## Exploring the impact of corporate social responsibility and marketing communication on consumer consumption patterns: A qualitative study



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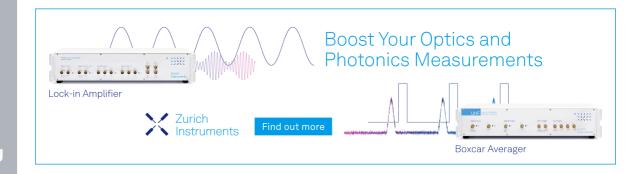
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### Exploring The Impact Of Corporate Social Responsibility And Marketing Communication On Consumer Consumption Patterns: A Qualitative Study

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Abstract— Corporate social responsibility (CSR) is a critical factor in driving sustainable development, and marketing communication has been recognized as an effective tool for shaping consumer behavior. However, limited research exists on how marketing communication influences the relationship between CSR and consumer consumption patterns. To address this gap, a qualitative study was conducted, using a purposeful sampling of 32 fast-moving consumer goods (FMCG) sector consumers. The study aimed to identify factors contributing to the successful communication of CSR initiatives to consumers and to understand the relationship between marketing communication, CSR, and consumer consumption patterns. Data were analyzed using thematic and sentiment analyses, which revealed that transparency, authenticity, and relevance were important factors in successful CSR communication. Effective marketing communication can bridge the gap between CSR and consumer consumption patterns by increasing consumer awareness and understanding of the social and environmental impacts of a company's products or services. The study highlights the significance of good marketing communication in bridging the gap between CSR and consumer purchasing patterns and provides practical implications for businesses seeking to inform consumers about their CSR activities.

Keywords— Consumer Consumption Patterns, Corporate Social Responsibility (CSR), Marketing Communication, Fast Moving Consumer Goods (FMCG), Qualitative Study

#### INTRODUCTION

Businesses' main goal was to make as much money as possible at any cost, and they often didn't care about how their actions affected people or the environment. However, as awareness of the negative consequences of irresponsible business practices grew, a new concept emerged: CSR is a company's efforts to act in a socially responsible way by thinking about how its operations affect society and the environment. It involves going beyond legal compliance to voluntarily address social and environmental issues, and it has become an increasingly important consideration for consumers when making purchasing decisions.

But how exactly does CSR impact consumer consumption patterns? And what role does market communication play in shaping consumer perception of an organization's social responsibility efforts? The study sought to answer questions about the impact of corporate social responsibility and marketing communication on consumer consumption patterns. To explore these questions, the researchers conducted a thematic and sentiment analysis of consumer responses to CSR and marketing communication across various industries. Through the researcher's investigation, a significant positive association between corporate social responsibility and consumer spending habits was established. The study also found that marketing communication plays a crucial role in shaping consumers' perceptions of a company's social responsibility efforts.

The research enhances the growing body of literature on the importance of CSR and sustainable business practices in today's consumer-driven economy. By making social responsibility a top priority and telling customers about it, companies can gain a competitive edge and become leaders in ethical and environmentally friendly business practices.

#### A. Theoretical background

Corporate social responsibility (CSR) is becoming an integral part of modern corporate practices. CSR refers to a company's beyond-legal requirements and voluntary commitment to solving social and environmental challenges. The

focus on CSR has increased in recent years due to heightened consumer awareness and concerns about social and environmental issues [1]

Marketing communication is another critical component that affects consumer consumption patterns. It refers to the various methods used by companies to communicate with their target audiences and includes advertising, public relations, and sales promotions. Effective marketing communication can influence consumer behavior, leading to increased customer loyalty [2]

Research has shown that CSR and consumer behavior are related in a good way Studies have shown that consumers are willing to pay more for goods and services from organizations that do good things for society[3]. This phenomenon is known as the "CSR halo effect" and occurs when a company's CSR initiatives positively influence consumers' perceptions of its products and services. Furthermore, marketing communication can also enhance the effectiveness of CSR initiatives. Studies have shown that companies that effectively communicate their CSR activities to their target audiences can enjoy a competitive advantage and increased customer loyalty[4].

