

The Influence of Corporate Social Responsibility on Brand Image: A Study of Nepalese Commercial Bank Customers

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— *Review of* —
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ABSTRACT

Corporate social responsibility has become an essential strategic tool in the corporate world today. The main purpose of this study is to examine customers' perception pertaining to corporate social responsibility (CSR), specifically, the extent to which the four CSR components influence brand image among customers in the banking sector of Nepal. Data were collected from 285 bank customers. Hierarchical regression analysis was employed to test the hypotheses. The results indicated that among the four components of CSR, economic, legal and philanthropic responsibility had a positive influence on brand image. However, ethical responsibility of CSR did not have a positive effect on brand image. Implications of the study for formulating CSR strategies are discussed.

Keywords: corporate social responsibility, brand image, Nepal, banks.

1. INTRODUCTION

Engagement in corporate social responsibility (CSR) programs by organizations is evident in various ways. CSR could be implemented in the form of sponsorships, cash donations, volunteering activities, creating a foundation that works for the betterment of society, and so on. World Business Council for Sustainable Development defines CSR as the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (WBCSD, 1999). Access to information, changing business strategies, cut-throat competition, and creating meaningful work for society, have made CSR an important strategic tool for many organizations. According to Hollender and Fenichell (2004), CSR is the antidote for companies to prosper in the world where every step is being watched. Today, in order to build and maintain a favorable reputation, CSR serves as an essential element for a competitive advantage of the firm (Keh and Xie, 2009; Kumar, 2018). For strengthening customer relationship, CSR is one of the innovative means for companies as it helps to increase customers' trust and loyalty and enhance brand image (Bhattacharya and Sen, 2004). In the banking industry, there is evidence indicating that CSR is administered as a vital tool to maintain brand image (Fatma and Rahman, 2014). The current study aims to investigate the relationship between CSR and brand image in the banking industry.

Nepal serves as the research site for the present study. In the banking industry in Nepal, the government has taken steps to ask banking institutes to dispense at least one percent of their profit towards CSR activities (Nepal Rastra Bank, 2017). Nevertheless, a few banks have

been in the front line exhibiting their work on their webpages and annual reports. Some renowned commercial banks have given CSR space on their websites, while others highlight CSR in annual reports on a voluntary basis. CSR serves as an essential component to manifest a firm's gratitude and appreciation towards society where it is operating (Acharya, 2003). The basic services provided by banks are relatively the same, hence, banks have embraced CSR in order to differentiate themselves and create brand value by using CSR as a strategic tool rather than just a medium to benefit society. However, to date, very little is known in the context of Nepal, particularly, in terms of consumers' perspective on CSR due to the scarcity of research. Hence, the present study fills this gap in the literature. The objectives of this research are to identify customers' perspective on the four components of CSR (i.e., economic responsibility, legal responsibility, ethical responsibility, philanthropic responsibility) and their effect on brand image in the Nepalese banking industry. Specifically, this study is guided by the following research question: To what extent do economic, legal, ethical and philanthropic responsibility of CSR have a positive influence on brand image? The remainder of the paper first reviews the literature relating CSR and brand image, followed by the formulation of the hypotheses, and the conceptual framework. The subsequent sections present the methodology, data collection, discussion of results and concludes with implications for organizations.

2. REVIEW OF RELEVANT LITERATURE

Corporate Social Responsibility

In the 1960s, the concept of corporate social responsibility was defined in relatively general terms and was limited to considering how the company's actions impacted society. Earlier definitions included "...the obligation of decision makers to take actions which protect and improve the welfare of society along with their own interests (Carroll, 2016, p. 2). After debating on economic and legal responsibilities of a firm for years, Carroll conceptualized a pyramid for CSR, which not only included the legal and economic responsibility of a corporation but also the ethical and discretionary (philanthropic) responsibilities (Carroll, 1979). CSR pyramid's main point was that if the firm wants to operate responsibly in the society it resides in, then it has to address all the spectrum of obligation to the society and shareholders. The present study adopts Carroll's CSR Pyramid which is arguably one of the most widely used frameworks for understanding CSR. Conceptually, CSR is comprised of four components: economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility which are discussed in the following section.

