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The effect of corporators responsibility practices and brand perception: a study on consumer behavior in the textile industry

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Date: 10/03/2024

FINAL REPORT OF DEGREE DISSERTATION

Academic year: 4th

Studies: Business Administration and Innovative Management

Summary / abstract

This study aims to examine the impact of Corporate Social Responsibility (CSR) practices on consumer behavior and preferences within the textile industry. By investigating how consumer perceptions of CSR initiatives influence their purchasing decisions and preferences, this research seeks to provide valuable insights into the relationship between CSR and consumer behavior. Through the development and implementation of a precise survey instrument, this study endeavors to shed light on the evolving dynamics of CSR adoption and its implications for brand perception and consumer behavior in the textile sector.

Este estudio tiene como objetivo examinar el impacto de las prácticas de Responsabilidad Social Corporativa (RSC) en el comportamiento y preferencias del consumidor dentro de la industria textil. Al investigar cómo las percepciones del consumidor sobre las iniciativas de RSC influyen en sus decisiones de compra y preferencias, esta investigación busca proporcionar información valiosa sobre la relación entre la RSC y el comportamiento del consumidor. A través del desarrollo e implementación de un preciso instrumento de encuesta, este estudio se esfuerza aclarar las dinámicas evolutivas de la adopción de RSC y sus implicaciones para la percepción de la marca y el comportamiento del consumidor en el sector textil.

Aquest estudi té com a objectiu examinar l'impacte de les pràctiques de Responsabilitat Social Corporativa (RSC) en el comportament i preferències del consumidor dins de la indústria tèxtil. En investigar com les percepcions del consumidor sobre les iniciatives de RSC influeixen en les seves decisions de compra i preferències, aquesta investigació busca proporcionar informació valuosa sobre la relació entre la RSC i el comportament del consumidor. A través del desenvolupament i implementació d'un precís instrument d'enquesta, aquest estudi s'esforça per aclarar les dinàmiques evolutives de l'adopció de RSC i les seves implicacions per a la percepció de la marca i el comportament del consumidor en el sector tèxtil.

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Relevance of the topic

According to Statista, the apparel industry is one of the most polluting sectors. In 2021, it emitted approximately 897 million metric tons of CO₂ into the atmosphere, resulting in an 8% of worldwide emissions of greenhouse gases. Moreover, if society doesn't realize a radical modification, the estimate is that the emissions will continue to increase to 1.300 million metric tons by 2030.

More than 8000 chemicals are used throughout the sector's supply chain, resulting in a total of 5 billion chemical types used in the production process. The worst part is that a relevant portion finishes in the water bodies that humans consume, as most of the materials aren't successfully diluted by the treatment of the effluent, damaging considerably humans' health (Nimkar, 2018).

Water usage and its pollution is another matter of study. The industry is highly water- intensive at most of its stages of the supply chain, from the cultivation of raw materials such as cotton to the maintenance of textile machinery. Considering the actual situation of water scarcity, this problem gains even more weight than ever.

When society thinks of the textile industry, they often envision problems such as childhood labor, environmental damage, and an important and unnecessary consumerism. New ways of crafting clothes are now appearing, more focused on long- term conservation of the planet. Nevertheless, the degree to which this industry is consuming natural resources is inconsistent with the conservation of the planet. (Szewczyk, 2017)

Due to lower production and social costs, textile multinationals tend to offshore their productive plants to developing countries. As a result, the risk by which environmental and H.H.R.R infringements could be done increases radically because of the lack of supervision from regulatory institutions. (White et al., 2017)

It could be the case of the Aral Sea (Uzbekistan). 90% of its original water and 75% of its original size of the native area are lost due to cotton cultivation, the most important raw material for the sector. The result has been an important damage to the wildlife of the region. Another important example of environmental damage related with this industry is the Citarum River case, located in Indonesia. What damaged the ecosystem was the release of the waste from textile companies into the river, transforming it into one of the most polluted water masses. Aquatic life

and local communities' health has been totally degraded, causing important ecological damage. Other important environmental problems related to the activity could be society's exposure to pesticides and the huge CO₂ emissions. Did you know that the average T-shirt travels between 18.000 and km during its entire supply chain, emitting tons of toxic gases along the way? (White et al., 2017)

The establishment of ethical guidelines and their integration into contemporary management frameworks appear essential for ongoing and sustainable progress. Nonetheless, there exists a set of barriers that makes the task difficult. First, the important existing geographical distance between the parent company and the subsidiary plant where production is taken place makes it difficult for managers to control the daily operations that are performed. (Szewczyk, 2017)

In conclusion, the industry faces unique environmental challenges. From the huge complexity of their supply chains, passing through the significant consumption of natural resources that the sector needs such as water, energy or harmful chemicals, and the social impact on the developing countries that most of the textile factories are located, makes the potential effect of adopting those kinds of practices considerably more relevant in comparison to other industries.

Furthermore, I would like to highlight the relation of the research with the degree that I'm currently finalizing. The study could be directly related to several courses that we have realized, each one in a different aspect of CSR. Courses of strategic innovation have been essential to understand how companies can create a source of competitive advantage, and afterwards we are going to understand how the adoption of CSR practices can result in an improved brand perception position, for instance. Labor law subjects have also provided us with important knowledge of the framework of fair labor practices and employee welfare, which are two key elements of one of the main dimensions of CSR, the social one.

Other core subjects as operations management, have provided knowledge that enabled us to comprehend how those sustainable practices could be combined with the daily practices of the company and how they affect the production process or supply chain management of the corporation.

To conclude, the textile industry stands at the intersection of environmental conservation, social responsibility, and economic progress. From its neglectable carbon emissions and chemical usage to its impact on water resources and global

labor practices, the industry faces a wide number of challenges. Nonetheless, the research's alignment with various courses throughout our academic journey underscore its relevance and applicability.

The Growing Significance of Corporate Social Responsibility in Modern Business. A strategic imperative for Competitive Advantage.

Corporate Social Responsibility is progressively gaining an important weight in actual business landscapes. Consumers continuously request more from companies as they are more aware of the necessity to take care of the ecosystem due to global environmental problems, leading to higher pressure on corporations to engage in CSR (Gallardo-Vázquez et al., 2012).

The current climate change movement is providing society expectations on companies to meet over-financial requirements, they should provide bigger benefits to society than just profitability. Moreover, following the regulations trend, companies might choose to enroll in sustainable investments to gain a competitive advantage in future negotiations with public institutions. (Gallardo-Vázquez et al., 2012)

Research confirms that when companies allocate resources effectively in the adoption of CSR policies, seize considerable opportunity to create value and new methods for operating that in a long-term view could result in an important source of advantage maintenance over competitors. (Rexhepi et al., 2013)

CSR is becoming a big matter in today's business world. Society is progressively more concerned about the planet's and society's treatment from companies. Because of climate change or the exerted pressure for sustainable investments, businesses are feeling the necessity to act. The involvement in CSR policies isn't just following a worldwide trend, but also it is demonstrated that is an effective way to position themselves above their direct competitors. (Rexhepi et al., 2013)

In the clothing and apparel industry, CSR is especially important due to several factors such as its perceived environmental impact or neglectable labor practices. To illustrate the problems, the following graph depicts the environmental footprint of important companies in the sector, highlighting the need for sustainable initiatives to enhance market positioning and customers. (White et al., 2017)

