CSR as a Marketing Tool: A Study on the Impact of CSR Practices on Brand Loyalty of Customers (Hindustan Unilever ltd.)

Kumari Jyoti, University of Lucknow

ABSTRACT

This paper examines the impact of Corporate Social Responsibility (CSR) on brand loyalty, with a specific focus on Hindustan Unilever. It highlights the importance of effective communication strategies to ensure that customers are well-informed about the company's CSR initiatives. The study emphasizes the need for targeted CSR programs that cater to different demographic groups, fostering stronger consumer engagement and brand affinity. Additionally, it underscores the significance of long-term commitment to CSR efforts, as consistency builds credibility and trust. Transparency in CSR reporting, through detailed disclosures and third-party audits, is also identified as a key factor in enhancing consumer confidence. Furthermore, the paper discusses the value of high-impact CSR activities, such as environmental sustainability and community health programs, in strengthening brand loyalty. By integrating these strategic CSR practices, Hindustan Unilever can enhance its brand reputation and cultivate lasting customer relationships.

Key Words: *Corporate Social Responsibility (CSR), brand loyalty, consumer engagement, transparency, targeted CSR programs, corporate image, competitive advantage, environmental sustainability, social impact, public relations.*

1.INTRODUCTION

The term "Corporate Social Responsibility" became popular in the 1960s and has remained a term used indiscriminately by many to cover legal and moral responsibility more narrowly construed. Corporate Social Responsibility (CSR) goes by many names. CSR, (also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business) is a form of corporate self-regulation integrated into a business model. CSR functions as a builtin, regulating mechanism. It is to ensure compliance with the spirit of the law, ethical standards, and international norms.

There are two main schools of thought regarding CSR. The first idea is that corporate bodies are responsible to society and have a "responsibility to do something about the problems that affect society." The second idea is that corporate bodies must take responsibility for their own activities as they affect society. These ideas are not mutually exclusive but instead can be seen as a broad and narrow definition of CSR. Both types of CSR have been specially developed by governments, non-governmental organisations (NGOs) and corporations through guidelines and standards.

The Evolution of Corporate Social Responsibility in India

The evolution of CSR in India means how corporate social responsibility (CSR) has changed over time, including how companies follow social and ethical practices. CSR thus, refers to the way that business houses are managed to bring about an overall positive impact on the communities, cultures, societies and environments in which they operate. The fundamentals of CSR rest on the fact that not only public policy but even corporations should be responsible enough to address social issues. Thus, companies should deal with the

challenges and issues looked after to a certain extent by the states.

CSR is not a new concept in India. CSR is not a new idea in India. Companies like the Tata Group, Aditya Birla Group, and Indian Oil Corporation have been helping communities since they started. In recent years, efforts have been made to make Indian business owners more aware of their social responsibilities. However, CSR in India is still not widely recognized. If this goal must be realised, then the CSR approach of corporations has to be in line with their attitudes towards mainstream business companies setting clear objectives, undertaking potential investments, measuring and reporting performance publicly. The history of CSR in India has four phases, each matching India's historical development and leading to different approaches to CSR. However, the phases are not static, and the features of each phase may overlap other phases.

India has the world's richest tradition of CSR. The term CSR may be relatively new to India, but the concept dates to Mauryan history, where philosophers like Kautilya emphasized on ethical practices and principles while conducting business. CSR has been informally practiced in ancient times in the form of charity to the poor and disadvantaged. Indian scriptures have at several places mentioned the importance of sharing one's earning with the deprived section of society. Indians have a deep-rooted culture of sharing and caring.. Therefore, the history of Corporate Social responsibility in India can be broadly divided into five phases.

The first phase of CSR was based on philanthropy and charity. It was influenced by family values, traditions, culture, religion, and industrialization. Until 1850, wealthy businessmen contributed to society by building temples and religious institutions. In times of famines, they opened their granaries for the poor and hungry. The approach to CSR changed with the arrival of colonial

rule in 1850. During the pre-independence era, the leaders of industrialization also supported the idea of CSR. In the 1900s, the industrialist families like Tatas, Birla's, Modis, Godrej, Bajaj's and Singhania's promoted this concept by setting up charitable foundations, educational and healthcare institutions, and trusts for community development. It may also be interesting to note that their efforts for social benefit were also driven by political motives.

The second phase was the period of independence struggle when the industrialists were pressured to show their dedication towards the benefit of the society. Mahatma Gandhi urged the powerful industrialists to share their wealth for the benefit of the underprivileged section of the society. He gave the concept of trusteeship. This concept of trusteeship helped in the socio-economic growth of India. Gandhi regarded the Indian companies and industries as "Temples of Modern India". He influenced the industrialists and business houses to build trusts for colleges, research and training institutes. These trusts also worked to enhance social reform, like rural development, women empowerment and education.

In the third phase (1960-1980), CSR was shaped by the rise of public sector undertakings to ensure fair distribution of wealth. Industrial licensing, high taxes, and restrictions on the private sector led to corporate malpractices. As a result, laws were introduced to regulate corporate governance, labour rights, and environmental issues. Still the PSUs were not very successful. Therefore, there was a natural shift of expectation from the public to the private sector and their active involvement in socio-economic growth. In 1965, academics, politicians, and business leaders organized a national workshop on CSR, emphasizing social accountability and transparency.

In the fourth phase from 1980 onwards, Indian companies integrated CSR into a sustainable business

strategy. With globalisation and economic liberalisation in the 1990s, and partial withdrawal of controls and licensing systems there was a boom in the economic growth of the country. This boosted industrial growth, allowing companies to contribute more to social responsibility. What began as charity is now recognized and accepted as a corporate duty.

In the fifth phase from 2013, with the advent of enacting the Companies Act, 2013, it is mandatory for the Public or Private Sector corporate bodies to allocate 2% of their profits for the implementation or the CSR. The CSR has been made a law in pursuance of the Millennium Development Goals. The law has been brought into

force along with the rules w.e.f. the year 2014. Hence, India became a country which would legally enforce Corporate Social Responsibility programs which would ensure inclusive and equitable growth and benefit the needy and the underprivileged across the country. The Indian Law finally has to get statutory support to enforce Corporate Social Responsibility in order to fulfil the global obligations and to ensure sustainable development. Business houses have recognized that adopting an effective approach to CSR can reduce risk of business disruptions, open up new opportunities, and enhance brand and company reputation.