Economic Responsibility

Of all the responsibilities, economic is of utmost importance for any firm as its foremost responsibility is towards the stakeholders who are there to make profits. Before focusing on any other goals, companies must work towards the most essential goal for it to survive and for shareholders to be satisfied; which is to generate profits. The remaining CSR responsibilities come into being as a result of this major responsibility, without which the company may perish.

Legal Responsibility

Even though the main responsibility of a company is to make a profit, while doing so, companies need to focus on its lawful operations. The rules and regulations of the country in which the business operates are expected to be followed strictly. Firms are furthermore,

expected not to break the rules, or commit fraud even if the result of it is far less than the generated income.

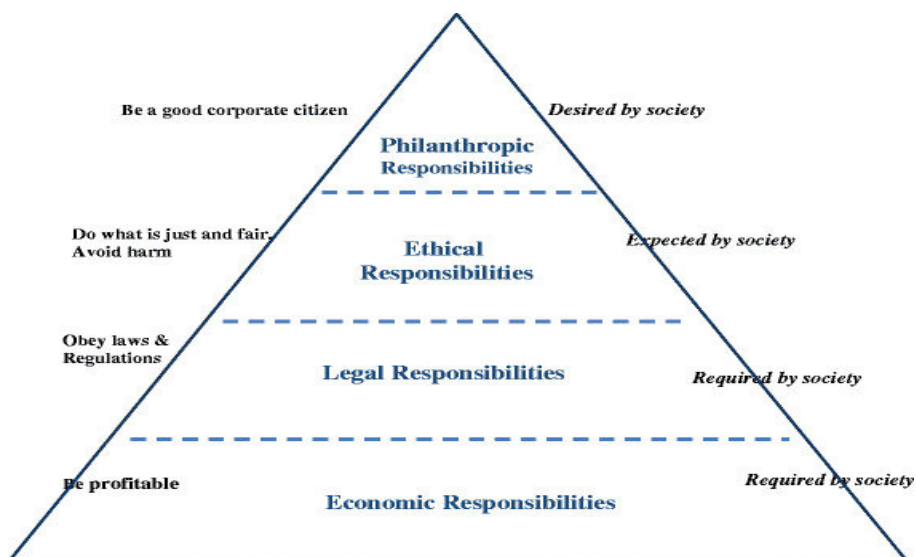
Ethical Responsibility

Sharing a dynamic relation with the previous component, ethical responsibility outlines that even if the law does not require, companies are expected to do the right thing. There are countries where the law does not state anything on the ethical treatment of the workforce or solid wastes, and so on, however, knowing that it is the wrong thing to do, companies are expected to do it correctly. To become socially responsible, this CSR component has been made essential by the business ethics movement.

Philanthropic Responsibility

Societies expect the companies to contribute to various societal projects even if it does not align with the firm's direct goal. This is a way for firms to act as a responsible corporate citizen and engage oneself for the betterment of society other than the business partners and shareholders. The order of the pyramid shows (Figure 1) that until and unless the company is not able to generate a substantial amount of profit, a firm cannot be expected to be engaged in the philanthropic programs or activities serving the society.

Figure 1 Pyramid of CSR



Source: Caroll (2016)

As the main objective of the current study is to examine the effect of the components of corporate social responsibility on brand image, the next section presents a review of the literature for brand image.

Brand Image

A brand is defined by Aaker (1991) as a distinctive identity of a producer, seller or services and goods that can either be a symbol or a name, which helps the company to differentiate its offerings from its competitors. Likewise, the American Marketing Association (AMA) defines a brand as a reflection and perception of a brand in the heart and minds of people. Brands are the combination of emotions and beliefs of people of what the brand should be (AMA, 2010).

