

# Do Customers in the Luxury Fashion Sector Care About CSR? A Qualitative Investigation Using Tanishq as a Case Study

Ishita Sethi

MIT Arts, Commerce & Science College, Alandi, Pune, India

**Abstract:** *This paper explores whether luxury fashion consumers are influenced by Corporate Social Responsibility (CSR) initiatives. While luxury brands emphasize exclusivity and prestige, the increasing awareness of ethical business practices has led to a shift in consumer preferences. Using Tanishq, an Indian luxury jewelry brand, as a case study, this research employs qualitative methods to examine the role of CSR in consumer decision-making. The findings reveal a growing consciousness of CSR among younger consumers, while older generations prioritize traditional luxury values like craftsmanship and heritage. Tanishq's sustainability and ethical sourcing efforts illustrate how CSR can add value without compromising luxury appeal.*

**Keywords:** Corporate Social Responsibility

## I. INTRODUCTION

The luxury fashion sector has been characterized by small production volumes, quality, craftsmanship and gorgeousness. However, in the last ten years, consumers of luxury goods have demanded new values that are associated with brands such as transparency, ethical responsibility. In the context of CSR luxury fashion, organizations' responsibilities primarily include issues related to supply chain, employees, and local people. The objective of this research is to test the hypothesis that CSR activities impact the buying behaviours of consumers while examining selecting Tanishq, which is a leading Indian jewelers

### Research Question

Is CSR an important factor for consumers in the luxury fashion sector? And how does CSR really affect consumers' preferences, for example, through the companies, like Tanishq?

## II. LITERATURE REVIEW

The relationship between CSR and consumer behavior has been well-documented in various industries, but the luxury sector presents a unique case. Luxury consumers are typically defined by their preference for exclusivity and status, often viewing the acquisition of high-end products as a marker of personal success. Traditional luxury brand values include quality craftsmanship, heritage, and innovation. However, as ethical consumption becomes a more prominent global trend, many luxury brands have begun integrating CSR into their core operations.

### CSR in Luxury Fashion

The study on how CSR concerns the consumer behavior has been done in other industries, but not in luxury industry. Luxury consumers are normally depicted with status and selectiveness mainly because they consider the possession of luxurious products as key to success. The locomotives that formed the basis of traditional luxury brands include superior quality, authenticity or antecedent and innovation. Despite the fact consumer ethics is more visible today than ever before, most luxury goods manufacturers have shifted to embrace CSR strategies into their operations.

### Consumer Perceptions of CSR

Some analyses of current research unveiled that millennial and gen z customers are more likely to consider accessibility and CSR when shopping. A study carried out by Kapferer (2015) notes that the young luxury consumers consider CSR

a component of the luxury brand. This generation often identifies with experiences and the stories associated with products and therefore they are willing to give loyalty to those brands which uphold their values and these include sustainable and fairly traded brands. It may be worth stating that while older consumers may endorse CSR they also respond positively to more 'traditional' aspects of luxury such as rarity and quality.

### CSR in Indian Luxury Brands

While luxury brands in India has largely adopted the concepts of heritage and craftsmanship, newer players such as Tanishq has entered into sustainability. A recent study shows that Indian consumers, more so the youths, are changing and are very sensitive to ethical issues arising from consumption. Still, it is still questionable how specific the effects of CSR on the purchasing decision in this sector are, especially in the emerging Indian luxury market.

### III. METHODOLOGY

This research employed a mixed-methods approach, combining qualitative and quantitative data to investigate luxury consumers' attitudes toward CSR. Data were collected using an online Google Form survey distributed to a diverse group of luxury consumers across different demographics. The survey was designed to measure consumer awareness, attitudes, and purchasing behaviors related to CSR in the luxury fashion sector.

#### Survey Design

The survey was divided into three main sections:

- **Consumer Demographics:** Age, gender, income level, and occupation.
- **CSR Awareness and Perception:** Questions focused on whether consumers were aware of CSR initiatives by luxury brands and how important they considered these initiatives in their purchasing decisions.
- **Brand Loyalty and Purchase Behavior:** Questions addressed how CSR influenced their loyalty to luxury brands, along with other factors like product quality, brand heritage, and exclusivity.

The survey was shared via social media platforms (Facebook, LinkedIn) and luxury consumer forums.

#### Data Collection

A Google Form survey was used as the primary method of data collection for this research. The survey link was shared with potential respondents through targeted social media channels and email. A brief description of the research's objective was provided to ensure informed consent from participants.

#### Survey Structure:

- **Demographics:** Age, gender, income level.
- **CSR Knowledge:** Awareness of CSR initiatives by luxury brands (e.g., sustainability, ethical sourcing).
- **Influence of CSR:** How CSR initiatives affect brand perception and purchasing decisions.
- **Brand Loyalty:** How CSR impacts long-term loyalty to luxury brands.

#### Example Questions:

- *On a scale of 1-5, how important is it for a luxury brand to engage in sustainable practices?*
- *How much does a brand's CSR initiatives influence your purchasing decision (1-5)?*
- *Which luxury brand's CSR initiatives are you aware of? Please describe.*
- *Do you believe luxury brands like Tanishq benefit from being more socially responsible? Why or why not?*

### IV. RESULTS

The data collected through the Google Form survey provided both quantitative insights into consumer behavior and qualitative opinions on CSR initiatives. The following results are based on the responses of the 150 participants:

### **Quantitative Findings**

#### **CSR Importance:**

72% of younger respondents (25-40 years old) rated CSR as "important" or "very important" in their purchasing decisions (4-5 on the Likert scale).

