

En route to a Theory – Building Consumer Brand Commitment through CSR Reputation

Supriya Chouthoy*

Savitribai Phule Pune University, Pune, India

Email: supriyachouthoy@gmail.com

Roshan Kazi

Allana Institute of Management Sciences, Pune, India

Email: drroshankazi@gmail.com

** Corresponding author*

Abstract

Purpose – The objective of this paper is to evolve and propose a model of CSR Reputation leading up to brand commitment. The paper investigates whether, a brand embracing CSR activities has the ability to increase customer’s purchase intention, and have them recommend and advocate the brand to other consumers. Our research attempts to understand the impact a Brand’s CSR activities has on consumers when seeking to build brand commitment.

Design/methodology/approach - A conceptual paper, its focus is on forming a proposition to elaborate on the basics of a conceptual framework which exists around a brand’s CSR reputation and the commitment a consumer makes to the brand by advocating, supporting and deciding to purchase it. The paper refers to definite findings from earlier research conducted on the topic in order to build on prior research done with respect to how the many elements of the proposed framework have been proved and been operational in earlier cited models.

Findings – The incentive for this study comes primarily from a clear gap in the literature. In essence, we know that CSR Reputation of a brand affects the manner in which consumers respond to it. Though there has been research that has studied various aspects of this, our research here, is into this new area of studying CSR reputation and whether it can contribute to specifically building brand commitment among consumers.

Originality/value – This study provides a new outlook of the “fundamental” relationships among CSR reputation, brand image, brand trust, emotional attachment and brand commitment.

Keywords: CSR Reputation, Brand image, Brand Trust, Emotional attachment, Brand commitment

Introduction

Even as a growing number of companies initiate and promote sustainability and corporate social responsibility (CSR) initiatives, either to meet mandatory commitments or as part of public relations, the key question is whether embracing such activities for a brand can attract customers to develop a purchase intention as well as have them recommend and advocate the product to other customers. Does creating a corporate way of life that focuses on such issues for consumers, the community, and the world at large actually build brand engagement capability for an organization? This research will attempt to analyse whether firms focusing on such practices enjoy a significantly superior brand image among consumers, and the public at large. With the increase in the number of companies adopting sustainable as well as corporate social responsibility (CSR), this research attempts to understand whether CSR means a positive brand

perception to the consumer. Michael Porter and Mark Kramer in their HBR article put forward the idea of the next phase of CSR being shared value, which could reshape capitalism and its relationship to society. As per their paper, CSR has the potential to drive the next wave of innovation and productivity growth in the global economy, as it would open up paths to meet immense human needs, and make inroads into large new markets which could now be served (Porter & Kramer 2011). The underlying principle of our study is to explore whether an organisation's CSR initiatives have the ability to create a construct for establishing sound and lasting relationships with consumers therefore building a robust brand for an emerging global economy.

The Beginnings of Corporate Social Responsibility/ CSR Reputation Construct

The word Corporate Social Responsibility originated from the word "responsibility" which was first known to be used in 1771. As per the Merriam Webster dictionary the term 'responsible' has its origins from the Anglo-French "respuns" meaning to reply and responsibility is,

“: a duty or task that you are required or expected to do

: something that you should do because it is morally right, legally required, etc.

: the state of being the person who caused something to happen” (Merriam-Webster, 2016)

Therefore Corporate Social Responsibility would mean a duty that an organisation would need to perform since it is morally right as well as expected to be done. Of the above three definitions the first and second suitably sums up CSR as we know it in today's context.

Corporate philanthropy always did exist and the early 1800s saw businesses in Britain and Europe supporting social causes, bettering employee conditions and providing resources to better the life of societies and groups. However the formal act of wanting to do good for society was obvious in the case of The R. H. Macy Company of New York City that might have reflected a social sensitivity on the part of its leadership. The firm's records show that there were adequate cases of company support given to social agencies to document a relationship to the community that stretched beyond the walls of the company. (Carroll, 2008) If one were to notice the trends that CSR witnessed over the past 50 years, it becomes obvious that CSR is the moral or ethical call that an organisation has to respond to. In the current situation an organisation can run its CSR activity only if it is able to make it a sustainable effort and bind it to the organisation's business model. And it is for this very reason that society plays such an important role in the organisation's business success.

CSR Reputation and Brands

Conventionally, organizations have always vied with each other to provide customers with better goods and services through their brands. But now, with CSR being the new proposition offered to consumers, consumers are increasingly beginning to see brands in roles of doing "good" and giving back to the environment that they co-exist in. When brands are sympathetic to the right causes through corporate social responsibility (CSR) it does seem like consumers are impacted to a large extent. This research paper analyses existing research done on similar topics relating to CSR as well as Brands. It draws on existing research and reviews such research done on brands, consumers and CSR. It is a conceptual paper focusing on empirical research, which looks at forming a proposition to elaborate on the elements of a conceptual framework that exists, when we look at a brand's CSR reputation and the commitment a consumer makes to the brand by advocating, supporting and deciding to purchase it. The paper also refers to definite conclusions from previous research in order to throw light on broader trends regarding specific elements of the framework. Our research attempts to examine CSR reputation and consumers, in terms of their emotional attachment to the brand, the brand image portrayed, the

ability to earn trust as a result of the Brand’s CSR activity and finally consumers willing to commit both emotionally as well as financially to the brand.

The incentive for this study comes primarily from a clear gap in the literature. In essence, though there is a general awareness that CSR reputation of a brand affects the manner in which consumers respond to it, our research here is into this new area of studying CSR reputation and whether it can contribute to specifically building brand commitment amongst consumers. Though there is a long-standing academic awareness on the topic of corporate social responsibility (CSR) and a fast developing body of literature on CSR reputation and brand commitment on the part of consumers, there seems to be insufficient attention that has been paid to the texts that research the interdependence of these two topics. Therefore, the goal of our research study is to develop a conceptual framework which has the ability to explain the impact of CSR reputation on brand commitment of consumers and thereby close a significant gap in the literature which explores CSR and brands. ***The central research statement of this study addresses the effect of CSR reputation on consumer commitment to a brand.*** The following graphic gives a clear understanding of the gap exposed in the review of literature and the researchers intend to address this gap through this study.

