IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 5, Issue 3, October 2025
Impact Factor: 7.67

Role of Corporate Social Responsibility in Influencing Consumer Perception while Buying a Product

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Abstract: *In recent times, consumers have become more conscious about ethical, social, and environmental issues, which has led to growing importance of Corporate Social Responsibility (CSR) in business practices. This paper attempts to understand consumer attitudes, awareness, and perception of CSR initiatives and how these factors affect buying decisions. A structured questionnaire was designed to collect data regarding the awareness of CSR activities, the importance consumers attach to different CSR areas such as education, healthcare, environmental sustainability, and women empowerment, as well as the influence of CSR on trust, loyalty, and brand reputation. The collected data was analyzed using statistical tools such T- test and ANOVA test the relationship between CSR and consumer perception. The findings reveal that consumers strongly associate CSR with improved brand reputation, trust, and loyalty, which directly influence their purchase decisions. Education and healthcare emerged as the most valued CSR initiatives, while social media and word-of-mouth were identified as the most effective mediums for CSR awareness. The study implies that marketers and companies need to increase consumer awareness of CSR efforts and highlight their impact to differentiate themselves in the marketplace. The current research aims to identify the level of consumer attitude, acceptance, awareness, and perception of CSR initiatives. It majorly focuses on the impact of various demographic factors on consumer buying behaviour and analyses the factors influencing positive and negative perceptions of CSR. It further examines how CSR attributes contribute to consumer satisfaction and brand preference while buying a product.*

Keywords: Corporate Social Responsibility, Consumer Perception, Brand Loyalty, Buying Behaviour

I. INTRODUCTION

1.1 CSR and Business

Corporate Social Responsibility (CSR) refers to the responsibility of businesses to contribute positively to society while achieving profitability. It involves integrating social and environmental concerns in day-to-day operations and engaging stakeholders beyond mere financial gains. Modern consumers are increasingly aware of issues like sustainability, fair trade, and ethical business practices. CSR has become a significant factor that influences their buying decisions.

1.2 Profile of CSR in Global Business

CSR has emerged as a global trend where companies across industries — from manufacturing to IT, FMCG, automobiles, and finance — dedicate a portion of their profits to social welfare initiatives. These include education, healthcare, women empowerment, skill development, environmental sustainability, and disaster relief.

1.3 Recognition of CSR

In recent years, Corporate Social Responsibility (CSR) has evolved from a voluntary effort to a formal requirement in many countries. In India, for instance, the Companies Act, 2013 mandates certain companies to invest a portion of their profits in social and environmental development, highlighting the growing role of businesses in societal progress.

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Beyond legal compliance, many companies now recognize that CSR brings long-term benefits, such as enhanced public image, consumer trust, brand reputation, and employee satisfaction. CSR also improves stakeholder relationships, attracts investors, and reduces regulatory pressure. As consumers and investors increasingly value ethical practices, CSR has become a strategic tool for sustainable growth and long-term value creation.

1.4 CSR Activities Commonly Practiced

Corporate Social Responsibility (CSR) activities often focus on addressing critical social, economic, and environmental issues. Many companies actively engage in a variety of initiatives aimed at improving the quality of life in the communities where they operate. Some of the most practiced CSR activities include:

Education and Healthcare: Promoting access to quality education and healthcare is a key focus of CSR programs. Companies often support the establishment of schools, provide scholarships for underprivileged students, organize health camps, and contribute to building hospitals or healthcare facilities. These efforts aim to bridge the gap in basic services, especially in rural or underserved areas.

Environmental Sustainability: With growing awareness of environmental concerns, many organizations are investing in eco-friendly initiatives. These include tree plantation drives, promotion of renewable energy sources like solar or wind, waste segregation and management programs, and steps to reduce industrial pollution. Such efforts help minimize the environmental footprint of business activities while promoting sustainable practices.

Women Empowerment: Empowering women through CSR involves creating equal opportunities for education, employment, and entrepreneurship. Many companies support the formation of self-help groups, offer vocational training programs, and encourage women-led enterprises. These initiatives contribute to gender equality and economic independence for women, especially in marginalized communities.

Community Development: Businesses often invest in the overall development of the communities in which they operate. This includes building infrastructure such as roads, sanitation facilities, and community centers, ensuring access to clean drinking water, and implementing rural development schemes. Skill development programs are also introduced to enhance employability and improve livelihoods.

