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THE EFFECT OF CORPORATE SOCIAL AND BRANDING EFFECT ON
BRAND LOYALTY IN INDIAN BANKING SYSTEM

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ABSTRACT

The current study targets to evaluate the effect of the corporate social responsibility (CSR) on corporate branding (CB) and brand loyalty (BL) in Indian banking system. The study also intends to evaluate the effect BL and CSR as a whole on the corporate branding. A set of the precise questions has been formulated based on Likert's scale for collection of the information. Stratified random sampling is implemented to gather the data from the 450 customers who have savings accounts. A calibrated scale has been introduced to evaluate the corporate branding as a construction factor. For testing the hypotheses the multi-model approach using structural equation modeling is used. Examination of the directly and indirect model route is used to analyze the central impact of CSR as well as corporate branding on BL. The study findings indicate that CSR elements (Economic, Legal, Ethical and Philanthropic) have a direct effect on corporate branding to improve BL consumer base. The study provides new insight into the CSR-BL relationship by trying to introduce corporate logos as the moderating mechanism. However, a negative equation in the path analysis is demonstrated by the relationship between legal responsibility to corporate branding and philanthropy responsibility to BL.

1. Introduction

Brand awareness is a systematic method taken by businesses to create a distinctive corporate identity. Although the employer identity is a distinct form of branding, it has its own presence. Corporate identity includes the characteristics of organization which anchor an organization in a given time. Corporate identity thus offers a foundation on which organizational identities are established and closely associated with the corporation. The notion of corporate brand, presented by experts, has always been a path of resilience, omnipresence and, nevertheless, as a regional, strategic imperative and is a common concern of corporate marketers. Furthermore, it is imperative that the emergence of corporate branding has fundamentally changed the perception of the brand scape by questioning conventional approaches and has contributed to an important part of its corporate marketing paradigm[1].

The development of corporate branding managed to gain further prominence among the scholars of organizational branding and marketing, which is the main intellectual honesty to initiate the study. Some experts have explained transparency and cost reduction as the two most crucial points for attracting the investors in corporate branding from the view of functionality, radical humanism as well as radical structural paradigm. As a result, numerous businesses are increasingly shifting towards corporate branding strategies at the regional and global levels. There aren't clear guidelines for handling the corporate brand, and according experts. Nonetheless, the corporate brand's dominant context has been expanded to examine corporate branding constructs including such corporate identity, corporate culture, corporate behavior, image, credibility and communication among many others. This development of constructs at the corporate level can be seen in research on organizational branding[2].

Given the growing interest, literature review shows that some critical matters probably remain undiscovered in the context of corporate marketing, and some studies have addressed more research impact on corporate brand management. While the development of a strong brand was seen as a positive result in an organization's success, Corporate Social Responsibility (CSR) has long been introduced as one of the most generated energy in strengthening the corporate brand. In addition, other factors, such as corporate culture, corporate citizenship and the company's social alliances, have enhanced their relative value to determine a corporation's ability to face the competition. As evident in the realm of corporate social responsibility (CSR), the brand identity notion and business marketing strategy have witnessed a substantial increase in the partnership between the businesses and the broader community outside their take cognizance[3].

Experts analyze the main problems associated with the control of corporate brands which are compared with the normative versus social constructionist perspective. It is very difficult for the managers to manage the difference between these two perspectives. The social constructionist perspective of the organizations stipulate that CSR participation is an integrated component of their corporate-level strategy, helping them gains a competitive edge. It is also

evident that CSR's alignment with the brand marketing strategy allows businesses resolve potential financial issues, particularly in the economic and oil industries. However, after reviewing the reports, CSR's contribution to marketing suggests a comprehensible relationship with various different stakeholders' economies and the history of the industry. In addition, customers emphasized the social element of global identity rather than focusing solely on the manufacturer's functional and technical values. CSR has gained in that respect[4].

CSR is an important aspect of the society and it exists in all spheres of the economy, it is also related to the financial sector and attributed to the trust level of the customer and eventually helps in building customer brand loyalty (BL). Despite the limited literature in this area of consumer perceptions towards CSR from the financial institution's perspective, numerous authors argue that while banks are undertaking various CSR initiatives, the perception of commercial banks towards these proposals has been limited. In addition, while customer BL work has been discovered from a broader perspective such as service quality, service characteristics, and service value, the interconnected association between Perceived, corporate brand, and consumer BL is still unaddressed in developing markets around the world[5].

