

ISSN 2063-5346



STUDY THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON THE PERCEIVED IMAGE OF FMCG COMPANIES

Mr. Sandeep Singh¹, Mr. Dattatray Katore,² Mr. Vikas Pawar³

Article History: Received: 01.02.2023

Revised: 07.03.2023

Accepted: 10.04.2023

Abstract

The focus of this study is on the general public's opinion of the CSR efforts made by fast-moving consumer goods (FMCG) firms. Our findings lend credence to the idea that a company's commitment to CSR initiatives pays dividends in the form of increased consumer value, satisfaction, and loyalty to the brand as a whole. The results show that CSR activities increase customers' opinions of the company's value and their dedication, happiness, and loyalty. What sets this research apart and makes it so significant is its focus on consumer-oriented CSR as a differentiating characteristic for businesses through strengthening relationships with customers and fostering new levels of perceived value. Despite their rising profile in the academic literature, the connections between CSR and consumer value remain murky. We were able to get a better sense of how genuine customers feel about CSR because we based our survey on a representative sample of these people.

Keywords: CSR, SR, Perceived Image, Loyalty, Trust.

¹ Assistant Professor, Dr. D. Y. Patil Vidyapeeth, Center for Online Learning, Pune, Maharashtra, India, Email: sandip.singh.col@dpu.edu.in

² Assistant Professor, Dr. D. Y. Patil Vidyapeeth, Center for Online Learning, Pune, Maharashtra, India, Email: dattatray.katore.col@dpu.edu.in

³ Assistant Professor, Dr. D. Y. Patil Vidyapeeth, Center for Online Learning, Pune, Maharashtra, India, Email: vikas.pawar.col@dpu.edu.in

DOI:10.31838/ecb/2023.12.s1-B.327

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The term "corporate social responsibility" (CSR) refers to the moral, social, and environmental obligations that a business has to its constituents, such as clients, staff members, shareholders, suppliers, and the public. CSR has received more attention in recent years as businesses realize how critical it is to follow socially responsible business practices in order to enhance their brand, draw in and keep consumers and staff, and support sustainable development. CSR initiatives can include everything from charitable giving and volunteer work to environmental sustainability initiatives and moral business conduct. Businesses that place a high priority on CSR frequently work to strike a balance between their financial goals and their obligations to society and the environment.

OBJECTIVES FOR THE STUDY

- To identify and assess the most important CSR initiatives implemented by FMCG firms and their effects on how these companies are perceived by the public.
- To identify the extent to which CSR programmes affect how consumers view FMCG companies, including their level of loyalty and propensity to make purchases.
- To offer guidance on best practice's for FMCG companies looking to improve their perceived image through CSR initiatives.

RESEARCH QUESTION

- "What is the impact of corporate social responsibility (CSR) initiatives taken by fast-moving consumer goods (FMCG) companies on consumer perception?"
- "What is the impact of CSR initiatives undertaken by Fast-Moving Consumer

Goods (FMCG) companies on their perceived image among consumers?"

- "What is the impact of CSR initiatives taken by FMCG companies on their perceived image among consumers and stakeholders?"

RESEARCH METHODOLOGY:

- The present study was carried out with the objective to assess the most important CSR initiatives implemented by FMCG firms / companies and their effects on how these companies are perceived by the public.
- To identify the Gap both Primary & Secondary data have been used in the study.
- The primary data was collected from the customers of FMCG products through questionnaire.
- Total 315 respondents filled the questionnaire.
- The sources for secondary data include various research journals, books, and websites.

Sampling Method/ Technique used: Convenience Sampling

Sample Size: 315 Customers

Tool Used for analysis: Microsoft Excel was used for analysis & pictorial presentation of the data.

FMCG COMPANIES IN PUNE

Here are some FMCG companies that are in Pune:

- Hindustan Unilever Limited
- Procter & Gamble (P&G)
- Nestle India Ltd
- Colgate-Palmolive
- Coca-Cola India Pvt Ltd
- Parle Agro Pvt Ltd
- Godrej Consumer Products Ltd

In Pune, there are a number of Fast-Moving Consumer Goods (FMCG) businesses that have implemented Corporate Social Responsibility (CSR) programmes. Here are a few illustrations:

Hindustan Unilever Limited (HUL): HUL has carried out several CSR projects in Pune, one of which being the "Water for Public Good" project, which aims to supply communities in and around Pune with clean drinking water. HUL has also started a programme to help farmers in the area live better by giving them access to improved agricultural inputs and methods. In Pune, HUL has carried out several CSR projects that support education, promote sanitation and hygiene, and provide clean drinking water. To start initiatives like Swachh Aadat Swachh Bharat, Water Conservation, and Swachhagraha, the firm has teamed with a number of Organizations.