The Companies Act, 2013 and the CSR

Applicability

Section 135 of the Companies Act 2013 defines the threshold of applicability of CSR to a company:

- A Net Worth of Rs. 500 Crore or more; or
- Turnover of Rs. 1,000 Crore; or
- A Net Profit of Rs. 5 Crore.

Furthermore, CSR regulations apply not only to Indian companies, but also to branches and project offices of a foreign company in India. CSR-related expenses are not part of the company's expenses.

CSR Committee and Policy

Each qualifying company must spend at least 2% of its average net profit (profit before tax) for the previous three financial years on CSR activities in India. In addition, the qualifying company must establish a committee (CSR Committee) of the board of directors (Board) consisting of three or more directors. The CSR Committee shall formulate and recommend to the Board of Directors a policy indicating the activities to be undertaken (CSR policy), recommend the amount of expenditure for such activities and monitor the company's CSR policy. The Board of Directors reviews the recommendations of the CSR Committee and approves the company's CSR policy.

Definition of CSR

The term CSR has been defined in CSR standards to include:

- projects or programmes related to the activities specified in the list; or
- Projects or programmes relating to activities undertaken by the Board of Directors in accordance with the recommendations of the CSR Committee and the stated CSR policy, provided that the policy covers the matters listed in the Annex.
- Flexibility is also given to companies by allowing them to choose their preferred CSR commitments that are consistent with the CSR policy. The board of a company may decide to carry out its CSR activities approved by the CSR Committee through a registered company or a trust or a Section 8 company with a proven track record of three years.

CSR activities

The activities (in the areas/themes listed in Annex VII) carried out by the Office for Harmonisation in the Internal Market (OIT) are as follows

The company fulfils its CSR obligations of Schedule VII to the Companies Act 2013

- *Eradication of hunger, poverty and malnutrition, promotion of health care, including preventive health care and*
- *sanitation, including contribution to the "Swachh Bharat Kosh" set up by the Central Government to promote*
- *sanitation and provide safe drinking water:*
- *Promotion of education, including special needs education and vocational training for employment, in*
- *particular for children, women, the elderly and the disabled, and livelihood improvement projects;*
- *Promotion of gender equality, empowerment of women, creation of homes and shelters for women and orphans;*
- *creation of old people's homes, day centres and other facilities for the elderly and reduction of inequalities*
- *faced by socially and economically disadvantaged groups;*
- *Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and preservation of soil, air and water quality, including contribution*
- *to the Ganga Cleanliness Fund established by the Central Government for the rejuvenation of the river Ganga;*

- *The protection of national heritage and culture, including the restoration of buildings and sites of historical*
- *importance and works of art; the establishment of public libraries; the promotion and development of*
- *traditional arts and crafts:*
- *Measures in favour of veterans of the armed forces, war widows and their dependants;*
- *Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;*
- *Contribution to the Prime Minister's National Relief Fund or any other fund established by the Central*
- *Government for the socio-economic development, relief and welfare of Scheduled Castes, Scheduled Tribes,*
- *Other Backward Classes, minorities and women;*
- *Contributions or funds to technology incubators located in academic institutions and approved by the central*
- *government;*
- *Rural development projects;*
- *Slum development.*

Body

Contributions to the corpus of a trust/company/Section 8 corporation etc. shall be treated as CSR expenditure if

- *The trust/company/Section 8 corporation etc. is constituted exclusively for carrying out CSR activities or*
- *The corpus is constituted exclusively for a purpose directly related to a subject specified in Schedule VII to the Act. (Master Circular No. 21/2014)*

Government Agenda

CSR should not be interpreted as a source of funding for missing resources in government programmes. The use of business innovation and management capacity in the provision of "public goods" is at the heart of the application of CSR by business. Corporate CSR funds should not be used as a source of funding for government projects.

The government has no role in the approval and implementation of CSR projects. The MCA will provide an outline within which eligible companies will formulate and implement their CSR policies in earnest, including the activities to be undertaken.

Local area

To earmark the amount for CSR activities, the company should not be limited to the local or nearby areas where it operates but should select areas across the country. (Amendment Act 2016) The company can also join with 2 or more companies to carry out CSR activities as long as they can report individually.

The CSR Committee also prepares the CSR policy which includes the projects and programmes to be implemented, prepares a list of projects and programmes that the company plans to implement in the implementation year, and also focuses on the integration of business models with social and environmental priorities and processes to create shareholder value. The company can also produce an annual report on CSR activities showing the average net profit for the three financial years and the prescribed CSR expenditure. If the company is unable to meet the minimum required expenditure, it must state the reasons in the management report so that there are no penal provisions.

Brand loyalty

A brand could be practical and tangible, or symbolic, emotive, and ethereal (Keller, 2013). The term, tangible, refers to the function of a certain product, whereas ethereal refers to the brand's image. Brands are essential to both consumers and corporations. Consumers use branding to identify the product of the producer as brands have a specific significance to them. Consumers do not need to spend extra time getting to know a brand if they already knew about it. On the other hand, Companies have their own associations and meanings that set them apart from competitors. The brand's quality and contentment will lead to brand loyalty, making it more difficult for competitors to join the market (Keller, 2013).

Oliver (1999) provides a definition of brand loyalty as the demonstration of a buying commitment to a certain product, brand, or brand group in the future notwithstanding the marketing efforts invested by rivals to convince customers to alter 840 the brand that they purchase. According to Oliver (1999), true brand loyalty is a function of the perceived superiority of the brand, the personal bravery of the consumer, and the social commitment of the consumer, as well as a synergy of all of these factors (Taylor et al., 2004).

At least throughout the last three decades, scholars have been fascinated by the idea of brand loyalty, which has led to the development of a sizable body of published literature. The most comprehensive explanation of brand loyalty when they described it as a biassed behavioural response, represented throughout time by a decision-making component with regard to different alternatives from a group of such brands, and resulting from psychological phenomena. This explanation is the most accurate representation of brand loyalty. In most cases, developing powerful and positive brands results in a preference for that specific brand among consumers, which, over time, may result in brand loyalty.