In addition, there is indeed a lack of research that has analyzed the solitary impact of various CSR components on consumer brand loyalty and the combined effect of these CSR frameworks and brand image on consumer BL. The logic of this analysis is that the combined effect is due to the customer's growing change from practical product preferences to the branch's social dimension. In the context of the banking sector, the outcome of this comprehensive analysis may further help decision-makers understand whether the various components of CSR have a various influence on firms branding strategies and consumer BL on a different scale. The proposed research therefore seeks to resolve the difference between Consumer BL and CSR from the brand marketing perspective. An attempt to resolve this broad objective was instituted by portraying the connection with empirical data between various constructs such as CSR, corporate branding, and customer BL[6].

The paper describes the following objectives: (i) to research the impact of CSR on Customer BL. ii) To examine the impact of brand identity on BL customers. (iii) Researching the impact of CSR on corporate branding and (iv) evaluating the direct and indirect influence of CSR on consumer BL using brand identity as a moderating mechanism. The layout of the subsequent part of the paper is as follows, centered on the conceptualization and measurement described above. The article starts with a detailed analysis of the employer logos, CSR and BL consumer literature with special reference to Indian banking industry. A hypothesized structure was finally established to analyze the proposed connection between CSR, corporate branding and BL. Testing methods and steps are then clarified for establishing testing of reliability, validity, and hypotheses. A measurement scale for corporate branding was developed as a single construct, and the hypotheses were empirically evaluated using Structural Equation Modeling (SEM). This also raises strategic and scholarly

ramifications. Eventually, the paper presents the conclusion about the shortcomings and recommendations for future studies[7].

2. Literature Review

Harris, Fiona de Chernatony, Leslie suggested in his paper related to corporate branding that Corporate branding needs a unique management approach to implement the technique of the CSR and at the same time motivate the work force for the betterment of the organization. The author also explores the possibilities for the use of internal available resources through the corporate branding. The author also gives an example for building the corporate branding through reducing down the gap between identification of the different brand identity and associated reputation with that brand. Subsequently, compare some previously used mechanism analogy with existing technique for CSR as well as branding of the product to boost the market position of the organization in terms of social and economical aspects [8].

As a consequence, corporate branding exclusively used for the creating the blue print of an organization as market player to guide the other organization to play their role for CSR. The corporate identity, on the opposite, is about how internal leaders portray the company externally and also how they do so to affect the view of various parties. Here, corporate identity is conveyed by the company's image in the form of visual recognition, brand pledge, perceived brand, and the use of understood or explicit institute multiple options. The business affinities have been tried hard to justification with the process of creating brand image in market. The Corporate brand is therefore the link between the shareholder of the company and its name, which is particularly concerned with the mission, culture and image of a company[7][9].

He, Hongwei et al have explained in his paper on brand loyalty that enhanced brand loyalty always give a satisfaction impression to organization, customer as well as the employee working in the organization. Brand loyalty closely associated with the recognition of the trust, value in addition to the satisfaction of the of the people who are connected with the brand. One more important outcome of the study is that brand loyalties also full fill the need of the corporate to coup up the social responsibility. The loyalty of the any particular brand also help to boost the profitability aspect of the organization, in turn, an organization earn more to invested in the social cause [11].

3. Methodology

Design:

Corporate Social Responsibilities are closely related to the four elements of concerns as economic responsibilities, legal responsibilities, ethical responsibility and philanthropic responsibility as shown in Fig. 1. (table.1) These elements are supposed to create an effect on corporate branding which ultimately made an impact on customer BL.



Fig.1: Four elements of corporate social responsibilities

Table 1: Resource of the Survey Measures

Construct	Final Items
Economic Responsibility	Treat client of the bank truthfully
	Fulfill client requirements
	Individual customer attention
	Pleasant banking environment
Legal Responsibility	Proper safety measurement within bank premises
	Rules and regulation of the bank must be abide by the law
	All the activities of the bank must be validated by the bank
Ethical Responsibility	Employee of the bank must aware about the right and wrong
	Well defined ethical principle
	Separate counter for the old person

	Special provision for differently abled person
Corporate branding	commercial association
	commercial activity
	commercial personality
	practical benefit

Sample:

The area of study in this paper is the banking sector. The nature of the study is descriptive and data to be analyzed has been collected from the customers of the different banks and customers with the saving accounts are preferred. All the data collected from the bank having the status of scheduled commercial banks (SCBs) and located in the region of south eastern part of India. The foreign and nationalized banks have authority to perform its operation in the India have been categorized as the commercial scheduled banks. All the SCB are categorized into five categories on the basis of the Indian Banking Regulation Act 1949[12]. These categorized banks are : states bank of India and associates, Nationalized banks, Foreign banks, regional rural banks and other SCBs. Based on the customer base , three major cities of the south eastern part of India identified as Jaipur (Rajasthan state), Lucknow (Uttar pradesh), and Bhopal (Madhya pradesh). (Table .2)

Table 2: *Geographical Scope of the Study Population (2011 Sensex data)*

City Name	Population	Sample size	Status	State
Jaipur	3073350	170	Metropolita n	Rajasthan
Lucknow	2817105	150	Metropolita n	Uttar Pradesh
Bhopal	1798218	120	Smart City	Madhya Pradesh
Total	7688673	440	-	-

Instrument:

A stratified random sampling technique for collection of the data. A collection of the logical question set is used as the instrument for the data collection and translates all the respondent's response into English language. The questionnaire has 77 questions in total. The questions are the balance

collection of the fields as demographic variables as well as CSR, corporate branding and BL. Besides this, all the data were tested on the likert's scale with the opinion of "strongly disagree" and "strongly agree". Likert scale is used to check the five point scale in terms of reliability and sensitivity. Likert scale is superior for measuring marketing and brand empirical investigation. To minimize the effect uncertainty a neutral response is also incorporated as number 4 mentioning the neither disagree nor agree status[13].

Data collection:

All the concepts used in brand marketing text, BL and CSR were based on previous studies that seemed reliable and accurate. In order to build the measurement scale for all these constructs, such as CSR, corporate branding, and BL, few adjustments were customized to the scale products to suit the Indian banking sector. In this analysis, the concept of "Absolute Design Process" was used to achieve a better answer. The survey kit consists of a single-side print envelope, one covering letter and the seven-page questionnaire. For an approach which is qualified. The questionnaire was set in a format with a booklet. (Table 2)A total of 500 survey questions were researcher administered, out of which we received 440 answers, but only 430 complete samples were available. The 10 samples were discarded with little variation and outliers on the grounds with incomplete answers and/or response[14].

4. Data Analysis:

1. Descriptive statistics:

Demographically speaking, the samples are mainly males (82 percent). The highest portion of participants (36 per cent) is between the ages of 45 and 56. The respondents are divided into undergraduate (60 percent) and postgraduate (40 percent) educational qualifications. Table 3 provides the specifics of demographic characteristics including the occupation and the amount of income and level[15].

Table 3: Descriptive Statistics

Item	Description	No. of sample	Percentage
Gender	Male	330	82
	Female	98	18
	Total	428	100
Age	18-25 years	15	4
	26- 35 years	63	13
	36-45 years	125	27

	46-55 years	144	36
	Above 56 years	82	20
	Total	429	100
Education Level	Undergraduate	270	60
	Post Graduate	180	40
	Total	450	100
Profession	Service	200	44
	Business	150	33
	Professional	50	11
	House wife	30	7
	Students	20	5
	Total	450	100

Analytic Approach:

In this current study, main five constructs have been used economicresponsibility, legal responsibility, ethical responsibility, and philanthropic responsibility as shown in table 2. We conducted exploratory factor analysis (EFA) to analyze the accuracy of the measurements and evaluated Cronbach's α of study measures as suggested by Churchill. To determine the construct validity of the theory we empirically checked the model. To check the estimate of posterior probability we used a two-step method. The data were analyzed using SPSS (20.0) and Structural Equation Modeling (SEM) in AMOS (20.0). The measuring model evaluation for construct validity and stability for all constructs was performed in the first phase. Followed by the SEM for scientifically reflecting the structural relationships between the factors through path estimates, the adequate result of the first step[16].

5. Results And Discussion

The outcome of the SEM analysis shows that the impact of CSR on employer logos to boost consumer BL is important. Although the findings demonstrate that branding is corporate positively improves BL, does not endorse all the observations that all CSR ingredients boost corporate logos as well as BL. The

results indicate that managers can achieve the BL of customers by creating higher level financial, legal, and ethical obligations issues. The effect is a reflection of the favorable views of consumers about certain economic, legal and ethical obligations. For example, in addition to the banks' economic offer such as customer profit maximization by various new products and improved customer, managers also have to concentrate on both the moral and constitutional areas when servicing customers. Several of the legal considerations include enforcing and adhering to the laws and regulations that are regulated by government or state agencies[17].