Procter & Gamble (P&G): P&G has launched a programme in Pune called "Shiksha" with the intention of providing disadvantaged children there with the opportunity to receive an education. Approximately five thousand children living in the city are among those who have benefited from the programme and now have access to an education of a higher standard. The company has worked along with charitable organisations to launch programmes such as Children's Clean Drinking Water and P&G Shiksha, both of which contribute to the education of children who come from households with limited financial resources.

Nestle: Nestle has carried out a number of CSR projects in Pune, such as "Project Prayas," which aims to give children from poor neighborhoods access to healthcare and education. Almost 2,000 city kids have benefited from the scheme. In order to promote nutrition and health, Nestle India has started a number of programmes in Pune, including Project H.E.L.P. (Health Education for Lifestyle Promotion), which aims to inform kids about good eating

practices. In an effort to encourage water conservation and raise water quality in the area, the corporation has also teamed up with regional Organizations.

Colgate-Palmolive: Colgate-Palmolive has put in place a programme called "Bright Smiles, Bright Futures" that aims to encourage youngsters in Pune to maintain good dental hygiene and good health. Almost 10,000 kids in the city have now participated in the programme. Colgate-Palmolive has started a number of CSR projects in Pune to advance oral health awareness and instruction. The business has collaborated with neighborhood non-profits to introduce initiatives like Bright Smiles, Bright Futures, which strives to give kids in schools oral health instruction and services.

Coca-Cola India: Coca-Cola India has implemented several CSR initiatives in Pune to promote sustainability and environmental conservation. The company has launched programs like 'Support My School' to provide infrastructure and resources to underprivileged schools, and 'Eco-aqua' to promote water conservation and recycling.

THE PERCEIVED IMAGE

People's perceptions of a company's reputation, brand, values, and general identity are referred to as its perceived image. Several elements, such as the firm's marketing initiatives, product quality, customer service, social responsibility, and general public perception, might influence this perception. Increased client loyalty, more sales, and a stronger reputation within the industry can all result from a favorable perception. On the other hand, a poor perception might result in lower sales, trouble luring in new clients, and reputational harm for the business.

By advertising, public relations, and other marketing initiatives, numerous businesses make significant investments in managing their perceived image. In order to boost

their public perception, they might also take actions to strengthen their sense of social responsibility, such as implementing sustainable practices or aiding philanthropic endeavors.

It's important to remember that a company's perceived image might change based on the audience. For instance, a business that is well-liked by younger customers might not be as well-liked by elderly consumers. A firm may also be perceived differently by various cultures depending on their values and beliefs.

CSR may significantly affect how businesses are viewed in the public eye. A corporation can be viewed as ethical and socially responsible when it participates in CSR initiatives. For instance, if a business is shown to be causing environmental damage or using unethical Labour methods, this may cause public indignation and a decline in shareholder trust.

CORPORATE RESPONSIBILITY

Corporate responsibility refers to the ethical and social duties corporations owe their clients, employees, shareholders, and the public. Beyond profit, these commitments include community involvement, ethical hiring, and environmental sustainability. Corporate social responsibility (CSR) programmes, charitable endeavors, and environmentally friendly business methods are just a few examples of the varied ways that corporate responsibility can be expressed. Initiatives to lessen a company's carbon footprint, promote workplace diversity and inclusion, or assist local communities

through charitable contributions or volunteer Labour are examples of CSR programmes.

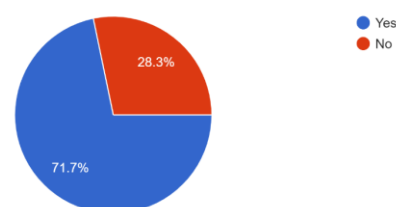
SOCIAL RESPONSIBILITY

The concept of social responsibility states that people and organizations have an obligation to act in ways that benefit society as a whole rather than merely looking out for themselves. It entails understanding the effects that one's activities have on other people and taking steps to make sure that they are moral, long-lasting, and serve the greater good.

