



Awareness of Corporate Social Responsibility Related Activities of Different Company for Building Brands from Customer Perspectives in Nepal

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Authors' contributions

This work was carried out in collaboration among all authors. Author MKTM designed the study, performed the statistical analysis, wrote the protocol and wrote the first draft of the manuscript. Authors Ayuska Parajuli and RP managed the analyses of the study. Author Ashok Pandey managed the literature searches, designed the study, performed the statistical analysis, wrote the protocol and wrote the final manuscript. All authors read and approved the final manuscript.

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ABSTRACT

Aims: The purpose of this study is to explore the consciousness of customers of different company on awareness of corporate social responsibility related activities of the different companies for building brands in Nepal.

Study Design: A quantitative methodology in the form of statistical analysis of the results was derived from the responses of a customer on to find out how CSR activities can be used in building brands in the different product used in Nepal.

Place and Duration of Study: A total of 452 consumers from various sites of Kathmandu valley from June 2018 to January 2019.

Methodology: This research applied a quantitative methodology using a survey questionnaire. Data were collected using semi-structured questionnaires distributed to public people who were using different products of Kathmandu Nepal. Convenience sampling was used in the distribution of the survey.

Results: The majority (40%) of the participants strongly agreed on giving values to female employees. Majority of the participants were agreed on different forms of CSR health activities done by the companies on affecting a branding.

Conclusion: Working on CSR social/community service, ethical CSR activities, CSR health activities and CSR environmental activities shall improve brand reputation.

Keywords: Branding; company; corporate social responsibility; CSR; customer.

1. INTRODUCTION

In Nepal, social responsibility for good philanthropic work was influenced by religious belief and culture in Hindus and Buddhist religion [1]. People believe a wealthy trader of Bhaktapur cleared all debts of people of Bhaktapur and freed them from debt [2]. In Nepal, The CSR requirement is applicable to all the industries; whose annual turnover is more than NPR 150,000,000 [3]. Industrial Enterprise Act 2016 (2073) ("IEA" or the "Act") makes it mandatory to allocate at least one percent of the annual profit (there is no clarity on whether it is to be calculated on pre-tax profit or post-tax profit) to be utilized towards corporate social responsibility (CSR) [4]. CSR is an investment that results in long-term profit for the company [5]. The efforts put into healthcare, employment, education, housing, humanitarian action, environment preservation can prove a godsend for both the company and society [6,7]. People believe the corporate sector can bring about meaningful differences in the lives of community people by conducting CRS activities in partnership with government organizations, NGO/INGOs, academic institutions or by establishing its own trust or foundation [8]. In Nepal, corporations like Ncell, Standard Chartered Bank, Mega Bank, Asian Paints, Nabil Bank, Yeti Airlines, Dabur Nepal, Buddha Airlines and some media houses claim to have started community development initiatives under their CRS [1]. But now, it is a time for every responsible citizen and the company must contribute to the country cause [9,10]. The business these days is not only related to the profit maximization of the company and shareholders but also responsible to do something for the stakeholders and community people [2,11]. The objective of this study is to study the consciousness of customers of a different company (Standard Chartered Bank, Ncell, Asian Paints, Yeti Airlines and Dabur

Nepal) on awareness of corporate social responsibility related activities of different companies for building brands in Nepal.

It has been seen that the Nepalese organizations have been highly aware and involved in the activities, which are socially desirable. So far, the awareness of CSR is concerned, it has been rising in some selected Nepalese companies to protect their family-brand image, which is not at all wrong in this transitional period. However, it also appears that companies still have to go a long way to focus on both inside and outside CSR agenda. Once companies maintain CSR activities inside, they can come outside with CSR agenda in helping people in our society that might help to raise their brand-image, competitiveness and secure profits. Companies socially responsible it is essential to pay VAT (value added tax) and service tax. Industries should not hide their actual income. So, CSR is not just limited to relationship between business and the society but the way businesses are carried out in an ethical manner for the well-being of the society.

2. MATERIALS AND METHODS

This research applied quantitative methodology using a survey questionnaire. Data were collected using semi-structured questionnaires distributed to public people who were using different products of Kathmandu Nepal. Convenience sampling was used in the distribution of the survey. Similarly, various consumers and customers were also taken as the target population to explore and identify the CSR impact on their perceptions and preferences towards building brands. The target population of customers included people with an age group starting from 18 years and above. The sample size in this exploratory study were 452 respondents. The data were collected for five

variables that include the CSR'S concern for environmental activities, ethical activities, social/community service and health activities, along with the brand building perspectives. Seven points Likert scale SA- strongly agree, A-agree, FA- fairly agree, N-neutral, FD-fairly disagree, D-disagree, and SD-strongly disagree was used. The analysis was done on number and percentage form.

3. RESULTS AND DISCUSSION

3.1 Socio-demographic Questions

We were collected the responses from that participant who were consuming the following brands. A total of 452 consumers from various sites of Kathmandu valley were considered. The majority 173(38.3%) of the participants were using the Ncell brand followed by 99(21.9%) Dabur Nepal, 78(17.3%) Yeti airlines, 68(15%) Asian paints and 34(7.4%) Standard Chartered Bank (Table 1).

Table 1. Name of the brand company (n=452)

Company name	Frequency	Percent
Ncell	173	38.3
Dabur Nepal	99	21.9
Yeti airlines	78	17.3
Asian paints	68	15.0
Standard Chartered Bank	34	7.5

The majority 334(73.9%) of the participants were male participants followed by 118(26.1%) female participants (Table 2).