The importance of ethical accountability, however, indicates a higher degree of effect that is much stronger than the effect on BL from economic obligations. Decision-makers however need to become more mindful of the nature of an ethical work culture that can involve openness, good conduct towards customers, especially senior citizens, and a sense of employee awareness of the good and bad when delivering online banking. Looking at the influence of different CSR ingredients on brand identity, the results indicated that EcR (Economic responsibility), and EtR (Ethical responsibility) have a major impact on creating a strong organizational mark. Nevertheless, philanthropic obligations are found to have a negative effect on BL while positively influencing corporate branding, which after financial sustainability plays a second highest role, followed by EtR[18].

One potential reason may be that unless the consumers have a reasonably high positive view of the banks' philanthropic obligations, which are part of corporate branding, they are seen as bogus for BL. Similar to the association between EcR and BL, LeR does not find any empirical evidence to have a significant effect on corporate branding (CB). However, the opinion of customers about LeR on BL is optimistic. The relationship among legal responsibility (LeR) and BL goes hand in hand with the findings of Nareeman and Hassan (2013), who also note a weak correlation between LeR and BL in developed nations. The relative proportion of LeR on BL is much less than EcR and EtR, based on the results. This may be due to the explanation that it is more or less in the financial system; all bank products use similar LeR to lead their operations. In other words, for all the banks, LeR falls more or less within the required category as per Reserve Bank of India guidance[19].

Therefore, from the viewpoint of the consumers, LeR may have lost attention when forming the bank products at the corporate level and thus having less effect on the development of corporate branding and driving BL in the banking industry. Other CSR components such as EcR and EtR play a significant role in positively improving the brand identity as well as its impact on BL. The reason may be due to the dynamics of the banking industry, the economic and ethical success of the banks stressed by the customers. Primarily, when analyzing the solitary impact of the various CSR components on customer brand loyalty and the integrated impact of these CSR and organizational components the combined impact of CSR however and corporate branding plays a major role in improving the BL consumer base. Managers may also develop CSR-related corporate-level strategies in addition to concentrating on product-level

programs such as financial inclusion, financial education and credit counseling as seen in the current scenario[2].

6. Conclusion And Implications

These findings contribute to employer logos and CSR literature by exploring the effects of different CSR components on corporate branding to improve corporate branding user BL. The model was analyzed and the possible role of CSR effects in improving corporate branding was identified. While results of CSR are thought to boost a varied customer's perception against brand identity while examining. CSR built on corporate branding and found that LeR was negatively linked with branding business. Other CSR elements such as EcR and EtR play a major role in positively improving brand marketing as well as its impact on BL. As we discussed in the comment field, LeR's significant stigma with brand identity could be due to LeR's less exposure to the consumer due to the RBI Compulsory Guidelines. However, several banks, as amended by RBI (2013), can invite the other way of thinking by stressing the less application of these legal clauses.

As part of their physical proof, the bank has taken proper measures in this sense of making the LeR identity clear by promoting consumer awareness campaigns regarding various legal implications of banking operations. The research supports the literature, based on the empirical results, which suggest that CSR interventions have a positive effect on BL. However, the path model findings indicate a disappointing position for EcR towards BL, while EcR plays a significant role in improving corporate branding. Therefore, in order to bridge the gap between principles and application to boost the brand's placement, the bank should develop a strategy to successfully communicate EcR measures between customers or the general public at the business. Relation of these philanthropic projects includes charitable donation, promotion and support and promotion of green and environmental projects.

Therefore the research can be reviewed for further confirmation of the results in other cultural as well as cross cultural environments. Second, the spectrum of data gathering in nature is cross-sectional and thus the results refer to a snapshot condition of the model being studied. This model could be further explored through a longitudinal analysis. CSR's presence is still an investigative subject within the Indian banking sector.. A study of the related literature also showed that the majority of the studies represent the impact of CSR on concerns relating to customer behavior or the impact of corporate branding on consumer behavior. In the banking sector, most research has contributed from a consumer viewpoint to the study of CSR. In addition to the theoretical value added by understanding the impact of the various CSR components on brand identity. This study adds to the literature independently by analyzing the role of brand marketing as an intermediary between CSR and BL.

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