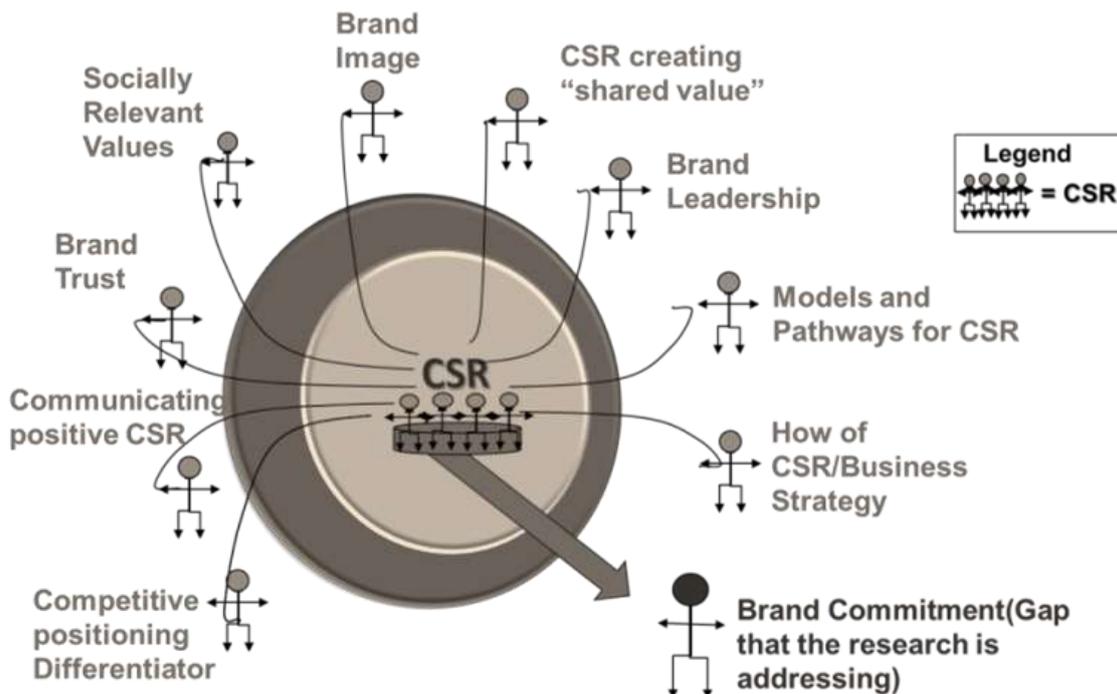


Figure 1: Review of Literature and Gap Analysis

In the following sections we provide a review of the relevant literature and examine the conceptualization of the terms; brand image, emotional attachment, brand trust and brand commitment as representative and observed resources, from which consumers construct narratives for connecting with the brand. The research methodology is then described to understand the process of undertaking the study.

CSR Has the Capacity to Build Consumer Perception In Favour Of Organizations

The paper “Corporate social responsibility: a consumer psychology perspective” analyses corporate social responsibility (CSR), and states that CSR has the capacity to build consumer

perception in favour of companies which are often motivated by customers' CSR linked drives (e.g., consumer-company identification, affective motives) and their brand notions. The effort to understand the meaning of CSR to customers has gone up with company's increasingly investing in it. CSR today has come to mean a corporation's or brand's assurance to make the most of long term economic, societal, and environmental welfare through business practices, policies, and resources. Studies over the years seem to indicate that CSR certainly provides an impulse for product purchase and consumers tend to not only like socially responsible products but also pick them in a controlled environment as well as in real life. This was seen in the long run in trials where consumer loyalty lasted for up to a year and in B2B markets as well. Besides this a gamut of advocacy responses, such as positive WOM and a disagreement to accept negative information about a firm by customers indicate that these sentiments have its roots in the organisation's CSR effort. The observation was that, after a product calamity CSR reputation shielded the firm's reputation by triggering a perception that the crisis was due to an outside happening. In fact, latest research found that CSR could lessen rage and negative WOM following a service collapse. Research conducted found that a brand positioned on the CSR platform has a loyal set of faithful consumers who support the brand wholeheartedly. Similarly, brands positioned on sensitivity benefit more from CSR, (in terms of consumer responses) than those positioned on strength. (Sen et al. 2016)

CSR Impacts Consumers Who hold "Socially-Relevant" Values

Keeping in mind the large investments organisations make in CSR, authors Burcu Tasoluk and Rajeev Batra undertook a study titled "Investigating the brand CSR – consumer values interface theory", where they explored whether the effect of CSR activities on product valuations is greater among consumers who place a greater emphasis on the beliefs of life (Schwartz 1992) mirroring the benefit to stakeholders, such as universalism and compassion, rather than on their own need to seek pleasure, influence and accomplishment. Research was also conducted to study the limiting effect of the match between the organization's core business and the CSR cause taken up. Here, the relationship between CSR and consumer awareness about the CSR initiatives being implemented, were studied to evaluate how effective these projects were. Further analysis was also conducted, to study the limiting effect of the effectiveness of the CSR cause taken up, and to try and match it keeping in mind the organization's core business. Conversely, only a small quantity of earlier research looked at the limiting role that consumers' own aspirations and life-beliefs played while the consumer was being influenced (see Gurhan-Canli and Fries (2009) for a review). The results of this was a little surprising since consumers logically differed in the kinds of traits they considered vital while making their brand choices within a category (Batra and Homer 2004). Since an organisation's reputation for its CSR initiatives differed from the standing it had for the quality of their products (Brown and Dacin 1997; Gurhan-Canli and Batra 2004), CSR was seen to work as a much more powerful influence and impact consumers who considered such "socially-relevant" aspects keenly. (Tasoluk & Batra 2010) .

