

***Building brand image through corporate social responsibility
Case Study on Mobilis Telecommunication Company***

**بناء صورة العلامة التجارية من خلال المسؤولية الاجتماعية للشركات
دراسة حالة شركة موبيليس للاتصالات**

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Abstract

The present research seeks to investigate the impact of corporate social responsibility on building brand image in the telecommunication sector; the concept of corporate social responsibility (CSR) has gained extensive consideration in recent years. Nowadays firms are using CSR to build brand image and to establish long lasting relations with its stakeholders. However, the relationship between brand image and corporate social responsibility has not been sufficiently explored. A case study of leading Telecommunication Company Mobilis was conducted. Hypotheses were developed and all of them were accepted. Results showed that social responsible activities of a firm enhance the brand image.

Keywords: corporate social responsibility (CSR) , brand image, brand equity.

الملخص:

يتمحور هذا البحث حول تبني المؤسسات لمفهوم المسؤولية الاجتماعية وتجسيده كأحد الأدوات الاستراتيجية لبناء الصورة الذهنية للعلامة التجارية وإقامة علاقات طويلة الأمد مع شركائه ، وتهدف إلى دراسة الإطار النظري والمفاهيمي لمفهوم المسؤولية الاجتماعية وصورة العلامة التجارية ، كما تهدف إلى إيجاد العلاقة التي تربط وصورة العلامة التجارية والمسؤولية الاجتماعية، و قد أجريت دراسة الحالة على شركة موبيليس للاتصالات من خلال دراستنا أظهرت النتائج أن أنشطة المسؤولية الاجتماعية للشركة تعزز صورة العلامة التجارية وكذلك الصورة العامة للشركة

الكلمات المفتاحية: المسؤولية الاجتماعية، صورة العلامة التجارية، رأسمال العلامة

Introduction :

In a hyper competitive business atmosphere, growth, stability, economic existence and social Companies are becoming more aware of the benefits of corporate social responsibility. This has formed a tendency where more and more companies show a larger interest in the subject of being socially responsible. The demands for CSR have increased from the stakeholders to society. Companies follow this trend to avoid falling behind in the market .The fast moving globalization of the business world has made it even more important to have a competitive advantage, and companies have discovered that CSR is a good source for contributing to the core competition. Recently, there has been an increase on the emphasis of corporate branding as potential source of sustained competitive advantage by means of CSR. In addition, more and more researches are paying attention on how companies implement CSR to produce benefits as much as possible to firms and society. the present research seek to investigate the impact of corporate social responsibility on building brand equity ;therefore this work undertakes to determine whether corporate social responsibility has a significant impact on building brand equity or not. And it seeks to find ultimately a model which studies the linkage between corporate social responsibility and brand image.

Research purpose:

The growth interests of corporate social responsibility activities which have a growing influence in the mobile operator market in Algeria .brand are making remarkable efforts to engage in a myriad of Corporate Social Responsibility initiatives and heavily use this strategy to generate financial returns, align to stakeholder needs and attract consumer positive responses. Hence, this paper seeks to examine the effects dimensions brand equity (brand awareness, brand association, perceived quality, brand satisfaction, and brand loyalty) on corporate social responsibility. The finding of this paper will help Mobilis marketers to create positive brand image through corporate social responsibility in order to increase develop their future's business growth and profit.

Research objective:

The objective of this research is to explore and measure the effects of brand image on corporate social responsibility theoretically and empirically.

Therefore, the objectives of this study are:

- Deeply understanding of corporate social responsibility and the brand image concept which employ in marketing.

- to find out what is the image of brand in the mind of their customers and to what extent those brands are socially responsible
- Measure and examine the effectiveness of brand equity dimensions (brand awareness, brand association, perceived quality, brand loyalty, brand satisfaction) on corporate social responsibility.

Research questions:

How can a company build brand image through being socially responsible?

Sub questions :

- What are corporate social responsibility and brand image?
- Can corporate social responsibility lead to build brand image in markets?
- How does Mobilis used corporate social responsibility to build its brand image in Algerian market?

