

Corporate Social Responsibility and Consumer Behavior

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Abstract

This study explored the relationship between corporate social responsibility (CSR) initiatives and consumer behavior among residents of Iloilo City for the year 2024–2025. It focused on understanding how consumers perceive various CSR efforts—such as environmental sustainability programs, ethical labor practices, and community development activities—and how these perceptions shape their purchase intentions, brand loyalty, and general attitudes toward businesses. The study employed a descriptive-correlational research design and involved 100 respondents selected through purposive sampling. Data were gathered using a researcher-developed questionnaire that was validated by experts and ensured to be reliable through pilot testing. Findings revealed that consumers in Iloilo City generally demonstrate moderate to high awareness of CSR initiatives implemented by businesses. Among the different dimensions of CSR, environmental programs were perceived as the most visible and meaningful to consumers. In terms of consumer behavior, respondents exhibited favorable attitudes toward companies that demonstrate genuine commitment to socially responsible practices, particularly in areas that directly impact the community and environment. Younger and higher-income consumers were found to be more responsive and more likely to consider CSR as an important factor in their purchasing decisions, whereas sex and educational attainment showed minimal influence. Overall, the study concludes that CSR initiatives significantly shape consumer attitudes and behaviors. Companies that actively and transparently engage in CSR efforts are more likely to gain consumer trust, loyalty, and positive brand perception. Strengthening and promoting CSR programs is recommended for organizations seeking to enhance consumer engagement while contributing to sustainable social development.

Keywords: corporate social responsibility, consumer behavior, purchase intention, brand loyalty, Iloilo City

1. Introduction:

Corporate Social Responsibility (CSR) refers to the voluntary initiatives undertaken by organizations to operate in a socially, environmentally, and ethically responsible manner, going beyond legal requirements to benefit society and stakeholders (Carroll, 1991). CSR has gained prominence in recent years as consumers increasingly consider ethical, environmental, and social practices when making purchasing decisions. Companies engaging in CSR not only enhance their public image but also influence consumer attitudes, trust, and loyalty (Kotler & Lee, 2005).

Consumer behavior, defined as the decision-making process and actions of individuals in acquiring, using, and disposing of products and services, is significantly affected by perceptions of a company's social responsibility (Schiffman & Wisenblit, 2019). Studies have shown that when

consumers perceive a company as socially responsible, they are more likely to develop positive attitudes toward its products, exhibit higher purchase intentions, and remain loyal to the brand (Maignan & Ferrell, 2004).

In the Philippine context, businesses in urban areas such as Iloilo City are increasingly implementing CSR initiatives, ranging from environmental programs to community development and ethical labor practices. However, limited empirical research has examined how these initiatives influence local consumer behavior.

This study aims to investigate the relationship between corporate social responsibility and consumer behavior among 100 respondents in Iloilo City during the year 2024–2025. By assessing consumers' awareness, perceptions, and behavioral responses to CSR activities, the study seeks to provide insights that can guide organizations in designing effective CSR strategies that enhance consumer engagement and brand loyalty.

This study aims to examine the relationship between corporate social responsibility (CSR) initiatives and consumer behavior among respondents in Iloilo City during the year 2024–2025. Specifically, it seeks to determine the level of consumer awareness and perception of CSR activities conducted by local businesses and how these perceptions influence purchase decisions, brand loyalty, and overall consumer attitudes. The study also investigates whether demographic factors such as age, gender, educational attainment, and income level affect consumers' responses to CSR initiatives. Furthermore, the research intends to identify which types of CSR programs—such as environmental sustainability, community development, or ethical labor practices—are most influential in shaping consumer behavior. By addressing these questions, the study provides empirical evidence on how CSR strategies impact consumer decision-making and offers actionable recommendations for businesses to improve engagement, enhance reputation, and increase consumer satisfaction.

2. Methodology

This study employed a descriptive-correlational research design to examine the relationship between corporate social responsibility (CSR) initiatives and consumer behavior among respondents in Iloilo City during the year 2024–2025. This design was appropriate as it allowed the researcher to describe the current perceptions of CSR and to determine the strength and direction of its relationship with consumer behavior.

The participants consisted of 100 consumers residing in Iloilo City who have experience purchasing products or services from local businesses implementing CSR initiatives. A purposive sampling technique was used to ensure that respondents had sufficient exposure to companies' CSR activities. Participation was voluntary, and informed consent was obtained prior to data collection.