The combination of CSR and marketing communication can have a substantial effect on the purchase patterns of consumers. Businesses that engage in CSR projects and communicate these activities effectively to their target audiences are likely to experience a rise in sales and consumer loyalty Source-Marketing charts.

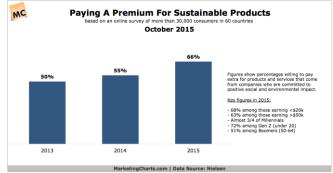


Fig. 1. Corporate social responsibility and consumer patterns

Corporate social responsibility (CSR) and consumer behavior are intricately intertwined, as consumers increasingly regard CSR as a significant element in their purchase decisions. In addition to their legal responsibilities, businesses take voluntary steps to address social and environmental issues. [5] while consumer patterns are the various ways in which consumers make purchasing decisions [6] . found that CSR can positively influence consumer patterns by enhancing an organization's reputation and increasing consumer trust [7]. Customers are more likely to acquire products from socially responsible enterprises and are ready to pay a premium for these products [8] And [9].

Moreover, CSR can lead to increased customer loyalty and satisfaction, as consumers feel that they are making a positive impact on society by supporting socially responsible companies [10]. In addition, CSR can also influence consumer behavior by raising awareness of social and environmental issues and encouraging consumers to make more sustainable choices [11]. However, the relationship between CSR and consumer behavior is not always clearcut. Some studies have found that consumers' willingness to pay a higher price for socially responsible products depends on various factors, such as their level of income, education, and environmental awareness [12]. In addition, consumers may also perceive CSR initiatives as a form of greenwashing, whereby companies engage in superficial or tokenistic activities to enhance their reputation while neglecting their core business practices [13].

In conclusion, the relationship between CSR and consumer behaviors is difficult and multifaceted. While CSR can positively influence consumer behavior (see Figure 1), organizations must make sure that their CSR initiatives are genuine and aligned with their core values to avoid the perception of greenwashing.

#### RESEARCH METHODOLOGY

This research paper is based on a qualitative study that collected primary data and used the NVivo 12 (Trial Version) qualitative software tool to analyze the data. The study consisted of two phases. The first phase involved gathering past literature on the relationship between the impact of corporate social responsibility (CSR) and marketing communication on consumer consumption patterns. This phase aimed to determine if communicating CSR initiatives widely has a positive effect on consumer purchasing or buying patterns. In the second phase, the study analyzed the themes and sentiments of CSR initiative communication and consumption patterns using the NVivo software tool.

#### B. Corporate Social Responsibility and marketing communication

Several studies have shown that corporate social responsibility communication has an impact on consumer behavior. [14] conducted a systematic review of 27 articles and found that CSR communication can be effective in promoting consumer behavior change. However, the effectiveness of CSR communication differs depending on the type of communication strategy used and the level of consumer engagement. conducted a systematic review of 37 articles and found that consumers prefer CSR communication that is authentic, transparent, and credible. Emotional appeals and information about the tangible benefits of CSR initiatives were also found to be effective in promoting positive consumer responses. In a meta-analysis of 77 articles, [15] found that consumers who are more altruistic and socially responsible are more likely to respond positively to CSR communication. They also found that emotional appeals and information about the tangible benefits of CSR initiatives are effective in promoting positive responses, regardless of consumers' values. These findings underscore the importance of authenticity, emotional appeals, and tangible benefits in CSR marketing communication, as well as the need to consider individual differences in consumer values and attitudes.

Connecting consumer patterns to CSR communication requires an understanding of consumers' values, preferences, and behavior. Companies should develop CSR communication strategies that are perceived as genuine, informative, and emotionally engaging, while also aligning with consumers' values and beliefs. By doing so, companies can positively influence consumers' buying behavior and create a sustainable competitive advantage [16] .

#### **DATA ANALYSIS**

The qualitative data were analyzed using the NVivo software tool, which revealed that when corporate social responsibility initiatives are communicated through various marketing channels, it positively affects the consumption patterns of fast-moving consumer goods (FMCG) consumers.