Research Hypotheses:

According to conceptual framework and research question, we can construct the research

Hypotheses as follows.

- Corporate social responsibility initiatives have significant influences on brand image.
- Mobilis use social responsibility as a key tool for building strong brand image in Algerian market.

2.Theoretical framework:

Corporate social responsibility

For the past two decades Corporate Social Responsibility (CSR) has been gaining importance and visibility (Basil and Weber, 2006).¹

Actual meaning of corporate social responsibility (CSR) is about “doing the right things right” In fact, Peter Drucker (1970) defined social responsibility as: “The commitment of the business organization toward the society”² This definition focuses on the relationship between the organization and the society. It is considered as a contract in which the business organization commits to serve the needs of the society and commits to guarantee its welfare

Corporate social responsibility is defined too as “a concept where companies integrate their social and environmental concerns in business operations and in their interaction with their stakeholders on a voluntary basis.” this definition is stipulated by the EU Commission (2006).³

“Corporate Social Responsibility is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources.” (Kotler & Lee, 2005),⁴ this definition, corporate social responsibility (CSR) is something that is carried out in order to make a contribution to society.

In spite of whatever school of thought CSR may internalize, in current scenario companies are more interested that how CSR can improve the brand image of their company and that is the main reason that firms are now considering and initiating corporate social responsibility activities or associating current activities under corporate social responsibility banner.(Muhammad Shakeel Niazi,others, 2012)⁵

Research has shown that the corporate social responsibility could be a beneficial for building a positive brand image and building consumers’ positive attitudes so it is a key source of competitive advantage. Endorsing brand image with the help of CSR initiatives assures positive comments and eventually has a positive impact on the brand because a firm is crystal clear about its external communications as well as internal practices⁶. (S. M. M. Raza aqvi,2013)

Brand image:

When it comes to a highly competitive business environment, brands represent the primary capital of many companies. There are a number of definitions of brands that try to explain these invisible, intangible assets

Brand image is composed of two terms, brand and image? Let us understand what it means

brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”, as has been cited by the American Marketing Association. However this definition of a brand is not totally approved of for its inadequacy of describing the other intangible components of brand, such as brand equity defined by Aaker (1991) which incorporated both perception related and behavioral related

dimensions into the concept of brand equity. Brand awareness, brand associations, perceived quality, brand loyalty and brand satisfaction were the five dimensions of brand equity he proposed(Noppakorn Klintong,2015)⁷ and brand image, its ability to create certain amount of awareness, reputation, prominence, and so on in marketplace (Keller,1998.)⁸

Thus, the function of the brand was two fold:

- to identify the goods and services ;
- to differentiate from the competition

Table01: Brand image definitions

<i>Academic</i>	<i>Definition</i>
Keller (1993, p. 3)	A brand image consists of “the perceptions about a brand as reflected by the brand associations held in a consumer’s memory”.
Park, Jaworski and MacInnis (1986, p. 135)	Define brand image as “not simply a perceptual phenomenon affected by the firm’s communication activities alone”.
Roth (1992, p. 25)	States “a brand image can be defined as the meaning consumers associate with the product”.
Dichter (1985, p. 75)	Explains that “an image is not anchored in just objective data and details. It is the configuration of the whole field of the object, the advertising, and most important, the consumer’s disposition and attitudinal screen through which he observes”.
Onkvisit and Shaw (1987, p. 15)	“An image is the total set of attitudes, the halo of psychological meanings, the associations of feeling, the indelibly written aesthetic messages over and above bare physical qualities”

Source: (keller1998, p .56)