A strong emotional connection that exists between a consumer and a brand is the foundation of customer loyalty. In addition, loyal clients are those who refuse to transfer companies and choose to remain loyal to a brand with which they are content and with which they are comfortable. Consumers that are devoted to a brand tend to be less price sensitive and more willing to pay a higher price for that brand in comparison to other available choices. This is because these customers may have a belief that the brand offers a value that cannot be found elsewhere.

Market advantages are more likely to accrue to businesses that have clients that are loyal to their brand. Additionally, businesses benefit from increased trade leverage and have a reduced need to market as often as competitors who do not have loyal consumers. Customers that are devoted to a brand are more likely to spread positive feedback about that brand to other potential buyers, which may boost a company's profitability and lead to further marketing benefits. Jacoby and Kyner (1973) debate the issue of whether or not customers are loyal to a certain brand or if they just engage in recurrent buying habits. They contend that customers who only buy a brand because it is more affordable are examples of one sort of brand loyalty, while customers who purchase brands because of contentment are examples of a second type of brand loyalty.

To this aim, customers who have a pattern of making repeated purchases are less sensitive to shifts in satisfaction, in comparison to customers who are devoted to a particular brand. Customers who are devoted to a particular brand are known as brand loyal customers, whilst consumers who have no emotional connection to a certain brand are referred to as specious consumers. Customers who only seem to be loyal to one brand may easily switch brands if they are presented with a more desirable alternative or if it would be more convenient to purchase a different brand. Previous study has highlighted trust and commitment as two of the pillars that should be used while building up a customer's loyalty to a business

The Role of CSR in Enhancing Brand Loyalty

1. Building Trust and Credibility

CSR activities build trust and credibility among consumers. When companies engage in responsible practices, they demonstrate their commitment to ethical behaviour and social responsibility. Trust is a crucial component of brand loyalty; consumers are more likely to remain loyal to brands they perceive as trustworthy and credible (Bhattacharya & Sen, 2004).

2. Creating Emotional Connections

CSR initiatives often resonate on an emotional level with consumers. Activities such as environmental sustainability efforts, charitable donations, and community support can create positive emotional connections. These emotional bonds are often stronger than functional benefits and foster deeper loyalty (Du, Bhattacharya, & Sen, 2007).

3. Differentiation and Competitive Advantage

CSR serves as a differentiator in a crowded marketplace. Brands perceived as socially responsible can stand out from competitors, attracting and retaining customers. This differentiation is particularly important in industries where products are commoditized (Porter & Kramer, 2006).

4. Enhancing Corporate Image and Reputation

CSR contributes to a positive corporate image and reputation, which are essential for maintaining consumer loyalty. A strong, positive reputation can lead to increased consumer loyalty as it reflects the brand's values and ethics. Companies with a good reputation are

more likely to retain their customer base (Fombrun & Shanley, 1990).

5. Increasing Customer Engagement

CSR activities can increase customer engagement by involving consumers in the company's social and environmental efforts. Engagement fosters a sense of belonging and loyalty as customers feel they are part of a larger cause (Kotler & Lee, 2005).

6. Influence on Purchase Decisions

Consumers increasingly consider CSR in their purchase decisions. Studies show that consumers are willing to pay a premium for products from socially responsible companies. This preference translates into repeat purchases and brand loyalty as consumers feel they are making a positive impact through their buying choices (Smith, 2003).

7. Attracting Value-Driven Consumers

CSR attracts value-driven consumers who prioritise ethical consumption. These consumers are often highly loyal as they seek out brands that reflect their personal values. By aligning with these values, companies can cultivate a loyal customer base that is less price-sensitive and more committed to the brand (Holt, 2004).

8. Employee Advocacy and Customer Loyalty

Employees proud of their company's CSR efforts can become brand advocates, influencing customers and enhancing brand loyalty. Additionally, satisfied employees provide better customer service, directly impacting customer satisfaction and loyalty (Turban & Greening, 1997).

COMPANY PROFILE : HINDUSTAN UNILEVER LTD

Hindustan Unilever Ltd. (HUL) is a prominent player in India's fast-moving consumer goods (FMCG) sector, with a history that stretches back to 1933. As a subsidiary of the British-Dutch company Unilever, HUL has established itself as a household name in India, serving millions of consumers with its extensive range of products. The company operates in various segments, including personal care, home care, and food and beverages, making it one of the most diversified and influential companies in the Indian market.

Mission and Vision

HUL's mission is to "make sustainable living commonplace." This mission reflects the company's commitment to integrating sustainability into every aspect of its business. HUL's vision emphasises growth through responsible business practices that benefit both the company and society. The company aims to create value for all stakeholders, including consumers, employees, suppliers, and the broader community, by driving positive social and environmental change.

Product Portfolio

HUL boasts a diverse product portfolio that includes some of India's most trusted and well-known brands. Key brands under its umbrella include:

Personal Care: Dove, Lifebuoy, Lux, Pond's, Fair & Lovely

Home Care: Surf Excel, Rin, Wheel, Comfort

Food and Beverages: Lipton, Brooke Bond, Knorr, Kissan, Kwality Wall's

These brands have become synonymous with quality and reliability, contributing significantly to HUL's market dominance and consumer loyalty.

CSR Initiatives

HUL is recognized as a leader in corporate social responsibility (CSR) in India, with numerous initiatives

aimed at addressing social and environmental issues. Some of the key CSR initiatives include:

- ∉ **Project Shakti**: Launched in 2001, Project Shakti empowers rural women by training them to become micro-entrepreneurs who sell HUL products within their communities. This initiative not only promotes women's entrepreneurship but also enhances rural livelihoods and economic development.

- ∉ **Water Conservation**: HUL has implemented various water conservation projects to address water scarcity in India. These initiatives include the adoption of sustainable agricultural practices, water-efficient manufacturing processes, and community water conservation projects.

- ∉ **Health and Hygiene:** HUL runs extensive campaigns to promote health and hygiene practices among consumers. The Lifebuoy 'Help a Child Reach 5' campaign aims to improve handwashing habits to prevent diseases and reduce child mortality rates.

- ∉ **Sustainable Sourcing**: HUL is committed to sourcing raw materials sustainably. The company ensures that its sourcing practices minimise environmental impact and promote fair trade and ethical standards.