Disaster Relief and Rehabilitation: In times of natural disasters or emergencies, companies contribute through immediate relief efforts such as distributing food, medical aid, and temporary shelter. Additionally, many engage in long-term rehabilitation by helping rebuild infrastructure, homes, and restoring livelihoods for affected populations.

II. REVIEW OF LITERATURE

The concept of Corporate Social Responsibility (CSR) has evolved significantly over time, with various scholars offering distinct perspectives on its meaning and application.

Bowen (1953) considered a pioneer in the field of CSR, conceptualized it as the responsibility of business leaders to align their policies and decisions with the broader goals and values of society. He emphasized that businesses should not operate in isolation from social norms but rather act in ways that contribute positively to the social fabric.

Frederick (1960) extended this understanding by asserting that the role of business is not just to generate profit but also to ensure that the economic system functions in a way that aligns with public expectations. He viewed CSR as a mechanism through which business leaders can guide the economy towards socially beneficial outcomes.

Goyder (2003) offered a stakeholder-focused interpretation, stating that modern industry must go beyond serving shareholders alone. According to him, businesses are collective enterprises involving various stakeholders—including employees, management, customers, local communities, government, and trade unions—all of whom have a role in shaping its direction. He argued that sustaining private enterprise requires an inclusive approach that considers the interests of all these parties.

Wood (1991) presented a more practical and measurable approach to CSR. She suggested that CSR is demonstrated through an organization's commitment to certain policies and actions, and can be evaluated by examining how the firm manages its relationships with society, the social impact of its activities, and the outcomes of its CSR initiatives.

Bajpai (2001) provided a region-specific perspective, particularly relevant to the Indian context. He emphasized that CSR should encompass both ethical responsibility and philosophical understanding. In a country with significant

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disparities in income and living standards, CSR must aim to address these socio-economic divides through inclusive and equitable corporate practices.

III. RESEARCH METHODOLOGY

3.1 STATEMENT OF THE PROBLEM

The researcher examines the relationship between CSR initiatives and consumer perception while buying a product. The study investigates how CSR influences brand loyalty, trust, and purchasing behaviour, and whether it provides a competitive advantage in today's market.

3.2 SIGNIFICANCE OF THE STUDY

The study highlights how CSR initiatives influence consumer choices and serve as a reference for understanding ethical business practices in modern industry.

OBJECTIVE OF THE STUDY

1. To study various CSR initiatives undertaken by companies.
2. To analyse the impact of CSR on consumer perception.
3. To identify which CSR areas (education, healthcare, environment, etc.) consumers value the most.
4. To determine the influence of CSR on consumer buying decisions.

3.4 RESEARCH DESIGN

The study is descriptive and exploratory, focusing on how Corporate Social Responsibility (CSR) influences consumer perception and buying behavior in Navi Mumbai. Primary data was collected using a structured questionnaire, administered outside selected supermarkets and retail stores. A total of 100 questionnaires were distributed, and all valid responses were included in the analysis. The questionnaire gathered demographic information (age, gender, education, occupation, income) and insights into consumer awareness of CSR, trust in socially responsible companies. A convenience sampling method was used to approach consumers exiting stores who were willing to participate.

3.5 DATA COLLECTION

Data collection refers to the process of gathering information relevant to the research topic being investigated by the researcher. It involves the preparation and systematic collection of data. The following methods can be utilized for data collection during the research process.

3.5.1 COLLECTION OF PRIMARY DATA

Primary data is collected directly from participants using tools like questionnaires. This helps gather specific information that is relevant to the research topic.

3.5.2 COLLECTION OF SECONDARY DATA

The research paper is based on the secondary data sourced from journals, magazines, articles, company websites and media reports. Keeping in view the set objectives, this research design was adopted to have greater accuracy and in-depth analysis of the topic chosen for research study. The available secondary data through various sources was extensively used for the study.

3.5.3 LIMITATIONS OF THE STUDY

1) The sample used may not fully represent the overall consumer population because convenience sampling was applied.
2) The reliance on self-reported data introduces the possibility of response bias, where respondents may have provided socially desirable answers rather than their true opinions.

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3) The geographic scope of the survey was limited, and thus the findings may not fully capture the perceptions of consumers in other regions where Tata Group operates.
4) Some aspects of CSR initiatives, such as long-term impact, could not be fully evaluated within the time frame of the study, limiting a comprehensive assessment.