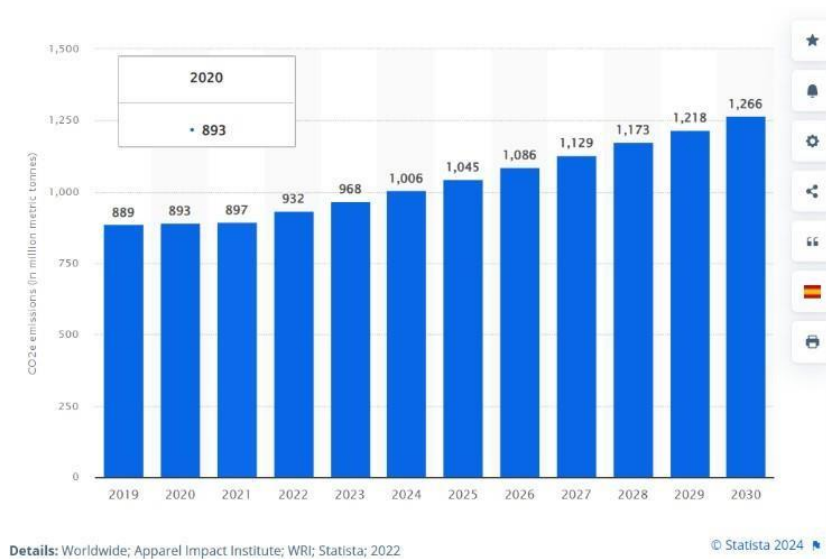


Figure 1. Projected carbon dioxide equivalents of the apparel industry worldwide from 2019 to 2030.
Source: Statista (2024)

Theoretical framework

A wide range of definitions have been used by experts to describe the Corporate Social Responsibility concept.

Milton Friedmann (1962), a prominent American economist and a Nobel laureate, known for his emphasis on limiting government economical intervention, states that the exclusive and unique corporate responsibility is to ensure that the resources that they use in their operations are engaged with an unrestricted and free competition, without fraud.

The labor crisis on the 70's, characterized for the increase of the petroleum price and an important inflation gave as a result a new paradigm during the following decade: civilians started to defend that the general welfare of society would improve if more institutions than just the state were involved in the administration of social expenditure (Cuesta González, M. 2003).

This shift of mentality set the stage for authors such as Wood (1991) and Cannon (1992) to merge business and social interests through CSR, putting their main effort to defend that companies should operate more efficiently, profitably, and socially responsibly to contribute positively to all their stakeholders (Nimkar, U. M. (2018)).

The European Commission (EC, 2001) includes the social and environmental dimension in its definition arguing that companies should also incorporate those

types of non- economic matters in their impact area increasing the general welfare of society. They define it as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (European Commission, 2001)

Veloz (2008) and Cajiga (2009), important researchers in the field explained the concept including the economic, social, and environmental aspects of the European Commission version. They express that businesses have a huge potential to contribute to society’s welfare, but also that they should go further than respecting the legislation that businesses are required to.

Other authors such as Shuili Du (2015), a marketing professor in the university of New Hampshire and expert in attempting to increase both business and social value through CSR, defines it as ‘a firm’s commitment to maximize long-term economic, societal, and environmental well-being through business practices, policies, and resources.

All the definitions share the emphasis on the role of business as a main contributor to improving society’s welfare through their relations. Nevertheless, their focus and scope vary across each one of them. While Friedman’s one defends non interventionism from the state, incentivizing free competition between companies, other authors such as Veloz (2008) and Cajiga (2009) consider that companies should do more than just respect the law. Shuili Du (2015), for instance, still goes beyond that defending that corporations should go farther on their business frontiers and be responsible for their impact in the relations with their stakeholders to enhance society’s living conditions and their own profits.

Table 1. Overview of CSR definitions from different scholars	
Friedmann (1962)	Ensure resources used with unrestricted competence, without fraud.
European Comission (2001)	Voluntary integration of social and environmental concerns in business.
Veloz (2008) & Cajiga (2009)	Contribute to society’s welfare beyond legal requirements.
Shuili Du (2015)	Maximize long-term economic, social and environmental well-being.

Source: Own elaboration.

Corporate Social Responsibility dimensions

Carroll (1991) establishes a “conceptual model of three dimensions to promote corporate development”, defining the three main elements that form a company’s range of obligations which are focused on economical, legal, and ethical.

Economic responsibilities are founded with the premise that corporations need to maintain profitability to continue existing. In the context of this study, it is considered mandatory for the sustainability and survival of the business. Ensuring that workers receive fair wages in relation to their efforts and benefits for their work is a clear example of those types of requirements. Despite that, in the context of the textile industry, this obligation is frequently violated. (Carroll, 2016)

Legal responsibilities are based on the sense that companies need to attach themselves to laws and regulations. Transparency in their operations and protecting human rights, not just from their employees, are clear examples of legal CSR practices. Nevertheless, meeting those requirements is not enough in the framework of the CSR. This point is where ethical responsibilities appear.

They surpass legal obligations. Companies need to act with alignment to moral principles, acting in ways perceived as just and right, irrespective of legal requirements. Offering equal opportunities, incentivizing equality between genders or allocating resources towards the minimization of the company’s environmental footprint could be included in this group of liabilities. (De La Cuesta & Valor, 2003)

After following the development of CSR concepts and its dimensions, we are now going to explain the principal Corporate Social Responsibility norms and principles of the clothing and apparel industry.

Principal Corporate Social Responsibility norms and principles of the clothing and apparel industry

There has been a continuous development and establishment of standards to quantify to which extent a company is socially responsible in their relations and operations. Those norms can be classified between sectorial or general in reliance on which aspects of the CSR they encompass or which industry they regulate (Škare & Golja, 2014).

Sectorial one's tailor to address norms in specific industries. Their focus is based

on specific concerns that the industry might face, in our case: labor practices, environmental impact, community engagement... They tend to be more applicable to the challenges of a particular industry while being related to CSR objectives. General ones include a wide variety of standards that could be applied in more than one industry. (De La Cuesta & Valor, 2003)

PRINCIPAL CORPORATE SOCIAL RESPONSIBILITY NORMS	
SECTORIAL	<ul style="list-style-type: none"> • Clean Clothes Campaign Code of Labor Practices • Global Organic Textile Standard (GOTS) • Better Cotton Initiative (BCI) Principles and Criteria • OEKO-TEX Standard 100
GENERAL	<ul style="list-style-type: none"> • Accountability 1000 • ISO 26000 • Caux Roundtable Principles • CERES Principles • Global Reporting Initiative (GRI) • Global Sullivan Principles • OECD Guidelines for Multinational Enterprises United Nations Global Impact
<p><i>Source: De la Cuesta, M., & Valor, C. (2003), page 8.</i></p>	

Sectorial principles:

- A global network known as the Clean Clothes Campaign (CCC) fights for the rights of workers in the sportswear and clothing sectors. Its Code of Labor standards encourages fair labor standards and respectable working conditions across the world's apparel supply chain. It tackles matters like equitable pay, secure employment, safe working

conditions, and observance of employees' rights to collective bargaining and organization."

