

IMPACT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) PERFORMANCE INFORMATION THROUGH DIGITALIZATION ON CONSUMER BUYING DECISION: AN EMPIRICAL STUDY

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ABSTRACT

Purpose: The increased emphasis on Corporate Social Responsibility (CSR) and the rapid advancement of digital technologies have transformed how firms communicate clients about their CSR initiatives. The goal of this research is to evaluate how consumer purchase decisions are influenced by CSR performance statistics provided online.

Methodology: The research is empirical. Data is collected from Patna University's postgraduate commerce department students via surveys to investigate how digitalized CSR information influences purchase behavior. A total of 141 students responded out of 200. A hypothesis that is consistent with the study's objectives is formulated and then subjected to multiple regression analysis using SPSS.

Findings: The findings demonstrate how digital data on corporate social responsibility performance and consumer purchase decisions are related. Furthermore, data reveals that individuals often learn about a company's CSR initiatives from its websites.

KEYWORDS: Corporate Social Responsibility, Digital, CSR Performance, Buying-Decision.

Introduction

The present world's global competitiveness is heavily reliant on digital transformation and corporate social responsibility. The corporate landscape nowadays is dynamic. Digital transformation is often regarded as the most crucial megatrend in modern life.

Company Social Responsibility (CSR) has evolved from a discretionary business approach to a critical component of company strategy, owing mostly to rising consumer consciousness and a desire for socially responsible behavior. Businesses are increasingly discovering the importance of CSR programs in promoting brand recognition, altering customer behavior, and increasing revenue. Efficient communication of corporate social responsibility (CSR) performance is critical for businesses looking to build consumer trust and loyalty.

Business Social Responsibility (CSR), sometimes known as CSR, embodies a company's commitment to moral business behavior and proactive involvement in promoting environmental and societal well-being. The concept of Corporate Social Responsibility (CSR) has grown in prominence in an era of rapid digital growth and an ever-expanding online presence. This commitment takes on a new shape in the digital age, going far beyond charitable contributions or upholding the law. As a result of the opportunities and challenges presented by the digital domain, corporate social responsibility (CSR), which focuses on a company's ethical obligations to its multiple stakeholders, has undergone tremendous transformation. Nowadays, it entails a vivid relationship with a more observant and connected global audience. In addition to engaging ethically in their regular business operations, organizations are required to use digital channels to present themselves authentically and transparently.

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Because of the dramatic changes brought about by digitalization, firms may now easily share corporate social responsibility (CSR) efforts with a larger audience. Businesses can boost transparency and stakeholder engagement by providing real-time information on their CSR projects via digital channels such as social media, websites, and mobile applications. Customers are now better prepared to make informed purchasing decisions based on firms' ethical standards thanks to the digital transformation, which has also made CSR information more publicly available.

However, scholars and practitioners continue to dispute over how much digitalized CSR performance data influences customer purchase decisions. While some studies claim that digital transparency in corporate social responsibility (CSR) can improve consumer perceptions and loyalty, others argue that the effectiveness of such strategies is dependent on a number of factors, including the credibility of the information, the customer's personal values, and the context in which it is presented.

This study intends to contribute to the present discourse by performing an empirical investigation into the impact of CSR performance data communicated through digital channels on customer purchase decisions. This study aims to provide insights into the techniques that firms may take to increase the efficiency of their CSR communication and, as a result, their influence on consumer behavior, by investigating how digitalization influences the perception and evaluation of CSR operations.

This empirical study will provide a full analysis of how digitization, consumer decision-making, and CSR communication interact, with key conclusions for businesses intending to use CSR to increase consumer trust and commercial success.

Digital Platforms and CSR Communication: Enhancing Transparency and Real-Time Engagement

Corporate Social Responsibility (CSR) communications have undergone substantial changes as a result of the rise of digital platforms. Press releases, annual reports, and other official materials that give static and occasionally out-of-date information were once the only means of CSR communication. Nonetheless, the advancement of digital technology has enabled corporations to express their CSR initiatives in a more direct, transparent, and dynamic manner.

Increased Transparency through Digital Channels

Businesses may now inform clients about their CSR efforts in detail and transparently using digital channels such as social media, websites, blogs, and mobile applications. Companies can utilize these platforms to convey information about their environmental impact, share stories from the communities they are aiding, and provide updates on ongoing programs as a way to demonstrate their corporate social responsibility (CSR). Because the material is easily accessible and verified, this level of transparency promotes consumer trust.

Real-Time Updates and Continuous Engagement

Because digital platforms allow for real-time updates, customer engagement and perceptions of a company's CSR programs can be considerably enhanced. Digital platforms enable firms to convey CSR in real time and continually, as compared to traditional systems that may only provide information once a year or quarterly. This fosters a sense of involvement and engagement with the brand by allowing customers to immediately see a company's ongoing efforts.