IV. FINDINGS AND DATA ANALYSIS

4.1 PROFILE OF RESPONDENTS

4.1.1 Gender-wise distribution of the respondents:

Table No. 4.1 Gender-wise distribution of the respondents

Sr. No.	Gender	Responses	%
1	Male	35	35%
2	Female	65	65%

Source: Primary Data

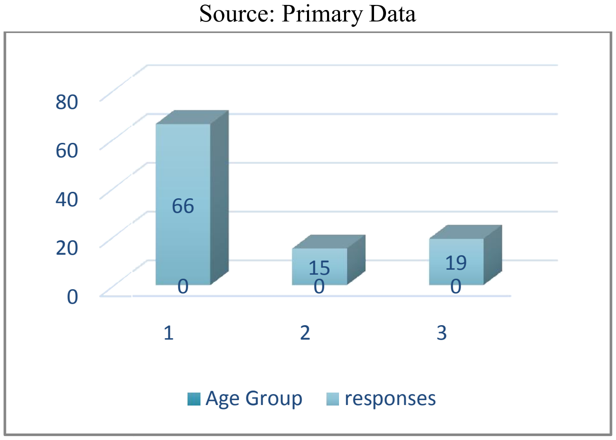
Interpretation: The table indicates that 65% of the respondents were Female, and 35% were Male. This reflects the gender-wise distribution of participants in the study on the role of Corporate Social Responsibility in influencing consumer perception while buying a product.

4.1.2 Age-wise distribution of the respondents:

Table No. 4.2 Age-wise distribution of the respondents

Sr. No.	Age Group	Responses	%
1	18–25 years	66	66%
2	26–40 years	15	15%
3	41–60 years	19	19%
Total		100	100%

Source: Primary Data



Interpretation: The table shows that 66% of the respondents are between 18–25 years of age, 15% are between 26–40 years, and 19% are in the 41–60 years age group, out of a total of 100 respondents. This indicates that the majority of participants belong to the younger age group (18–25 years).

4.1.3 Education-wise distribution of the respondents:

Table No. 4.3 Education-wise distribution of the respondents

Sr.No.	Education Level	Responses	%
1	Graduate	43	43%
2	Post graduate	20	20%
3	Undergraduate	37	37%

Total		100	100%

Source: Primary Data

Interpretation: The table shows that 43% of the respondents are Graduates, 37% are Undergraduates, and 20% are Postgraduates, out of a total of 100 respondents. This indicates that the majority of participants are Graduates, followed closely by Undergraduates, with Postgraduates forming the smallest group.

4.1.4 Influence of CSR Initiatives on Consumer Buying Decisions

Table No. 4.4 Influence of CSR Initiatives

CSR Area	Female	Male	Total
Education and Healthcare	28	17	45
Environmental Sustainability	5	4	9
Women Empowerment	4	0	4
Disaster Relief Efforts	28	14	42
Total	65	35	100

Source: Primary Data

Interpretation: The data shows that education and healthcare (45%) and disaster relief efforts (42%) are the most influential CSR areas affecting consumer buying decisions. Environmental sustainability (9%) and women empowerment (4%) had less impact. Female respondents showed greater sensitivity to CSR initiatives overall, especially in education and disaster relief. This suggests that companies focusing on these areas are more likely to gain consumer trust and brand loyalty.

4.1.5 Factors Influencing Consumer Perception of CSR

Table No. 4.5 Factors Influencing Consumer Perception of CSR

Sr.No.	Influence Source	Responses	%
1	Advertising	10	10%
2	Personal experience	10	10%
3	Social media	39	39%
4	Word-of-mouth	41	41%
Total		100	100%

Source: Primary Data

Interpretation: The table shows that 41% of the respondents are influenced by Word-of-mouth, 39% by social media, while only 10% each are influenced by Advertising and Personal experience, out of a total of 100 respondents. This indicates that Word-of-mouth and social media are the most impactful sources influencing consumer perception of CSR.

4.1.6 Consumer Perception of CSR Benefits

Table No. 4.6 Consumer Perception of CSR Benefits

Sr.No.	CSR Benefit	Responses	%
1	Enhanced customer loyalty	13	13%
2	Improved financial performance	14	14%
3	Increased brand reputation	25	25%
4	All of the above	48	48%
	Total	100	100%

Source: Primary Data

Interpretation: The table shows that 48% of respondents believe CSR provides multiple benefits, including customer loyalty, financial performance, and brand reputation. 25% see brand reputation as the key benefit, while 14% and 13%

highlight financial performance and customer loyalty, respectively. This indicates a strong perception that CSR delivers comprehensive value to organizations.