Impact on Brand Loyalty

HUL's CSR initiatives have a profound impact on brand loyalty. By addressing critical social and environmental issues, HUL builds strong emotional connections with consumers who value ethical and responsible corporate behaviour. This alignment of corporate values with consumer values fosters trust and loyalty, making consumers more likely to remain loyal to HUL's brands despite competitive pressures. Research indicates that consumers are increasingly favouring brands that

demonstrate a commitment to sustainability and social responsibility (Bhattacharya & Sen, 2004).

Research Problem:

The research problem addressed in this study revolves around understanding the role of Corporate Social Responsibility (CSR) practices as a strategic marketing tool and assessing their influence on brand loyalty among customers. Specifically, the study aims to investigate how CSR initiatives undertaken by Hindustan Unilever Limited (HUL) impact customer perceptions, attitudes, and behaviours towards its brands, ultimately shaping brand loyalty in the Indian market.

2. LITERATURE REVIEW

Business ethics, corporate governance and corporate social responsibility have developed much more in the last decades because they give a new way of seeing business and corporate activities. Also the rising international standards of doing the business have formulated code of practices for the corporate practices **Donaldson and Fafaliou (2003).**

Gola (2007) examined how service relationship perceptions such as perceived equity, trust, perceived reliability and benevolence and relationship commitment enhance relationship maintenance and CSR in many critical situations faced by the company.

Swaen and Cumpitaz (2008) analysed the impact of consumer perceptions of CSR activities on their brand trust towards the company and at highlighting the underlying mechanism and conditions of this impact .Results show that consumers' perception of CSR activities have a positive influence on their trust towards the company.

To deal with the rapid globalisation changes the firms must adopt knowledge management and organisational

learning approaches to the business ethics. Hence business ethics will become an integral part of organisational culture, and it will transform business organisations culture, develop leadership etc. (**Loumbeva, 2008**).

In the time of the highest competition, ethics can become a product differentiator and a cutting-edge tool by the marketers. **Sagar et al. (2011)** identified brand identity, brand awareness, brand personality, brand image, and brand communication as five elements of the brand positioning. **Barnes (2011)** identified that corporate social responsibility has a positive impact on consumer buying behaviour, so this research investigates the relationship between CSR and brand trust.

Zheng, et al. (2013) analysed the four dimensions of CSR which affect the brand image and perceived quality. The results revealed that economic responsibility and philanthropic responsibility have significantly positive effect on brand image, and ethical responsibility has significantly positive effect on perceived quality, while legal responsibility has no significant effect on brand image and perceived quality..

Sager and Singla (2014) investigated and identified that in Indian context businesses seek endorsement as good corporate citizens through CSR initiatives. In India, it has been traditionally linked to brand trust, while respect in the corporate world has been on a par with the bottom line. As the need for corporate social responsibility finds wider recognition, it is worth examining the Indian foundation for trust.

Mukhtar (2014) identified the effect of service quality, perceived quality; perceived value, brand trust and customer satisfaction on brand loyalty. The results provide a better understanding about brand trust among customers for companies to analyse each section in the progress of brand trust and loyalty. As the business

prevails in the social environment, economic conditions will have a high impact on the stakeholders and society in general. But the relation of CSR and business ethics gives rise to certain questions such as whether these two activities will correlate? Compliance with CSR guidelines will mean that the company is doing the business ethically? (**Goel and Ramanathan, 2014**).

Ghosh et al. (2014) discussed the application of CSR which makes business totally responsible. It is a mixture and integration of social, economic and environmental elements which make a company proactive and survive in the long term. The paper concluded that a sustainable development framework is the best platform for a company to stay operative for the long-term and be sustainable..

CSR association with Brand Loyalty

Mishra et al. (2014) analyzed how the preference of people towards brand is influenced by the various firm contributions and how it leads to brand loyalty. The results show that consumers like related marketing campaigns and are ready to do extra effort for that brand, provided the donation amount invested by companies should be as high as the company can provide for the cause. Further, attractive options and appealing advertising affect brand image which produce a high brand loyalty for low involvement products.

Yusof et al. (2014) studied the effects of customer centric, ethics, green environment, and philanthropic on customer loyalty. After analysing the collected data, it has been seen that customer centric has the greatest effect on retail banking industry while philanthropic is the least influencing factor on loyalty.

3.RESEARCH GAP

Despite extensive research on the relationship between Corporate Social Responsibility (CSR) practices and

brand loyalty, significant gaps remain, particularly in the context of Hindustan Unilever. One major gap is the limited understanding of how Hindustan Unilever's CSR practices influence brand loyalty among its customers (**Swaen & Chumpitaz, 2008**). While previous studies have explored the broad effects of CSR on brand loyalty, there is a lack of research specifically focusing on Hindustan Unilever's initiatives and their impact on customer loyalty.

Additionally, existing literature often lacks specificity regarding the mechanisms through which CSR practices directly affect brand loyalty. This study aims to address this gap by examining the direct impact of Hindustan Unilever's CSR practices on brand loyalty, without delving into the detailed perceptions of specific CSR initiatives among consumers.

Moreover, there is a scarcity of research considering the Indian context, where cultural, economic, and social factors may influence consumer responses to CSR initiatives differently than in Western contexts. This research seeks to fill this gap by providing insights specific to the Indian market and examining how Hindustan Unilever's CSR practices resonate with its diverse customer base.

4. RESEARCH OBJECTIVES

1. **To Evaluate the Awareness and Perception of HUL's CSR Initiatives: This** objective aims to assess respondents' awareness of CSR initiatives undertaken by Hindustan Unilever Limited (HUL) and their perceptions of these initiatives.

2. **To Assess the Importance of CSR Activities for a Company: This** objective seeks to gauge respondents' perceptions of the importance of CSR activities for companies, specifically within the context of HUL's marketing strategy.

3. **To Investigate Attitudes Towards CSR Engagement:** This objective aims to explore respondents' attitudes towards companies engaging in CSR activities, especially in the case of HUL, as it pertains to its marketing efforts.

4. **To Examine Perceptions of HUL's CSR Efforts and Alignment with Personal Values:** This objective involves assessing respondents' perceptions of HUL's CSR efforts and determining if they align with respondents' personal values and beliefs.