- The main objective of the Global Organic Textile Standard is to certificate those companies that through their supply chain, they respect the environment using exclusively organic raw materials. The elements used in the company's production must be free of any kind of toxics and pesticides.
- Better Cotton Initiative is an organization that supports farmers by providing them knowledge on cultivating cotton through a more sustainable way, free of pesticides, optimizing the water consumption and taking more care of the soil to optimize the process.
- The OEKO-TEX Standard 100 is a certification that ensures that the piece of cloth that the consumer purchases is free of unhealthy substances such as pesticides, promoting customer's safety.

General principles:

- A criterion that encourages moral responsibility and openness in all business operations is the Accountability 1000 Principle. Shows that businesses are responsible for their choices and actions in both ethical and social terms. Promotes transparency and honorably.
- The ISO 26000 standard offers a framework for companies to enroll on CSR initiatives in their relations with their stakeholders. It includes some dimensions such as the social or the environmental one. Its biggest aim is to incentivize companies to integrate those practices into their daily operations.
- The Caux Roundtable Principles advocate for responsible corporate conduct by emphasizing a company's societal obligations, including its social and economic impact, ethical behavior, compliance with rules and environmental respect. It supports multilateral trade and discourages unlawful acts. The principles aim for businesses to contribute positively to innovation, justice, and the global community, fostering sustainability and ethical practices in a globalized business environment.

- The CERES Principles for environmental responsibility underscore sustainable business practices, encompassing biosphere protection, responsible resource use, waste reduction, energy conservation, safe products, and environmental restoration. These principles guide businesses towards holistic, environmentally conscious strategies, fostering sustainability and ecological responsibility.
- The Global Reporting Initiative (GRI) is dedicated to achieving a level of transparency in environmental policies equivalent to that of financial reporting within companies. To fulfill this objective, GRI has crafted a framework grounded in principles, characteristics, and indicators that companies should incorporate into their reporting. This framework guides organizations in disclosing relevant information about their environmental practices, fostering accountability, and enabling stakeholders to assess and compare environmental performance across different entities.
- The Global Sullivan Principles advocate for ethical corporate conduct, emphasizing human rights, fair labor practices, and responsible engagement. Key elements include respecting human rights, ensuring worker rights and safety, promoting fair competition, collaborating for community development, encouraging standards adherence, and requiring annual reporting on compliance, fostering transparency and accountability in business practices.
- The ONU Global Impact intends to respect positively all human rights, especially the ones that are related to employees and the environment.

To introduce more deeply on the principles and understand what the specific requirements from the institutions are, we are going to explain how companies can adhere to the norms and principles, and which minimum standards do they need to cover to respect the norm or to obtain the certification.

Initially, for obtaining the Clean Clothes Campaign (CCC) certification, it is essential for the company to ensure and demonstrate to an approved inspector the following:

1. All employment practices are based on freely chosen criteria, in accordance with Conventions 29 and 105 of the International Labor Organization (ILO). The recruitment and hiring process must be

transparent and non-coercive.

2. Additionally, the company must demonstrate a commitment to non-discrimination based on race, color, sex, or religion in employment, as stipulated by Conventions 100 and 111 of the ILO. Furthermore, it is mandatory for the company to adhere to the minimum age requirement set forth by international labor standards, ensuring that all employees are above the age of 15. In extraordinary cases, where child workers may be hired, the company should provide economic assistance and opportunities to support their development in educational terms.
3. Respecting freedom of association is another crucial aspect of the certification. They must allow employees to freely associate and join trade unions, as outlined in Conventions 87 and 98 of the ILO.
4. Moreover, the brand must commit to paying living wages that meet or exceed basic legal needs or industry minimum standards, ensuring that employees can cover their essential living expenses without having to work excessively.
5. Limiting the maximum working hours is also vital to prevent the employee's exhaustion. The company must ensure that employees' maximum weekly worked hours don't exceed 48.
6. Finally, maintaining a safe and hygienic workplace environment is key. The company must implement appropriate safety measures and practices to prevent labor accidents.

Moving forward to the Global Organic Textile Standard (GOTS), to obtain the certification, companies must demonstrate that all their production meets the requirements, which are based on that a minimum of 70% of the fibers used in their products are organic natural fibers. But what exactly qualifies organic natural fibers? They are those that are produced in accordance with recognized organic standards such as the European Regulation 208/418, the USDA's National Organic Program (NOP), the ADEDA'S National Program for Organic Production or the China Organic Standard. The regulations highlight the criteria and practices that must be followed during the cultivation and processing of organic fibers.

The third principle that we are going to focus on is the Better Cotton Initiative, which is a global non-profit organization that aims to make cotton cultivation more sustainable. They promote sustainable farming practices to reduce the environmental impact of the product's cultivation, and it provides training and support to cotton farmers to help them adopt more sustainable farming practices. The main principles that they need to integrate in their production are the following ones:

- Necessity to minimize the harmful impact of crop protection practices using methods that minimize the potential harmful effect of pesticides.
- Promotion of water stewardship in cotton cultivation through rainfed and irrigation systems.
- Responsibility through the soil's health
- Enhancement of biodiversity and responsible use of land.
- Procurement and preservation of fibers quality.
- Promotion of decent work
- Effective management system operations.

To conclude with this adhesion part, we are going to merge in the OEKO Tex Standard 100, which is a certification to apparel products that ensures that every component of the product has been subjected to an exhaustive analysis of harmful substances. It sets a maximum presence of certain harmful substances such as heavy metals, plasticizers, or other chemicals residues as benzene. It encompasses four main classes of products:

- Babies' products
- Products that are in contact with the skin such as shirts or underwear pieces.
- Products which aren't in contact with the skin as jackets
- Decoration materials as table clothes or curtains.

After detailing the primary norms and principles of CSR within the textile industry, it is essential to mention and introduce a comprehensive tool for measuring

customer perceptions of CSR: the CSRConsPerScale, developed by Alvarado-Herrera in 2018. It aims to serve as a valuable instrument in evaluating consumer perceptions of CSR practices adopted by companies, encompassing various dimensions such as economic, social, and environmental. By leveraging it, we are going to effectively assess the significance consumers place on CSR and their impact on purchasing behaviors. It includes 18 statements, 6 for each of the economic, social, and environmental aspects of CSR, where the scale participants must respond in relation to the level of agreement with the statement to try to quantify its attitude toward the assertion.

The impact of CSR perceptions on brand credibility and consumer behavior

A study realized from (Alvarado-Herrera et al., 2017) proved that perceptions positively related to CSR from customers lead to higher brand credibility, reputation, or purchase intention. Nevertheless, those investigations demonstrated lack of homogeneity, revealing a latent need for effective scales for the measurement for consumer's judgement of CSR practices.

A survey from Harvard Business School revealed some important conclusions regarding consumer attitudes and expectations towards CSR initiatives. They are presented as follows:

- 75% of Americans believe that companies should make the world a better place to live.
- 37% believe that the most important aspect is to make money for their shareholders. So, 63% defend that, despite corporations needing to make profit to survive, there should be a balance between other priorities such as CSR initiatives.
- In purchase decision making terms, 77% of consumers are encouraged to acquire products or services from companies devoted to improving the world.
- Companies realizing neglectable practices will potentially lose 25% of potential customers.

The general belief is that companies should actively engage in social initiatives and firms should benefit from those activities. In addition, customers are not just interested in the concept of CSR, but also that it is a crucial factor when choosing from a set of companies or when purchasing a product or another. (He & Lai, 2014) The insights from the survey reveal a popular expectation for companies to contribute positively to society. Now, we are going to transition to the exploration of perceived value, which will allow us to understand which factors affect consumer decision-making processes. The three types of components of the perceived value will be presented and explained, assisting us to understand how CSR initiatives influence specifically each of the dimensions of the perceived value.