Review of Literature

Numerous studies have been undertaken on the issues of digitalization, consumer purchasing decisions, and Corporate Social Responsibility (CSR); however, some of these studies have been conducted with varying objectives in different regions or sample sizes.

David Amankona, Kaigang Yi, and Chikwanda Kampamba's research paper, "Understanding Digital Social Responsibility's Impact on Purchase Intention: Insights from Consumer Engagement, Brand Loyalty, and Generation Y Consumers," investigates how online Corporate Social Responsibility (CSR) initiatives affect consumer behavior, with a focus on Generation Y. The purpose of this study is to look into how Generation Y customers perceive Digital Social Responsibility (DSR) and how this affects the relationship between brand loyalty and purchase intention, specifically among Ghanaian manufacturing businesses. The quantitative research method was applied in this study. 611 Ghanaian Generation Y consumer surveys were utilized to collect data from primary sources. In order to examine the data and confirm the relationships between DSR, customer engagement, brand loyalty, and purchase intention, structural equation modeling (SEM) approaches are used in the study. The study's findings revealed that purchase intention and corporate social responsibility (DSR) had a positive relationship, which was mediated by brand loyalty and customer involvement.

Chaohong Na, Xue Chew, Xiaojun Li, Yuting Li, and Xiaolonwong's "Digital Transformation of Value Chains and CSR Performance" study investigated the relationship between the two, as well as the moderating impacts of property ownership and market dependency. There were four theories put out. The study's first sample included Chinese A-Share-listed enterprises from 2010 to 2020. The study's findings suggested that the digital transformation of value chains could improve CSR outcomes.

According to Yeyi Liu, Martin Heinberg, Xuan Huang, and Andreas B. Eisingerich's research paper, "Building a Competitive Advantage Based on Transparency: When and Why Does Transparency Matter for Corporate Social Responsibility," performance transparency is a concept that is investigated in relation to a company's effectiveness in CSR. The purpose of this study was to investigate the impact of CSR and transparency on business profits. Data were collected through secondary sources. This analysis comprises 402 Chinese-listed firms. The data was analyzed using ANOVA. According to research, CSR and profit disclosure do not depend on industry, ownership structure, or firm size.

In their article, "Integration of Digital Technologies in Corporate Social Responsibility (CSR) Activities: A Systematic Literature Review and Bibliometric Analysis," Atanas Atanasov, Galina Chipriyanova, and Radosveta Krasteva-Hristova evaluated the current state of research on the integration of digital technology into CSR activities in business and made recommendations for future research and implementation. This study sought to explore the interdependence and linkages between digital technology and CSR. This study investigated 129 scientific papers published between 2014 and 2023, with the bibliometric analysis divided into two categories: performance analysis and descriptive analysis. The information was taken from secondary sources. Digital technology has been demonstrated to dramatically improve corporate social responsibility (CSR) initiatives in modern business.

Following a review of the past studies, it was determined that there is still a gap in the study on Corporate Social Responsibility (CSR), digitization, and consumer purchasing decisions. There have been no studies in Patna on how digitalized CSR performance data influences student purchase decisions or how a seven-point Likert scale affects student consumers.

Objectives of the Study

The study's goal is to identify the medium or channel through which students commonly learn about a company's CSR activities, as well as to assess the influence of digitalizing Corporate Social Responsibility (CSR) performance information on consumer purchasing decisions. This is done to address the research deficit.

Hypotheses of the Study

The hypotheses in relation with the objective of the study are as follows:

- **H₀ (Null Hypothesis):** There is no significant impact of Corporate Social Responsibility (CSR) performance information through digitalization on consumer buying decision.
- **H₁ (Alternative Hypothesis):** There is significant impact of Corporate Social Responsibility (CSR) performance information through digitalization on consumer buying decision.

Research Methodology

This study has an empirical focus. The previously stated goals were met through the use of primary sources. The study's target group, postgraduate students in Patna University's business department, was chosen on behalf of the customer because they have a solid understanding of corporate social responsibility initiatives. The primary data was collected using a standardized questionnaire written entirely in English. The questionnaire was sent via Google Form, with a link emailed to the chosen respondents' WhatsApp group.

The survey is divided into two sections: the first asks demographic questions of the respondents (postgraduate students in Patna University's commerce department), and the second uses a seven-point Likert scale to collect data on corporate social responsibility (CSR) performance and consumer purchasing decisions. 141 of the 200 students enrolled in the course complete the questionnaire. Multiple regression analysis with SPSS is used to examine the hypotheses.

Data Analysis

A multiple regression model was created to show the relationship between one dependent variable and several independent variables. The tables below demonstrate the results of multiple regression analysis and the association between customer purchasing decisions (dependent variable) and digital CSR performance data (independent variables).