5. **To Analyse the Impact of HUL's CSR Activities on Brand Loyalty:** This objective focuses on examining the relationship between HUL's CSR practices and brand loyalty among respondents, as indicated by their attitudes and behaviours towards HUL's brands.

5. RESEARCH METHODOLOGY

A research methodology outlines the techniques and procedures used to identify and analyse information regarding a specific research topic. It serves as a framework through which researchers design their study to achieve their objectives using selected research instruments. It encompasses crucial aspects such as research design, data collection methods, data analysis methods, and the overall framework within which the research is conducted.

In this study, we investigate the impact of CSR practices on customer brand loyalty at Hindustan Unilever Ltd. Data for this research was collected through an online survey utilizing a Google Form questionnaire. The online survey format was selected to address concerns of reach and scalability, cost minimization, time efficiency, and support for the concept of a paperless society.

Research Design

The research employs a descriptive research approach, systematically collecting, categorizing, and summarizing responses to provide a comprehensive overview of prevailing attitudes, perceptions, and preferences related to CSR practices and their impact on brand loyalty.

Descriptive research provides a structured presentation of existing opinions and insights gathered from participants. It involves quantifying qualitative data by categorizing responses into themes and presenting an overview of prevalent viewpoints among respondents. This approach aims to offer a detailed snapshot of the current state of CSR practices and their influence on brand loyalty among Hindustan Unilever Ltd. customers.

Data Collection Techniques

The research instrument utilizes a qualitative closed-ended questionnaire to collect data. Closed-ended questions offer predefined response options, ensuring response consistency and facilitating data analysis. This questionnaire allows participants to express opinions within provided response choices.

Sample Size

The sample size of 100 participants was chosen to balance obtaining substantial data and managing resources and time constraints associated with data collection and analysis. This size allows for uncovering patterns, themes, and prevailing attitudes regarding CSR as a marketing tool for brand loyalty among consumers. The diverse sample aims to reflect the complexity of the Indian population, enhancing the validity and generalizability of findings.

Method of Data Collection

Data for this dissertation primarily came from secondary sources such as online websites, international journals, newspapers, magazines, and Google Scholar. Primary data was collected using questionnaires circulated through social media and emails. Responses were analysed using tables and pie charts for better understanding.

Survey Duration

The online survey had a duration of approximately three weeks.

Questionnaire and Measurement

The questionnaire was created online. The first half of the survey consisted of the standard demographics questions about age, gender, education etc. It also included a few introductory questions about various respondents.

The second half of the survey consisted of statements regarding the independent and dependent variables of the study namely brand loyalty. The statements were assessed on a 5-point Likert Scale ranging from 1: "Strongly Agree" to 5: "Strongly Disagree". The Likert Scale makes sure that respondents have choices without becoming overwhelmed. Research Strategy The present research adopts exploratory research nature to give answers to research questions and to test the formulated hypothesis. The in-depth literature analysis has provided specific linkages which helped in drawing hypotheses and identifying the relevant instrumentation. Furthermore, the random sampling technique has been adopted

6.DATA ANALYSIS AND INTERPRETATION

The analysis and interpretation of data is done based on the questionnaire that is attached to this report. The questionnaire is divided into two parts. The first part of the questionnaire intends to understand the demographic distribution of the sample selected. The second part of the

questionnaire is designed so as to fulfil the objectives of the research. The analysis is done based on the questions framed. The interpretation data is done based on the questionnaire designed. Each question is interpreted and a conclusion is derived. These questions are prepared in such a manner that it provides a result to the objectives of the research.

Demographic Variable	Description	Number of Respondents	Percentage
Age	up to 20 years	27	26.7
	20 to 30 years	58	57.4
	30 to 40 years	15	14.9
	40 to 50 years	1	1
	Above 50 years	0	0
Gender	Male	62	61.4
	Female	39	38.6
	others	0	0
Income level	Up to 15000	44	43.6
	15000 to 25000	26	25.7
	25000 to 35000	12	11.9
	Above 35000	19	18.8
Education	No formal education	1	1
	Undergraduate	37	36.6
	Postgraduate	35	34.7
	Professionals	24	23.8
	others	4	4
Occupation	Student	39	38.6
	Business	14	13.9
	Service	35	34.7
	Professional	6	5.9
	others	7	6.9
Residential Status	Urban	50	49.5
	Rural	42	41.6
	Semi-urban	9	8.9

TABLE 6.1 - DEMOGRAPHIC INFORMATION

Section 1: Frequency analysis

The demographic profile analysis reveals key insights into the characteristics of the respondents.

Age

FIGURE 4.1 - AGE

Most respondents, comprising 58%, fall within the age group of 20 to 30 years, indicating a predominantly young sample. A smaller proportion, accounting for 26 %, consists of respondents aged up to 20 years, followed by 15% in the 30 to 40 years age bracket. Remarkably, very few respondents belong to the 40 to 50 years age group, and none are above 50 years old.
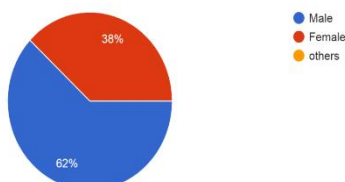
Gender

FIGURE 4.2 - GENDER

In terms of gender distribution, the data indicates that most respondents are male, representing 62% of the sample, while females account for the remaining 38.%. Notably, there are no respondents from the "others" gender category.

Income level

FIGURE 4.3 - INCOME LEVEL

Regarding income levels, the analysis shows that the largest proportion of respondents, comprising 42%, have an income level up to 15000. Smaller proportions fall into the income brackets of 15000 to 25000 (26%), 25000 to 35000 (12%), and above 35000 (20%).