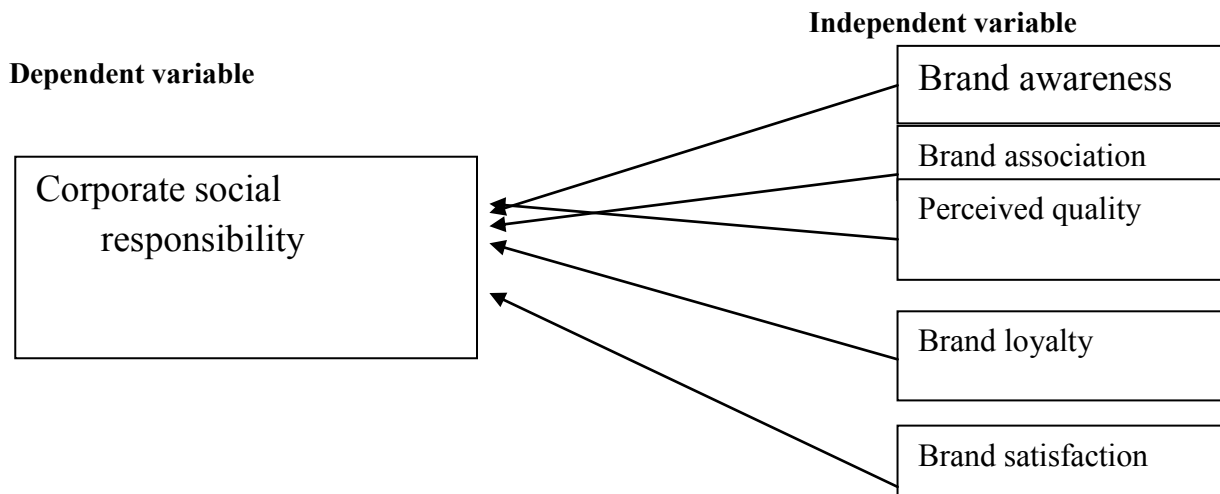
3.research analytical framework

Research Model and Hypotheses:

Based on the main research questions and aims, in this section of the paper the research analytical framework is presented.

- Brand image of company are encompasses the five main dimensions of brand equity as follow brand awareness, brand association, perceived quality, brand satisfaction, and brand loyalty.
- Brand image and its relationship with corporate social responsibility

The research analytical model



Table(02)The Research Hypotheses

<i>Hypotheses</i>	<i>Description</i>
H.1	Brand awareness has a significant positive effect on CSR.
H.2	Brand association has a significant positive effect on CSR.
H.3	Perceived quality has a significant positive effect on CSR.
H.4	Brand loyalty has a significant positive effect on CSR
H.5	Brand satisfaction has a significant positive effect on. CSR

* $\alpha=0.05$

source: student's own

Data collection:

Overall, the questionnaire was addressed to the leader telecommunication company Mobilis⁹, designed a survey including all constructs of the conceptual model to test or investigate the hypotheses; the questions are based on previous theoretical discussion. General speaking, this survey questionnaire consists of 3 sections. The first section is designed to acquire the respondents demographic information. The second section is using 5 point likert-type scale to measure the five dimensions of brand equity effect on brand image with a 20 items. The dimensions brand equity was structured 5 parts as: brand awareness, brand association, perceived quality, brand loyalty, and brand satisfaction such as “Aware this brand”, “recognize this brand quickly”, “familiar with this brand”, and “this brand is well-known” are stand for a brand awareness. Consequently, “unique brand image”, “I like this

brand image” and “this brand makes me feel good” are reflecting the brand association. Moreover, “good quality”, “good style”, “I trust the quality of this brand” and “the manufacturer of this brand is famous for its quality control” are seeing as perceived quality. Lastly, “loyal to this brand”, “best choice”, “I will not buy other brand, if this and “I would not buy another brand, if this one is unavailable” are mainly denote the brand loyalty. The last section is to measure the corporate social responsibility effect on brand equity dimensions with 4 items. Again, this section also used 5 likert-type scale form “strongly agree” to “strongly disagree.

The questionnaire has been sent to total number of 220, and collection of data was conducted in one mouths. In order to make the data more representative and precisely, this survey was chosen a broad target population for investigation.

After sent total number of 220 questionnaires to the target group(Mobilis clients), 116 respondents of data have been returned

Reliability of the Research:

Table (03) show the results for reliability test for each variable tests. As mentioned in the table (03), the questionnaire for each of the variable has been reliable. The Alpha Cronbach for these hypotheses is 0.84.

