE STUDY**

In today's aggressive and competitive business environment, corporate are more apprehensive about their growth and competitiveness in the marketplace. As a result, organizations are determined to engage corporate social responsibility in order to symbolize a positive representation among the stakeholders concerned. This study is so important and emerging in the field of business and economy. The models studied in this paper can be helpful for future research.

## **METHODOLOGY**

The study was conducted using the following methodology:

Primary data and secondary data are the two main categories into which the data may be divided. Data gathering is essential to any study or business activity since it establishes a number of critical facts about the firm, notably its performance.

Primary data, also known as raw data, is wisdom that is obtained by experiments, surveys, observations, and other means straight from a first-hand source.

Secondary data is information gathered by someone or something outside the original user. It implies that the data was already available and has been examined. Books, journals, periodicals, newspapers, and other sources of secondary data are included. Either published or unpublished data is possible.

Published data are available in various resources including

- Government publications
- Public records
- Historical and statistical documents
- Business documents
- Technical and trade journals

Unpublished data includes

- Diaries
- Letters
- Unpublished biographies, etc.

## REVIEW OF LITERATURE

Bhattacharya and Sen (2004) note that while it may be true that customers have responded well to various CSR activities, the influence of CSR on consumer behaviour cannot be as simple as it first looks. It is crucial to be aware of the risks to consumers' perceptions of firms as being careless whenever there is a change in the CSR strategy's execution. This demonstrates how crucial it is to incorporate the right CSR approach in order to enhance brand perception.

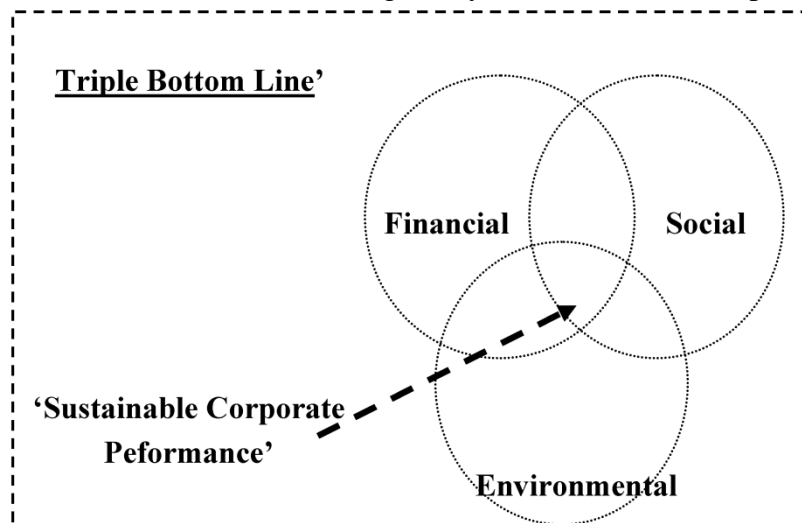
Kashyap, Mir, & Mir (2011) have explained the concept for a very long time, social responsibility has been referred and formulated in several ways by different management experts, nevertheless, researchers have coined varied definitions and core principles of what being socially responsible consisting of. All through in 50s time period Bowen was recognised as a pioneer of the CSR concept and he described it as “the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are pleasing in terms of the objectives and values of our society”. Many scholars, like Davis, Johnson, and Manne, have declared and began to fight for CSR strategy being a tool for maximising profit and applying for the society since the 1960s, when the discourse about CSR first became relevant. This concept began to catch on in the early 1980s as Drucker's suggested potential commercial opportunities to create riches.

Carroll (1979) asserts that, without respect to hierarchy, the concept of corporate social responsibility (CSR) embraces a broad range of economic, legal, ethical, and philanthropic (discretionary) firm performance acts at a particular point in time. He was one of the first scholars to engage in discussion and exert significant effect on the creation of the CSR conceptual framework. Additionally, he asserted that the economic category of social responsibility was the most crucial, with the other three categories—legal, ethical, and philanthropic—being listed in decreasing order of significance. The Pyramid of Corporate Social Responsibility, created by Carroll in 1991, is the most well-known and influential CSR model in the management world (Carroll & Schwartz 2003). Carroll's paradigm is still the one that is most well-known in the industry today.