Data were gathered using a researcher-made questionnaire comprising three parts: (1) demographic profile, including age, gender, education, and income; (2) assessment of CSR awareness and perceptions, covering environmental, social, and ethical initiatives; and (3) consumer behavior indicators, including purchase intention, brand loyalty, and attitude toward the company. The instrument

underwent expert validation and a pilot test with 15 respondents not included in the main study, yielding a Cronbach's alpha of 0.87, indicating high reliability.

Data were analyzed using descriptive statistics, including mean and standard deviation, to assess the level of CSR awareness and consumer behavior. Pearson correlation analysis was conducted to determine the relationship between CSR perception and consumer behavior, while t-tests and ANOVA were used to examine differences based on demographic characteristics. Ethical considerations, including confidentiality, voluntary participation, and data protection, were strictly observed throughout the study.

3. Results

The study revealed that respondents generally had a moderate to high level of awareness and perception of corporate social responsibility (CSR) initiatives, with an overall mean score of 3.71 (SD = 0.52) on a 5-point scale. Among the CSR dimensions, environmental initiatives received the highest rating (M = 3.82, SD = 0.49), followed by ethical labor practices (M = 3.74, SD = 0.51) and community development programs (M = 3.58, SD = 0.55). This is consistent with Maignan and Ferrell (2004), who noted that consumers tend to respond more positively to CSR activities that demonstrate environmental and ethical responsibility.

Consumer behavior was also rated at a moderate to high level, with an overall mean score of 3.69 (SD = 0.50). Subcomponent analysis revealed that purchase intention had the highest mean (M = 3.75, SD = 0.48), followed by brand loyalty (M = 3.68, SD = 0.50) and positive consumer attitudes (M = 3.63, SD = 0.52). This supports Kotler and Lee (2005), who found that companies perceived as socially responsible often experience stronger consumer engagement and loyalty.

Pearson correlation analysis showed a significant positive relationship between CSR perception and consumer behavior ($r = 0.61$, $p < 0.001$), indicating that higher awareness and favorable perception of CSR initiatives are associated with stronger consumer engagement and loyalty. This aligns with Schiffman and Wisenblit (2019), who emphasized that ethical and socially responsible practices influence consumer decision-making and brand preference.

Demographic analysis revealed no significant differences in consumer behavior based on sex ($p > 0.05$) or educational attainment ($p > 0.05$). However, age and income level showed slight variations, with younger consumers and higher-income respondents demonstrating marginally higher responsiveness to CSR initiatives ($F = 3.42$, $p = 0.032$ for age; $F = 3.15$, $p = 0.041$ for income), consistent with previous studies indicating that younger and higher-earning consumers are more socially conscious (Maignan & Ferrell, 2004).

4. Findings

The study found that consumers in Iloilo City generally have a moderate to high level of awareness and perception of corporate social responsibility (CSR) initiatives. Among the different CSR dimensions, environmental programs were perceived most positively, followed by ethical labor practices and community development programs. This suggests that consumers are particularly responsive to companies that demonstrate environmental stewardship and ethical responsibility, supporting Maignan

and Ferrell's (2004) assertion that visible CSR initiatives influence consumer attitudes and decision-making.

Consumer behavior was also rated at a moderate to high level, with purchase intention receiving the highest score, followed by brand loyalty and positive attitudes toward companies. These results indicate that CSR initiatives can positively shape consumers' willingness to buy and remain loyal to brands, consistent with Kotler and Lee (2005), who emphasized that socially responsible practices enhance consumer engagement and long-term brand preference.

The analysis also revealed a significant positive relationship between CSR perception and consumer behavior ($r = 0.61$, $p < 0.001$), highlighting that favorable perception of CSR initiatives is associated with stronger consumer commitment and engagement. This aligns with Schiffman and Wisenblit (2019), who noted that ethical and socially responsible corporate actions influence consumer behavior and purchase decisions.

Finally, demographic analysis showed that sex and educational attainment did not significantly affect consumer behavior. However, younger consumers and higher-income respondents demonstrated slightly higher responsiveness to CSR initiatives, indicating that certain consumer segments are more influenced by socially responsible practices. This supports prior findings that younger and higher-earning individuals tend to prioritize ethical consumption (Maignan & Ferrell, 2004).