Brand associations consist of knowledge, awareness, and image of a brand (Keller & Aaker, 1998). Furthermore, the authors mention that brand associations include perceptions of brand quality and attitude of customers towards the particular brand. In addition, brand image was defined by Keller (1993) as “perceptions about a brand as reflected by the brand association held in consumer memory”. According to Aaker (1996), these kinds of affiliations refer to any aspect of the brand which is in the memory of the customer or consumer. In other words, it is what separates a brand while comparing it with additional brands available in the market, along with the mental image that is created in the consumers’ mind regarding the particular brand (Faircloth, 2005). Consumers’ knowledge and beliefs regarding the brand along with its non-product attribute leads to the brand image of a brand for each customer. Brand image is personal and symbolizes the consumers’ attachment and association with the brand comprising of all the brand-related descriptive and evaluative data information (Iversen & Hem, 2007). The message of the brand has a strong influence compared to that of its competitors when a consumer has a favorable brand image for the particular brand (Hsieh & Li, 2008). Thus, when it comes to the important determinant of a buyer’s behavior, brand image is definitely one of them (Burmans, Schaefer, & Maloney, 2008).

CSR and Brand Image

With the importance of corporate social responsibility rising, consumers’ expectations on companies’ commitment to CSR are growing. As previously mentioned, consumers have expectations for both emotional and social values (Popoli, 2011). When brands give priority to emotional values, they are safeguarded from the competitions prevailing in the market (Martínez, Pérez, & Rodríguez, 2014). When a firm’s strategy regarding positioning, is CSR program based, it can be seen that the core values are filled by corporate social responsibility concept (Du, Bhattacharya, & Sen, 2011). To ensure the brand from attacks, companies can integrate CSR into the marketing strategy (Werther & Chandler, 2005). The company which communicates the CSR to manage customer’s expectations has an added bonus, as it becomes a strategic branding tool to influence and retain customers (Werther & Chandler, 2005).

Du, Bhattacharya & Sen (2007) state that CSR programs shape a positive customer’s attitude along with positive behavior. Thus, the utmost reason to be participating in CSR activities is to strengthen the brand image for companies (Du, Bhattacharya, & Sen, 2007). A strong linkage is there between corporate social responsibility and brand image. Today, rather than just being a contributing factor to the customer’s social value, corporate social responsibility is becoming an essential aspect of every business which affects the brand image in a positive manner, thus, it is being considered of strategic importance (Salmones, Crespo & Bosque, 2005; Cretu & Brodie, 2000; Werther, Jr, & Chandler, 2005; Idowu & Leal Filho, 2009; Wu & Wang, 2014). Additionally, in the words of Martínez, Perez and Rodríguez Del Bosque (2013), CSR helps to engage the consumers in brand loyalty as it creates a positive influence on brand image. Furthermore, an increment of word of mouth and positive purchase intentions is an outcome of established brand image (Martínez, Pérez, & Rodríguez, 2014). In the meantime, brand image is further becoming a component which is essential for marketers to create and develop a strategy. On the other hand, however, when it comes to academic research, further investigation is needed when it comes to various components of corporate social responsibility influencing brand image as the literature is limited. Therefore, for this study, each component of CSR pyramid is further investigated for its effect on brand image.

Economic Responsibility and Brand Image

A strong economic background will help companies invest in establishing brand image. Also, creating a brand image is not only a marketing strategy but openly and directly affects the profitability of the firm (Akhtar, Xicang & Iqbal, 2017). Performing economic responsibility, companies can increase the effectiveness and efficiency of marketing programs which ultimately enhance the brand image and therefore, the company and its stakeholders can enjoy increased profit margins (Erdem et al. 2002; Bendixen et.al. 2004).

H1: Economic responsibility has a positive influence on brand image.

Legal Responsibility and Brand Image

In the current socioeconomic environment, in order to have a better brand image, accountability to societal and legal commitment is essential for any company (Balmer, 2001; Ind, 1997). This is further supported by Fan (2005) who states that companies that behave as well as keeping itself honest, diverse, legally responsible, accountable and respectable attract the most attention from society, hence, increasing its brand image. However, few studies have been carried out to examine legal responsibility and brand image in the service sector (Singh et al., 2012) and this warrants further investigation.

H2: Legal responsibility positively affects brand image.

