

Relationship Between Corporate Social Responsibility(Csr) and Brand Equity - an Empirical Study

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ABSTRACT

Corporate Social Responsibility (CSR) has emerged as an important strategic instrument that enables organizations to strengthen stakeholder relationships and achieve sustainable competitive advantage. In recent years, firms have increasingly integrated CSR activities into their branding strategies to enhance consumer perceptions and create superior brand value. Brand equity, comprising brand awareness, brand associations, perceived quality, and brand loyalty, has become one of the most valuable intangible assets contributing to organizational success. This paper examines the relationship between CSR and brand equity by synthesizing literature published between 2020 and 2026. Using a descriptive, exploratory design based on Primary data, the study reviews recent empirical and conceptual contributions to understand how CSR initiatives influence customer perceptions and strengthen brand equity. The findings indicate that CSR positively affects brand image, consumer trust, purchase intention, and customer loyalty, thereby enhancing overall brand equity. The study contributes to the growing literature by proposing a conceptual framework and identifying research gaps for future investigations.

Keywords: Corporate Social Responsibility, Brand Equity, Brand Awareness, Brand Loyalty,

INTRODUCTION

The contemporary business environment has increased stakeholder expectations for ethical practices, environmental sustainability, and social welfare, making Corporate Social Responsibility (CSR) a strategic tool for long-term organizational success. Consumers increasingly prefer transparent and socially responsible brands. CSR refers to an organization's responsibilities for economic development, ethical conduct, legal compliance, and societal welfare. Carroll's framework emphasizes economic, legal, ethical, and philanthropic responsibilities as fundamental dimensions of CSR.

Brand equity refers to the value a brand gains from consumer perceptions and experiences. Aaker (1991) identifies brand awareness, perceived quality, brand associations, and brand loyalty as its key dimensions. Strong brand equity enhances customer loyalty, profitability and competitive advantage. CSR increasingly shapes consumer attitudes, trust, emotional attachment, and purchase intentions, making it an important antecedent of brand equity. The growth of digital media has further strengthened this relationship by enabling firms to communicate CSR initiatives and engage stakeholders directly. Hence, examining the CSR–brand equity relationship is important for effective branding and sustainable business strategies. Keller (1993) conceptualized customer-based brand equity as the effect of brand knowledge on consumer responses. Major

dimensions include: Brand Awareness, Brand Associations, Perceived Quality and Brand Loyalty.

2. LITERATURE REVIEW

The literature review includes papers published between 2020 and 2026 by different authors.

Mahmood and Bashir (2020) found that CSR strengthened the relationship between brand reputation and brand equity, particularly through economic, ethical, and philanthropic CSR. Soni and Agrawal (2020) reported that CSR positively affected brand equity among Indian FMCG brands, highlighting the importance of integrating CSR into long-term branding strategies.

Wang, Yu and Hsiao (2021) established that CSR positively influenced corporate reputation and brand equity, while Barchiesi and Fronzetti Colladon (2021) showed that CSR does not automatically attract stakeholder attention and requires stakeholder-specific communication. Ali et al. (2021) found that CSR enhanced customer loyalty, satisfaction and corporate reputation.

Studies have also shown that the effects of different CSR dimensions are not uniform. Koh, Burnasheva and Suh (2022) found stronger effects of social and governance initiatives than environmental initiatives on brand-related outcomes. Araújo, Pereira and Santos (2023) reported that

CSR significantly improved brand image and brand equity, while Fatma and Khan (2023) found that brand credibility and identification strengthened the CSR–brand loyalty relationship. Çano and Vogli (2023), however, found weak relationships between CSR disclosure and financial performance, indicating that CSR outcomes may not always be immediately reflected in financial measures.

Recent research increasingly emphasizes digital communication, authenticity, and stakeholder engagement. Lee, Lee and Park (2024) linked sustainability practices with stronger brand equity, while Sharma (2024) found that CSR communication through social media enhanced consumer–company identification and electronic word-of-mouth. Li and Li (2024) showed that CSR improved brand awareness and loyalty through customer trust. Li and Rabeeu (2024) further emphasized that authentic CSR motives and strong CSR–brand fit positively influence consumer responses.