Social responsibility can take several forms at the personal level, including community service, environmental conservation, and social justice activism. Social responsibility can take several forms at the Organisational level, including supporting moral Labour standards, cutting back on waste and pollution, and investing in ethical business methods.

DATA ANALYSIS

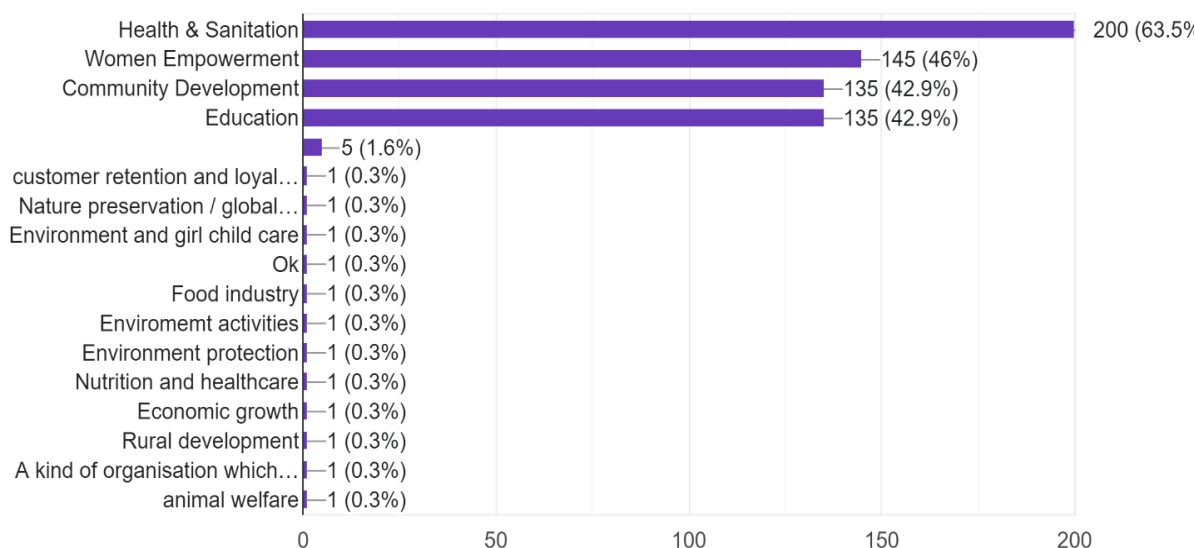
Q.1 Do you Know about CSR Activities?
315 responses



According to the research, it appears that 71.7% of people are aware of or knowledgeable about CSR initiatives, compared to 28.3% who are not.

Q.2 Which CSR Initiatives should considered by FMCG Companies?

315 responses

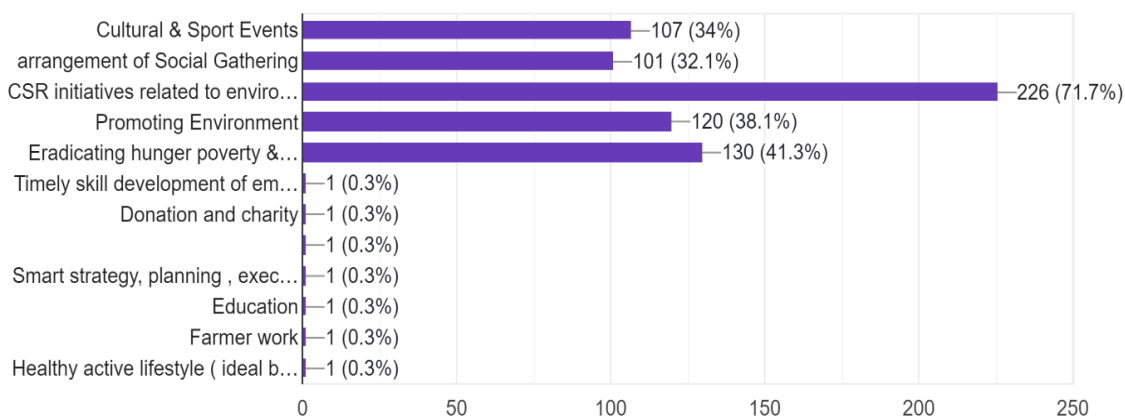


The information shows how frequently distinct topics were referenced in an undefined context. The percentages show the proportion of times that each topic has been mentioned, with "Health & Sanitation" receiving the most mentions

(63.5%), followed by "Women Empowerment" (46%), "Community Development" (42.9%), "Education," (1.6%), "Customer Retention and Loyalty," (1.6%), and the remaining topics (0.3%).