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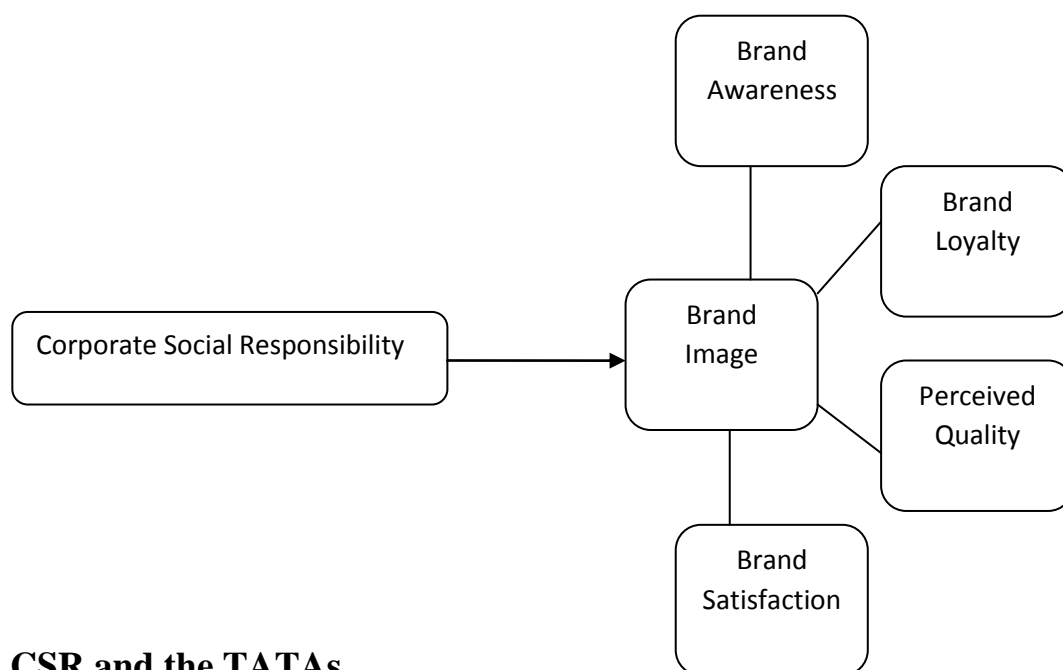
The purpose of this study was to investigate how brand image in the services sector is impacted by the various CSR characteristics. Since the majority of research on CSR's impact on brand perception is conducted in the product-based sector, a theoretical model tailored to the service sector was created. The concepts Keller's (1993) definition of brand image, Carroll's (1991) CSR pyramid, and Elkington's Triple Bottom Line idea served as the foundation for the theoretical model (Slapper & Hall, 2011). According to their research, CSR is made up of the ethical, philanthropic, and sustainability dimensions. To determine how each of these factors affected brand image, they were examined independently.



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Brand knowledge, which includes brand awareness and brand image and contributes to customer-based brand equity, is described by Keller (1993) in this definition. The ability for the client to connect fresh, positive, and distinctive associations to the brand makes brand knowledge crucial (Apéria & Back, 2004).

According to Casado Diaz et al. (2014), a firm with a strong brand is less likely to have reputational issues. CSR may be used as a strategic branding technique to control client expectations when it is presented (Werther & Chandler, 2005). According to Du, Bhattacharya, and Sen (2007), CSR programmes shape customers' attitudes and behaviours. The firm engages in CSR initiatives for a variety of reasons, one of which is to enhance its brand image (Du, Bhattacharya, & Sen, 2007; Swedish Trade Federation, 2014). CSR and brand perception are closely related. Instead of only adding to a customer's social value, CSR is becoming a key element that positively influences company image and is thus viewed as a strategic need (Cretu & Brodie, 2007; Werther & Chandler, 2005; Wu & Wang, 2014).



### CSR and the TATAs

The Tata Group is a large international company with its headquarters in India. It consists of around 30 enterprises in 10 different industries. With a purpose to "improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust," the organisation has presence in more than 100 countries on six continents. The Tata group has established a strong reputation for pioneering projects that are years ahead of their time and constantly put the needs of the society and its members first. The main investment holding firm and sponsor of Tata enterprises is Tata Sons Private Limited. Approximately 66% of Tata Sons' equity share capital is controlled through charitable trusts, which promote causes including safeguarding art and culture, generating income for the poor, and supporting livelihood development.

The Tata company has acknowledged that tradition may be integrated into its goals and objectives. According to their vision, Tata companies are creating multinational corporations that aim to promote sustainable, profitable growth through operations that are customer-centric, innovative, trustworthy, and values-driven. They also balance the interests of various stakeholders, including those of customers, employees, financial stakeholders, partners in the value chain, the environment, and society at large.

Since its inception, Tata firms have participated in volunteer activities. The Tata Sustainability Group established its flagship programme Tata Engage to strengthen the efforts of the firms' own volunteer programmes and institutionalise volunteering within the Tata group. The group-level volunteering scheme integrated Tata firms into a single volunteering platform and was introduced on March 3, 2014, to commemorate the 175th birthday of their founder Jamsetji Tata.

When four of the Tata Group's companies, in 2012, Tata Steel, Tata Chemicals, Tata Motors, and Tata Power collaborated with the International Financial Corporation (IFC) and Water Footprint Network (WFN) to establish a water sustainability plan using the Water Footprint

Assessment (WFA) methodology. It was a great step forward in and of itself. Tata is committed to involving in a well-thought-out approach to water stewardship.