The concept can be understood as the result of marketing activities performed by a company, and it is essential for the long-term success of businesses. Zeitahml

(1988), a renowned academic researcher in the field of marketing, defines the concept as a “subjective perception of the value derived from using a particular brand, product, or service. A comparison between what customers receive and what they sacrifice”.

Considering that the present value arises from a contrast between the benefits and losses from the product, the final decision would be influenced by CSR practices.

Moreover, a study performed by Green and Peloza (2011) demonstrated that companies ‘CSR initiatives could lead to three different types of value for customers: functional, emotional and social. But not in the same manner, that’s why the importance for examining the different effects of the different CSR dimensions on each aspect of the perceived value for customers.

Green and Peloza (2011) stated that functional utility may be the driving force behind the purchase of goods from socially conscious businesses. It is based on the tangible improvements that they can enjoy from a purchase. For instance, purchasing a hybrid vehicle not just reduces the carbon emissions from the vehicle, but also diminishes customer’s costs through fuel consumption reduction.

The emotional component of the perceived value could be resumed as the feelings and sentimental connections that appear into their minds when they think of purchasing the brand’s product. Customers find pleasure, positivity, and self-worth in the concept of doing good such as supporting social causes by purchasing a certain commodity or service or refusing offers from careless businesses (Bhattacharya & Sen, 2003).

The social component of acquiring a product is the final consideration for consumers. How might it impact their social relationships? Does it is going to modify their status publicly?

Furthermore, CSR is linked to social utility for the customer. It acts as a way of expressing a personal trait through the purchase of specific products to socially responsible brands.

Research from (Currás-Pérez et al., 2018) proved that utilitarian or functional value for consumers is more closely associated with the economic aspect and more temperedly to the social one. Nevertheless, there is no discernible correlation between a company's perceived environmental responsibility and a higher

construction of utilitarian value.

Other results confirm that the three dimensions have a positive impact on emotional value for customers. Despite that fact, the social one is the one that has bigger impact on the sentimental part of consumer's compared to the environmental and the economical one.

To conclude, the only dimension that provides customers self-expression value is the social one. Both economic and environmental aspects have a null relationship with the customer's social value component. (Currás-Pérez et al., 2018)

Summarizing the main findings, all the three dimensions have a different effect on the three main elements of the customer perceived value. The CSR economic dimension is the most "logical" one, determining the highest utilitarian value. While the environmental dimension does not provide functional value, the social dimension also has an impact on it, but lower than the economic one.

Moreover, all three CSR dimensions can improve emotional value, but the social one is the one that has the biggest impact. When companies perform socially beneficial initiatives, customers develop emotional attachments to the brand, and they feel fulfilled from supporting a company of these characteristics. Finally, the only group of CSR initiatives that can affect the social component of the customer are social ones. Why? Because they are the ones that demonstrate a highest commitment to sustain societal welfare beyond just operating for profit motives. The result is a raise of trust, goodwill and positive social impact associated with the company, enhancing its social value in the eyes of consumers. (Currás-Pérez et al.,2018)

The following correlation diagram illustrates the relationship between the dimensions and the customer's perceived value that influences most.

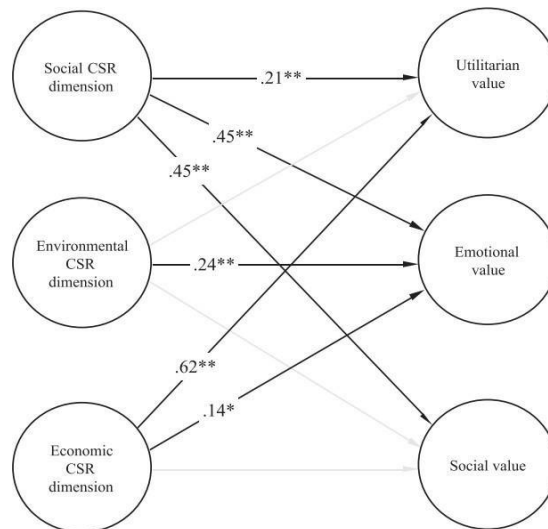


Figure 2: Source: (Currás-Pérez et al., 2018). How social, environmental, and economic CSR affects consumer-perceived value: Does perceived consumer effectiveness make a difference.

The results of the previous study could help organizations to efficiently destinate their resources with respect to their objectives in the context of which part of the CPV they want to influence most. For instance, firms should prioritize social actions such as diversity and inclusion initiatives. We've seen that these practices affect how customers perceive the product's usefulness, emotional appeal, and social relevance, leading to higher rates of loyal customers. (Currás-Pérez et al., 2018)

The dynamic role of brand image: Influences and Implication of CSR Practices

The brand image is the sum of perceptions that consumers have of a brand based on its reputation, values, and associations, and they can be potentially modified through marketing, product quality or customer experience practices. (Esmailpour, 2015)

It could be delineated into two primary components: the functional and symbolic image. The functional image of a brand reflects the intrinsic advantage of a product or service purchase. In this case, if the benefits surpass the drawback from not purchasing it, the consumer will bargain it. The other element of the concept, the symbolic one, indicates the extrinsic advantage of the products or services that they offer, the non-product attributes such as brand's values, story, and community. A positive perception results to a benefit of self-identity and self-enhancement from the customer, leading to a wider loyal customer base. (Esmailpour, 2015)

Relating it with the discussion on brand's image components, the following table presents the key characteristics of both components of the brand image.

Characteristics of Functional and Symbolic Brand Image	
Functional Image	Symbolic Image
Intrinsic product benefits	Extrinsic product attributes
Tangible advantages of product purchase	Self-identity
Consumer perception of product quality	Self-enhancement
Utilitarian value	Emotional connection with the brand
<i>Source: Own elaboration based on Esmaeilpour, F. (2015b). The role of functional and symbolic brand associations on brand loyalty</i>	

A study performed by (He & Lai, 2014) revealed that corporations that adopted legal and ethical Corporate Social Responsibility practices assisted to improve both functional and symbolic image of the brand. Specifically, legal practices enhanced the functional image more whereas ethical protocols strengthened the symbolic one. This phenomenon could be justified because when a company acts in accordance with the law, they demonstrate reliability, trustworthiness, and competence in their operations management. In practical terms, customers perceive that the company's products are reliable and of quality, strengthening the functional aspects of the brand image. But why do ethical practices tend to impact more significantly the symbolic image rather than the functional one? This kind of initiatives go beyond legal requirements and include moral principles, values, and social norms, that's why they affect more the emotional component of the customer, incentivizing a sense of trust and admiration for the brand, which is directly linked to the symbolic image. It allows customers to perceive that the product that they purchase provides them with an added value that goes further a mere functionality, it also provides them distinctiveness and market identity.

Conclusions of the theoretical framework

This section of the paper includes different perspectives on Corporate Social Responsibility and its application within the clothing and apparel industry. Definitions from important figures have been presented, offering a wide variety of attitudes towards the concept's evolution. While the explanations differ between the authors, all of them underscore the role of business as a key element to improve society's welfare beyond profit-making.

