

# Consumer Perception towards Smart Marketing of CSR activities

**Kirti Prashar** -Assistant Professor, CGC Landran.

**Tanveer Kaur**- Assistant Professor, CGC Landran.

## Article Info

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## Abstract:

Corporate social responsibility is the indispensable part of today's organisation. No organisation can survive without fulfilling their social responsibilities. This research is performed to study the concept of corporate social responsibility and digital marketing and also to find out the main factors affecting social responsibility in our country and also to examine the relation between corporate social responsibility and digital marketing in the smart world. Corporate social responsibility covers the responsibility of all the organisations towards our society and economic development of country being the part of society and using our country resources. Corporate social responsibility in combination with various e marketing tools result in the success of organisations in today's dynamic world. Internet marketing and mobile marketing are the latest trend in marketing which are used by many organisation's to reach their widely spread customers and also to help in economic growth of country. The research paper concludes that the organisation's need to change with dynamic environment and should employ various e marketing tools in organisation and should also focus on their corporate social responsibility for their long term growth.

**Keywords:** Corporate social responsibility, digital marketing, internet marketing, social networking.

## Article History

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## I. CONCEPTUAL FRAMEWORK

The objective of paper is to study the consumer perception towards the smart marketing of CSR activities. The study claims that no organisation can survive without fulfilling their social responsibilities. The survival of any organization depends on their customers as we all say that customers are the king, they are the key for success of any business. The study of consumer behaviour and perception will help the marketer to understand what their customers think about the marketing of CSR activities on various social media platforms. Whether marketing the CSR is creating goodwill of firm or not. The consumers on other side will understand the value of corporate social responsibility and how this can help the society at large scale.

## II. PROBLEM STATEMENT

To study the major determinants of social responsibility and relation between digital marketing and corporate social responsibility. To analyse the impact of CSR marketing on the minds of consumers and how this can help in creating goodwill for the firm. Increasing awareness about environment and society has made everyone realise the need for CSR

## III. INTRODUCTION

Marketing is most important factor for the success of any organisations. There has been a continuous change in the marketing strategies to meet the needof dynamic environment. Combination of corporate social responsibility and modern marketing tools results in the success of organisations. Thus it is important for any organisation to study the concept of corporate social responsibility and the modern tools of e marketing

and develop the relationship between them. Corporate social responsibility describes the duties of the organisation towards the environmental and social needs. Organisation's being the part of society uses our national resources and thus becomes responsible for the development of the society and sustainable growth of the economy. A CSR program includes comprehensive strategy design, stakeholder analysis and also focus on workplace, marketplace, societal, and environmental dimensions. Corporate social responsibility as a marketing concept states that the organisation's need to their customer needs and provide maximum satisfaction to their customers keeping in mind the overall growth of the economy and environmental issues which further led to use of various digital marketing tools which include internet marketing, social networking sites as well as mobile marketing tools. The organisation need to design a marketing plan which can be used in smart world using smart marketing techniques and further use these smart methods to promote their CSR activities.

#### IV. OBJECTIVES

- To study the determinants of social responsibility and to analyse the relationship between the digital marketing and corporate social responsibility.
- To analyse the impact of CSR marketing on the minds of consumers and to study how this can help in creating goodwill for the firm.
- To find how the internet can help in the growth of any firm and aware the consumers about right and wrong.

#### HYPOTHESIS DEVELOPMENT

##### Hypothesis 1

H0 There is no significance relation between gender and preference for companies fulfilling corporate social responsibility

H1 There is significance relation between gender and preference for companies fulfilling corporate social responsibility.

##### Hypothesis 2

H0 Consumer's do not have positive perception towards e marketing of CSR Activities

H1 Consumer's have positive perception towards e marketing of CSR Activities.

#### V. RESEARCH METHODOLOGY

The research paper is written using descriptive research methodology. The sample for research is collected using questionnaire technique with help of Google forms. The respondents include all the consumers of Punjab. Correlation and T test techniques were applied to test various hypotheses.

#### VI. LIMITATION

Sample size is of only 50 consumers due to time constraint and covers the Punjab region only.

#### VII. LITERATURE REVIEW

##### 1 Corporate social responsibility

**Carol A Tilt** states that emerging countries in today's world have entirely different political environment with differences in their culture, values and norms. He made significant contribution to the study of these differences in culture among different countries like China, Srilanka and other Middle East countries. He designed the frame work for examining various factors influencing corporate social responsibility and concluded that political ideology, cross culture languages; national identity and economic structure were among the major factors which affected social responsibility of the industries. He also stated that there were only some opportunities for CSR in developing countries, which further call for the need to perform future research.