Table (03): Reliability test results

<i>Variables</i>	<i>Number of questions</i>	<i>Alpha cronbach</i>
Brand awareness	4	0.69
Brand association	4	0.70
Perceived quality	4	0.71
Brand loyalty	4	0.69
Brand satisfaction	5	0.66
Corporate social responsibility	4	0.75
	$\Sigma = 25$	0.84

Source: student's owen according to the output of SPSS.19

Analyze and discussion:

In this research, Statistical Package for Social Science programs (SPSS) 19.0 is used for the data analysis. The methods used in data analysis are including descriptive analysis, factor analysis, and multiple regression analysis. Descriptive analysis is used to summarize the

characteristic of respondents. Factor analysis is conducted to determine the factor underlying the 6 variables of brand equity dimensions and variable of corporate social responsibility that affect on overall brand image and each dimensions of brand equity. Finally, multiple regression analysis is applied to determine whether brand equity dimensions affect on brand equity; and whether selected brand satisfaction have a significant positive effect on each dimensions.

Demographic characteristics:

.Gender

Table shows the information of 116 responders in this research by dividing from gender; there are 59.5% male and the remaining 40.5% are female

Table 04: Demographic characteristics: gender

	<i>Freque</i>	<i>Perc</i>	<i>Valid</i>	<i>Cumulative</i>
male	69	59.5	59.5	59.5
female	47	40.5	40.5	100.0
Total	116	100.	100.0	

Source: student's own according to the output of SPSS.19

. Age:

As it could be seen from following table, the range of ages is from under 21 to 36 years old. The most respondents' ages were between 21 and 26 years old, which occupied 41.4%. The age between 26 and 31 years old were ranking the second place which took 19.0%. The respondents who were under 21 years old and the age between 31 and 36 years old, and more than 36 were account for the smallest percentage (under 21 is 15.5%, 31 to 36 is 12.9%, more than 36 is 11.2%).

Table 05: Demographic characteristics: age

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Valid under 21	18	15.5	15.5	15.5
21-26	48	41.4	41.4	56.9
26-31	22	19.0	19.0	75.9
31-36	15	12.9	12.9	88.8
MORE36	13	11.2	11.2	100.0
Total	116	100.0	100.00	

Source: student's own according to the output of SPSS.19

.Education:

From 116 respondents, a total of 46.9% respondents had a bachelor degree, and only 10.3% respondents had a middle school degree and 25.9% respondents are graduated from high school, and 17.2% respondents had a master degree.

Table06: Demographic character is : education

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Valid middle school	12	10.3	10.3	10.3
high school	30	25.9	25.9	36.2
bachelor degree	54	46.9	46.9	82.8
master degree	20	17.2	17.2	100.0
Total	116	100.0	100.0	

Source: student's own' according to the output of SPSS.19

.Function level:

From 116 respondents, a total of 34.5% respondents was employee, and 27.6 % respondents was jobless and 19.0% respondents had free job , l,and only 9.5% respondents was both hihgt employee, and retried.

Table07 : Demographic character is : function level

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Valid employee	40	34.5	34.5	34.5
Hight 1	11	9.5	9.5	44.0
Free employee	22	19.0	19.0	62.9
Retried	11	9.5	9.5	72.4
Jobless	32	27.6	27.6	100.0
Total	116	100.0	100.0	

Source: student's own' according to the output of SPSS.19

. Income:

As it could be seen from following table, The most respondents' incomes were less than 18000DA with 43.1%, The incomes more than 30000DA were ranking the second place which took 37.1%. The respondents who were between 18000-3000DA were account for the smallest percentage is 19.8%.

Table08: Demographic character is: Income

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Valid less 1800	50	43.1	43.1	43.1
18000-3000DA	23	19.8	19.8	62.9
More than 3000DA	43	37.1	37.1	100.0
Total	116	100.0	100.0	

Source: student's own' according to the output of SPSS.19

.Subscription duration:

As it could be seen from following table, the range of Subscription duration is between one year and two years old which occupied 37.9%. The most respondents' Subscription duration were less than year old, which occupied 41.4%. The duration more than three years old were 16.4% The respondents who were between two years and three years duration were account for the smallest percentag12.1%.