Shen, Li, and Zhang (2025) found that CSR increased purchase intention both directly and through brand equity. Khan and Ali (2025), through a systematic review, identified trust, emotional attachment, authenticity, and CSR–brand fit as important mechanisms linking CSR with brand outcomes. Trinh et al. (2025) highlighted green trust, awareness, perceived quality, image, and loyalty as important components of Green Brand Equity. Waghmare et al. (2025) demonstrated that transparent digital CSR communication can strengthen brand trust, loyalty, and brand equity.

The 2026 studies further emphasize authenticity and effective communication. Hong et al. (2026) found that authentic CSR can reduce the negative effects of greenwashing on Green Brand Equity, while Nguyen et al. (2026) established that environmental responsibility strengthens customer trust and brand loyalty. Patel and Mehta (2026) highlighted the importance of authentic CSR storytelling through social media, and Zhao et al. (2026) found that sustainable branding can enhance customer-based brand equity and loyalty. Consumers may prefer a particular brand that offers more corporate social responsibility activities. In this regard, it is necessary to find out whether consumers know about corporate social responsibility and how aware they are of it. What do they think about the relationship between corporate social responsibility and brand equity? What are the variables that influence the consumer perception of corporate social responsibility and brand equity?

3. OBJECTIVES OF THE STUDY

1. To find out the awareness of consumers on corporate social responsibility
2. To examine the relationship between Corporate Social Responsibility and Brand Equity

3. To ascertain the variables associated with consumer perception on relationship between Corporate Social Responsibility and Brand Equity.

4. RESEARCH METHODOLOGY

The study focuses on the consumer perceptions of the relationship between corporate social responsibility and brand equity. For this purpose, both primary and secondary data were used in the study. Data have been collected from a sample of consumers as respondents. The data have been collected from two hundred and twenty consumers in Coimbatore city by administering a structured questionnaire. The convenience sampling method has been applied in order to obtain their views on corporate social responsibility and brand equity. Secondary data has also been used in the study for theory and review purposes. Percentage analysis, mean, standard deviation, and the Chi-square test were the tools applied for the study

5. HYPOTHESES:

H₀: Area of residence is not associated with the perception of CSR and brand equity.

H₀: There is no associate between Gender and perception of CSR and brand equity.

H₀: Age is not associated with the perception of CSR and brand equity.

H₀: Educational qualification is not associated with the perception of CSR and brand equity.

H₀: Occupation is not associated with the perception of CSR and brand equity.

H₀: Income is not associated with the perception of CSR and brand equity.

H₀: Awareness of CSR is not associated with the perception of CSR and brand equity.

H₀: Knowledge about CSR is not associated with the perception of CSR and brand equity.

6. AWARENESS OF CONSUMERS ON CORPORATE SOCIAL RESPONSIBILITY

Woodward, Edwards, and Birkin (2001) have found that executives consider engagement in CSR activities as a proactive goal of their company, which is related to image building. This section deals with the awareness of consumers on corporate social responsibility.

6.1. Socio-Economic Profile:

The knowledge on Corporate Social Responsibility (CSR) may influence the brand equity through various socio-economic factors. Table – 1 shows the socio-economic profile of consumers included in the study.