## 2 Wired workforce, Networked CSR

**TheHeymanCenter** for Philanthropy in their study highlighted the use of social networking in corporate social responsibility. He stated various digital marketing tools used by many large companies like Pfizer, PepsiCo, Microsoft and Yahoo. The main Moto of these tools was to gather the required information and share the valuable information with their employees, communities and other stakeholders. He concluded in his study that central point of social media strategies is sharing information which can be further used to develop employee's involvement. The study was also conducted to provide students with the best tools which the can use to develop Corporate social responsibility in their career and profession.

## VIII. CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility describes the manner in which the organisation combines the economic, environment and social aspects into its own strategies and culture. Corporate social responsibility reports have often been shown in financial reports in order to express how they have helped society and how well they will continue ahead. Organisations fulfilling their social responsibilities are more successful and tend to grow than those who are still following the concept of profit maximisation as the main motive. Many firms are using eco friendly ways of marketing their products and moving towards digital marketing in order to preserve their society resources and reach large no of customers. They also promote socially desirable acts in order to be part of society and work as a family of the society. Basic concept of CSR is to fulfil your political, socio cultural and economic responsibility and help in the growth of country.

## IX. POLITICAL ENVIRONMENT

Political environment covers government, their legislations, institutions and all other private and public stakeholders who interact, operate or influence the system. There are many government

actions which have impact on companies operations. The government of India has made corporate social responsibility a compulsory **provision and** obligation as per Companies act 2013 in order to ensure sustainable development and growth of country.

## X. SOCIO CULTURAL ENVIRONMENT

Our culture is the sum total of our beliefs, norms, values and different practices that we do in ourdaily lives. These social factors have great effect on the businesses. Our society and business need to be linked in an organic way. There should not be any discrimination in our society on basis of caste religion colour etc. The organisations should respect the societal norms and values and work according to social expectations.

## XI. ECONOMIC ENVIRONMENT

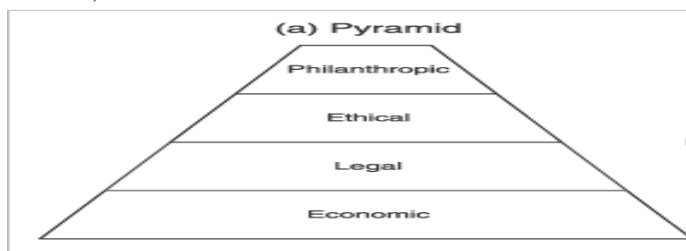
Earlier profit maximization was considered as the only economic responsibility of organisations. They aim to earn greater profits and provide greater returns to their stakeholders as a economic responsibility. But now they can no more exploit consumers to earn profit. Economic responsibility also covers the economic development and economic stability of the country. Organisations need to be transparent regarding their profitability and other financial reports. They need to produce all the goods and services to satisfy the needs and wants of consumer.

## Three models of CSR

### 1)CSR Pyramid

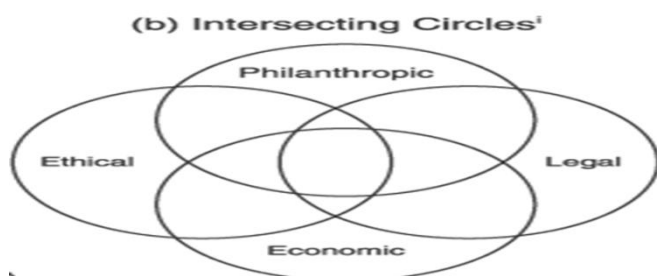
CSR Pyramid is basically the hierarchy of different responsibilities to be shared. Scope of this model is narrow in nature and is just the icing on cake. According to this model CSR activities are essence of organizations ethics and they pay back organization in long run. The pyramid here depicts the expectations of society from different organizations and defines them in different categories namely: - 1) Economic activities (Earn Profit to survive) 2) Be legal (Follow the rules and

regulations, obey law) 3) Be ethical (Don't exploit)  
4) Philanthropic activities (be good corporate citizen)



## 2) Intersecting Circles

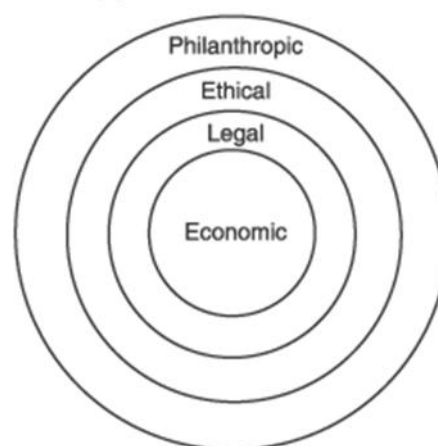
This model depicts the non hierarchical intersecting responsibilities. There is no proper order of defining the activities. All activities are considered to be related to each other. The pyramid framework was not able to capture the interrelated nature of these CSR domains. Thus this second model focuses on overall CSR to resolve issues and advance harmony between them.