Educational Background

FIGURE 4.4 - EDUCATIONAL BACKGROUND

In terms of education, most respondents have completed either their undergraduate (36%) or postgraduate (35%) education. A smaller proportion, accounting for 1%, have no formal education, while some respondents identify as professionals or fall into the "others" category.
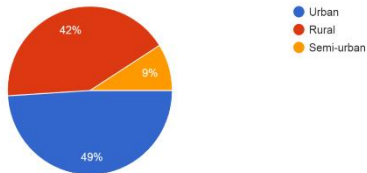
Residential status

FIGURE 4

.5 - RESIDENTIAL STATUS

Source : Author's own computation

Residential status reveals that many respondents reside in urban areas, representing 49% of the sample, followed closely by those in rural areas at 42%. A smaller proportion, accounting for 9%, live in semi-urban areas.
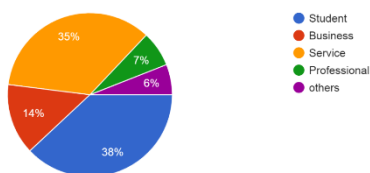
Occupation

FIGURE 4.6 - OCCUPATION

Occupationally, the largest proportion of respondents are students, comprising 38.% of the sample, followed by those in service at 35%. Additionally, respondents engaged in business, professional occupations, and others represent 14%, 6%, and 7% of the sample, respectively.

Section 2: Awareness and Perception of CSR

Q1. I am aware of the CSR initiatives undertaken by Hindustan Unilever ltd.

TABLE 4.7 - AWARENESS OF CSR INCENTIVES

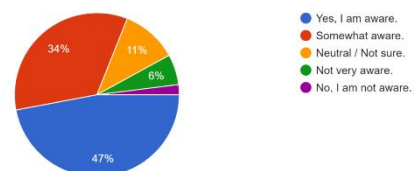| Particulars	No of respondents	Percentage
Yes, I am aware	47	47%
Somewhat aware	34	34%
Neutral / Not sure	11	11%
Not very aware	6	6%
No, I am not aware	2	2%

FIGURE 4.7 - AWARENESS OF CSR INCENTIVES

Interpretation:

The survey data provides valuable insights into the awareness levels of respondents regarding the CSR

initiatives undertaken by Hindustan Unilever Ltd. Nearly half of the participants (47%) are fully aware of the company's CSR efforts, while an additional 34% are somewhat aware, indicating a significant level of recognition among the majority. However, 11% of respondents are neutral or unsure about their awareness, and a smaller group, comprising 6%, is not very aware, with only 2% being completely unaware. This suggests that while 81% of respondents have some level of awareness, there is still room for improvement in communication strategies to better inform the 19% who are less aware or uncertain about Hindustan Unilever's CSR initiatives.

Q2. How would you rate the importance of CSR activities for a company?

TABLE 4.8 - RATING THE IMPORTANCE OF CSR ACTIVITIES

Particulars	*No of respondents*	*Percentage*
1	*4*	*4%*
2	*6*	*6%*
3	*29*	*29%*
4	*37*	*37%*
5	*24*	*24%*

How would you rate the importance of CSR activities for a company?
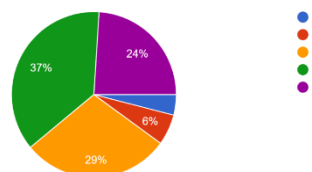100 responses

FIGURE 4.8 - RATING THE IMPORTANCE OF CSR ACTIVITIES

Interpretation:

The survey data provides insights into respondents' ratings of the importance of CSR activities for a company. From the responses, a majority of participants recognize the significance of CSR initiatives. Specifically, 37% of respondents rated the importance of CSR activities as 4 on a scale of 1 to 5, indicating a high level of importance. Additionally, 24% rated it as 5, reflecting the highest level of importance. This means that 61% of respondents consider CSR activities to be very important (rating of 4 or 5). Meanwhile, 29% rated the importance as 3, suggesting a moderate level of importance. Smaller percentages of respondents rated the importance lower, with 6% giving a rating of 2 and 4% giving a rating of 1, indicating that they view CSR activities as less important. Overall, these findings suggest that a substantial majority of respondents perceive CSR activities as crucial for a company, though a small minority places less emphasis on their importance.

Q3. I believe that companies should engage in CSR activities.
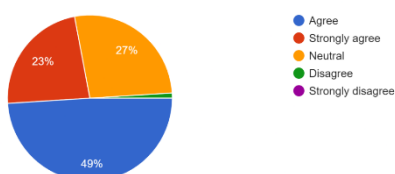
TABLE 4.9 - CSR ENGAGEMENT RATING SCALE

Particulars	*No of respondents*	*Percentage*

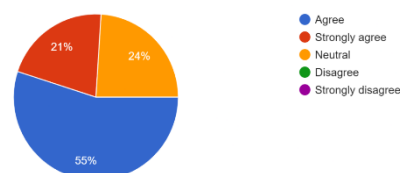|		
Agree	*49*	*49%*
Strongly agree	*23*	*23%*
Neutral	*27*	*27%*
Disagree	*1*	*1%*
Strongly disagree	*-*	*-*

FIGURE 4.9 - CSR ENGAGEMENT RATING SCALE

Interpretation:

The survey data provides insights into respondents' beliefs about whether companies should engage in CSR activities. A significant majority of participants agree on the importance of CSR. Specifically, 49% of respondents agree that companies should engage in CSR activities, while 23% strongly agree, resulting in a total of 72% who support CSR engagement. Meanwhile, 27% of respondents are neutral, indicating they neither agree nor disagree with the necessity of CSR activities. Only 1% of respondents disagree, and none strongly disagree. This indicates a strong consensus among many respondents that CSR activities are essential for companies, with very few opposing this view.

Q4. I perceive the CSR efforts of Hindustan Unilever as positive.

TABLE 4.10 - PERCEPTION OF CSR EFFORTS: HINDUSTAN UNILEVER

Particulars	*No of respondents*	*Percentage*
Agree	*55*	*55%*
Strongly agree	*21*	*21%*
Neutral	*24*	*24%*
Disagree	*-*	*-*
Strongly disagree	*-*	*-*

FIGURE 4.10 - PERCEPTION OF CSR EFFORTS: HINDUSTAN UNILEVER

Interpretation:

The survey data reveals respondents' perceptions of Hindustan Unilever's CSR efforts. A substantial majority view these efforts positively, with 55% agreeing and 21% strongly agreeing, totalling 76% who perceive the CSR activities favourably. Meanwhile, 24% of respondents are neutral, indicating they neither perceive the efforts positively or negatively. Notably, none of the respondents disagreed or strongly disagreed. This strong positive

perception among the majority highlights the effectiveness and favourable impact of Hindustan Unilever's CSR initiatives.

Q5. I believe that Hindustan Unilever's CSR activities align with your personal values and beliefs.

