

# Impact of CSR on Consumer Buying Behavior

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**Abstract:** *Corporate social responsibility has a huge impact on consumer buying behavior. It influences the buying behavior of consumers. This study aims to examine the buying behavior of consumers. It focuses on how consumers respond to the company's socially responsible practices and activities. This research investigates the role of CSR in shaping consumer trust and loyalty. It examines environmental responsibility, community engagement, ethical practices, and how these factors affect consumer buying and decision-making processes. It is an important aspect of business strategies, influencing consumer behavior. Moreover, it reveals that transparency in CSR is important to build consumer loyalty and trust. The result suggests that CSR positively helps to gain consumer trust and loyalty, it positively affects consumer buying behavior. The research helps to improve and enhance their CSR activities and strategies. There is a link between consumer awareness of CSR and their willingness to buy products.*

**Keywords:** Corporate social responsibility (CSR), consumer loyalty, consumer trust, consumer buying behavior, ethical practices

## I. INTRODUCTION

Corporate social responsibility is an important factor in a business. It has a huge impact on consumer buying behavior. It influences consumers to buy the product. Consumers have become more socially aware so while purchasing a product they are increasingly factoring companies' CSR activity. CSR aims at social welfare and well-being rather than companies' profit maximization. It protects the society and society's well-being. It helps to maintain a good and healthy environment when businesses are doing their work. They stop unhealthy and harmful activities. CSR helps to build trust and loyalty in the eyes of the consumers. It builds a good and positive picture of companies in the marketplace. It creates a positive image of the particular product.

CSR focuses on environmental sustainability, ethical labor practices, consumer protection laws, community and society development, and transparency. Consumers are more informed and aware than before, and their awareness has increased significantly. This increased awareness has the highest expectations of social well-being, environmental stability, and sustainability. CSR can influence the buying behavior of consumers in several ways, including consumer trust, brand trust, and environmental sustainability. Effective and positive communication of CSR is important to impact the buying behavior of consumers.

In business CSR is not only a means to fulfill obligations but also a strategic advantage. The relationship between consumer buying behavior and CSR is complex. The objectives of this research are, to analyze the key factors of CSR that influence consumer buying behavior, determine CSR initiatives like environment sustainability, ethical practices, and brand preferences, and understand consumer preferences, consumer choices, and consumer expectations. Consumer choices and preferences influence their purchase decisions.

## II. LITERATURE REVIEW

An increasing body of literature highlights the transformative impact of CSR on consumer behavior, brand perception, and consumer loyalty. This literature review provides an overview of key studies that explore the relationship between CSR and consumer buying behavior.

### **Theoretical Foundation of CSR and Consumer Behavior**

Understanding the impact of CSR on consumer buying behavior lies in theories such as stakeholder theory. Stakeholder theory means a company should consider the needs of all of its stakeholders (employees, consumers, buyers), not only shareholders. The theory of planned behavior also supports the study of consumer buying behavior. These two theories are the link between CSR and consumer buying behavior.

### **CSR and consumer trust**

Trust is a very important factor in consumer-business relationships. CSR helps to increase the trust of the consumer towards the business. Lichtenstein et al. discovered that CSR activities, particularly those related to philanthropy and community development, help build trust and strengthen the bond between consumer and business. CSR is more trustworthy and ethical, which encourages brand loyalty and long-term good relationships.

### **Role of CSR in enhancing brand loyalty**

CSR helps to increase brand loyalty. The connection between CSR and brand loyalty has been extensively researched. CSR helps to build long-lasting relationships between consumers and businesses. Schramm-Klein et al. highlights that CSR activities, particularly in the realm of environmental sustainability, help to build relationships.

### **CSR and consumer buying decision: A complex relationship**

While many studies emphasize the positive impact of CSR on consumer behavior, some research suggests that the relationship is not always straightforward. Carrigan and Attalla found that while consumers prefer socially responsible companies, their buying decisions are often influenced by other factors such as price, convenience, and product quality. This points to the attitude-behavior gap, where consumers' CSR positive attitudes toward CSR do not always translate into purchasing behavior.

### **Consumer demographics and CSR impact**

Consumer demographics also play a significant role in how CSR affects buying behavior. Research by Peloza and Shang found that younger consumers, particularly millennials and Gen Z, are more likely to support responsible brands compared to older generations. These consumers are typically more aware of social and environmental issues and are more likely to incorporate these considerations into their purchasing decisions.