Ethical Responsibility and Brand Image

For a company to have a strong brand one must incorporate ethical responsibilities as an important identity (Iglesias and Ind, 2016), further communicating ethical commitment with customers throughout (Balmer 2001; Ind 1997; Rindell et al. 2011). According to Parasuraman et al. (1985), this becomes more important when applied in the service sector because of its distinct nature of providing services. Furthermore, service business involves many touch points where the need for being ethically responsible increases (Gronroos 2006; Markovic et al. 2015). However, there is a scarcity of research that has been conducted to examine ethics and brand image when it comes to the service sector (Sierra et al. 2015; Markovic et al. 2015).

H3: Ethical responsibility has a positive effect on brand image.

Philanthropic Responsibility and Brand Image

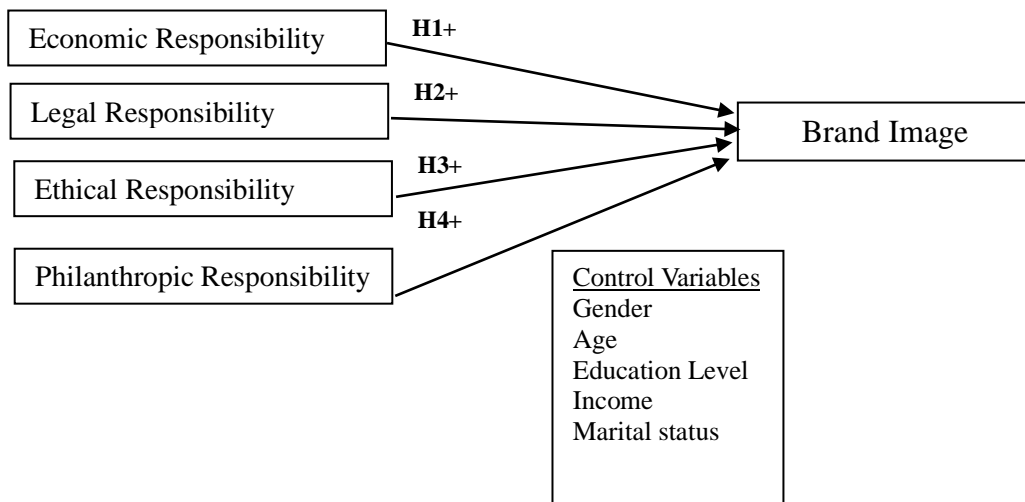
Any company's philanthropy can help a company to establish brand loyalty, recognition and establish a reputation; promoting oneself as a responsible firm (Sanchez, 2000). Researchers (e.g., Hess et al., 2002; Smith & Stodghill, 1994; Vidaver-Cohen & Altman, 2000) state that corporate philanthropic undertakings are an excellent marketing strategy to build a brand and to expand globally. They further elaborate that; many governments persuade corporations to provide donations through tax incentives for the betterment of public goods. This is further coming up as in western societies; firms are in continuous pressure in order to exercise CSR, as goods from responsible firms are demanded highly by the consumers (Mohr et al. 2001; Sen and Bhattacharya, 2001).

H4: Philanthropic responsibility has a positive influence on brand image.

Figure 2: Conceptual Model for CSR Components and Brand Image

Independent Variables

Dependent Variable



3. METHODOLOGY

Data were collected using a questionnaire-based survey of individuals who were bank customers. Google forms were sent to respondents with the help of frontline officers of banks, managers and various organizations who were approached through personal contacts in order to receive email addresses along with the list of respondents. However, as banks and other organizations were reluctant to disclose the identity of the respondents, the list was not provided, instead, they circulated the Google form themselves. Furthermore, in order to avoid receiving incompletely filled forms, all the fields were made mandatory or 'required' in the Google form. A total of 285 respondents completed the survey.

For the development of the questionnaire, the first section contained a simple question which helped to screen out the respondents. The question was regarding whether the prospective respondent had a bank account or not. The purpose of doing so was to determine if the respondent met the criterion to participate in the study. The second section included questions relating to the respondents' demographic characteristics, such the gender of respondents, their marital status along with age, education and income. The third and fourth sections in the survey contained the questions that were related to the independent variables (i.e., four components of CSR) and the dependent variable (brand image). These variables were measured on the basis of a 5-point Likert response scale ranging from "Strongly Disagree" (coded 1) to "Strongly Agree" (coded 5).