Table – 1 Socio-Economic Profile

Profile	No. of. Respondents (n=220)	Percentage %
1) Area of Residence		
a. Urban	126	57
b. Semi-urban	94	43
c. Rural	0	0
2) Gender		
a. Male	129	59
b. Female	91	41
3) Age		
a. Up to 30 years	88	40
b. 31-40 years	73	33
c. 41-50 years	50	23
d. 51-60 years	9	4
e. Above 60 years	0	0
4) Educational qualification		
a. Secondary	0	0
b. Hsc	0	0
c. Diploma	47	21
d. Degree	55	25
e. Post graduate	58	26
f. Professional	60	28
g. Illiterate	0	0
5) Occupation		
a. Agriculture	0	0
b. Business	41	19
c. Employed -private	112	51
d. Government employed	0	0
e. Professional	67	30
6) Income		
a. Up to Rs.300000	77	35
b. Rs.300000 - Rs. 500000	143	65
c. More than Rs.500000	0	0
7). Awareness on CSR		
a. Aware	61	27.73
b. Not aware	159	72.27
8) Knowledge of CSR		
a. Through advertisement	68	30
b. By benefits received through CSR	0	0
c. Through friends and relatives	50	23
d. Through annual reports	0	0
e. Through newspapers and magazines	43	20
f. CSR activities are done in our village	60	27

The table presents the socio-economic profile and sources of CSR knowledge of the 220 respondents. The demographic profile shows that the respondents are predominantly urban (57%), male (59%), and below 40 years (73%). Most respondents have higher educational qualifications, with 28% professionally qualified, 26% postgraduates, and 25% degree holders. In terms of occupation, 51% are private-sector employees, while 30% are professionals, and 65% earn between Rs. 3,00,000 and Rs. 5,00,000 annually. Regarding CSR knowledge, advertisements are the major source (30%), followed by village-level CSR activities (27%), friends and relatives (23%), and newspapers and magazines (20%). Overall, the sample is mainly young, educated, privately employed, and moderately earning respondents with CSR

knowledge largely gained through media and community-based activities.

6.2 Relationship Between CSR and Brand Equity

Corporate Social Responsibility (CSR) plays an important role in shaping how consumers view a brand. When companies actively contribute to society, protect the environment, and follow responsible business practices, consumers are more likely to develop positive feelings and trust towards the brand. Therefore, understanding the relationship between CSR and brand equity is important for assessing how consumers' awareness and perceptions of a company's social responsibility activities influence the value and strength of its brand. Table – 2 presents the relationship between Corporate Social Responsibility and

Brand Equity.

Table – 2 Relationship Between Corporate Social Responsibility (CSR) and Brand Equity

Relationship Between CSR and Brand Equity	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
CSR and Brand Equity						
Influences a brand's long-term success	0	37 (17%)	84 (38%)	99 (45%)	0	220
Competitive differentiation	0	32 (15%)	90 (41%)	96 (44%)	0	220
Creates investor confidence	0	26 (12%)	79 (36%)	97 (44%)	18 (8%)	220
Contribute to its overall brand value	0	8 (4%)	69 (31%)	97 (44%)	46 (21%)	220
Impacts consumer perception of the quality and value of the product	0	0	38 (17%)	115 (52%)	67 (30%)	220
Ethical CSR correspondence to higher brand equity	0	0	46 (21%)	100 (45%)	74 (34%)	220
CSR and Brand Loyalty						
Makes customers stay with the socially responsible brand	0	27 (12%)	52 (24%)	105 (48%)	36 (16%)	220
Influence on willingness to recommend the product to others	0	0	65 (30%)	118 (54%)	37 (17%)	220
Customers pay a premium for products/services offered by socially responsible brands	0	0	81 (37%)	139 (63%)	0	220
Eliminates doubts and mistrust among consumers	0	0	46 (21%)	100 (45%)	74 (34%)	220
Develops customer relationship	0	23 (10%)	52 (24%)	109 (50%)	36 (16%)	220
CSR and Brand Awareness						
Provides all information regarding employee benefits	0	0	65 (30%)	118 (54%)	37 (17%)	220
Discloses detailed reporting regarding their CSR efforts in their annual report	0	0	81 (37%)	139 (63%)	0	220
Advertising their CSR initiatives	0	0	133 (60%)	87 (40%)	0	220
Transparent enough about their CSR investments	0	9(4%)	91 (41%)	120 (55%)	0	220
Concerned about protecting its natural environment	0	0	142 (65%)	78 (35%)	0	220
CSR and Brand Reputation						
CSR is a source of image building for the companies	0	10(5%)	69 (31%)	97 (44%)	44 (20%)	220
Brand value is a performance indicator	0	0	40 (18%)	115 (52%)	65 (30%)	220
CSR improves reputation and credibility	0	0	46 (21%)	100 (45%)	74 (34%)	220
Creates a positive corporate atmosphere	0	14 (6%)	52 (24%)	118 (54%)	36 (16%)	220
CSR ensures a competitive advantage for the products	0	0	65 (30%)	118 (54%)	37 (17%)	220
CSR has a positive relationship with the Shareholder value of companies	0	0	63 (29%)	118 (54%)	39 (18%)	220