### **CSR and consumer attitudes towards brands**

Several studies indicate that CSR activities positively influence consumers' perceptions and attitudes toward brands. For instance, Sen and Bhattacharya found that CSR initiatives enhance corporate image and consumer identification with a brand, fostering positive attitudes that can drive purchase intentions.

### **Future Scope of Research**

The future scope of research on the impact of corporate social responsibility on consumer buying behavior can include several promising avenues for further investigation:

#### **Industry-specific Analysis**

Future research can focus on examining how CSR initiatives impact consumer buying behavior in specific industries, such as retail, technology, healthcare, or food and beverages. Different industries may yield unique consumer responses to CSR efforts.

#### **Cultural and regional influence**

Cross-cultural studies can explore how consumers from different geographic regions or cultural backgrounds perceive and respond to CSR activities. This could help determine whether CSR impacts consumer behavior differently across global markets.

#### **CSR and digital marketing**

As digital platforms increasingly become vital in brand communication, future research can explore how CSR efforts communicated through social media, websites, and digital campaigns influence consumer perceptions and purchase decisions.

#### **CSR and consumer engagement**

The link between CSR and consumer engagement is another area for future exploration, particularly in terms of how active involvement impacts brand loyalty and purchasing patterns.

### **Impact of CSR on different consumer segments**

Studies can focus on how different consumer segments respond to CSR initiatives, identifying which groups are more likely to be influenced by a brand's social responsibility efforts.

## **III. RESEARCH METHODOLOGY**

### **Research design**

This research employs a descriptive research design, which is suitable for exploring the relationship between a company's CSR activities and how these initiatives influence consumer behavior. The goal is to assess whether consumers' awareness of CSR initiatives affects their purchasing decisions.

Objectives: To analyze the extent to which CSR initiatives affect consumers' choices when selecting products or services.

### **Sampling procedure**

Target population: Consumers from various industries, including FMCG, retail, and technology, who have been exposed to CSR initiatives. These industries are chosen because they frequently promote CSR activities.

Sampling technique: A non-probability convenience sampling method will be used. This technique is selected due to the ease of access to respondents, particularly through online platforms and public surveys.

Sampling frame: Respondents will be selected from urban and semi-urban regions, aged between 18 and 60, where CSR awareness is more prevalent due to greater exposure to media and marketing campaigns.

### **Sample size**

A sample of 200-300 respondents will be selected. The size is deemed adequate for this type of study to provide statistically relevant insights while being manageable. The sample will cover various demographics such as age, gender, income levels, and educational backgrounds, ensuring a balanced representation.

### **Data collection method**

Primary data: Data will be collected through a structured questionnaire distributed both online and offline.

Questionnaire design: The questionnaire will consist of multiple sections aimed at measuring CSR awareness, attitudes toward CSR, and its influence on purchase decisions. It will include:

Demographic information: age, gender, education, income level

CSR Awareness: Questions like "Are you aware of companies engaging in CSR activities?"

Buying Behavior: Questions assessing the role of CSR in purchasing decisions.

### **Data analysis techniques**

Descriptive statistics: Frequencies, percentages, means and standard deviations will be used to summarize the data.

Correlation analysis: To test the relationship between CSR awareness and consumer buying behavior, a correlation analysis will be conducted. This will help determine if a positive correlation exists between CSR awareness and increased likelihood of purchase.

Cross-tabulation: This technique will be used to compare various demographic groups and their responses to CSR activities.

### **Data collection timeline**

The data will be collected over 4-6 weeks to ensure sufficient responses.

### **Ethical considerations**

Informed consent: All respondents will be informed about the purpose of the research and will provide their consent before participating in the survey.

Confidentiality: Respondent data will remain anonymous, and no personally identifiable information will be used in the analysis or reporting of results.

#### **IV. CONCLUSION**

In conclusion, this study has demonstrated that corporate social responsibility initiatives can significantly influence consumer buying behavior. Consumers today are increasingly aware of the ethical practices of companies, and they tend to favor those that demonstrate responsibility toward society, the environment, and their workforce. The findings suggest that CSR activities not only enhance a company's image but also foster stronger consumer loyalty, leading to higher purchase intentions.

Moreover, the positive perception of a company's CSR efforts often translates into a competitive advantage, especially in markets where consumers are more socially and environmentally conscious. Companies that engage in authentic, transparent, and impactful CSR practices are more likely to attract ethically-driven consumers.