Q.3 Which concrete actions do you think which is important to run by the company?

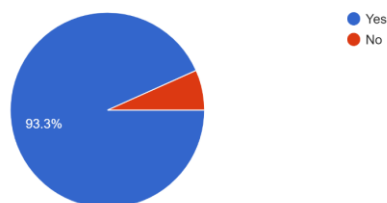
315 responses



"CSR initiatives related to environment" being mentioned the most frequently (71.7%), "Eradicating hunger poverty & malnutrition " coming in second (41.3%), "Promoting Environment" coming in third

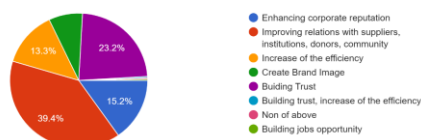
(38.1%), and the remaining topics coming in last (less than 35%), the percentages show the proportion of mentions for each topic.

Q.4 Is CSR valuable activity valuable for women's Empowerment
315 responses



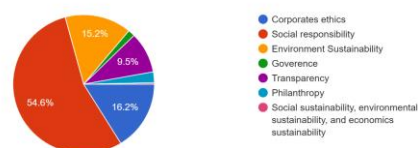
Based on the results, which show that 93.3% of people think CSR is a good thing for women's empowerment while just 7.7% don't, it can be said that most people think CSR is a good thing for women's empowerment.

Q.5. What do you think could be the main benefit of the adoption of measures for social responsibility?
315 responses



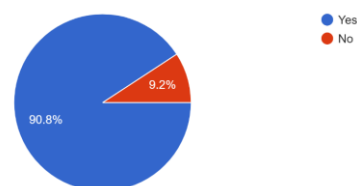
39.6% of respondents named better relationships with vendors, organizations, sponsors, and the community as the most often cited benefit. This shows that taking on social responsibility can assist establish beneficial relationships with important stakeholders and improve the company's overall reputation. 23.1% of respondents indicated developing trust, which suggests that social responsibility can also be a key strategy for fostering trust among customers and other stakeholders. Increased efficiency was stated by 13.4% of respondents, while 15.3% of respondents mentioned improving business reputation. Building job opportunities and creating a strong brand image were noted by 7.8% and 0.8%, respectively.

Q.6 What do you think are the key elements of CSR?
315 responses



by 54.6% of respondents, indicating that businesses should act in ways that benefit society as well as their bottom line. This may be contributing to charitable causes, making community investments, or taking action to resolve issues relating to the environment and social issues. 15.2% of respondents mentioned environmental sustainability, underscoring the significance of reducing harmful environmental effects and fostering sustainable practices. Also, 16.2% and 9.5% of respondents, respectively, noted ethics and transparency, suggesting that CSR mandates businesses behave in a morally and openly accountable and responsible manner.

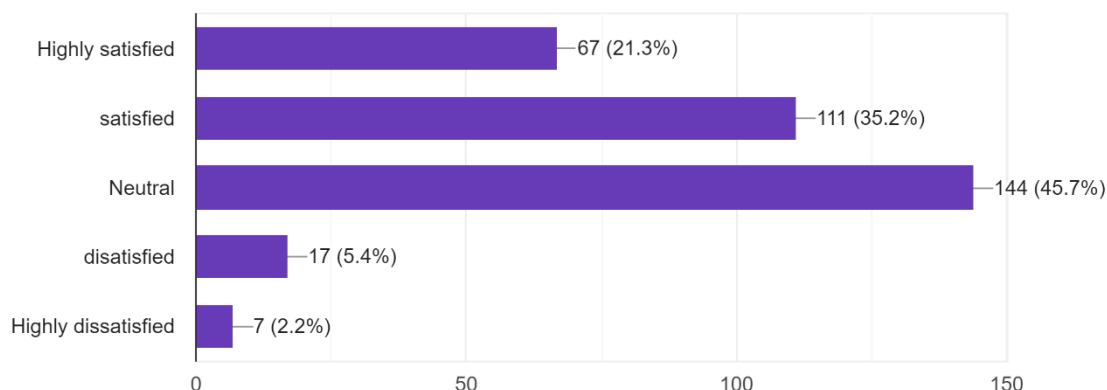
Q. 7 Is CSR activity beneficial for improving brand image and perception?
315 responses