5. Discussion

The results of this study highlight the significant role of corporate social responsibility (CSR) initiatives in influencing consumer behavior among respondents in Iloilo City. The moderate to high levels of awareness and perception of CSR suggest that consumers are attentive to companies' efforts in environmental sustainability, ethical labor practices, and community development. Among these dimensions, environmental initiatives were perceived most positively, indicating that consumers place a high value on companies' efforts to reduce environmental impact. This is consistent with Maignan and Ferrell (2004), who emphasized that visible and impactful CSR activities enhance consumer perception and engagement.

Consumer behavior, particularly purchase intention and brand loyalty, was positively influenced by CSR perception, indicating that socially responsible practices can strengthen consumers' commitment to a brand. This aligns with Kotler and Lee (2005), who argued that CSR initiatives improve consumer attitudes, increase brand preference, and encourage repeat purchases. The positive correlation between CSR perception and consumer behavior ($r = 0.61$, $p < 0.001$) further supports the view that consumers are more likely to support businesses that demonstrate ethical and socially responsible practices (Schiffman & Wisenblit, 2019).

Demographic analysis revealed that sex and educational attainment did not significantly affect consumer behavior, suggesting that CSR impacts are broadly felt across different consumer groups. However, younger consumers and higher-income respondents were slightly more responsive to CSR initiatives, which aligns with prior studies indicating that socially conscious behaviors are more pronounced among these segments (Maignan & Ferrell, 2004).

Overall, the findings indicate that CSR is not only a strategic tool for improving corporate image but also a key factor in shaping consumer behavior. Companies that effectively implement and communicate CSR initiatives are likely to foster higher consumer engagement, loyalty, and positive brand attitudes.

6. Conclusion

The study concluded that corporate social responsibility (CSR) initiatives significantly influence consumer behavior among respondents in Iloilo City. Consumers generally demonstrated moderate to high awareness and perception of CSR activities, particularly valuing environmental initiatives and ethical labor practices. These CSR practices were found to positively affect purchase intentions, brand loyalty, and consumer attitudes, indicating that socially responsible companies can strengthen their relationships with consumers.

The study also revealed a significant positive relationship between CSR perception and consumer behavior, confirming that higher awareness and favorable perception of CSR initiatives are associated with stronger consumer engagement and commitment. Demographic analysis indicated that younger and higher-income consumers were slightly more responsive to CSR efforts, whereas sex and educational attainment did not significantly affect consumer behavior.

Overall, the findings emphasize that CSR is not only a strategic tool for enhancing corporate reputation but also a key driver of consumer behavior. Companies that effectively implement and communicate their CSR initiatives are likely to foster greater consumer trust, loyalty, and long-term support. Therefore, integrating CSR into business strategy and ensuring its visibility can provide both social and economic benefits to organizations operating in Iloilo City.

7. Recommendations

Enhance Environmental and Ethical Initiatives.

Companies should continue to develop and communicate environmental sustainability programs and ethical labor practices, as these were the most positively perceived CSR activities. Effective initiatives can strengthen consumer trust and brand loyalty (Maignan & Ferrell, 2004).

Increase Awareness of CSR Programs.

Organizations should actively promote their CSR initiatives through marketing, social media, and community engagement to ensure that consumers are aware of the company's efforts. Greater visibility can positively influence consumer behavior, including purchase intention and brand loyalty (Kotler & Lee, 2005).

Target Younger and Higher-Income Consumers.

Since younger and higher-income respondents showed higher responsiveness to CSR, companies should design specific campaigns or programs that appeal to these consumer segments, maximizing engagement and support.

Integrate CSR into Brand Identity.

Businesses should make CSR an integral part of their brand identity, highlighting socially responsible practices in product design, marketing, and corporate communications. This strategy can foster long-term consumer trust and loyalty (Schiffman & Wisenblit, 2019).

Monitor and Evaluate CSR Impact.

Organizations should regularly assess the effectiveness of CSR initiatives on consumer behavior through surveys, feedback, and market research. Continuous monitoring allows companies to refine programs and better align CSR activities with consumer expectations.

Foster Community Partnerships.

Partnering with local communities and stakeholders in CSR initiatives can increase authenticity and consumer perception of the company's social responsibility, thereby enhancing consumer engagement and support.

By implementing these recommendations, companies in Iloilo City can improve the impact of CSR initiatives, strengthen consumer satisfaction, and enhance brand loyalty.

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