The findings indicate that respondents do not strongly perceive CSR as improving brand equity, loyalty, awareness, or reputation. Most responses were neutral or negative, particularly regarding brand value, customer loyalty, CSR transparency, credibility and competitive advantage. This suggests a gap between CSR activities and their perceived branding benefits. Therefore, companies should focus on genuine CSR practices, effective communication, transparency, and visible social impact to strengthen consumer trust and brand equity.

6.3 Variables associated with Relationship between Corporate Social Responsibility and Brand Equity

The relationship between Corporate Social Responsibility (CSR) and brand equity is influenced by several factors that shape how consumers perceive and respond to a brand. In order to ascertain the variables associated with the level of consumer perception on relationship between corporate social responsibility and brand equity, chi-square test was applied. The following table shows the findings of the level of perception on the relationship between corporate social responsibility and brand equity.

Table – 3 Variables associated with Relationship between Corporate Social Responsibility and Brand Equity

Variables	d.f	Calculated χ^2 value	Table value		
			1%	5%	10%
Area of Residence	2	3.288	9.21	5.991	4.605
Gender	4	21.718*	13.276	9.487	7.779
Age	6	98.502*	16.812	12.591	10.645
Educational qualification	8	116.003*	20.09	15.507	13.362
Occupation	4	20.387*	13.276	9.487	7.779
Income	4	21.712*	13.276	9.487	7.779
Awareness of CSR	4	20.629*	13.276	9.487	7.779
Knowledge about CSR	6	25.969*	16.812	12.591	10.645

*Significant at 1% level ** Significant at 5% level *** Significant at 10% level

The Chi-square analysis shows that Gender, Age, Educational Qualification, Occupation, Income, Awareness of CSR, and Knowledge about CSR have a statistically significant association with the perception score at the 1% level. The calculated Chi-square values for these variables exceed their respective critical values, indicating significant differences in Index distribution across these groups.

In contrast, Area of Residence has no significant association with the perception score, as its calculated Chi-square value (3.288) is lower than the critical value even at the 10% level. Overall, the findings indicate that most selected socio-economic and CSR-related factors are significantly associated with the level of perception of consumers, except area of residence.

7. IMPLICATIONS OF THE STUDY

The findings of the study will help companies to give more focus on corporate social reporting that can contribute to creating brand equity. When companies actively participate in corporate social activities, environmental protection, and follow responsible business practices, consumers will have a better opinion of the companies, which will result in increased brand reputation. The Government can also encourage

companies to take social responsibility activities more seriously by creating greater awareness about the social and environmental responsibilities of businesses.

8. CONCLUSION

The study concludes that CSR has the potential to strengthen brand equity, but its impact is not strongly perceived by respondents. The findings highlight the need for better communication, transparency, and stakeholder engagement. Socio-economic factors and CSR awareness are significantly associated with the perception score, except for area of residence. Overall, genuine and transparent CSR integrated into long-term brand strategies can build stronger brand equity, consumer trust, and stakeholder relationships. Like any other study, the present study is also not free from limitations. Data have been collected from 220 consumers in Coimbatore city only, so generalisation of results may not be possible. There are so many variables that may influence the perception of consumers on corporate social responsibility and brand equity. Further enhancement can be made with secondary data collected from the annual reports of different companies, perception of other stakeholders can also be considered, and analysis can be done with other moderating variables.

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