According to the responses, most respondents (90.8%) think that CSR initiatives help to boost brand reputation and image. This shows that businesses that participate in CSR initiatives are seen favorably by consumers and other stakeholders and may have an advantage in luring and keeping clients, staff members, and investors. The tiny minority of respondents (9.2%) who do not believe that CSR actions are helpful for enhancing brand perception and image may be skeptical of the sincerity of such initiatives or may believe that CSR initiatives have no bearing on their purchasing choices.

Q.8 How satisfied are you with the CSR initiative of FMCG companies in your area

315 responses

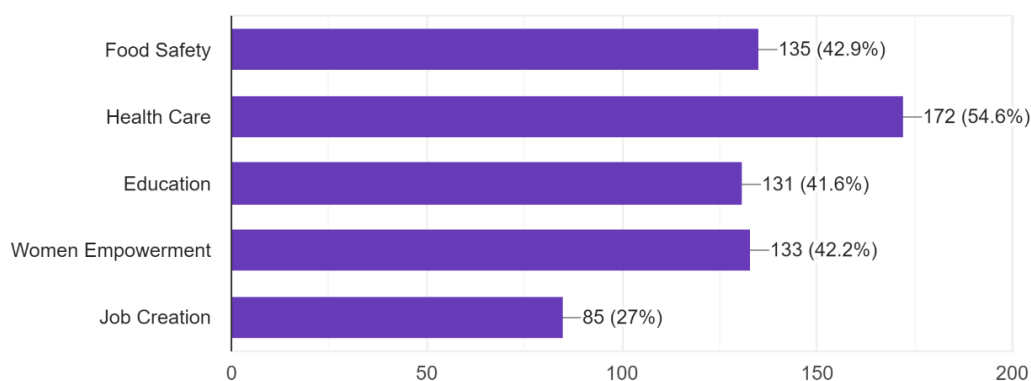


Most respondents (76.5%) reported some level of satisfaction with the CSR programmes of FMCG companies in their area, according to the replies given. 35.2% of them expressed satisfaction, and 21.3% said they were extremely satisfied. 45.7 percent of respondents said they had a

neutral opinion of the CSR programmes of local FMCG companies. This shows that even though these businesses may be involved in CSR initiatives, they may not be doing enough to inform their local communities about these efforts or that the effects of these initiatives may not be widely felt or acknowledged.

Q.9 in your opinion what are the most significant benefits provided by FMCG companies through CSR activities

315 responses

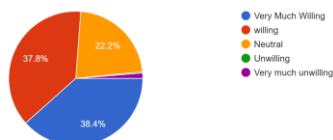


According to the results, it shows that respondents believe that the most major advantages offered by FMCG companies through CSR efforts are health care, education, and women's empowerment. Healthcare was rated as a substantial benefit by 54.6% of respondents, while education and women's empowerment

were rated as significant benefits by 42.2% and 42.9% of respondents, respectively. Only 27% of respondents said they believed that job creation was a substantial advantage, the lowest percentage of any benefit. It is vital to keep in mind, though, that creating jobs can be a significant aspect of CSR initiatives, particularly in

areas with high unemployment or a shortage of skilled people.

Q.10 To what extent do you think FMCG Companies should be engaging in CSR activities
315 responses



Most respondents (76.2%) appear to be either extremely keen or willing for FMCG companies to participate in CSR efforts, according to the statistics supplied. This shows that respondents had a favorable opinion of CSR and that they think businesses should be accountable for their effects on society and the environment. The remaining respondents (23.8%) either have a neutral or unfavorable opinion of CSR, indicating that they may require additional knowledge or persuasion to appreciate the significance and advantages of such endeavors.

CONCLUSION

In conclusion, FMCG firms' perception of themselves is significantly impacted by the adoption of corporate social responsibility (CSR) programmes. These businesses can show their dedication to societal progress, environmental protection, and moral business conduct through CSR efforts. They thus enjoy a better reputation with customers, stakeholders, and the general public.