#### C. Themes identified

| Themes                              | A : Files\\32<br>16.37% |  |
|-------------------------------------|-------------------------|--|
| 1: Community Development            |                         |  |
| 2: Environmental Conservation       | 11.76%                  |  |
| 3: Ethical Practices                | 10.49%                  |  |
| 4: Ethical Production Practices     | 11.76%                  |  |
| 5: Ayurved                          | 8.18%                   |  |
| 6: Social Responsibility            | 11.25%                  |  |
| 7: Sustainable Consumption Patterns | 19.44%                  |  |
| 8: Welfare                          | 10.74%                  |  |

Fig. 2. Themes identified under the impact of corporate social responsibility and marketing communication on consumer consumption patterns

This research paper employed the NVivo 12 software tool to automatically identify themes from text-based datasets and sets of texts. With the help of NVivo, the researchers were able to extract major themes from the coded primary dataset. Figure 2 was used to represent the major themes that were extracted in the research.

Referring to Figure 2, the eight themes are all related to corporate social responsibility and its impact on consumer behavior. The themes include community development, environmental conservation, ethical practices, ethical production practices, Ayurveda, social responsibility, sustainable consumption patterns, and welfare. The research found that companies that prioritize these themes are viewed positively by consumers and can enhance their reputation, increase customer loyalty, and attract socially conscious consumers. Consumers are becoming more interested in sustainable practices, ethical products, and Ayurveda, and are increasingly adopting sustainable consumption patterns. Additionally, companies that prioritize the welfare of their employees and other stakeholders are viewed positively, which can lead to increased productivity and loyalty.

#### D. Sentiment analysis

Sentiment analysis is a technique that aims to identify the emotional tone or attitude expressed in communication, whether it is positive, negative, or neutral. This approach is often used to analyze unstructured data, such as customer reviews or social media posts, to understand the audience's sentiment toward a particular product, service, or brand. Sentiment analysis is a valuable tool for businesses to monitor customer sentiment, improve the customer experience, and make data-driven decisions. The NVivo 12 software allows for the extraction of up to four sentiments, as shown in the graphs presented by [17] and [18]. Automated methods have been developed to extract

sentiment, and this technique has gained significant popularity in fields ranging from computer science to management and the social sciences, as noted by [19].

| A : Very Negative | B: Moderately Negative | C : Moderately Positive | D : Very Positive |
|-------------------|------------------------|-------------------------|-------------------|
| 0                 | 0                      | 5                       | 0                 |
| 0                 | 0                      | 5                       | 1                 |
| 2                 | 0                      | 2                       | 1                 |
| 0                 | 0                      | 5                       | 0                 |
| 0                 | 1                      | 6                       | 0                 |
| 0                 | 0                      | 3                       | 0                 |
| 0                 | 0                      | 6                       | 0                 |
| 0                 | 0                      | 11                      | 0                 |
| 0                 | 0                      | 6                       | 1                 |
| 0                 | 0                      | 3                       | 1                 |
| 0                 | 1                      | 6                       | 0                 |
| 0                 | 1                      | 4                       | 1                 |
| 0                 | 0                      | 5                       | 1                 |
| 2                 | 0                      | 2                       | 1                 |
| 0                 | 0                      | 3                       | 1                 |
| 0                 | 0                      | 11                      | 0                 |
| 0                 | 0                      | 6                       | 1                 |
| 0                 | 0                      | 3                       | 1                 |
| 0                 | 1                      | 6                       | 0                 |
| 0                 | 1                      | 4                       | 1                 |
| 0                 | 0                      | 5                       | 1                 |
| 0                 | 0                      | 3                       | 0                 |
| 2                 | 0                      | 2                       | 1                 |
| 0                 | 0                      | 3                       | 0                 |
| 0                 | 0                      | 5                       | 0                 |
| 0                 | 0                      | 3                       | 1                 |
| 0                 | 0                      | 6                       | 0                 |
| 0                 | 0                      | 11                      | 0                 |
| 0                 | 0                      | 6                       | 1                 |
| 0                 | 0                      | 3                       | 1                 |
| 0                 | 0                      | 5                       | 1                 |