The Impact of CSR on Brand Trust, Brand Commitment and Other Brand Relevant Facets

Firms use many different routes to have a positive impact on its customers, as well as to do its duty as an empathic global citizen. Over and above this they are also constantly figuring out how they can communicate such efforts to their consumers and be perceived in a positive manner which in turn would lead to growth of their business. This study considered the case of the global brand, McDonalds to gain a better understanding of consumer reactions to CSR, via literature review and observed data obtained through surveys conducted with consumers. The

goal of the research was to understand, how addressing many aspects of CSR by organisations, impact brand satisfaction, brand trust and brand commitment of customers. The paper also classified respondents by brand attachment and looked at CSR in a mediating role. The field survey collected 507 usable forms which indicated that brand attachment had a regulatory effect only to some extent. The study further quotes researcher Vatanasombut et al. (2008), who stated that trust is an important factor which effects the commitment of buyers. Sirdeshmukh et al. (2002) specified that the underpinnings of brand commitment lie in brand trust and this further has the ability to regulate the imminent actions of customers. Customers show an alignment towards purchasing and rebuying products or brands whom they trust. Therefore, brand trust really does affect brand commitment in a positive manner. (Bitner, 1995). Customers are known to purchase their favoured brands so that it gives them an occasion to build connections or define their originality; and this often shows their attachment to the brand. (Belk, 1988; Fournier, 1998). Esch et al. (2006) stated that over a period of time, reciprocal relations grew between brand satisfaction, brand trust, brand commitment and brand attachment. When consumers connect strongly with brands, they consider these brands to be a manifestation of themselves (Aaker, 1996). (Wu & Chen 2015)

Research Proposition and the Rationale behind them

The initial set of research proposition in this study involves the influence of CSR reputation and the three key elements which could lead to brand commitment. We have in this section of the paper outlined the constructs and the paths which we will undertake to investigate to come up with a conceptual framework which will further define paths that lead up to brand commitment, when a brand takes up CSR initiatives.

Thus, we come to understand each proposition and the rationale behind each one of them:

Proposition 1 and the Rationale behind the Proposition

Proposition 1: CSR Reputation creates a positive company image.

Earlier research indicated that CSR reputation built on an organisation's CSR initiatives lead to a positive brand image. Consumer buying behaviour is dependent on how consumers relate to a brand and is believed to be a product of attitude and subjective opinion. As an outlook, brand image tends to touch behaviour like brand loyalty (Johnson, Gustafsson, Andreassen, Lervik, & Cha, 2001). Brand image is said to be a sum of brand connotations that consumers recollect of the brand. Brands' socially responsible conducts are elements that allow consumers form attachments towards a brand. Brand image can be classified mainly into two groups, namely functional and symbolic (Park, Jaworski, & Macinnis, 1986). Brand image based on the functioning of the product and its tangible features, and image that is built because of symbols and the meaning around them, are to intangible features. These intangible features reveal consumers' societal endorsement, manifestation of self or self-esteem. The higher the degrees of favourability, higher is the perception of brand superiority, consumer contentment and loyalty (Johnson et al., 2001).

Therefore, corporations operating today are very aware of the fact that corporate social responsibility (CSR) is intimately linked to their reputations as well as to their brands. (Holding & Pilling 2015) In order to provide the road ahead for organizations who are keen on creating a CSR charter the authors of this paper, Carol Holding, President, Holding Associates/Brand Strategies and Lucille Pilling, Director of Health Initiatives, Corporate Council on Africa looked at 6 prototypes of organizational form for incorporating brand with CSR. (Holding & Pilling 2015) The methodology followed to develop this study was to conduct in-depth discussions with crucial managers in CSR as well as brand departments, in the 5 businesses recognized by McKinsey as being highly engaged in CSR activities. These industries were

financial services, pharmaceuticals, extraction, consumer products and technology. Based on the analysis, 6 organizational models for incorporating brand with CSR emerged. These primarily belonged to two categories, non-adaptable models as well as adaptable models. These models are explained below.

Non-Adaptable Models for Positive Brand Image

Model 1: Mission-Driven: the mission-driven model is an instance of organisations which were founded keeping in mind social responsibility as its central theme. It is the most unadulterated example of Brand/CSR combination. Such companies are often known as “social enterprises.”

Model 2: Product-Driven Consumer Companies: such businesses integrate CSR into their Product brands. One such example is PepsiCo who has CSR/brand incorporated its Quaker Oats division’s business with the World Heart Foundation.

Model 3: Companies that are in Super-Regulated Industries: such companies are in a zone where their products are continuously watched and scrutinized by both regulatory bodies as well as consumers. Since such companies are under pressure to focus on return on investment their model does not support any efforts of supporting or investing in CSR on behalf of the brand. Several pharmaceutical companies fall into this category.

Adaptable Models for Positive Brand Image

The next three instances give repeatable pathways for incorporating a company’s brand with its CSR efforts.

Model 4: Individual Champion: this model can be attributed to CSR starting, because of the efforts of an individual who manages CSR in all its hues and colours. An example for the manner of this working is the kind of brand/CSR integration demonstrated by Symantec, (the makers of Norton Anti-Virus software). The CSR infrastructure took shape because Cecily Joseph, Director of CSR, at Symantec borrowed from the UN Global Compact framework and propelled the activity for the company in the External Affairs department. Once the seed was sown, management participation got established and the CSR initiative gained momentum to take off.

Model 5: Communications Team: here the communications team takes advantage and uses CSR as a brand augmentation tool. A good example of how this has worked is at Henry Schein, the drug distribution company. The organization’s CSR program, known as “Henry Schein Cares” extends to both employees and Schein’s suppliers worldwide and is managed by 3 departments, Corporate Communications, Community Relations, and Professional Relations, who are answerable to the Executive Vice President of Communications

Model 6: Organic Partnerships: this is the most complete brand/CSR incorporation model and is designed around interconnected parts which have come about in a methodical fashion rather than from an arrangement which already existed. Though HSBC has a separate CSR department, the entire company performs brand/CSR integration. At HSBC - US office, the organization’s first conservation drive “Commit to Change” was launched by Nicole Rousseau, HSBC’s VP, and Retail Marketing. The crucial element to help this campaign take off was bringing together the employee launch team and then finding sustainability projects which HSBC was already working with.