TABLE 4.11 - CSR ALIGNMENT: PERSONAL VALUES & HINDUSTAN UNILEVER

Particulars	No of respondents	Percentage
Agree	49	49%
Strongly agree	25	25%
Neutral	24	24%
Disagree	2	2%
Strongly disagree	-	-

FIGURE 4.11 - CSR ALIGNMENT: PERSONAL VALUES & HINDUSTAN UNILEVER

Interpretation:

The survey data highlights respondents' beliefs about whether Hindustan Unilever's CSR activities align with their personal values and beliefs. A significant majority find alignment with their values, with 49% agreeing and 25% strongly agreeing, totalling 74% who feel positively about this alignment. Additionally, 24% of respondents are neutral, indicating they neither agree nor disagree with the statement. Only 2% of respondents disagree, and none strongly disagree. This suggests that most respondents feel that Hindustan Unilever's CSR initiatives resonate with their personal values and beliefs, with very few expressing disagreement.

Section 3: Brand Loyalty

Q1. I believe that Hindustan Unilever's CSR activities raise its profile in consumers' minds.

TABLE 4.12 - HUL CSR INFLUENCE ON CONSUMER VIEWS

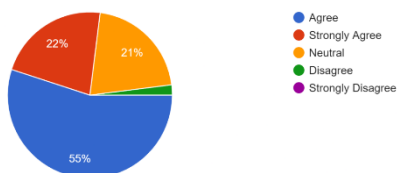| Particulars	No of respondents	Percentage
Agree	55	55%
Strongly agree	22	22%
Neutral	21	21%
Disagree	2	2%
Strongly disagree	-	-

FIGURE 4.12 - HUL CSR INFLUENCE ON CONSUMER VIEWS

Interpretation:

The survey data provides insights into respondents' beliefs about the impact of Hindustan Unilever's CSR activities on its profile in consumers' minds. A substantial majority, 55%, agree that these activities raise the company's profile, with an additional 22% strongly agreeing, totaling 77% who perceive a positive impact. Meanwhile, 21% of respondents are neutral, indicating they neither agree nor disagree. Only 2% of respondents disagree, and none strongly disagree. This indicates that most respondents believe Hindustan Unilever's CSR initiatives effectively enhance the company's image among consumers, with very few expressing dissent.

Q2. I consider myself to be loyal to Hindustan Unilever, as it practices CSR activities.

TABLE 4.13 - CSR LOYALTY PERCEPTION TOWARDS HUL

Particulars	No of respondents	Percentage
Agree	41	41%

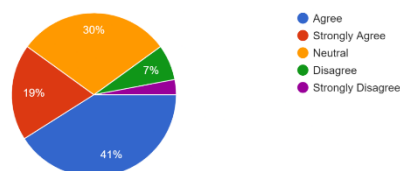| Strongly agree | 19 | 19% |
Neutral	30	30%
Disagree	7	7%
Strongly disagree	3	3%

FIGURE 4.13 - CSR LOYALTY PERCEPTION TOWARDS HUL

Interpretation:

The survey data sheds light on respondents' loyalty to Hindustan Unilever in relation to its CSR activities. A significant portion, comprising 41% of respondents, agree that they consider themselves loyal to the company due to its CSR initiatives. Additionally, 19% strongly agree, resulting in a combined 60% who feel positively about their loyalty. Meanwhile, 30% of respondents are neutral, indicating they neither agree nor disagree. However, 10% of respondents express some level of disagreement, with 7% disagreeing and 3% strongly disagreeing. This suggests that while most respondents perceive a connection between Hindustan Unilever's CSR efforts and their loyalty, there is also a notable segment with differing views or levels of neutrality.

Q3. I can purchase from Hindustan Unilever without hesitation, knowing it is involved in CSR activities.

TABLE 4.14 - PURCHASE CONFIDENCE BASED ON CSR ENGAGEMENT

Particulars	No of respondents	Percentage
Agree	43	43%
Strongly agree	17	17%
Neutral	30	30%
Disagree	8	8%
Strongly disagree	2	2%

I can purchase from Hindustan Unilever without hesitation ,knowing it is involved in CSR activities.
100 responses

- Agree
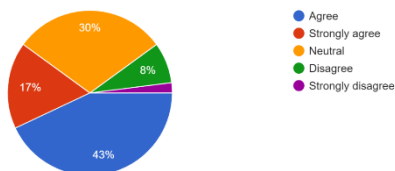- Strongly agree
- Neutral
- Disagree
- Strongly disagree

FIGURE 4.14 - PURCHASE CONFIDENCE BASED ON CSR ENGAGEMENT

Interpretation:

The survey data provides insights into respondents' willingness to purchase from Hindustan Unilever based on its involvement in CSR activities. A considerable proportion, 43% of respondents, agree that they can purchase from the company without hesitation due to its CSR initiatives. Additionally, 17% strongly agree, resulting in a combined 60% who feel positively about this aspect. Meanwhile, 30% of respondents are neutral,

indicating they neither agree nor disagree. However, 10% of respondents express some level of disagreement, with 8% disagreeing and 2% strongly disagreeing. This suggests that while a majority of respondents perceive a positive association between Hindustan Unilever's CSR activities and their purchasing decisions, there is also a notable segment with differing views or levels of neutrality.

Q4. I believe that Hindustan Unilever, committed to CSR, delivers its services as promised.

TABLE 4.15 -CSR COMMITMENT & SERVICE DELIVERY PERCEPTION

Particulars	No of respondents	Percentage
Agree	48	48%
Strongly agree	14	14%
Neutral	30	30%
Disagree	6	6%
Strongly disagree	2	2%

FIGURE 4.15 -CSR COMMITMENT & SERVICE DELIVERY PERCEPTION

Strongly agree	17	17%
Neutral	30	30%
Disagree	9	9%
Strongly disagree	1	1%

Interpretation:

The survey data reveals respondents' beliefs about Hindustan Unilever's commitment to CSR and its delivery of promised services. A significant portion, comprising 48% of respondents, agree that the company, committed to CSR, delivers its services as promised. Additionally, 14% strongly agree, resulting in a combined 62% who hold positive views on this matter. Meanwhile, 30% of respondents are neutral, indicating they neither agree nor disagree. However, 8% of respondents express some level of disagreement, with 6% disagreeing and 2% strongly disagreeing. This suggests that while a majority of respondents perceive a correlation between Hindustan Unilever's CSR commitment and service delivery, there is also a notable segment with differing views or levels of neutrality.

