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## Corporate Social Responsibility (CSR) and its Effect on Consumer Behavior

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### **Abstract:**

*Every Business Corporations need to realize that in order to achieve their primary objective, they need to consider their responsibilities towards society. Corporate Social Responsibilities (CSR) is a broad business concept. It usually describes a company's commitment to carry out its business in an ethical way. Due to heavily expanding social media and added transparency, consumers are more and more able to see what a company is doing to commit to social responsibility hastily than ever before. CSR has a significant impact on consumer behavior. It refers to the conduct of consumers and their opinions about whether to buy product from company which is socially responsible or not. According to a recent check, 66 percent of consumers are willing to buy the products from socially responsible companies. This is not only having increases the demand for these product but also allows company to charge more expensive prices, leading to advanced gains. Also having positive public image through CSR can lead to increase consumers trust and fidelity.*

**Keywords:** *Corporate Social Responsibility, Consumer Buying Behavior, Responsibility, Business.*

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### **Introduction:**

Today business is not only responsible towards the company itself but also the responsible towards the society and environment in order to sustainable entity. This is because any conduct that has been carried out by business organization does not only affect the company but also affect the stakeholder around the business as well. Numerous studies have shown that consumes more likely to support businesses that share in social responsibility enterprises. Now a day consumers are not only looking for quality products or services, they are also seeking out businesses that align with their values and belief. Despite the growing importance of CSR companies and business organizations have to do many activities

towards society such as, environmental sustainability, rural development projects, promoting education and healthcare. Thus, understanding how CSR initiatives cater to the interests and values of consumers, who are significant stakeholders, is essential in exploring the relationship between CSR and consumer behavior

### **Literature Review:**

This section reviews prior work which provides the foundation of the present study, specifically in the areas of consumer awareness of Corporate Social Responsibility initiatives and their response to these activities.

**Research Methodology:**

To examine the impact of Corporate Social Responsibility on Indian consumer behavior, the study adopted the survey method through questionnaire and implemented the below mentioned methodology.

**Research Problem:**

This study was conducted to investigate the impact of CSR on consumer behavior. In this research, emphasis is on examining consumer's awareness about CSR activities of firms, their reaction towards socially responsible organizations the study seeks to answer the following three major research questions:

1. What is consumers opinion regarding companies responsibilities and their own concern for social issues?
2. What is consumers' opinion towards the companies involving in CSR activities?
3. Which factors influence the buying decisions of the consumers towards CSR oriented companies?

**Objectives of Research:**

1. To study of consumers behavior regarding CSR initiatives
2. To understand the perception of consumers regarding firms motives for being socially responsible.
3. To analyses consumers' opinion related to their own level of concern for social issues
4. To study respondents opinion related to company's responsibilities.

**Types Corporate Social Responsibility:****1. Environmental Responsibility:**

Environmental responsibility is when organizations take active measures to promote sustainability and natural conservation Customers often prefer companies that engage in sustainable packaging or dedicate a portion of profits from a sale to an environmental cause.

**2. Ethical Responsibility:**

Ethical responsibility helps the firm set operational policies that are fair. Companies ensure all employees get equal opportunities. The guidelines don't discriminate against any leader, employee, investor, supplier or customer based on their gender, culture or religion. Some organizations may also set ethical code to define how it does business and with whom it engages.

**3. Philanthropic Responsibility:**

Philanthropic involves donating a portion of your wealth to an environmental and social cause. Businesses often do this by dedicating a part of their profits to charities and non-profit organizations that align with the company values. Some firms may also create charities that focus on particular cause. Engaging in such activities can help improves society and the environment by aiding research, creating awareness or supporting specific sections of the community.

**4. Economic Responsibility:**

Economic responsibility is an amalgamation of environmental, ethical and philanthropic social responsibilities. Companies engaging in economic responsibility take measures that benefit of the business and society. Businesses often do this by merging their business values and financial decision, keeping in mind the good of the community.

**Conclusion:**

Overall, this study highlights the consumer responses to CSR in India and emphasizes especially on examining consumers awareness about CSR activities of firms, their reactions towards socially responsible organizations and impact on their intention to buy the products. The result of this study indicated high level of familiarity among respondents towards any CSR initiatives by any company. In addition there is a good sense of understanding

among the consumers that companies should seek for economic growth and earn their profits. There is good support from consumers for good CSR practices and products and consumers are also willing on their part to pay for good CSR practices.

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