V. HYPOTHESIS

1st Hypothesis

H_1 :There is a significant relationship between gender and the types of CSR initiatives participated in (Community development, Disaster relief, Education & healthcare, Environmental sustainability).

H_0 :There is no significant relationship between gender and the types of CSR initiatives participated in.

Table 5.1 CSR Initiatives Consumers Value Most

	CSR Initiatives				
	Community development programs	Disaster relief efforts	Education and healthcare initiatives	Environmental sustainability projects	Grand Total
Female	19	1	29	16	65
Male	16	0	10	9	35
Grand Total	35	1	39	25	100

Source: Primary Data

Anova: Single Factor

SUMMARY				
Groups	*Count*	*Sum*	*Average*	*Variance*
Female	4	65	16.25	134.25
Male	3	35	11.66666667	14.33333333

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	36.01190476	1	36.01190476	0.417368029	0.5467	6.607890974
Within Groups	431.4166667	5	86.28333333			
Total	467.4285714	6				

Interpretation: The ANOVA results show that the F-value (0.417) is much less than the critical value (6.608), and the P-value (0.5467) is greater than 0.05. This indicates that there is no significant difference between the group means. Therefore, we fail to reject the null hypothesis.

2nd Hypothesis

H_1 :There is a significant relationship between gender and the perceived benefits of CSR initiatives

H_0 :There is no significant relationship between gender and the perceived benefits of CSR initiatives.

Table 5.2 Benefits of CSR Initiatives

		Female	Male	Grand Total
Benefits of CSR Initiatives	All of the above	31	17	48
	Enhanced customer loyalty	9	4	13
	Improved financial performance	11	3	14
	Increased brand reputation	14	11	25
	Grand Total	65	35	100

Source: Primary Source

DOI: 10.48175/IJARSCT-29318

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t-Test: Paired Two Sample for Means			
	31	*17*	
Mean	11.33333	6	
Variance	6.333333	19	
Observations	3	3	
Pearson Correlation	0.866025		
Hypothesized Mean Difference	1		
Df	2		
t Stat	2.982405		
P(T<=t) one-tail	0.048219		
t Critical one-tail	2.919986		
P(T<=t) two-tail	0.096438		
t Critical two-tail	4.302653		

Interpretation: This t-test compares the means of two variables to determine if there is a significant difference between them. Since the two-tailed P-value (0.096) is greater than 0.05, we fail to reject the null hypothesis (H_0). This means there is no statistically significant difference between the means of Variable 1 and Variable 2.

Findings

A majority of respondents were female (65%), and most were young adults aged 18–25 (66%), indicating that younger women are more engaged with CSR when making buying decisions.

Education, healthcare, and disaster relief were identified as the most influential CSR areas impacting consumer choices, while environmental and women empowerment initiatives had less effect.

Word-of-mouth and social media emerged as the most powerful channels shaping consumer perceptions of CSR, far outweighing traditional advertising and personal experience.

Almost half of the respondents (48%) believe CSR provides multiple benefits to companies, including enhanced brand reputation, financial performance, and customer loyalty.

VI. RECOMMENDATIONS:

Companies should focus their CSR efforts on education, healthcare, and disaster relief initiatives, as these have the strongest influence on consumer buying behavior.

Leveraging social media platforms and encouraging word-of-mouth communication will maximize the reach and impact of CSR messaging.

CSR campaigns should be tailored to appeal to younger consumers, especially women aged 18–25, who show higher engagement.

Clear communication about the broad benefits of CSR—such as brand reputation and customer loyalty—will help strengthen consumer trust and preference.

Businesses should reduce spending on traditional advertising for CSR and instead invest in interactive and community-based engagement strategies.

VII. CONCLUSION

The present study shows that Corporate Social Responsibility (CSR) plays a vital role in shaping consumer perception and purchasing behaviour. Today's consumers are more aware of companies' ethical and social actions, which strongly influence their brand choices. CSR initiatives in education, healthcare, and disaster relief are especially valued, as they align with public needs and expectations. The findings highlight that CSR builds consumer trust and brand loyalty, with socially responsible companies seen more favourably. CSR also serves as a strategic tool to stand out in a competitive market. Its impact is amplified through effective communication, especially on social media and through word-of-

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mouth, which helps companies connect emotionally with consumers. In conclusion, CSR is essential for modern business success, boosting reputation, trust, loyalty, and long-term growth.

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DOI: 10.48175/IJARSCT-29318