Table09 : Demographic character is: Subscription duration

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Valid less than year	44	37.9	37.9	37.9
1year- 2	39	33.6	33.6	71.6
2years-3 years	14	12.1	12.1	83.6
More than 3years	19	16.4	16.4	100.0
Total	100.0	100.0	100.0	

Source: student's own' according to the output of SPSS.19

.Subscription kind:

Table10: Demographic character is: Subscription kind

From 116 respondents, a total of 79.3% respondents had a card, and only 20.7% respondents had a facture.

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Card	92	79.3	79.3	79.3
facture	24	20.7	20.7	100.0
Total	116	100.0	100.0	

Source: student's own' according to the output of SPSS.19

Multiple regression analysis (structural model and hypothesis Testing):

Regression analysis in this study is used to determine whether the independent variables explain a will be significant variations in the dependent variable and whether a relationship exists. If $p \leq 0.05$, that means the hypothesis is supported and can be used to make predictions, however, if $P > 0.05$, it means the hypothesis is rejected.

. Answer direction of the sample:

Table 11: Answer direction of first axe (brand awareness)

<i>Item</i>	<i>MEAN</i>	<i>STD DEVIATION</i>	<i>Answer direction</i>
N01	3.63	1.138	Agree
No02	3.72	0.94	Agree
N03	3.34	1.112	Neuter
N04	3.97	0.964	Agree
Σ	3.66	0.72	Agree

Source: student's own' according to the output of SPSS.19

From the table (11) we note that the respondent agree, and has brand awareness to their brand Mobilis where we see through their consent heavily on all expressions of this axe. Despite their neutrality with respect to the item (No. 3).

Table12: Answer direction of second axe (brand association)

<i>item</i>	<i>mean</i>	<i>Std deviation</i>	<i>Answer direction</i>
N05	3.71	0.960	Agree
N06	3.66	1.031	Agree
N07	3.66	1.056	Agree
N08	3.15	1.113	Neuter
Σ	3.54	0.75	Agree

Source: student's own' according to the output of SPSS.19

From the table (12) we note that the respondent agree, and has brand association with their brand Mobilis where we see through their consent heavily on all expressions of this axe. Despite their neutrality with respect to the item (No.8).

Table 13: Answer direction of third axe(Perceived quality)

<i>item</i>	<i>mean</i>	<i>Std deviation</i>	<i>Answer direction</i>
N09	3.63	1.059	Agree
N10	3.55	1.050	Agree
N11	3.37	1.108	Neuter
N12	3.76	0.910	Agree
Σ	3.57	0.75	Agree

Source: student's own' according to the output of SPSS.19

From the table (13) we note that the respondent agree, and has a good perceive quality to their brand Mobilis where we see through their consent heavily on all expressions of this axe despite their neutrality with respect to the item (No.11).

Table 14: Answer direction of fourth axe (brand loyalty)

<i>item</i>	<i>mean</i>	<i>Std deviation</i>	<i>Answer direction</i>
N13	3.82	0.861	Agree
N14	3.64	0.908	Agree
N15	2.68	1.060	Neuter
N16	3.63	0.808	Agree
Σ	3.44	0.66	Agree

Source: student's own' according to the output of SPSS.19

From the table (14) we note that the respondent agree, and has loyalty to their brand Mobilis where we see through their consent heavily on all expressions of this axe despite their neutrality with respect to the item (No.15).

Table15: Answer direction of fifth axe (brand satisfaction)

<i>item</i>	<i>mean</i>	<i>Std deviation</i>	<i>Answer direction</i>
N17	3.70	1.006	Agree
N18	3.25	1.029	Neuter
N19	3.47	1.008	Agree
N20	3.87	0.919	Agree
N21	3.39	1.170	Agree
Σ	3.53	0.67	Agree

Source: student's own' according to the output of SPSS.19

From the table (15) we note that the respondent agree, and has satisfied to their brand Mobilis where we see through their consent heavily on all expressions of this axe despite their neutrality with respect to the item (No.18).