## 3) Concentric Circles

Concentric circle is the third model of CSR. It is somewhat similar to the first pyramid model in a way that according to this model also the economic activities of business are the core activities of CSR and on other side it also resembles the second IC model as this model also interrelates the different elements of CSR activities. This model is thus the combination of last two models. This model defines noneconomic social responsibilities as permeating and embracing core economic responsibilities.

(c) Concentric Circles



## XII. DEVELOPMENT OF INTERNET

According to statistics there has been tremendous growth in the number of users of internet. In 2018 there were around 500 million internet users. Internet is integral part of human life which is used in daily routines for various purposes like shopping, to access information, entertainment etc. It is a global system which connects you to the rest of the world at no extra cost.

## XIII. DIGITAL MARKETING:

It is the combination of e marketing and the mobile marketing. E marketing covers the promotion of goods and services using the internet and mobile marketing cover the promotion of goods and services using various mobile apps. It is a new platform to promote their services in the smart world.

## XIV. CSR IN SMART MARKETING WORLD

Corporate social responsibility in today's world is not just about performing philanthropic activities. Consumers not just revolve around price and quality; they need to be aware about how goods are produced and their effect on overall environment. Digital market is not just a tool to market variety of products but also provides a platform to expose many organisations who have failed to perform their social responsibility. A recent example came when I saw social media debate that Charity by Mc Donald's is no more a CSR activity when they do greater harm



by causing obesity. Companies just connect to social issues which they are more passionate about.

Similarly there are many marketing practices done by organisations which are against corporate social responsibility.

Some of these are:

### 1) Increased price of goods and services.

Marketing of goods and services lead to increase in price of these goods and services. The consumer needs to pay premium price of same goods which they can get at low price. Thus we can say that marketing affects the economic stability of our country.

Digital marketing has emerged as a solution to this problem where you can market your product to large number of audience without incurring much cost.

### 2) Misleading and aggressive promotion and advertising.

Many companies use misleading and aggressive promotion techniques to reach their customers. These advertisements are too bold and pushy that their target audience easily gets trapped.

### 3) Quality in differentiated product

Product differentiation is a technique used by many organisations in order to create a psychological value which leads to higher priced brands. It may cause decrease in main quality that a product needs.

### 4) False demand

Marketing leads to creation of false demand for goods and services. Sometimes the consumers buy those goods and services which they do not really need or buy them in excess quantity.

## XV. MARKETING OF CSR ACTIVITIES USING SOCIAL MEDIA PLATFORMS

### 1) Lack of participation by local community

The local communities who are the main beneficiaries of CSR activities show less interest and contribution. The inadequate communication between the organisation and community is one of the issues organisations face in our country.

Digital marketing tools can be used to promote CSR activities and develop proper communication system.

### 2) Lack of transparency

There is lack of transparency in CSR activities performed by organisation. Every organisation tries to mould their activity in order to get competitive advantage thus causes lack of trust between community and organisation.

## PERCENTAGE ANALYSIS AND INTERPRETATION

No research is complete without analysis and interpretation. They are the basics to research. Analysis and interpretation cannot be performed without proper presentation of data. Therefore the data need to be presented using proper tables and charts. For this research the data was collected using the Google forms which made the collection of data easy and compatible and helped to reach the target consumers easily.

The sample size consisted of 50 respondents. The data collected is further analysed using percentage analysis to study the consumer behaviour and attitude towards CSR.

The charts and tables show the response of samples towards marketing of CSR activities. The graphic presentation of data clearly depicts the consumer attitude.