Independent Variables

Economic responsibility was based on 4 questions adapted from prior studies (Gunesh and Geraldine, 2015; Perez and Rodriguez Del Bosque, 2013, 2015a, 2015b). An example of a question on economic responsibility is "The employees of my bank treat their customers honestly". Reliability was acceptable ($\alpha = 0.798$).

Legal responsibility was measured using 3 questions based on previous research (Podnar and Golob, 2007; Gunesh and Geraldine, 2015). An example of a question relating to legal responsibility is: "The employees of my bank respect rules and regulations abide by the law". Reliability was satisfactory ($\alpha = 0.704$).

Ethical responsibility was based on 4 questions (Podnar and Golob, 2007; Gunesh and Geraldine, 2015; Perez and Rodriguez Del Bosque (2013, 2015a, 2015b). A sample question relating ethical responsibility is: “The employee of my bank treats their customers fairly”. Reliability was acceptable ($\alpha = 0.799$).

Philanthropic responsibility was measured on the basis of 5 questions based on prior research (Podnar and Golob, 2007; Gunesh and Geraldine, 2015; Perez and Rodriguez Del Bosque (2013, 2015a, 2015b). An example of one of the questions is: “My bank practices charitable/donation activities.” Cronbach’s alpha coefficient was satisfactory ($\alpha = 0.892$).

Dependent Variable

Brand Image was based on 12 questions (Naqvi, Ishtiaq, Kanwal, & Ali (2013) that asked respondents about their perception of brand image. A sample question is: “I can quickly recognize the symbol of the bank.” Reliability of the scale was satisfactory ($\alpha = 0.929$).

Data were analyzed using hierarchical regression analysis with demographic variables treated as control variables.

4. RESULTS

Profile of respondents

The demographic profile of the 285 respondents indicates that nearly 60% of the respondents were male (58.2%) while 41.8% were women. In terms of age, many respondents belong to the age group 30-35 years (31.2%), 24.9% of respondents were of age group between 24-29 years. This was further followed by 17.2% of respondents who were in the group of 36-39 years. A smaller proportion of the respondents were 18-23 years old (15.8%) and 10.9% of the respondents were 40 years old and above. Their marital status reveals that half of the respondents were single (50.1%), 40.7% were married, 8.1% were divorced and a small number of the respondents were separated (0.7%). The educational background reflects a relatively educated group, with the majority of the respondents holding a master’s degree (46.5%), nearly 30% had a bachelor’s degree (29.9%) and 15.1% had completed high school. Furthermore, the results showed that 8.5% of the respondents hold a Ph.D. degree. It might be surprising for many outside Nepal to see the percentage of masters’ degree holders; however, when we look at the job market of the country’s capital, the demand for masters’ degree is placed high which has involuntarily led individuals to pursue the degree. Also, 8.5% of respondents represent PhD level which is relatively high. With a rise in development projects, development field is becoming one of the major service sectors in Nepal. The number of PhD graduates is high in the sector as for prominent positions in INGOs and NGOs they require experts in the field. Having said that, while circulating the forms the researcher reached out to contacts in the development sector as well which could have resulted in 25 respondents having Ph.D. degrees.

A large proportion of the respondents had an income level above Rs. 91,000 (27.4%) followed by those earning below Rs. 10,000 (22.5%). In addition to this, 16.8% of the respondents’ earnings were between Rs.71000-Rs. 90000, 12.6% had an income level of Rs.51000-Rs.70000 and the same proportion of 12.6% earned between Rs.31000-Rs.50000, whereas the remaining 8.1% of respondents had an income level between Rs.10000-Rs.30000.

Hierarchical Regression Analysis

Hierarchical regression analysis was conducted to test the effect of the four independent variables: economic, legal, ethical, and philanthropic responsibilities on brand image, the dependent variable. The demographic variables of gender, age, education, income and marital status were entered as control variables. The results are shown in Table 1.