In order to conclude, while trying to identify company models on which managers can shape brand/CSR integration, the authors not only found models which could be replicated but also a pathway to help CSR initiatives develop. These replicable models have been aimed at creating a positive brand image through CSR reputation (Bash, 2015).

Proposition 2 and the Rationale to the Proposition

Proposition 2: CSR reputation creates a positive emotional attachment.

CSR initiatives are largely defined as the company's position and the actions that it undertakes to fulfill its alleged social responsibilities (Brown and Dacin 1997; Sen and Bhattacharya 2001). Loudly stating these CSR activities by the organization, helps push up consumer buying intention as well as increases valuations of the brand (Sen and Bhattacharya 2001), helps in its new product launches (Brown and Dacin 1997), as well as other products in its portfolio (Biehal and Sheinin 2007). Besides, CSR can stimulate an encouraging reaction to grounds that a brand supports (Lichtenstein, Drumwright, and Braig 2004), grow loyalty and emotional attachment (Du, Bhattacharya, and Sen 2007), and consequently result in lowering the impact to negative publicity (Klein and Dawar 2004). Various factors define the results of CSR originality, these are the level of CSR awareness (Du et al. 2007), implications about the genuine intentions of the firm (Barone, Norman, and Miyazaki 2007; Yoon, Gurhan-Canli, and Schwarz 2006), and customers' special backing of and general views about CSR issues (Sen and Bhattacharya 2001). CSR literature all in all has mainly concentrated on how shoppers intentionally relate tangible, features of brands with their CSR actions therefore getting emotionally connected to the brand (e.g., Du et al. 2007; Simmons and Becker-Olsen 2006; Yoon et al. 2006).

Consumer Emotional Attachment Key Reason for Building CSR Strategy

While opinion on CSR ranges from the naysayers to the ardent supporters, it is conclusively proven that urging companies to improve their CSR practice under a common value background does not really reflect the reality for many businesses. However since consumer emotional attachment is a significant reason for the brand, CSR executives watch over diverse social initiatives that may or may not directly contribute to a company's business goals. Those tasked with running these programs have to juggle the disparate tasks of merging the various programs, measuring their benefits, or at least outlining a rational piecing together with business, and obtaining the support of their business colleagues, often the most difficult task. In the successful performing of this role lies the key to the evolution of a CSR strategy for the company.

In any case, Kash Rangan, Lisa A. Chase and Sohel Karim in their Harvard Business School working paper 12-088, dated April 5, 2012 reiterated that the leading prototype underlying corporate social responsibility or CSR is placed on the pivot of creating "shared value." (Rangan et al. 2012) In this model, business has a role to create value for its stakeholders but in such a way, that it also provides a significant contribution for society, ensuring that both sets come away winners. This approach has the benefit of marrying the two divergent views on CSR and consumers getting emotionally attached to the brand. By intentionally working on its CSR initiatives, every organization can make the most of its benefits to people and the environment, generate social value and realize the motivations of its many communities as well as emotionally connect with them.

CSR Image Works as a Strategic Tool to Build Customer Satisfaction and Loyalty

As per researchers of the paper "An Integrative Framework to Understand How CSR Affects Customer Loyalty through Identification, Emotions and Satisfaction" customer views of CSR activities of firms, impact consumer emotions as well as actions. The researchers assessed an equation model making use of data from 1,124 customers of banking services in Spain. The results indicated that CSR image impacted the way consumers identified with the organization as well as the feeling of satisfaction felt when the organization was mentioned. C-C Identification also had a positive effect on customer sentiment and connected with the performance of the organization as well as their loyalty to the firm. The most pertinent supposition of this study is that it shows two probable methods for building customer

satisfaction and loyalty. The first refers to the views and sentiments produced by the organization as an institution. The second comprises of the opinion, views, feelings and emotional state created in consumers because of the company's services. The outcomes were encouraging and showed that CSR image works in a positive fashion and gives rise to emotions at the organization level. Therefore CSR image works well in a strategic and planned manner improve the overall valuation of an organization rather than develop a positive outlook of the company's service performance. (Perez & Rodriguez 2014)

Proposition 3 and the Rationale to the Proposition

Proposition 3: CSR reputation helps build Brand Trust.

For consumers of a brand, trust is constructed by having faith in the dependability and goodness of one side to the other (Moorman et al., 1992). Brand trust is conveyed as a confidence of consumers, that the brand will accomplish positive functions. Suh and Han (2003) fit the aspects of adequacy, philanthropy and honesty as the attributes that indicate trust. As trust creates a significant promise between brand and customers, it works as one of the bases of brand loyalty (Morgan and Hunt, 1994). Acts of philanthropy which come under the umbrella of CSR help in building trust. Satisfying consumers is a difficult task before acquiring their trust. In a sense trust also affects customer satisfaction. (Chaudhuri and Holbrook, 2001). A consumer who trusts a brand will be content and prepared to commit to it. Yoon (2002), investigated the link concerning trust and satisfaction and as per his research, trust and satisfaction show an important encouraging connection. (Erciş et al. 2012)

Proposition 4 and the Rationale to the Proposition

Proposition 4: CSR reputation has a positive Effect on Brand Commitment

Brands want their customers to be attached to them with intense feelings. Firstly for such intensity and loyalty, customer satisfaction is a given. When customers are content, they pledge to constantly buy the same brand and become a faithful customer (Ballantyne et al., 2006). Brand loyalty is a product of several factors like brand trust, quality, image, and equity. (Erciş et al. 2012) Therefore, the variables including brand equity, brand value, brand quality, affective commitment and continuance commitment are presented as factors of brand loyalty which in turn affects repurchase intentions. (Erciş et al. 2012)