Table16: Answer direction of sixth axe (corporate social responsibility)

<i>item</i>	<i>mean</i>	<i>Std deviation</i>	<i>Answer direction</i>
N22	3.60	0.941	Agree
N23	3.60	0.922	Agree
N24	3.39	0.851	Neuter
N025	3.61	1.093	Agree
Σ	3.51	0.75	Agree

Source: student's own' according to the output of SPSS.19

From the table (16) we note that the respondents agree that their brand Mobilis has been socially responsible where we see through their consent heavily on all expressions of this axe despite their neutrality with respect to the item (No.24).

.Hypothesis Testing:

Regression analysis in this study is used to determine whether the independent variables explain a will be significant variations in the dependent variable and whether a relationship exists If $\text{sig} \leq 0.05$, that means the hypothesis is supported and can be used to make predictions, however, if $\text{sig} > 0.05$, it means the hypothesis is rejected.

Table17: Hypothesis Testing

Independent v V1-v5	Dependent v	R sequare	Sig*	Correlation model	Confirm Reject /
Brand awareness	CSR	0.28	0.000	CSR=1.780+0.483v1	Confirm
Brand association	CSR	0.29	0.000	CSR=1.649+0.542v2	Confirm
Perceive quality	CSR	0.16	0.000	CSR=2.092+0.411v3	Confirm
Brand loyalty	CSR	0.32	0.000	CSR=1.311+0.571x4	Confirm
Brand satisfaction	CSR	0.27	0.000	CSR=1.474+0.527v5	Confirm

* $\alpha=0.05$

Source: student's own' according to the output of SPSS.19

As clear in the table(17) the five dimensions brand equity including (Brand awareness, Brand association, Perceive quality, Brand loyalty, and brand satisfaction), are positive relationships with corporate social responsibility.

4. Major Findings:

- Mobilis Company possess strong brands image in short time, it provides consumers with a positive or high perceived image of the brand through its social responsible activities. This enables consumers to recognize the differentiation and superiority of a brand, as we as leading consumer to select the brand rather than other competing brands.
- In research analytical framework, we mainly analyzed the collected data and interpret the research finding. By using SPSS 19.0 software, descriptive analysis presents the demographic characteristics, there are total of 116 respondents have been participated this survey, 59.5% male and 40.5% female. The range of age is from 21 to 36 years old, the most participants' ages were between 21 and 26 years old, which occupied 41.4%, 19.0% of respondents were age between 26 and 31. The age under 21 and age between 3 and 36 were account for smallest percentage. Moreover, total of 46.9.5% respondents had a Bachelor degree, 17.2% had a Height degree studies, 25.9% respondents were graduated from high school and 10.3% were from middle. The most respondents' incomes were less than 18000DA with 43.1% , The incomes more than 30000DA were ranking the second place which took 37.1%. The respondents who were between 18000-30000DA were account for the smallest percentage is 19.8%, the function level From 116 respondents, a total of 34.5% respondents was employee, and 27.6 % respondents was jobless and 19.0% respondents had free job , 1 , and only 9.5% respondents was both height employee, and retired. Then the range of Subscription duration is between one year and three year , one year and two years old which occupied 37.9%. The most respondents' Subscription duration were less than year old, which occupied 41.4%. The duration more than three years old were 16.4% The respondents who were between two years and three years duration were account for the smallest percentage 12.1%.
- In order to obtain the measurement of the relationship between brand image and corporate social responsibility by using the dimensions of brand equity, we factor analyzed the factors underlying 25 items. According to Cronbach's Alpha coefficients (reliability coefficients), ail the constructs have confirmed as reliable variables that can be take in the further analysis.

Conclusion

This study examines the influence of CSR on brand image in terms of brand awareness, brand association, brand loyalty, brand satisfaction and perceived quality. The result of the data analysis shows that CSR initiative helps enhancing brand image.

This research enables Mobilis Company and its marketers to understand the influence of their CSR program and how this program affects each dimension of brand equity which they can use to develop their CSR program according to their need. It is suggested that marketing managers or practitioners can be used CSR as a strategy to improve brand image.

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