The results indicated that Model 1 explained only 16.5% of the total variability in brand image, $F(5,279) = 11.008, p < .001$ (Table 1). Out of the five control variables, only gender and age have a significant effect on brand image: $\beta = -.106, p < 0.05$ for gender and $\beta = .115, p < .05$ for age. That is, the level of brand image is more likely to decrease for male (coded 2) than for female (coded 1) respondents. In terms of age as there is positive beta coefficient, it can be implied that the relatively older respondents tend to rate brand image more favorably than younger respondents. Model 2 explained 53.6% of the variance in brand image, $F(9,275) = 35.24, p < .001$. The four components of CSR explained additional variance of 37.1% in brand image. Out of four independent variables, economic ($\beta = 0.312, p < 0.05$), legal ($\beta = 0.131, p < 0.05$), and philanthropic responsibilities ($\beta = 0.379, p < 0.05$), are significant predictors whereas ethical responsibility has no significant effect on brand image ($\beta = .095, p = 0.09$). Hence, philanthropic responsibility has the highest impact on brand image, followed by economic responsibility and legal responsibility.

For exploratory purposes, additional analysis for gender was undertaken using multiple regression for the female and male sample (Tables 2-3).

Contrary to the female sample, for the male sample, ethical responsibility of CSR is an insignificant predictor of brand image, $\beta = 0.002, p = .976$ while the remaining three components of CSR significantly influenced brand image. Hence, gender differences exist in the perception of legal and ethical components of CSR and their effect on brand image.

Table 1: Hierarchical regression analysis of CSR predictors of brand image

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	3.687	.250		14.721	.000					
	Gender	-.360	.071	-.287	-5.068	.000	-.294	-.290	-.277	.931	1.074
	Age	.120	.037	.235	3.277	.001	.239	.193	.179	.580	1.725
	Marital Status	.004	.039	.007	.101	.919	-.171	.006	.006	.598	1.673
	Education Level	.052	.035	.084	1.475	.141	.189	.088	.081	.919	1.088
	Income level (per month)	.027	.021	.071	1.276	.203	.130	.076	.070	.960	1.042
2	(Constant)	.846	.319		2.651	.008					
	Gender	-.133	.057	-.106	-2.335	.020	-.294	-.139	-.096	.817	1.224
	Age	.059	.028	.115	2.097	.037	.239	.125	.086	.562	1.778
	Marital Status	.024	.030	.044	.825	.410	-.171	.050	.034	.595	1.681
	Education Level	-.032	.027	-.051	-1.169	.243	.189	-.070	-.048	.876	1.141
	Income level (per month)	-.021	.016	-.056	-1.303	.194	.130	-.078	-.054	.916	1.092
	economic	.318	.057	.312	5.592	.000	.613	.320	.230	.543	1.842
	legal	.136	.044	.131	3.112	.002	.197	.184	.128	.949	1.054
	ethical	.095	.055	.095	1.714	.088	.510	.103	.070	.553	1.809
	Philanthropic	.290	.041	.379	7.092	.000	.622	.393	.291	.590	1.695

a. Dependent Variable: brand image

Table 2 Multiple regression analysis for female sample

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.897	.407		2.203	.030
economic	.252	.098	.243	2.567	.012
legal	.108	.075	.105	1.441	.152
ethical	.204	.087	.206	2.333	.021
Philanthropic	.232	.059	.323	3.910	.000

a. Dependent Variable: brand image

For the female respondents, legal responsibility of CSR does not significantly affect brand image, $\beta = .105$, $p = 0.152$, while the remaining three predictor variables (i.e., economic, ethical and philanthropic) have a significant effect on brand image.

Table 3 Multiple regression analysis for male sample

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.653	.312		2.092	.038
economic	.367	.068	.381	5.392	.000
legal	.144	.053	.149	2.715	.007
ethical	.002	.073	.002	.030	.976
Philanthropic	.338	.055	.423	6.127	.000

a. Dependent Variable: brand image

5. DISCUSSION

The findings for the current study were based on hierarchical regression analysis. The result shows that when demographic variables were tested as control variables (gender, age, marital status, education level and income level) two variables (i.e., age and gender) had a significant impact on brand image. It was found that when hierarchical regression analysis was conducted, economic (hypothesis 1), legal (hypothesis 2) and philanthropic (hypothesis 4) responsibilities out of four components of CSR were significant predictors of brand image, thus those hypotheses

were supported. However ethical responsibility (hypothesis 3) was one component of CSR which was insignificant and the hypothesis was rejected.