Formulation of Model-1

In Model-1, the regressed variable is CSR performance information that influences consumer purchasing decisions via digitalization, and all other variables are regressors. The Model-1 results are reported in Tables A, B, and C. Table A exhibits the ANOVA data, Table B shows the coefficient results, and Table C summarizes the multiple regression model.

Table 1: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.030	4	2.008	542.209	.000 ^b
	Residual	.504	136	.004		
	Total	8.534	140			

- **Dependent Variable:** Y(CSR performance information obtained through digital channels influence your buying decision).
- **Predictors:** (Constant),
 - X1(You look for CSR performance information online before making a buying decision),
 - X2(You changed your buying decision due to digital CSR information), X3(You chose a product or service specifically because of positive digital CSR information),
 - X4(You find digital CSR information provided by companies reliable).

Regression is labeled as explained and residual is labeled as unexplained in the first column of Table A. This table displays the Sum of Squares due to Variability (SST) in the second column. It is divided into two categories: unexplained variability (SSE) and explained variability (SSR). Because of regression, SSR is also known as sum of squares, and because of error, SSE is known as sum of squares. SSR is therefore equal to 8.030 in Table A, SSE is equal to 0.504, and the sum of the two, or SST (Sum of Squares), is 8.534. The degree of freedom (Df) is displayed in Table A's third column. The regression's Df represents the number of variables included as independent variables. Thus, the degree of regression flexibility in this case is 4. Df's total sum is (n-1). In this case, n stands for the sample size, which is 141. Thus, the total DF is 140(141-1). The residual's degree of freedom is therefore 136(140-4). The Mean Sum of Squares is displayed in the fourth column of Table A. When the degree of freedom of the regression is 4, the mean sum of squares of the residual (0.004) equals SSE (0.504) divided by degree of freedom of the residual (136), while the mean sum of squares of the regression (2.008) equals SSR (8.030). The test statistic F (542.209) is displayed in Table A's fifth column. It is computed by dividing the mean sum of squares of the residual (0.004) by the mean sum of squares of the regression (2.008). The p-value for the test, or Significance F, is displayed in the final column of Table A. The aforementioned Model-1, which was defined by taking into account the chosen independent variables, fits the data better than the intercept alone, which indicates that the value of F statistics is significant because the value of p (0.000) is less than 0.05.

Table 2: Coefficients^a

Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.924	.109		26.755	.000
	X1	.133	.038	.179	3.535	.001
	X2	.674	.047	.864	14.382	.000
	X3	-.075	.062	-.080	-1.212	.228
	X4	.171	.040	.200	4.233	.000

- **Dependent Variable:** Y

The coefficients of independent variables are concerned in the Table 2. One independent variable (X3) have negative coefficient and the remaining three (X1, X2 & X4) have positive coefficient which implies that these variables have direct relationship with dependent variable.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.970 ^a	.941	.939	.06085

- **Predictors:** (Constant), X1, X2, X3, X4

The value of R Square (R^2) is shown in Table 3. R Square is used to evaluate the goodness of the fitted model and is also called as coefficient of determination. It is calculated by dividing the SSR by SST. The value of R Square (0.941) in Table C states that the independent variables are capable to explain 91.4% of the dependent variable.

Conclusion

This study provides valuable insights into how digitalized CSR performance data influences consumer purchase decisions. The findings indicate that CSR information delivered through digital channels such as social media and business websites is having an increasing impact on customers. In instance, when businesses effectively publicize their CSR initiatives on the internet, it can have a positive impact on how customers perceive the brand, increasing trust and the likelihood that they would make a purchase.

Furthermore, the survey underscores how important transparency and authenticity are in digital CSR messaging. Consumers are more choosy than ever before, and they favor companies that practice corporate social responsibility (CSR) while also acting honestly and openly. The survey also reveals that the relevance of corporate social responsibility (CSR) programs to customers' values and concerns has a significant impact on their purchase decisions.

These findings have major business and marketing implications. Businesses should prioritize digital channels for CSR communication, ensuring that their messaging is transparent, understandable, and in line with customer values. Businesses can accomplish this by working with advertisers. Businesses should prioritize digital platforms for CSR communication, ensuring that their language is clear, intelligible, and aligned with their target audience's values.

This allows businesses to strengthen their brand reputation, earn client trust, and ultimately increase sales. Future research might examine how different demographic groups respond to various types of CSR information, as well as the long-term benefits of digital CSR communication on brand loyalty.

Overall, this study contributes to the growing body of research on corporate social responsibility (CSR), digital communication, and consumer behavior by emphasizing the importance of businesses strategically leveraging digital platforms to effectively communicate their CSR initiatives.

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