### Gender

Particulars	No of Respondents
Male	13
Female	37

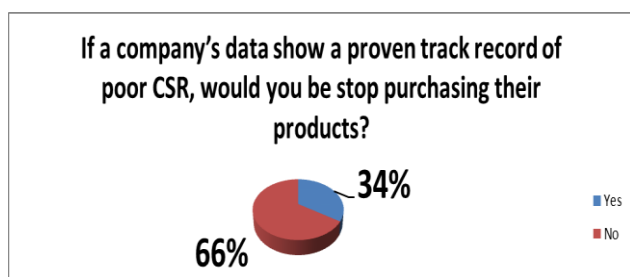
### Age of respondents

Age groups	No of respondents
BELOW 18	0

18-24	12
25-30	16
ABOVE 30	22

If a company's data show a proven track record of poor CSR, would you be stop purchasing their products?

Particulars	No of respondents
Yes	17
No	33

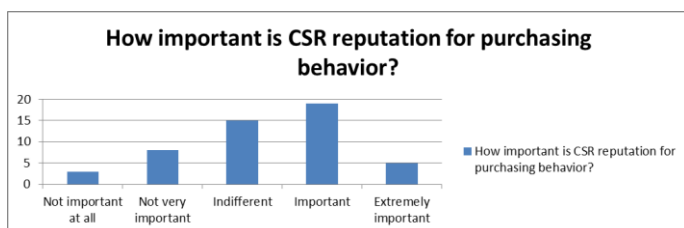


### Interpretation

Most of the respondents get affected by the company's poor CSR status. Consumers are aware about the social needs and if a company has poor track record of CSR they stop purchasing goods from them and often shift to competitive brands.

### How important is CSR reputation for purchasing behavior?

Particulars	No of respondents
Not important at all	3
Not very important	8
Indifferent	15
Important	19
Extremely important	5



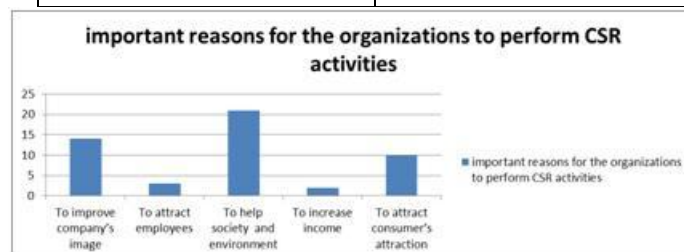
**Interpretation:** - The results reveal that the consumers are aware about the corporate social

responsibilities of firm and often change their purchasing decisions on the basis of companies CSR performances.

### What are important reasons for the organizations to perform CSR activities?

Particulars	No of respondents
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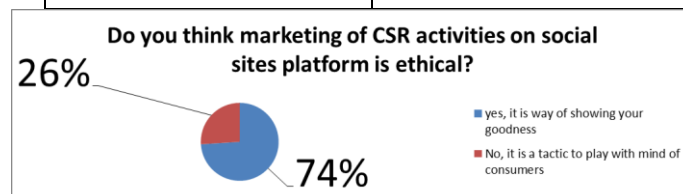
To improve company's image	14
To attract employees	3
To help society and environment	21
To increase income	2
To attract consumer's attraction	10



**Interpretation:** - According to respondents the main reason for the organization to perform CSR activities is to serve the society and help the environment.

### Do you think marketing of CSR activities on social sites platform is ethical?

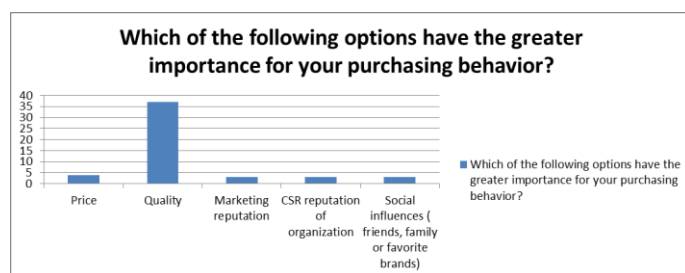
Particulars	No of respondents
yes, it is way of showing your goodness	37
No, it is a tactic to play with mind of consumers	13



**Interpretation:** - 74% of respondents feel that showcasing the CSR activities on social media sites is ethical and help the consumers to be aware of what activities the organizations are engaged in.

**Which of the following options have the greater importance for your purchasing behavior?**

Particulars	No of respondents
Price	4
Quality	37
Marketing reputation	3
CSR reputation of organization	3
Social influences ( friends, family or favorite brands)	3



**Interpretation:** - The major factor that affects the purchase decisions of the consumers is quality. Quality of product plays a very important role in deciding the products to be bought.