It was noted that the Tata group had engaged in a wide variety of initiatives to respond to any disaster once it occurred, from emergency assistance to long-term restoration efforts. Response teams carry out thorough need assessments throughout the relief phase to make sure that high-quality supplies are given to those in need. Family relief kits are made up of non-food goods including cooking utensils, stoves, personal care products, mosquito nets, etc. Depending on the impact on the community and the requirements, relief activities may also include supplying safe drinking water, setting up health and counselling camps, constructing temporary shelters, and developing shared safe places for kids and teenagers.

According to internationally accepted sustainable development principles, CSR activities should retain underserved areas as their primary emphasis and be executed in collaboration with governments, NGOs, and other key players. Numerous community development and environmental preservation projects are carried out by Tata enterprises.

The business invested INR 1,095 crore in CSR activities in FY19, which had a positive impact on 11.7 million individuals.

The Tata Group engages in activities that support rural development, education, livelihood and skill development, healthcare, and service improvement.

**Back to Traditions**

**What are Tata Trusts?**  
A group of 14 public trusts controlling 66% stake in Tata Sons

**Who heads, governs Tata Trusts?**

- Chairman: Ratan Tata
- Managing Trustee: R Venkataramanan
- 20 Trustees

**Source of Income & Areas of Work**  
The Trusts use dividend income from Tata Sons to work on education, healthcare, livelihood and sanitation

**In the years that I was the Chairman of the Tata group, I tried to bring our companies together to have a more unified approach in this regard. The last four years have seen the dismantling of that approach and a return to individual companies doing their bit. Consequently, instead of one powerful set of initiatives, we could end up having disparate projects run by various companies**

**Ratan Tata, Chairman, Tata Trusts, in an in-house magazine**

Source: <https://img.etimg.com/photo/msid-60182131,quality-100/.jpg>

#### Ten most important core principles of CSR followed by TATA:

- 1) **Beyond Compliance:** All CSR initiatives must adhere to all applicable regulations in the countries in which they operate, but they must also make an effort to address fundamental needs, even if doing so goes above and beyond what is required.
- 2) **Impactful:** Interventions will be centred on how they affect communities, and to that end, all businesses will collaborate and work together to advance a list of established Tata group Focus Initiatives.

- 3) **Linked to Business:** While engaging in CSR initiatives, all businesses are permitted to look for commercial advantages and make use of their core strengths. However, it will be crucial to prioritise and specify community benefits.
- 4) **Relevant to National & Local Contexts:** The local and national settings in which the firm is based must be tightly connected with and relevant to the CSR activities.
- 5) **Sustainable Development Principles:** All CSR initiatives shall adhere to the principles of sustainable development, taking into account the effects of their planning and implementation on social, human rights, and environmental issues.
- 6) **Participative & Bottom-up:** Communities must be at the centre of the interventions and must actively participate in identifying the problems that need to be solved as well as in managing and overseeing the interventions.
- 7) **Focused on the Disadvantaged:** The needs of those who are most marginalised in the community in terms of gender, ethnicity, disability, and occupation must be given special consideration.
- 8) **Strategic & Built to Last:** By design, all CSR programmes must make sure that communities can maintain them independently of the Tata group's engagement. As a result, the efforts need to be a part of a comprehensive CSR plan.
- 9) **Partnerships:** All CSR initiatives will be carried out in collaboration with groups on the ground, including community organisations, NGOs, businesses (inside and outside the Tata group), and local, state, and federal governments.
- 10) **Partnerships:** All CSR initiatives will be carried out in collaboration with entities on the ground, including local, state, and federal governments as well as nonprofit organizations, NGOs, and businesses (both inside and outside the Tata group).

Tata's standing Tall in CSR compared to any corporate in India:



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## FINDINGS

1. Most of the companies have adopted CSR as an important tool to enhance brand image
2. Companies should engage activities in CSR continuously that can address issues related to organizational interest

3. Innovation and Creativity can be used in developing CSR initiatives that can enhance brand image
4. CSR helps in formulating marketing strategies that can enhance overall brand image

### **SUGGESTIONS:**

1. It is better to create a separate department to look after CSR as a management function
2. Philanthropic approach and charity works have more impact on enhancement of brand image

### **CONCLUSIONS**

In the present world of continuously new paradigm of business enterprises and innovative practices, we can draw several inferences on how to establish the brand identity and image in the market. Among available strategies CSR was found to be more effective in this endeavour. Along with changing times may be CSR as tool to enhance brand image will become a strongly advocated proposal as its core purpose will remain the same. In this paper TATAs CSR initiatives were considered as a study and the way they have established themselves in these many years as a responsible corporate citizen and the most cherished brand in every product and business line they were involved in.

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