Fig. 3.Distribution of respondent sentiment analysis-Primary Source

The sentiment analysis of the research participants' responses in Figure 3 shows that the impact of corporate social responsibility and marketing communication on consumer consumption patterns is perceived positively and moderately positively. The findings reveal that organizations' CSR initiatives are vital and that communicating these initiatives to FMCG consumers can have a significant impact on their consumption patterns. It emphasizes the significance of effective communication of CSR initiatives to the target audience to encourage positive consumer behavior, refers in Figure 3.

#### E. Word Cloud



Fig. 4. Word Cloud Primary source

#### DISCUSSION

Corporate social responsibility (CSR) refers to a company's efforts to act in a socially responsible manner by considering its operations' impact on the environment and society, such as reducing carbon emissions, supporting local communities, and promoting ethical business practices. When companies engage in CSR, they can benefit from positive effects on their reputation and brand image, which could influence the consumer's buying behavior. This is where marketing communication comes in: by communicating their CSR efforts to consumers, companies can improve their brand image and potentially increase sales.

According to cone communications, 91% of consumers are more likely to buy products from a company that supports social or environmental causes. [20] discovered in a separate study that 66% of consumers are willing to pay more for products and services from organizations that are committed to having a positive social and environmental effect. In addition to increasing sales, CSR can also improve customer loyalty and retention. A study found that customers who are emotionally connected to a brand are 52% more valuable in terms of revenue than those who are not emotionally connected. CSR can help to create this emotional connection by demonstrating a company's values and commitment to social responsibility.

CSR initiatives must be authentic and not just a marketing ploy (a marketing tactic or strategy that is used to manipulate or deceive consumers rather than to provide them with truthful and accurate information) Consumers are becoming increasingly savvy and can easily spot Greenwashing or CSR initiatives that are not genuine. A study by [21] found that 75% of consumers are skeptical of companies' environmental claims, and 42% of consumers have boycotted a company due to its perceived irresponsible business practices. In conclusion, the impact of CSR and marketing communication on consumer consumption patterns can be significant. By engaging in genuine CSR initiatives and communicating them effectively to consumers, companies can improve their brand image, increase sales, and improve customer loyalty. However, companies must be careful to ensure their CSR initiatives are authentic and not just a marketing ploy [22].

#### **CONCLUSION**

This study examines the effect of corporate social responsibility and marketing communication on consumer purchasing behavior. Thematic and sentiment analysis revealed a significant positive association between corporate social responsibility and consumer consumption patterns. Marketing communication plays a crucial role in shaping consumers' perceptions of a company's social responsibility efforts.

Based on the thematic analysis, we can see that community development, protecting the environment, legally doing things, and doing things in an honest way when making products are some of the most important ways that consumers expect companies to be socially responsible. This suggests that consumers are concerned not only about the impact of a company's operations on the environment but also on the communities where they operate and the ethical standards they uphold. Interestingly, Ayurveda (an ancient system of medicine originating in India) and sustainable consumption patterns were also identified as important themes of social responsibility. This may be a sign that customers are increasingly looking for goods and services that not only adhere to their values and views but are also socially and environmentally responsible. Overall, the data suggests that companies that prioritize social responsibility in areas such as community development, environmental conservation, ethical practices, and ethical production practices are more likely to appeal to socially conscious consumers and gain a competitive advantage in the marketplace. By effectively communicating their social responsibility efforts, companies can establish themselves as leaders in sustainability and ethical business practices, building trust and loyalty with consumers who prioritize these values.

Sentiment analysis showed that consumers generally have a moderately positive sentiment towards companies with strong CSR efforts, but that there is room for improvement in terms of companies being more transparent and genuine in their CSR communication. Overall, our findings suggest that incorporating social responsibility into business operations and effectively communicating these efforts to consumers can have a positive impact on consumer consumption patterns. Companies that are transparent and genuine in their CSR communication are likely to gain the trust and loyalty of environmentally and socially conscious consumers.

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