Though, more and more consumers believe companies should make larger contributions to their communities, whether business profits through this, is not clear. Though earlier studies conducted in the field concluded that a company's CSR initiatives positively influenced customer's purchasing choices, conversely, this understanding does not synch in and have any relevance if the level of awareness about CSR initiatives is low to begin with. McWilliams and Siegel (2001) stress on the fact that, in case CSR were to act as a differentiator for a brand, its awareness in consumers is of utmost importance in the first place. (Dolnicar & Pomeroy 2007)

Proposition 5 and the Rationale to the Proposition

Proposition 5: Brand Image leads to increased Brand Commitment

A positive brand image resting on the foundation of CSR initiatives is known to promote commitment to the brand by its consumers. CSR activities are an important business concern and in a study done across 20 developed countries; CSR-linked influences jointly define 49 per cent of a company's brand image (Corporate Social Responsibility Monitor 2001: Global Public Opinion on the Changing Role of Companies). This seems to be the case since a firm's brand image which is a perception which consumers carry of the brand often serves as the microscope through which stakeholders appraise all results, as well as social performance (Werther and Chandler, 2005). Therefore it is the brand image which allows managers to clearly make

promises on behalf of the brand to their stakeholders about the product as well as company characteristics, including CSR (Kitchin, 2003). CSR is vital to the various communities of an organization and carries a large range of hope of the brand's responsibilities (Dawkins and Lewis, 2003; Maio, 2003). Consumers are increasingly showing a keen interest in a firm's CSR activities. A report by Business and Sustainable Development (2001) said that in the USA 42 per cent of customers studies specified that, they would be willing to switch their brands for reasons of CSR concerns, in Europe it was 25 per cent, in Latin America 23 per cent and in Asia 8 per cent. Therefore, we are increasingly seeing firms seeking to incorporate CSR as a primary factor in brand positioning (Ginsberg and Bloom, 2004; Middlemiss, 2003; Werther and Chandler, 2005) and it resulting in building a positive brand image for the organization. While sponsoring CSR-related brand and corporate personality is not a new strategy, the number of brands coming together on CSR values appear to be growing, although they are being carried out in varying methods (Menon and Kahn, 2003; Klein and Dawar, 2004; Maio, 2003). As per another research study conducted on producing global brand equity through corporate social responsibility to crucial stakeholders in Mar 2012, corporate social responsibility (CSR) to numerous participants (customers, shareholders, employees, suppliers, and community) has an encouraging result on global brand equity. (Torres et al. 2012) In addition, the studies stated that programs meant for taking care of community welfare help emphasize the consistency of social responsibility policies with other groups. It tests these hypothetical arguments by using data comprising of 57 worldwide brands originating from 10 countries (USA, Japan, South Korea, France, UK, Italy, Germany, Finland and Switzerland). The findings show that CSR to each of the participant groups have an encouraging effect on global brand equity. Other than these factors, international brands that incorporate local social responsibility policies in society groups, acquire certain other sound benefits when brand equity is generated, thereby, enhancing the positive effects of CSR toward other stakeholders, particularly consumers. Consumers in turn are willing to commit to brands particularly because of the positive brand equity and image because of these efforts. Consequently, for managers of worldwide brands, while creating brand value, it makes sense to associate global approaches and the necessity of taking care of the welfare of local communities (Torres et al. 2012).

Firms want to be perceived as socially responsible even while offering controversial products, is what a recent study revealed. Touching upon how important brand image was for consumers the researcher of this study reviewed existing research on CSR and brand reputation of companies dealing with debatable goods (which could have a harmful effect on consumers) and created a case for a build up to a theoretical model. This model recognized characteristics which needed to be considered for facilitating the positioning of a brand as "responsible" when the brand in question sold contentious products like, tobacco or a gambling experience. Besides this, attention was also paid to customers of the brand to understand if they could control the cause-effect connection of the CSR image of the brand and its reputation. Experience has shown that it takes a lot from organization leaders to do away with the social stigma that surrounds products from tarnished industry sectors (Palazzo and Richter, 2005). The difficulty in marketing such goods is to establish value by undertaking activities and initiatives, since the firm is anyway grappling with disreputable and unwanted practices connected with these goods, and the functional aspect of the product cannot in anyway be used by managers for marketing them (McWilliams and Siegel, 2001). Earlier works indicate that such concerns and the awareness by organisations has them direct stakeholder focus to the sincere practices that the organization follows, and shapes their reputation by performing CSR activities (Lantos, 2001). This study adds to the knowledge of brand management by providing direction to firms selling tarnished products which are built on a relationship theoretically connecting moral, emotional

and rational requirements of businesses, such that they are recognized as being socially responsible (Gupta, 2015).

Global brands that grow worldwide and desire to create certain CSR standards overseas should procure firms with robust community roots. Fundamentally, international brand managers have to create a positive brand image locally in different markets for improving global brand equity value. Moreover, they should be mainly aware of sustaining equilibrium among different stakeholders in the generation of brand equity which would largely work on the brand image, therefore persuading consumers to commit emotionally to such brands (Torres et al., 2012).

Proposition 6 and the Rationale to the Proposition

Proposition 6: Emotional attachment leads to increased Brand Commitment

Although consumers work together with several many products and brands during their lifetimes, they create powerful emotional attachment only to a minor subsection of these brands (e.g., Schouten & McAlexander, 1995). The likelihood that customers can feel powerful emotional attachments to brands is fascinating and borrows from attachment theory in psychology (Bowlby, 1979). The theory states that a person's relationship to that object can be predicted by understanding the level of emotional attachment the individual feels for the object. It is stated that, when persons are strongly attached to another individual they are expected to be more dedicated to, spend time with, and make sacrifices for that person (Bowlby, 1980; Hazan & Shaver, 1994). Parallely, consumers' emotional attachment to a brand may envisage their commitment to the brand (e.g., brand loyalty) and their readiness to accrue monetary sacrifices so that they can purchase it (e.g., to pay a price premium). However, no experimentally verified facts and figures on consumers' emotional attachment to brands have been as yet presented. Therefore, it is tough for academicians as well as consultants to assess the power of the connection between consumers and brands (Thomson et al. 2005).