In contrast, only 43% of older respondents (40-60 years old) considered CSR to be highly important.

#### **Brand Loyalty and CSR:**

65% of younger respondents indicated that they would be more likely to remain loyal to a brand that prioritizes CSR initiatives, while only 35% of older respondents felt the same way.

For both age groups, **product quality** (89%) and **brand heritage** (75%) were the primary factors influencing loyalty, but CSR came third (58%) for younger respondents.

#### **Awareness of CSR Initiatives:**

80% of participants were aware of CSR efforts by luxury brands, with **Tanishq** being the most mentioned brand in India.

Among younger consumers, 68% were familiar with specific CSR efforts like Tanishq's ethical sourcing and sustainability programs, compared to 40% of older consumers

## **V. DISCUSSION**

It is clear from the survey results that over the next five years young luxury consumers are likely to pay more attention to CSR when making purchases even though quality, craft and brand history will continue to matter to the older generation of consumers. Ethical sourcing and focus to the community by Tanishq has been quite appealing to the youthful population, thus supporting the ethical consumption in the luxury sector.

Regarding analyzing the collected material, the method of thematic analysis was employed in order to reveal patterns and trends concerning consumers' attitudes towards CSR in luxury industry. In the study, the researcher purposed to identify consumer behavior across the different age ranges social factors; and how CSR influences loyalty towards luxury brands.

### **Case Study: Tanishq's CSR Initiatives**

It is with reference to this that Tanishq jewelers, which is under the Tata Group of companies, has been among the pioneers of CSR in the Indian luxury jewelry market. The company's policy on ethical sourcing and sustainable sourcing and contribution to the community welfare is also depicted by the company's "Golden Harvest" that concern ethical gold sourcing and conflict free diamond. Tanishq also pays special attention to the sourcing of materials from artisans and paying them their deserved wages; women's employment in the supply chain.

Tanishq is one of the leading luxury jewelry retail houses in India which is a part of Tata group having its branch in many cities of India has become a benchmark for corporate social responsibilities in Corporate Luxury. As a jewelry brand, Tanishq specializes in 'Kundan', 'Mehndi', 'Jhumka', etc., and aligning with the latest trend in the market and at the same time, the organization being a jewelry company which is in alignment with traditional values, has come up with being an ethical and socially responsible company. This case study explores Tanishq's CSR initiatives in three key areas: concerns on ethical sourcing, environmental sustainability and community development and establish how these factors affect the buyers' behavior in luxury fashion segment.

### **Ethical Sourcing and Responsible Practices**

One of the core aspects of Tanishq's CSR strategy is its commitment to ethical sourcing. The brand has implemented strict protocols to ensure that the gold and diamonds used in its jewelry are conflict-free. Through initiatives like the Titan Code of Conduct and Responsible Jewellery Council (RJC) certification, Tanishq ensures transparency in its supply chain. This means that all materials are sourced in a way that does not contribute to conflict, human rights abuses, or environmental degradation.

Ethical Gold Sourcing: Tanishq has pledged to source its gold from certified mines that follow ethical labor and environmental practices. The brand participates in the Golden Harvest program, which promotes sustainable gold

mining and ensures that workers are paid fair wages. This initiative allows Tanishq to maintain its luxury image while addressing concerns about exploitative mining practices that are prevalent in the jewelry industry.

Conflict-Free Diamonds: Tanishq also ensures that its diamonds come from legitimate sources, following the Kimberley Process Certification Scheme. This international system helps prevent the trade of conflict diamonds, which are often associated with war and human rights violations. By adhering to these standards, Tanishq not only boosts consumer trust but also sets an example for other luxury brands to follow.

### **Environmental Sustainability Initiatives**

Apart from the ethical sourcing measures, Tanishq has made great progress with the integration of environmental considerations. The brand has made it its duty to cut down its emission of carbon through efficient usage of energy during production and the use of recycled material.

Moreover, Tanishq has also come up with product packaging for its products, which lacks plastic packs and comes with the recyclable and biodegradable packs. This is in effort to align into a long-term sustainability plan for reducing the environmental footprint of the brand.

### **VII. CONCLUSION**

This research has shown that CSR is becoming more prominent in the luxury fashion sector especially among the young generation consumers who have a certain level of concern to sustainability more than any other group of consumers. When asked about CSR, the Google Form survey showed that consumers of the newer Generation put high value to it unlike the older generation that valued traditional luxury attributes like craftsmanship and exclusivity of an item.

The study of Tanishq shows that it is possible implement CSR strategies in conjunction with the principles of a luxurious brand without detriment to its identity. One of the mandatory and important conditions that consumers come across nowadays while choosing a particular brand is the brand's social relevance and commitment in different areas, including ethical sourcing, environmental sustainability, and even community development – and here, Tanishq has obvious advantages among its competitors: its activities align with the expectations of the youthful, conscious consumer, who expects brands to share their values. The care relating to ethical gold sourcing, the environmentally friendly packaging and the support for artisanal silver has helped Tanishq to improve their image and bring loyalty to a new generation of consumers.

Nevertheless, the study also reveals the perception of the society that CSR is an extra plus to the product and not the reason why luxury products are bought. According to the self-generated questionnaire survey, the two factors of product quality and brand reputation again dominate the list of priorities for most of the respondents. Therefore, for luxury brands, the challenge for appealing to these new segments is for luxury brands to complement CSR with luxury consumption values.

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