FMCG businesses who participate in CSR programmes are seen as being more moral, ethical, and reliable than those that do not. Customers are more inclined to buy items from businesses that show a commitment to CSR, and staff members who work for organizations with a good reputation for social responsibility are more likely to be motivated and engaged.

Putting CSR efforts into practice also helps FMCG companies stand out from

their rivals, which can ultimately boost market share and profitability. Additionally, CSR programmes support FMCG companies in developing trusting relationships with all of their stakeholders, including clients, partners, staff, and the community, which can increase customer advocacy and brand loyalty.

In conclusion, FMCG companies' CSR efforts have a massively favorable impact on how they are perceived. Businesses that prioritize CSR programmes are likely to gain from improved sales, profitability, and stakeholder engagement in addition to reputational advantages. Thus, it is advised that FMCG firms keep placing a high priority on CSR efforts as a key part of their corporate strategy.

REFERENCES

- Al-Haddad, S., Sharabati, A. A. A., Al-Khasawneh, M., Maraqa, R., & Hashem, R. (2022). The Influence of Corporate Social Responsibility on Consumer Purchase Intention: The Mediating Role of Consumer Engagement via Social Media. *Sustainability (Switzerland)*, 14(11). <https://doi.org/10.3390/su14116771>
- Huang, W.-S., Lee, C.-J., & Chen, H.-S. (2022). The Influence of Corporate Social Responsibility on Consumer Purchase Intention toward Environmentally Friendly Sneakers. *Sustainability*, 14(21), 14400. <https://doi.org/10.3390/su142114400>
- Das, S. K. (2022). Effect of corporate social responsibility on consumer retention for FMCG industries: a deep learning analysis of professional students of Odisha. *Complex and Intelligent Systems*, 8(2), 885–907. <https://doi.org/10.1007/s40747-021-00537-0>
- Lobachevska, G., & Daub, C. H. (2021). The role of corporate social responsibility in the decision-making process of consumers in Ukraine.

- Innovative Marketing*, 17(1), 78–93.
[https://doi.org/10.21511/im.17\(1\).2021.07](https://doi.org/10.21511/im.17(1).2021.07)
- Chaudhary, A., Hurrah, S. A., & Maqbool, S. (2020). The Influence of Corporate Social Responsibility on Actual Buying Behaviour: A Study of Indian Consumers. *Metamorphosis: A Journal of Management Research*, 19(1), 21–28.
<https://doi.org/10.1177/0972622520931700>
 - Sharma, V., Poulouse, J., Mohanta, S., & Antony, L. E. (2018). Influence of the dimensions of CSR activities on consumer purchase intention. *Innovative Marketing*, 14(1), 23–32.
[https://doi.org/10.21511/im.14\(1\).2018.03](https://doi.org/10.21511/im.14(1).2018.03)
 - Qasim, S., Siam, M. R. A., Bt, S., & Sallaeh, M. (2017). The Impact of CSR on Consumers Purchase Intention: The Mediating Role of Corporate Reputation and Moderating Peers Pressure. In *Int. J. Sup. Chain. Mgt* (Vol. 6, Issue 3).
<http://excelingtech.co.uk/>
 - Wongpitch, S., Minakan, N., Powpaka, S., & Laohavichien, T. (2016). Effect of corporate social responsibility motives on purchase intention model: An extension. *Kasetsart Journal of Social Sciences*, 37(1), 30–37.
<https://doi.org/10.1016/j.kjss.2016.01.010>
 - Raza Naqvi, S. M. M., Ishtiaq, M., Kanwal, N., Ali, M., Inderyas, S., & Ali, M. (2013). *ijcrb.webs.com INTERDISCIPLINARY JOURNAL OF CONTEMPORARY RESEARCH IN BUSINESS Impact of Corporate Social responsibility on Brand image in Different FMCGs of Pakistan Corresponding Author.*
 - Alizadehrad, Z., & Maglakelidze, E. (n.d.). *The Influence of CSR Awareness on Consumer Behavior Through Trustworthiness: The New Approach.*
 - Chouthoy, S., & Kazi, R. (n.d.). *INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE The Effect of CSR Reputation in Shaping Brand Image.*
<https://www.iimk.ac.in/research/markconf20/>
 - <https://www.hul.co.in/>
 - <https://www.nestle.in/>
 - <https://www.coca-colacompany.com/>