A deep comprehension of the different dimensions that the concept encloses is essential to understand which responsibilities companies need to attend, and how it influences consumer perceptions differently. Continuously, an overview of the principal CSR norms, including general and sectorial ones highlight the need for setting norms for the specific challenges of the textile industry, such as environmental impact or labor practices.

As we mentioned previously, a study performed by Alvarado Herrera proved that if civils perceive a company that is socially responsible, they will position the brand into higher values of credibility, reputation and will feel an increase in the purchase intentions from it. However, there is still a necessity to obtain an effective scale for measuring the impact. That's why we are going to use the CSRConsPerScale, the measurement instrument from (Alvarado-Herrera, 2018) to assess consumer's perceptions of Corporate Social Responsibility practices.

We have also analyzed through a representative survey from Harvard Business School that more than 3 out of 4 people might prefer to purchase products from brands that are aware and operate in accordance with a better world, enhancing the social component of the customer perceived value. On the other part, organizations that are known for realizing disrespectful practices with the ecosystem or human resources, will have a significative decrease in potential customers.

When analyzing the effect of different types of CSR practices on the several aspects of the Customer Perceived Value (CPV) we underscored some important insights: the most rational dimension is the economic one. The rationale behind this is that when consumers perceive a company as sustainably productive and offering products with a good relation between price and quality, it creates value and utility for the customer.

Moreover, the social dimension also has a significative impact on the utilitarian part

of the CPV, but lower than the economic one. As societal concern for welfare grows, consumers often make purchases based on the perception that the monetary value they pay for a product is less than the societal welfare improvement they contribute to. (Currás-Pérez et al., 2018).

To conclude, a study realized from (He&Lai, 2014) determined that there were differences between legal and ethical practices when considering its influence on the two main components that construct the general brand image: the functional and symbolic one. He came to an end that legal practices conducted to a perception of reliability and product quality among customers. It originated from the assurance that companies are adhering to established laws and regulations, reducing risks associated with legal non-compliance. On the other hand, ethical practices tend to be more intangible as they extend beyond mere legal requirements. These practices demonstrate that the company is committed to ethical behavior and moral principles. By engaging in those kinds of initiatives, they demonstrate to their customers that they prioritize values such as integrity, fairness, and social good. It fosters trust and admiration for the brand, as consumers perceive it as a responsible corporate citizen that cares about more than just following the law.

Hypotheses and objectives:

Objectives:

- Investigate how CSR practices in the clothing industry influence customer behavior and preferences.
- Explore how different CSR dimensions impact consumer purchase intentions for clothing brands, considering demographic variations.

Hypothesis 1:

- CSR practices by companies in the textile sector influence positively customer perception of brand value.

Hypothesis 2:

- Customers purchasing decisions are positively engaged in companies that enroll in CSR with respect to the ones that don't do it.

Hypothesis 3:

- Economic CSR practices by companies in the textile industry influence the functional component of the Customer Perceived Value more than social or environmental ones.

Methodology

After the realization of the theoretical framework, we have constructed our hypotheses and main objectives. In the below section, a precise explanation of the obtention and analysis of the data will be explained. It plays an important role in the research, from the initial stage based on designing and implementing data collection procedures to the final analysis and interpretation of results. A quantitative analysis will be held during this part, using statistical inference with techniques as hypothesis testing.

To guarantee an unbiased and representative outcome, it is essential to avoid subjective points of view and personal opinions.

Research design:

The study used primary data collected through a survey that was designed based on literature review. Questions specifically designed from studies of (He & Lai, 2014) and (Currás-Pérez et al., 2018) were presented to participants to measure consumer perceptions on different types of CSR practices.

It employed a cross-sectional design, as there was just one period for the data collection.

The variables that have been measured are the following ones:

Dependent variables:

- Perception of CSR Practices: It measured consumers' perceptions of CSR initiatives in the clothing industry. The survey included questions that gauged their opinions on various CSR dimensions such as business ethics and correct treatment of workers, transparency in production processes, well-being of employees and fair wages or environmental impact and sustainability efforts.
- Purchase intentions: It evaluated consumers' likelihood of purchasing from brand after being exposed to negative CSR news. The key survey question here involved participants' willingness to continue purchasing from the brand they chose earlier in the survey, after reading a negative news article about the brand's CSR practices.
- Perceived value: It was evaluated through understanding how participants rated the functionality of clothing items in relation to

different CSR practices. This involved asking participants to value specific CSR practices.

Independent variables:

Demographic variables such as age, gender, and place of purchase (online vs offline) have been included to understand how those factors influenced perceptions and behaviors related to the matter of study.

Frequency of purchase captured consumer’s purchasing behavior by assessing the frequency of their clothing purchases.

Hypothesis	Methodology	Statistical Technique
<ul style="list-style-type: none"> H1: CSR practices by companies in the textile sector influence positively customer perception of brand value. 	Quantitative	Independency, Chi-square test, ANOVA & Bonferroni test
<ul style="list-style-type: none"> H2: Customers' purchasing decisions are positively influenced by companies that engage in CSR compared to those that do not." 	Quantitative	Ordinal logistic regression
<ul style="list-style-type: none"> H3: Economic and functional characteristics hold greater influence on consumer purchasing decisions for clothing products compared to ethical and sustainability considerations. 	Quantitative	PCA and Regression Analysis.

Population and sample

The target population was the specific group of people that we intended to study. In our case, we applied two demographic discriminations and a behavioral one. The demographic ones were age (as we only considered people above 18 years old) and place of residence (only Spain residents), and the behavioral was the purchase frequency of apparel products of the subject (as we targeted exclusively individuals who had made at least one clothing purchase in the last year). The justification of the age constraint was because individuals below 18 years old might have limited purchasing power. Moreover, a stable income was much more common for people above this age compared to the ones below. Similarly, the focus on recent clothing purchases ensured relevance to current consumer behavior. Our sampling frame included individuals who can be reached through our social networks. The study used a convenient sampling technique as it allowed us to reach individuals who were willing to participate such as classmates or social media users who could easily access the questionnaire through online platforms.

SurveyMonkey's Sample Size Calculator was used to calculate the sample size, and we indicated the following factors:

- Total Population Size: 47.475.420 (residents in Spain older than 18 years old, according to the INE)
- Confidence level: 95%
- Margin of error: 5%

With those values, we calculated the sample size through the sample size calculation formula:

$n =$

$$\frac{(Z^2 * P) * (1-p)}{E^2} \text{ where:}$$

- N = sample size
- Z= Z-score corresponding to the desired confidence level (in our case, Z is approximately 1.96)
- P= estimated proportion of the population (0.5 for maximum variability)
- E= margin of error (0.05)

The result we obtained was 384.16, so estimating it we needed a sample size of

approximately 385 participants.

For the distribution and administration of our survey instrument, we followed the next steps. Firstly, we needed to select the survey creation platform which we chose google forms for its simplicity to use, the accessibility and the integrity with google workspace for the posterior data analysis. As we mentioned above, our target audience consists of Spanish residents over 18 years old that had purchased, at least, an apparel product within the last year. A single-channel distribution had been selected.

Measurement instrument:

Quantitative analysis:

The questionnaire includes different types of questions:

The first block was based on five exploratory questions, where individuals provided their personal data such as age, gender, place of residence, channel of clothes purchase (online vs offline) and clothes purchase frequency. The main goal of those was to set a general buyer persona.