Q5. I believe that Hindustan Unilever, which practices CSR, does not take advantage of consumers.

TABLE 4.16 -CONSUMER PERCEPTION OF HUL'S CSR PRACTICES

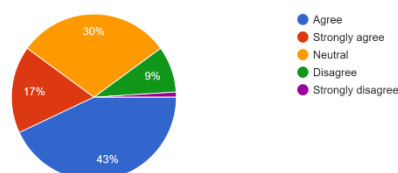| Particulars	No of respondents	Percentage
Agree	43	43%

FIGURE 4.16 -CONSUMER PERCEPTION OF HUL'S CSR PRACTICES

Source : Author's own computation

Interpretation:

The survey data unveils respondents' beliefs regarding Hindustan Unilever's conduct in relation to CSR and consumer treatment. A substantial portion, accounting for 43% of respondents, agree that the company, engaged in CSR practices, does not take advantage of consumers. Moreover, 17% strongly agree, culminating in a collective 60% who share positive sentiments on this topic. Meanwhile, 30% of respondents adopt a neutral stance, indicating neither agreement nor disagreement. However, 10% of respondents express some degree of disagreement, with 9% disagreeing and 1% strongly disagreeing. This indicates that while most respondents perceive a correlation between Hindustan Unilever's CSR activities and fair treatment of consumers, there is

also a notable segment with differing views or levels of neutrality.

7.CONCLUSION

The research concludes that Corporate Social Responsibility (CSR) practices play a pivotal role in enhancing brand loyalty among customers of Hindustan Unilever. The study's findings highlight that CSR initiatives, particularly those focused on environmental sustainability and ethical business practices, significantly bolster customer trust. This trust acts as a crucial intermediary, linking CSR activities to increased brand loyalty.

Demographic insights reveal that younger consumers, those aged 20-30 years, and individuals with higher income levels exhibit a stronger positive response to CSR initiatives. Furthermore, customers with higher educational backgrounds and greater awareness of CSR efforts are more likely to demonstrate loyalty to the brand. These results underscore the importance of tailoring CSR communications to effectively reach and resonate with these demographic segments.

The study also underscores the necessity for Hindustan Unilever to maintain transparency and consistency in its CSR efforts. Transparent and ongoing communication of CSR activities not only enhances credibility but also ensures that customers are aware of and appreciate the company's commitment to social responsibility.

In conclusion, CSR practices are not merely ethical imperatives but also strategic tools that can significantly impact customer loyalty. By embedding CSR deeply into its corporate strategy and effectively communicating these efforts, Hindustan Unilever can foster a loyal customer base, enhance its brand image, and secure a competitive edge in the market. This research validates the importance of CSR as a fundamental component of

modern marketing strategies, offering valuable insights for businesses aiming to strengthen their relationship with customers through responsible corporate behaviour.

8.SUGGESTIONS

- ● **Enhance Communication and Visibility:** Hindustan Unilever should enhance its communication strategies to ensure that customers are well-informed about its CSR initiatives. This could involve regular updates through social media, corporate websites, and public relations campaigns.

- ● **Targeted CSR Programs:** Design and implement CSR programs that specifically target the interests and concerns of different demographic groups, such as young adults and higher-income customers. Tailoring CSR activities to resonate with these groups can enhance their brand loyalty.

- ● **Focus on Long-term Commitment:** Ensure that CSR initiatives are long-term and consistent. Short-term or sporadic CSR efforts may not have the desired impact on brand loyalty. Long-term commitment to CSR activities builds credibility and trust among customers.

- ● **Increase Transparency:** Detailed reports and third-party audits can enhance the credibility of CSR claims and foster greater trust and loyalty among customers.

- ● **Engage in High-Impact CSR Activities:** Prioritize CSR activities that have high visibility and impact, such as environmental sustainability projects and community health programs. These activities are likely to

resonate more with customers and strengthen their loyalty.

9.REFERENCES

- Aaker, D. A. (1991). *Managing Brand Equity: Capitalizing on the Value of a Brand Name. Free Press.*

- Bhattacharya, C. B., & Sen, S. (2004). Doing better at doing good: When, why, and how consumers respond to corporate social initiatives. *California Management Review, 47(1), 9-24.*

- Carroll, A. B. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & Society, 38(3), 268-295.*

- Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International Journal of Research in Marketing, 24(3), 224-241.*

- Fombrun, C. J., & Shanley, M. (1990). What's in a name? Reputation building and corporate strategy. *Academy of Management Journal, 33(2), 233-258.*

- Holt, D. B. (2004). How brands become icons: The principles of cultural branding. *Harvard Business School Press.*

- Kotler, P., & Lee, N. (2005). *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause. Wiley.*

- Oliver, R. L. (1999). Whence consumer loyalty? *Journal of Marketing, 63(4_suppl1), 33-44.*

- Porter, M. E., & Kramer, M. R. (2006). Strategy and society: The link between competitive advantage and corporate social responsibility. *Harvard Business Review, 84(12), 78-92.*

- Turban, D. B., & Greening, D. W. (1997). Corporate social performance and organizational attractiveness to prospective employees. *Academy of Management Journal, 40(3), 658-672.*

- http://hdl.handle.net/10603/381284

- https://www.ajmt.apeejay.edu/all-issues/vol-11/issue-1/article-2.pdf

- https://www.researchgate.net/publication/280032149_The_Impact_of_Customers'_Perception_of_CSR_on_Corporate_Brand_Loyalty_The_Case_of_the_Romanian_Mobile_Telecom_Industry

- https://www.researchgate.net/publication/376627869_Corporate_social_responsibility_and_brand_loyalty_in_Organization_for_Economic_Cooperation_and_Development

- https://www.proquest.com/docview/2346619936/2AC9427A90F5413APQ/2?sourcetype=Dissertations%20&%20Theses

- https://www.researchgate.net/publication/358988375_Corporate_Social_Responsibility_CSR_as_a_Marketing_Tool_A_Case_of_Multinational_Corporations_in_Nigeria