A paper published in volume 22, of Journal of Consumer Psychology presents a research study which offers fresh findings on the topic of branding by reviewing the psychological and neurophysiological tools of how customers connect with their favourite brands. Through 3 experiments conducted, the authors suggest that emotional stimulation reduces over the brand affiliation lifespan, while presence of the brand in the individual self gets enhanced over time. (Reimann et al. 2012)

Effects of experiment 1 showed a large self-stated emotional feeling for newly moulded brand relations, as well as reduced emotional feeling and increased presence of close brands in consumers' lives over a period time. Furthermore, the regulating role of usage occurrence of the brand brought out thought-provoking nuances of the way this personal attachment with the brand worked.

Experiment 2 measured galvanic skin reactivity which revealed amplified emotional stimulation for lately made close relationships but then again not for customary (but close) brand relationships, verifying the outcomes resting on self-stated figures.

In experiment 3, a functional magnetic resonance imaging study showed a relationship between recognized close relationships and the stimulation of the insula, a brain area earlier found to be a vital instrument in varied but linked psychological occurrences such as addictions, interpersonal love and loss aversion (Reimann et al., 2012).

Satisfied consumers and customers that feel emotionally involved with brands are more likely to stay loyal to brands within functional product categories, rather than hedonic product categories. According to Fournier (1998) firms need to seriously consider the associations between consumers and their brands in order to get a grasp on the issues of brand loyalty because, as Fournier (1998) claimed, brands were able to function as compatible relationship companions. Tsai (2011) also reiterated this through his research which proved that brand

commitment and brand attachment, transcend the connection between the brand and the consumer into unique brand asset. The conclusions of his exploration back the fact that brand commitment and brand attachment, impact long-term brand loyalty, precisely 61.2% of the variance (Tsai, 2011). Following this were performance satisfaction, trust and self-concept connection which were 18.4% variance of brand loyalty (Tsai, 2011). Briefly, satisfaction, brand commitment and brand attachment were significant consumer-brand association factors in the nurturing of brand loyalty and commitment (Berg 2013).

Consumers have always shown whole hearted support for brands that perform CSR, keeping in mind the expectations and compliances around it. Consequently, a lot of research has concentrated on corporate social responsibility (CSR). The research has shown that consumer support has taken various forms like higher evaluation, more buying commitment and positive word-of-mouth (WOM). Subsequently when this has been the case, consumers have been most likely to pay less attention to adverse information about the organisation and exhibit a level of willingness to pay higher costs for its products and services (Green & Peloza, 2011). Therefore, previous research is indicative of the fact that emotional attachment of the consumer to the brand promotes brand commitment.

Proposition 7 and the Rationale to the Proposition

Proposition 7: Brand Trust leads to increased Brand Commitment.

Brand trust refers to an emotional connection understood in terms of 'perceived probabilities' (Bhattacharya et al. 1998), 'confidence' (Garbarino & Johnson 1999) or 'expectations' (Rempel et al. 1985) given the events of certain encouraging results by consumers. In the customer brand sphere, this awareness suggests that the brand is a dynamic interactive significant other. Studies explain that belief or trust is a significant factor in the concept of brand commitment for the consumer. (Chaudhuri and Holbrook, 2001). Brand commitment comes from brand trust and has the ability to produce relationships of exchange which are highly valuable and precious both for the consumer as well as the brand. (Chaudhuri and Holbrook, 200; Morgan and Hunt 1994). Brand trust is a precursor to brand commitment (Morgan and Hunt, 1994). Fundamentally, trust and commitment should be inter-linked since the concept of trust is vital for interactive conversations, and commitment is also reserved for such valued relationships (Şahin et al., 2013). Therefore, commitment lies beneath the relationship which has been founded on the basis of trust, and the continuous process of keeping the relationship between the brand and consumer going is better known as brand commitment. There are numerous notions of commitment in marketing and consumer behaviour literature. At the level of the brand commitment, it is often thought of as loyalty (Martin and Goodell, 1991) and characterizes a much researched topic in consumer behaviour (Muncy and Hunt, 1984). Some other methodologies have described it as, an element of product involvement (Şahin et al., 2013).

Brand trust grows from older practices and earlier interactions with the brand (Garbarino and Johnson, 1999), since its growth is described quite often as a person's first-hand understanding of getting to know and experiencing the brand over time. Therefore brand trust, reviews consumers' familiarity and experiences with the brand. If a consumer trusts a retail service brand based on earlier uses, he or she in all likelihood, will be satisfied with his/her purchase (Lee et al., 2007).

From a more active viewpoint, CSR helps make available abstract yet strong assets to the company; those that are character building, ability-linked, and information-centred. Accordingly from a brand strategy standpoint, a CSR positioning is based on an inclusive subject that connects with all relevant stakeholder groups aiming to build trust which in turn leads to brand commitment by the stakeholders. Good relationships with key stakeholders

remain the guiding pillars for companies as they build goodwill and help develop pertinent, CSR branding advantages. These clearly hinge on the assurances the brand has communicated to its stakeholders, and subtly build on the conviction that the brand's reputation has amassed over the years.(Adam et al. 2012)

The Conceptual Framework

Bringing together all the 7 stated propositions we present below the proposed model of the impact of CSR reputation on brand commitment. Our 7 propositions are linked in a causal path, via brand image, emotional attachment and brand trust leading unto the final outcome of brand commitment.