Starting from question 8, the survey shifted focus to gain deeper insights into the participants' perceptions and attitudes towards clothing brands and their CSR practices. This section included questions such as the 8th or the 9th ones where participants were asked to identify which brand they purchase most frequently or to evaluate a set of reasons for purchasing clothes. Afterward, we presented participants with negative news about the brand they chose to assess their awareness of the news to gain insights on if they would continue purchasing from the brand after learning about the negative information. The last questions were designed to evaluate participants' perceptions to CSR practices. They needed to rate the importance of CSR practices in terms of a piece of clothing's functionality. They were also asked which type of CSR practices they believe have a greater impact on the quality of the clothing. In terms of product quality, those two questions specifically helped us a lot to gauge the perceived importance of CSR in the context of product quality. Finally, the last question wanted to assess the participants' level of knowledge about the concept of CSR.

The real questionnaire is the one added in the annex part.

Results

The first hypothesis “*Customers perceive brands with stronger CSR practices more positively*” has been analyzed through the creation of an index from four survey questions on business ethics, transparency, employee welfare, and environmental impact. Continuously, we conducted a chi-squared test to evaluate the independence between this index and brand perception. We used this type of test because it is used to determine if there is a significant association between two categorical variables, with the null hypothesis being that the variables are independent. Finally, we have analyzed which CSR dimensions most positively impact brand perception.

The second one “*Customer’s purchasing decisions are positively influenced by companies that engage in CSR compared to those that do not*” was examined through an ordinal logistic regression. The dependent variable was “post3” which represented participants’ attitudes after observing negative CSR news about a chosen company. The variable was simplified into three categories: those who would continue buying, those whose behavior was unchanged, and those who would stop buying. Independent variables included “perception”, “ethics”, “transparency”, “wellbeing”, and “environ”. The results indicated no significant association between these variables and post-purchase behavior, suggesting that CSR practices alone do not significantly influence customer’s purchasing decisions after exposure to negative news.

To assess the third hypothesis “*Economic and functional characteristics hold greater influence on consumer purchasing decisions for clothing products compared to ethical and sustainability considerations*” we created indices for Product reasons and CSR reasons based on participant ratings. The indices were validated using Principal Component Analysis (PCA), which confirmed the equal weighting of reasons within each category. Summary statistics and a paired t-test revealed a significant difference in mean ratings, with product reasons rated higher than CSR ones.

The dataset for this study was obtained through a survey distributed via social media platforms. Despite our efforts, we hadn't been able to achieve the target sample size of 385 participants. Ultimately, we gathered responses from 156 individuals, which may impact the representativeness of our final findings.

To begin, we present a summary of the demographic characteristics of the survey participants. The age range of respondents spanned from 18 to 83 years. Approximately, 61% of participants were male, while 39% were female. Almost all respondents (99,36%) reported residing in Spain. Regarding education, the highest level of attainment for the majority was high school, accounting for 41,03% of participants. Around 21,79% had completed a university degree, 17,95% had finished intermediate or higher-level vocational training, 12,18% held a postgraduate degree, and 7,05% had only completed secondary education.

Variable	Obs	Mean/%	Std. dev.	Min	Max
"age"	156	27	10,22	18	83
"gender"	156	39%		0	1
"education"					
<i>Secondary education</i>	156	7,05%		0	1
<i>Intermediate or higher level vocational training</i>	156	17,95%		0	1
<i>High-school degree</i>	156	41,03%		0	1
<i>University degree</i>	156	21,79%		0	1
<i>Postgraduate degree</i>	156	12,18%		0	1

Table 1. Demographic characteristics of survey participants

In terms of shopping habits, nearly three-quarters (73,08%) of the participants purchase their clothes from physical stores, whereas 26,92% shop online. The most common frequency of clothing purchases was "one or two times a year," reported by 48,08% of participants. Additionally, 35,90% shop various times throughout the year, and 16,03% make monthly purchases.

Place of purchase	Purchase frequency			
	Various times a year	One/Two times a year	Monthly	Total
On-line stores	12	20	10	42
Physical stores	44	55	15	114
Total	56	75	25	156

Table 2. Frequency of clothing purchases by place of purchase

The most significant factor influencing participants' clothing purchase decisions is adjustment, with a weighted average of 3,25. This is followed closely by price, which obtained a result of 3,15. Design is also highly valued with a weighted average of 2,86. In contrast, transparency. Interestingly, CSR-related factors such as transparency or ethics are considered less important by participants, with weighted averages of 1,93 and 1,97, respectively. The data indicates that practical considerations are the most critical ones to participants in comparison with the other ones, suggesting that CSR practices are not primary drivers of clothing purchase decisions.

Importance	Extremely	Pretty	Moderately	Slightly	Nothing	Total	Weighted average
quality	18	75	42	20	1	156	2,57
design	29	87	30	9	1	156	2,86
ethics	14	38	46	45	13	156	1,97
transparency	16	36	42	45	17	156	1,93
ratings	13	67	57	9	10	156	2,41
adjustment	55	87	12	2	0	156	3,25
price	60	64	27	4	1	156	3,14
welbeing	14	41	59	33	9	156	2,12
environ	15	32	63	36	10	156	2,04

Table 3. Importance of various factors in clothing purchases

Analysis and Interpretation of H1:

To prove the first hypothesis, we made a chi2 test between the variable "perception" and the "RSC_index". This index was constructed by aggregating responses that asked participants to rate the importance of various CSR aspects. These aspects were the following ones:

1. That the brand is recognized for its business ethics and its correct treatment of its workers (*ethics*)
2. That the brand is transparent in its production processes and authentic (*transparency*)
3. That the brand is recognized for looking after the well-being of its employees and paying them fairly (*well-being*)
4. That the brand is recognized for producing with a minimum environmental impact (*environ*).

Each question asked participants to rate the importance of these aspects on a Likert scale which went from 1 to 5 (where 1 was not important and 5 extremely important). What we did first was aggregating the scores of each answer by summing them up to form the index, reflecting the cumulative importance participants placed on the four CSR aspects. The comand introduced was the following one: “generate RSC_index_cat = (z_ethics + z_transparency + z_wellbeing + z_environ) / 4”

We wanted to see if there was a significant relationship between the CSR index and brand perception, and we performed a chi-square test of independence to test it, with the comand “tabulate RSC_index perception3, chi2”

RSC_index	Perception			Total
	Not important	Neutral	Important	
0	2	2	0	4
0,25	1	0	1	2
0,5	1	1	2	4
0,75	2	3	2	7
1	2	6	9	17
1,25	3	6	4	13
1,5	3	6	5	14
1,75	1	3	1	5
2	7	8	3	18
2,25	7	7	2	16
2,5	6	7	0	13
2,75	4	7	2	13
3	8	2	0	10
3,25	1	0	2	3

	3,5	7	0	2	9
	3,75	1	0	0	1
	4	3	1	3	7
Total		59	59	38	156
Pearson chi2(32) = 47.1707	Pr		0,041		

Table 4. Perception of CSR practices and CSR index

The chi-square value was 47,1707, with a p-value of 0,041, which indicated a significant association between the index and brand perception, varying the last one with the importance placed on CSR practices. Continuously, we wanted to compare the different brands that we included in our survey to determine if there were differences in brand perception among them, and we conducted an ANOVA test.