## XVI. FINDINGS OF PERCENTAGE ANALYSIS

- Out of the 50 respondents most of the respondents who were concerned about CSR activities were of age group above 30. Young youth is not behind they are also aware about their responsibilities and rights.
- Most of the respondents get affected by the company's poor CSR status. Consumers are aware about the social needs and if a company has poor track record of CSR they stop purchasing goods from them and often shift to competitive brands.
- The results reveal that the consumers are aware about the corporate social responsibilities of firm and often change their

purchasing decisions on the basis of companies CSR performances.

- According to respondents the main reason for the organization to perform CSR activities is to serve the society and help the environment
- 74% of respondents feel that showcasing the CSR activities on social media sites is ethical and help the consumers to be aware of what activities the organizations are engaged in.
- The major factor that affects the purchase decisions of the consumers is quality. Quality of product plays a very important role in deciding the products to be bought.
- The organisation need to design a marketing plan which can be used in smart world using smart marketing techniques and further use these smart methods to promote their CSR activities

## HYPOTHESIS TESTING

### Hypothesis 1

H0 There is no significance relation between gender and preference for companies fulfilling corporate social responsibility

H1 There is significance relation between gender and preference for companies fulfilling corporate social responsibility

### Correlations

		If a company had a proven track record of poor CSR, would you be put off purchasing their products?	Gender of Respondents
If a company had a proven track record of poor CSR, would you be put off purchasing their products?	Pearson Correlation Sig. (2-tailed) N	1 .461 50	-.107 .461 50
Gender of Respondents	Pearson Correlation Sig. (2-tailed) N	-.107 .461 50	1 .461 50

**Interpretation:** H0 is accepted, there is no responsibility as the Pearson correlation value is less than 0.2500  
significance relation between gender and preference than 0.2500  
for companies fulfilling corporate social

### Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 Gender of Respondents & If a company had a proven track record of poor CSR, would you be put off purchasing their products?	50	-.107	.461

### Paired Samples Statistics

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Gender of Respondents	1.76	50	.431	.061
If a company had a proven track record of poor CSR, would you be put off purchasing their products?	1.66	50	.479	.068

### Paired Samples Test

		Paired Differences						df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
					Mean	Std. Deviation	Std. Error Mean		
Pair 1	Gender of Respondents - If a company had a proven track record of poor CSR, would you be put off purchasing their products?	.100	.678	.096	-.093	.293	1.043	49	.302



**Interpretation** The significance between gender and preference for companies fulfilling corporate social responsibility has been tested using correlation and T test. All the above tests reveal no significant relation between them thus H0 is accepted. The value of correlation is below 0.2500 that is -0.107 and T test also revealing insignificant values.

## Hypothesis 2

H0 Consumer's do not have positive perception towards e marketing of CSR Activities

H1 Consumer's have positive perception towards e marketing of CSR Activities.

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Do you think marketing of CSR activities on social sites platform is ethical	50	1.26	.443	.063

One-Sample Test

	Test Value = 66.5					
	t	df	Sig. (2-tailed) P value	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Do you think marketing of CSR activities on social sites platform is ethical	20.108	49	.000	1.260	1.13	1.39

## Interpretation

Since  $p < 0.001$  we reject the null hypothesis that Consumer's do not have positive perception towards e marketing of CSR Activities and accept the alternate hypothesis that the consumers have positive perception towards e marketing of CSR activities. According to them social sites are the best platforms to showcase your goodness. They think this is an ethical act and within the rules and policies of marketing.

## XVII. CONCLUSION

Corporate social responsibility describes the responsibility of organisations towards society, political, legal and ethical duties. Increasing awareness among consumer about their right has made organisation more conscious towards social responsibility. Today no organisation can survive without performing CSR activities. Profit maximisation as the main motive of organisation is no more applicable in today's world.

On the other hand digital marketing tools of smart world have also helped organisations in promoting and fulfilling their CSR duties.

According to company law it is mandatory for organisations to spend 2% of their net profit on CSR activities.

No organisation can now manipulate or cheat consumers by fake CSR activity. They know the power of social media which reveals the true image of all the organisations.

The marketer need to produce the best quality product at best possible prices and should focus on maximising consumer satisfaction. They can use the digital tools like face book, you tube and other mobile application which will help them to promote product without incurring huge selling cost. This will result in decrease in prices of goods and services and would enable consumer to buy same product at lower prices.

The CSR activities of organisation are often affected by various internal and external factors which include human resource quality, economic environment, and inflation rate and so on.

The research concludes that there exists the relation between corporate social responsibility and digital marketing. The organisation should focus on combining the both in order to achieve greater success and stability. Digital marketing can be a boon for organisations efficiently performing their corporate social responsibilities, on the same time it can be curse for those who try to cheat customers and laws.

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