Path Diagram of the Study:

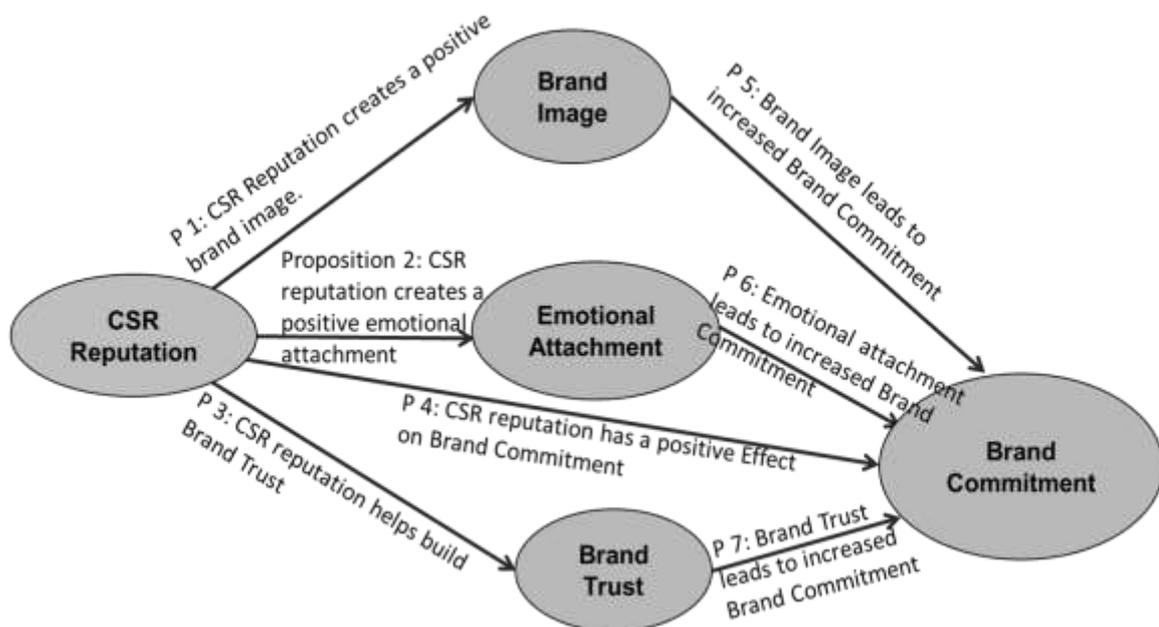


Figure 2: Conceptual Framework and Path Diagram of the Study

- P1: CSR Reputation creates a positive brand image.
- P2: CSR reputation creates a positive emotional attachment.
- P3: CSR reputation helps build Brand Trust.
- P4: CSR reputation has a positive Effect on Brand Commitment
- P5: Brand Image leads to increased Brand Commitment
- P6: Emotional attachment leads to increased Brand Commitment
- P7: Brand Trust leads to increased Brand Commitment.

This is proposed as an empirical study and the design of this study is descriptive with a structured questionnaire, using limited probing questions across a cross sectional study of people's attitudes towards organization's brand related CSR programs. The research is approached with the objective of finding best practices that could be adopted by an organization to manage CSR initiatives. The nature of the topic of our research requires gathering knowledge and experience held by practitioners within the context of CSR as a perception tool which can urge consumers to commit to the brand.

For the primary data collection, the researchers will use primary data collection methods which includes personal surveys, whereas the secondary sources will provide an analysis of literature and research which pertain to this topic. Research Variables contain multiple items which need to be measured and analysed in terms of the causal relationships between each of the variables. Therefore, all of the five construct which the researchers attempt to measure are linked to questions in the survey which provide the marketing metric for each construct. There exists a direct link between the Path Diagram and equations that fit statistical analysis well. The measurement scales of each proposition which will be used to test the theory of the behaviour are given below:

A. *CSR Reputation:*

1. My respect for brands that do CSR activities grows every time I hear of their efforts in that direction.
2. I believe that brands that perform CSR activities are honest firms
3. I can distinguish brands with CSR activities from other competing brands
4. I believe brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle that practice CSR are concerned about the best interest of society and contribute to the well-being of its people.

B. *Brand Image:*

1. I praise brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle that practice CSR in public
2. CSR activities raise the profile of a brand in consumers' minds.
3. I believe the brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle that practice CSR offer and market quality products and services.
4. I can relate to brands which perform strong CSR activities.

C. *Emotional Attachment:*

1. I have positive feeling for brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle who perform CSR activities for the betterment of society
2. It gives me pleasure to purchase brands that practice CSR
3. I like brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle that practice CSR in their day to day activities
4. I feel bad when people speak ill of brands like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle, since they practice CSR sincerely

D. *Brand Trust:*

1. CSR activities increase the level of trust you have in a brand.
2. When I have to choose to buy a product/service of a brand that practices CSR I feel confident
3. I believe what companies like Tata Tea, ITC Ltd, Surf, Whisper, Horlicks and Nestle (those which practice CSR) say about their products through their advertisements
4. It makes sense to purchase brands that practice CSR instead of other brands, even if they are the same in all other respects.

E. *Brand Commitment:*

1. I consider myself to be loyal to brands that practice CSR, since they are interested in doing more, than just making a profit by selling me a product.

2. When I buy a product, a brand with a strong CSR activity would be my first choice as they would be committed to try and solve a problem that could arise. I believe that there would be no limit as to how far the brand would go to try and solve my problem
3. I will not buy other brands if a similar brand, which is associated with CSR activities, is available.
4. I am willing to pay slightly more for a brand/product that practices CSR if I need to.

This research topic is best suited for analyses through the SEM since the model contains both measurement and paths. Also, since it is a combination of factor analysis and regression it is a very effective tool to measure the relationship between variables.