ANOVA					
	Number of obs	156	R-squared	0,1323	
	Root MSE	0,738096	Adj R-squared	0,1033	
Source	Partial SS	df	MS	F	Prob>
Model	12,455241	5	2,4910481	4,57	0,0007
brandn	12,455241	5	2,4910481	4,57	0,0007
Residual	81,717836	150	0,54478558		
Total	94,173077	155	0,60756824		

Table 5. Analysis of variance (ANOVA) FOR Brand Perception

Both F and p values suggested us significant differences in brand perception among different brands, and to identify which specific brands differed in terms of CSR perception, we performed an ANOVA test and a Bonferroni post-hoc analysis. In continuation we presented a summary of the brand's means.

ANOVA	Summary of perception				
brandn	Mean	Std. Dev.	Freq		
<i>H&M</i>	2,600	0,91025899	15		
<i>Mango</i>	3,666	0,84016805	18		
<i>Massimo Dutti</i>	3,666	1,2247449	9		
<i>Shein</i>	2,333	0,8660254	9		
<i>Zara</i>	3,125	0,8660254	48		
<i>Others</i>	3,192	0,97171785	57		
<i>Total</i>	3,147	0,97586678	156		

Analysis of variance					
Source	SS	df	MS	F	Prob>F
Between groups	17,8817814	5	3,57635628	4,14	0,0015
Within groups	129,727193	150	0,864847953		
	Chi2 = 2,4971	Prob > chi2 = 0,777			

Table 6. ANOVA summary of Brand Perception

The table summarizes perception scores of various clothing brands. We can determine that Shein and H&M have the lowest scores (2,33 and 2,6 respectively), indicating poorer perception. Oppositely, Mango and Massimo Dutti are the ones that are perceived more favorably. The results also show significant differences in brand perception ($F=4,14$, $p=0,0015$) with substantial variation between brands (Between Groups $SS = 17,88$) and less within each brand (Within Groups $SS = 129,73$). Brand perception significantly varies among different brands, with Shein rated lowest and Mango and Massimo Dutti highest.

Bonferroni test				
		N_comparisons		
brandn		15		
Contrast	Std. err.	Contrast	Std. Err.	[95% conf.interval]
brandn				
Mango vs H&M		-.8888889	.2580405	[-1,658608 ; -1,191691]
Massimo Dutti vs H&M		-.8888889	.3112086	[-1.817206 .0394281]
Others vs H&M		-.5087719	.2141884	[-1.147683 .1301396]
Shein vs H&M		.2222222	.3112086	[-.7060947 1.150539]
Zara vs H&M		-.4583333	.2183317	[-1.109604 .1929374]
Massimo Dutti vs Mango		-1.11e-16	.3013264	[-.898839 .898839]
Others vs Mango		.380117	.1995583	[-.2151537 .9753877]
Shein vs Mango		1.111.111	.3013264	[-.2122721 2.00995]
Zara vs Mango		.4305556	.2039989	[-.1779613 1.039072]
Others vs Massimo Dutti		.380117	.264744	[-.4095989 1.169833]
Shein vs Massimo Dutti		1.111.111	.3479417	[-.0732212 2.149001]
Zara vs Massimo Dutti		.4305556	.2681071	[-.3691923 1.230303]
Shein vs Others		.7309942	.264744	[-.0587217 1.52071]
Zara vs Others		.0504386	.1445937	[-.380876 .4817532]
Zara vs Shein		-.6805556	.2681071	[-1.480303 .1191923]

Table 7. Bonferroni test for Brand Perception contrasts

The analysis of the results started with the interpretation of the confidence intervals. If they don't include zero, it indicated that the difference between the means is statistically significant. Significant comparisons were found between Shein and Mango, and between Shein and Massimo Dutti. Specifically, the first comparison revealed there are significant differences between those brands due to the confidence intervals which range from -2,00995 to -0,2122721. Shein obtained a

lower CSR perception compared to Mango. However, some comparisons were not as significant as the ones above. For example, confidence interval for Shein versus Zara ranged from -1,480303 to 0,1191923, also including zero, and indicating no significant difference. Lastly, the comparison between Shein and H&M, with a confidence interval ranging from -0,7060947 to 1,150539, similarly showed no significant differences.

We also wanted to discover the influence of CSR aspects on brand perception. We realized a regression analysis, considering the dependent variable "perception" and the independent variables pure CSR aspects such as ethics, transparency, ratings from other customers, wellbeing of the employees, environmentally sustainably, correct payment to their workers or respect for the labor rights. The following table describes the results of the analysis:

perception	Coefficient	Std. Err	t	P> t	[95% conf. Interval]
ethicsn	0,0358416	0,12055	0,3	0,767	[-,2024304 ; ,2741137]
transparencyn	-0,0210515	0,1126875	-0,19	0,852	[-,2437738 ; ,2016708]
ratingsn	0,2356666	0,0887899	2,65	0,009	[,0601769 ; ,4111563]
wellbeingn	0,2665843	0,1449637	1,84	0,068	[-,0199307 ; ,5530993]
environn	0,0012216	0,1261232	0,01	0,992	[-,2480558 ; ,2504989]
fairwagen	-0,0918442	0,1369826	-0,67	0,504	[-,3625849 ; ,1788964]
safen	-0,0848	0,1537297	-0,55	0,582	[-,3886405 ; ,2190406]
rightsn	-0,11499	0,1396665	-0,08	0,934	[-,2875442 ; ,2645462]
sustainablen	-0,0766414	0,1012378	-0,76	0,45	[-,2767338 ; ,1234509]
reliablen	-0,1180906	0,117729	-1	0,317	[-,3507771 ; ,114596]
_cons	3,114688	0,3969845	7,85	0	[,2330064 ; 3,899312]

Table 8. Regression analysis of Perception factors

The analysis revealed that among the ten independent variables, the variable "ratingsn" is the one that resulted to exert a greater influence on brand perception, implying that when participants viewed higher other customers ratings, they perceived better the brand. Another variable that showed a notable, but not statistically significant, influence was "well-being", suggesting that the well-being of employees might also impact brand perception positively. Nevertheless, we do require more data to confirm this relation.

Summarizing the main findings of the analysis: the chi2 test confirmed that CSR practices significantly impact brand perception. The ANOVA results demonstrated significant differences in CSR perceptions across various brands. The Bonferroni test results revealed that Shein is perceived less favorably in terms of CSR compared to the majority of brands that we included. Nevertheless, the results didn't fulfill our expectations as we thought that the perceptions differences would

be even greater. This last factor could be due to the low number of answers that we obtained from participants who bought most Shein's products in comparison with other brands as the frequency table shows.