Economic responsibility of CSR was found to have a positive influence on brand image. This result was consistent with the findings of a study in Taiwan non-life insurance industry which found evidence to support economic responsibility to have a significant relationship with brand image (Chen-Ying Lee, Wei-Chen Chang, Hsin-Ching Lee, 2017). Furthermore, this result was also similar to the findings from another study undertaken by Akhtar, Xicang & Iqbal (2017) who pointed out that having sound economic condition helps build brand image. Legal responsibility was a significant predictor of brand image in the current study. This finding is similar to prior studies (e.g., Chen-Ying Lee, Wei-Chen Chang, Hsin-Ching Lee, 2017) as well. In addition, this was consistent with Fan's (2005) study which found evidence to support companies that are legal, honest, accountable were also likely to receive more attention from society and customers over other companies. In addition to this, philanthropic responsibility had a significant effect on brand image. This result was again consistent with the study conducted by Chen-Ying Lee, Wei-Chen Chang, Hsin-Ching Lee, (2017). Also, the result is supportive of Bennett's (1998) research which indicated that philanthropy had a significant relationship with brand image. This was a cross-country study that was conducted in France, Germany, and the UK. Furthermore, all three components of CSR as significant predictors of brand image were also consistent with the findings of a study carried out by Naqvi et al. (2013) and those from Mubarak, Hamed & Mubarak, (2019) in which all the three CSR components (i.e., economic, legal and philanthropic) positively affected brand image.

However, ethical responsibility of CSR was not a significant predictor of brand image in the Nepalese banking context in the present study. This finding contradicts previous studies. Prior research (e.g., Iglesias and Ind, 2016) noted that for a company to have a strong brand image it must incorporate ethical responsibilities as an important identity. Although, most studies found a significant relationship between ethical responsibility and brand image, very few studies have found otherwise. A qualitative study in retail and distribution industry (Carrigan & Attalla, 2001) highlighted that none of the participants of the research boycotted any products or services for ethical reasons as they prioritized value for money and convenience which were other factors affecting brand image (Kremer and Viot, 2012) over ethical activities. A focus group study (Boulstridge and Carrigan, 2000) revealed similar findings in their research where the respondents in their study prioritized price, quality, money, convenience over ethical responsibility while making a purchase. From these previous studies, it is plausible that

the customers of commercial banks in Nepal may not prioritize ethical responsibility on the same basis as the other three CSR components. Other factors such as price, quality and convenience may be more important which will require further research. Finally, an interesting finding from the current study is that men and women differ in terms of how legal and ethical responsibilities of CSR are perceived. For the female respondents, legal component of CSR does not matter that much while for the male respondents, ethical responsibility does not contribute to brand image.

6. CONCLUSION AND IMPLICATIONS

To strengthen customer relationship, CSR works as an innovative instrument for companies as it helps to increase customers' trust and loyalty, ultimately contributing to the companies' brand image (Bhattacharya and Sen, 2004). It is believed that the results from this study could be beneficial to the banking sector in managing brand image and perceptions of CSR among bank customers.

All in all, from the current study, it was found that in the presence of control variables, three components of CSR (i.e., economic, legal and philanthropic) have a significant effect on brand image. On the other hand, ethical responsibility of CSR was not contributing to brand image. However, further analysis revealed that this was the case only for the male respondents. In addition, it was also found that among all the four components of CSR, philanthropic and economic responsibilities had the strongest effect on brand image, respectively. At the same time, legal responsibility of CSR must not be overlooked but should also be emphasized as commitment to legal component of CSR does have a positive impact on brand image, but this was not perceived to be important for the female respondents. Furthermore, the results from the study indicate that with respect to age group, banks may need to specifically target the younger age group to promote brand image as they are more likely to rate brand image less favorably. Finally, gender differences exist, to some extent, in customers' perception of CSR responsibilities and the predictors of brand image. Hence, demographic characteristics do matter. Banks may apply the results of the study to explore and engage customers with an emphasis on philanthropic and economic responsibilities of CSR activities while taking into consideration demographic characteristics of customers.

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