Table 2. Gender of the participants (n=452)

Gender	Frequency	Percent
Male	334	73.9
Female	118	26.1

More than one third (35%) of the participants strongly agreed that poor CSR activity can have a negative impact on the branding value of the organization. Most of the participants agreed on the engagement of CSR social/community service for branding (Table 3).

The majority (40%) of the participants strongly agreed on giving values to female employees. Majority of the participants agreed on different forms of ethical CSR activities by the company were affect branding (Table 4).

The majority (63%) of the participants agreed on CSR activity Health line TV show. Likewise, the majority of the participants agreed as well as strongly agreed on different forms of CSR health activities by the company were affect branding (Table 5).

More than one third (35%) of the participants disagreed on involving in waste reduction in the society as a CSR Environmental Activities while

Table 3. CSR Social/Community service (n=452)

CSR social community service	SD n(%)	D n(%)	FD n(%)	N n(%)	FA n(%)	A n(%)	SA n(%)
Committed to donating to charity	4(.9)	53(11.7)	54(11.9)	88(19.5)	67(14.8)	43(9.5)	143(31.6)
CSR also means giving back to the society and helping people	27(6.0)	81(17.9)	33(7.3)	33(7.3)	43(9.5)	132(29.2)	103(22.8)
Poor CSR activity can have a negative impact on organizational brand value	0(0)	0(0)	30(6.6)	42(9.3)	49(10.8)	173(38.3)	158(35.0)
Consults the community before embarking on CSR activities	1(.2)	38(8.4)	37(8.2)	54(11.9)	112(24.8)	83(18.4)	127(28.1)
Recruitment policies that favor the local communities in which it operates	12(2.7)	6(1.3)	5(1.1)	92(20.4)	0(0)	207(45.8)	130(28.8)

(SA- Strongly Agree, A-Agree, FA- Fairly Agree, N-Neutral, FD-Fairly Disagree, D-Disagree, and SD-Strongly Disagree)

Table 4. Ethical CSR activities

Ethical CSR activities	SD n(%)	D n(%)	FD n(%)	N n(%)	FA n(%)	A n(%)	SA n(%)
Practices ethical business	12(2.7)	6(1.3)	0(0)	26(5.8)	120(26.5)	277(61.3)	11(2.4)
As far as I know they does not encourage child labor	14(3.1)	0(0)	1(0.1)	50(11.1)	102(22.6)	187(41.4)	98(21.7)
Transparent to stakeholders	14(3.1)	134(29.6)	13(2.9)	5(1.1)	26(5.8)	118(26.1)	142(31.4)
Values female employees	5(1.1)	19(4.2)	36(8.0)	7(1.5)	21(4.6)	183(40.5)	181(40.0)
Adverts are ethical	9(2.0)	11(2.4)	0(0)	18(4.0)	108(23.9)	210(46.5)	96(21.2)

Table 5. CSR health activities

CSR health activities	SD n(%)	D n(%)	FD n(%)	N n(%)	FA n(%)	A n(%)	SA n(%)
CSR activity Health line TV show	9(2.0)	11(2.4)		26(5.8)	112(24.8)	283(62.6)	11(2.4)
Continue the Health line TV show	9(2.0)	8(1.8)	1(0.2)	50(11.1)	102(22.6)	192(42.5)	90(19.9)
CSR programmes organized for contribute to brand building	11(2.4)	137(30.3)	13(2.9)	5(1.1)	26(5.8)	118(26.1)	142(31.4)
Team up with health organisations	2(0.4)	56(12.4)	99(21.9)	61(13.5)	51(11.3)	160(35.4)	23(5.1)
Help with rural health in Nepal	2(0.4)	15(3.3)	0(0)	50(11.1)	115(25.4)	218(48.2)	52(11.5)

Table 6. CSR environmental activities

CSR environmental activities	SD n(%)	D n(%)	FD n(%)	N n(%)	FA n(%)	A n(%)	SA n(%)
Involved in waste reduction in the society	10(2.2)	156(34.5)	12(2.7)	5(1.1)	23(5.1)	104(23)	142(31.4)
Involved in reduction of air pollution	9(2)	105(23.2)	14(3.1)	99(21.9)	95(21)	128(28.3)	2(0.4)
Considers environmental impact when developing new products	9(2)	14(3.1)	0(0.0)	50(11.1)	154(34.1)	197(43.6)	28(6.2)
Service provider uses environmentally friendly packaging	7(1.5)	54(11.9)	99(21.9)	55(12.2)	51(11.3)	160(35.4)	26(5.8)
CSR means environmentally responsible and green	2(0.4)	48(10.6)	0(0.0)	0(0.0)	115(25.4)	227(50.2)	60(13.3)

around (44%) of the participants considered environmental impact when developing new products (Table 6).

4. CONCLUSION

CSR has been a long controversial topic in discussions about company firms, mainly with respect to diverting corporate attention for building brands from customer perspectives. If a company is investing in CSR, it is going to affect people believes in the company product. Working on CSR social/community service, ethical CSR activities, CSR health activities and CSR environmental activities may improve brand reputation. Using strategic planning can allow a smoother transition into being a socially responsible corporation. Some of the strategic planning success factors are very relevant to CSR implementation. The way consumers view a brand have a big impact on brand building in the future. It is obvious that CSR has many advantages for the branding the company reputation and financial performance. Since a company reputation is a determining factor to retain old clients and attract new ones, it can eventually enhance the company financial position.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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