Conclusion

The term brand commitment is indicative of a customer's willingness to commit to a brand, both emotionally as well as with his wallet. For marketers who are constantly wooing their customers through their brands this is a wonderful place to be in, since it is the point where the customer is ready to say "I do" to the brand. Through this paper we investigate five areas of marketing namely: consumer social responsibility, brand image, brand trust, emotional attachment and how they all come together to grow into brand commitment for a consumer. Research that has specifically looked at understanding whether the consumer is willing to commit to a brand, after taking into consideration its corporate social responsibility (CSR), has in all probability not been conducted so far. The objective of this research is to understand the direct relationship between CSR and brand commitment and whether brand commitment can also be created by brand image, brand trust and emotional attachment. CSR has turned out to be an extremely vital issue for businesses. The advent of CSR has helped deeper explorations into areas of social communities, loyalty and commitment by the consumer to the brand. It has been said by industry watchers and academicians, in the sphere of CSR reputation and branding that, if organizations or brands undertake certain social responsibilities in the process of pursuing the corporate objectives, they gain the ability to build a strong relationship within the community they exist in, and therefore boost their brand image. This is our case. If organizations take it upon themselves to give back to the society they exist in, this act also helps to enhance their own internal working and bring down costs. Since CSR does good for society it is a much discussed topic which results in free WOM for the brand, higher turnovers and the ability to attract good talent.

References

- Adam, C., Lindgreen, V. & Maon, F., 2012. Strategically Leveraging Corporate Social Responsibility: A CORPORATE BRANDING PERSPECTIVE. *California Management Review, Berkeley*, 54(3). Available at: CMR.BERKELEY.EDU.
- Barnes, A.-J., 2011. *Corporate Social Responsibility and its effects on Brand Trust - - Masters thesis*. Auckland University of Technology.
- Berg, G. van den, 2013. *Brand loyalty*. University of Amsterdam, Faculty of Economics and Business.
- Dolnicar, S. & Pomeroy, A., 2007. Consumer response to corporate social responsibility initiatives: an investigation of two necessary awareness states. In *Australian and New Zealand Marketing Academy Conference*. Dunedin, New Zealand: Australian and New Zealand Marketing Academy, pp. 2825–2831.
- Erciş, A. et al., 2012. The Effect of Brand Satisfaction, Trust and Brand Commitment on Loyalty and Repurchase Intentions. *Procedia - Social and Behavioral Sciences*, 58, pp.1395–1404. Available at: <http://www.sciencedirect.com/science/article/pii/S1877042812045867>.

- Green, T. & Peloza, J., 2011. How does corporate social responsibility create value for consumers? *Journal of Consumer Marketing*, 28/1, pp.48–56.
- Gupta, S., 2015. Antecedents and Consequences of Socially Responsible Brands: A Focus on Firms Offering Controversial Products. *Thunderbird International Business Review - Wiley*, 1, pp.1–44.
- Holding, C. & Pilling, L., 2015. *Six Organizational Models for Integrating Brand with CSR*, Lee, K., Huang, H. & Hsu, Y., 2007. Trust , Satisfaction and Commitment- On Loyalty to International Retail Service Brands. *Asia Pacific Management Review* , 12(3), pp.161–169.
- Perez, A. & Rodriguez, I. del B., 2014. An Integrative Framework to Understand How CSR Affects Customer Loyalty through Identification, Emotions and Satisfaction. *Journal of Business Ethics*, pp.571–584.
- Polonsky, M.J. & Jevons, C., 2006. Understanding issue complexity when building a socially responsible brand. *European Business Review*, 18(5), pp.340–349.
- Porter, M.E. & Kramer, M.R., 2011. Creating Shared Value. *Harvard Business Review*, (January), pp.1–3.
- Rangan, K., Chase, L.A. & Karim, S., 2012. Why Every Company Needs a CSR Strategy and How to Build It. *Harvard Business School, Working Paper No 12-088*, pp.1–31.
- Reimann, M. et al., 2012. How we relate to brands: Psychological and neurophysiological insights into consumer-brand relationships. *Journal of Consumer Psychology*, 22(1), pp.128–142. Available at: <http://dx.doi.org/10.1016/j.jcps.2011.11.003>.
- Şahin, A., Kitapçı, H. & Zehir, C., 2013. Creating Commitment, Trust and Satisfaction for a Brand: What is the Role of Switching Costs in Mobile Phone Market? *Procedia - Social and Behavioral Sciences*, 99, pp.496–502. Available at: <http://www.sciencedirect.com/science/article/pii/S1877042813039633>.
- Sen, S., Du, S. & Bhattacharya, C., 2016. Corporate social responsibility: a consumer psychology perspective. *Current Opinion in Psychology*, 10, pp.70–75. Available at: <http://www.sciencedirect.com/science/article/pii/S2352250X15003218>.
- Tasoluk, B. & Batra, R., 2010. INVESTIGATING THE BRAND CSR – CONSUMER VALUES INTERFACE. In *THE CONFERENCE ON GLOBAL BRAND MANAGEMENT ISTANBUL, TURKEY*. pp. 1–7.
- Thomson, M., MacInnis, D.J. & Whan Park, C., 2005. The Ties That Bind: Measuring the Strength of Consumers’ Emotional Attachments to Brands. *Journal of Consumer Psychology*, 15(1), pp.77–91.
- 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), pp.948–963. Available at: <http://jcr.oxfordjournals.org/content/38/5/948.abstract>.
- Torres, A. et al., 2012. Generating global brand equity through corporate social responsibility to key stakeholders. *International Journal of Research in Marketing*, 29(1), pp.13–24.
- Wu, S.-I. & Chen, J.-H., 2015. The Influence of CSR on Brand Relevant Aspects. *Journal of Management and Sustainability*, 5(3), pp.17–30. Available at: <http://www.ccsenet.org/journal/index.php/jms/article/view/52720>.
- Yuanqiong Hea; & Lai, K.K., 2014. The effect of corporate social responsibility on brand loyalty : The mediating role of brand image Total Quality Management & Business. *Total Quality Management, Management business Hong Kong - Routledge Publishing*, Vol. 25, N(January), pp.249 –263.

To cite this article:

Chouthoy, S., Kazi, R. (2016). En route to a Theory – Building Consumer Brand Commitment through CSR Reputation. *Global Business and Management Research: An International Journal*, 8(3), 67-82.