Brands	Freq	Percent	Cum
H&M	15	9,62	9,62
Mango	18	11,54	21,16
Massimo Dutti	9	5,77	26,93
Otras	57	36,54	63,47
Shein	9	5,77	69,24
Zara	48	30,77	100
Total	156	100	100

Table 9. Frequency distribution of Brand preferences

Analysis and Interpretation of H2:

We continued our work to test the second hypothesis: "Customers' purchasing decisions are positively influenced by companies that engage in CSR compared to those that do not." We conducted a statistical analysis comparing customers' purchasing decisions based on their perception of a company's CSR engagement. The dependent variable was "postnewsn," representing participants' attitudes after observing negative CSR news about the company they had chosen in previous questions. Nevertheless, as the number of participants that of the two extreme options "would definitely continue purchasing from the brand or would definitely stop buying" we're few, we decided to simplify the variable with just three categories, one for the people that would continue buying, another one for people which behavior wasn't modified and the last one for participants that would stop buying from the brand. In the following table, we can observe the distribution of the question's answers:

Answers	Freq	%
Definitely would stop purchasing from the brand	8	6,84%
Definitely would continue purchasing from the brand	8	6,84%
Neutral / Without changes in the decision	45	38,46%
Probably would stop purchasing from the brand	30	25,64%
Probably would continue purchasing from the brand	26	22,22%
Total	117	100

Table 10. Customer purchasing decisions responses

We wanted to analyze how variables such as education, gender and age affect the variable "post3", the simplified version of the original variable "postnewsn" Despite, we didn't find any significant result for any of the three variables mentioned previously. The model wasn't even statistically significant ($Prob > \chi^2 = 0.4621$).

ologit post3 i.educationn gendern age					
Iteration 0: Log likelihood = -116.09342					
Iteration 1: Log likelihood = -113.27715					
Iteration 2: Log likelihood = -113.26258					
Iteration 3: Log likelihood = -113.26257					
Ordered logistic regression					
				Number of obs = 117	
				LR chi2(6) = 5.66	
				Prob > chi2 = 0.4621	
Log likelihood = -113.26257				Pseudo R2 = 0.0244	
post3	Coefficient	Std. err.	z	P>z	[95% conf. interval]
educationn					
Vocational trainig	-.9301276	.8426601	-1.10	0.270	-2.581711 .7214559
High-school degree	-1.03412	.7630896	-1.36	0.175	-2.529748 .4615081
University degree	-.8892534	.8219551	-1.08	0.279	-2.500256 .721749
Postgraduate degree	.1289169	.9595804	0.13	0.893	-1.751826 2.00966
gendern	-.4126088	.3989016	-1.03	0.301	-1.194442 .3692241
age	-.04046	.0353737	-1.14	0.253	-.1097912 .0288712

Table 11. Ordered logistic regression results for post purchase behavior.

As we didn't obtain any relevant result, we wanted to continue making comparisons. Specifically, we wanted to compare the variable "post3" with the "knewn" one, which measures whether participants were aware of the negative news that we presented to them in the survey. The results were as following:

"postnews"	"knewn"		Total
	No	Yes	
Definitely would stop purchasing from the brand	7	1	8
	7,29%	4,76%	6,84%
Definitely would continue purchasing from the brand	5	3	8
	5,21%	14,29%	6,84%
Neutral / Without changes in the decision	40	5	45
	41,67%	23,81%	38,46%
Probably would stop purchasing from the brand	26	4	30
	27,08%	19,05%	25,64%
Probably would continue purchasing from the brand	18	8	26
	18,75%	38,10%	22,22%
Total	96	21	117

	82,05%	17,95%	100%
	100	100	100

Table 12. Post-purchase behavior by awareness of negative CSR news

Participants who were not aware of the news represented most responses (82,05%). Most of those who were not aware of the news remained neutral (41,67%) or would probably stop buying from the brand (27,08%).

Among those who were aware of the news, there is a more balanced distribution, but with a higher proportion of participants who would probably continue buying the brand (38,10%).

A key insight that we extracted has been that 14,29% of those who knew the news indicated they would continue buying, compared to only 5,21% of the group that didn't know the news. Moreover, 38,10% of those who knew the news indicated they would probably continue buying, compared to 18,75 of those who did not know the news. Finally, a higher percentage of participants who did not know the news remained neutral (41,67%) compared to those who did know the news (23,81%).

In conclusion, those who were aware of the news seemed more willing to continue buying the brand (52,39% in total if we sum "would definitely" and "would probably" continue buying) compared to those who were not aware of the news (23,96% in total). This result could suggest to us that, despite the negative CSR news, some informed consumers might value other aspects of the brand or might not perceive the news as significant enough to change their purchasing behavior. Additionally, neutrality and the probability of stopping buying are higher among the group that weren't aware of the news (68,75%) compared to (42,86%) that were aware.

Summarizing, awareness of negative CSR news suggests that has a mixed effect on purchasing intention. Some informed consumers show brand loyalty, while uninformed ones tend to be more neutral or likely to stop buying.

With all this information and with the p-value that we obtained (0,297) we can reject H0 and determine that there is no statistically significant association between awareness and purchasing behavior.

Analysis and Interpretation of H3:

To analyze if economic and functional characteristics hold greater influence on consumer purchasing decisions for clothing products compared to ethical and sustainability considerations, we needed to start by creating variables for each reason based on participant’s ratings on our 9th survey question, where we asked them to rate the importance of several reasons when they purchase a piece of cloth. These variables included “quality”, “designn”, “ethicsn”, “transparency”, “ratingsn”, “adjustment”, “pricen”, “wellbeingn”, and “environn”. Continuously, we grouped the nine reasons into two main categories: Product reasons and CSR reasons. The first group comprised the variables “quality”, “designn”, “ratingsn”, “adjustment” and “pricen”. CSR reasons encompassed “ethicsn”, “transparency”, “wellbeingn” , and “environ”. We created indices for Product reasons and CSR reasons by summing the ratings for each set of reasons. For the first index we used the formula “product_index= 0,7071 * (quality + design + ratingsn + adjustment). Similarly, for the other index we used the formula “CSR_index = 0,7071 * (ethicsn + transparency + wellbeingn + environ). The value “0,7071” came from the PCA results. Our first principal component had loadings for the product reasons and CSR reasons both equaled “0,7071”, suggesting that the principal component is an equally weighted combination of these two groups of reasons.

Principal component analysis				
Principal components/correlation				156
Number of comp.				2
Trace				2
Rotation: (unrotated = principal) Rho				1
Component		Eigenvalue	Difference	Proportion
Comp1		1,36199	.723988	0,681
Comp2		0,638006	.	0,319
Principal components (eigenvectors)				
Variable		Comp1	Comp2	Unexplained
Product reasons		0,7071	0,7071	0
CSR reasons		0,7071	-0,7071	0

Table 13. Principal Component Analysis (PCA) of product reasons and CSR reasons

Once the indices were created, we needed to calculate summary statistics for the two, including the mean, standard deviation, minimum and maximum values. We also conducted a paired t-test to compare the mean values of the indices. The test

allowed us to differentiate between participant's ratings for Product reasons and CSR reasons. The last two steps comprised calculating the Pearson correlation coefficient to examine the relationship between the two indices and the last step included performing a regression analysis to assess the predictive power of the two indices on the outcome variable "post3". It allowed us to determine if participant's ratings for Product and CSR reasons were significant predictors of post-purchase behavior. In the following tables we have presented the results:

Summary of the indices					
Variable	Obs	Mean	Std. Dev.	Min	Max
Product_index	156	15,76	3,65	4,24	24,75
CSR_index	156	4,37	2,64	-0,7	12,03

Table 14. Summary of Indices

T-test of the indices					
Paired t test					
Variable	Obs	Mean	Std. Err	Std. Dev.	95% conf interval
Product_index	156	15,76	,2918	3,64	15,17 - 16,33
CSR_index	156	4,37	,2112	2,63	3,95 - 4,78
Diff	156	11,38	,4421	5,52	10,51 - 12,25
t=25,7518					

Table 15. T-test of the indices

Correlation	Product_index	CSR_index
Product_index	1	
CSR_index	-0,5324	1

Regression					
Source	SS	df	MS	N_obs	117
Model	0,269	2	0,1345	F (2, 114)	0,26
Residual	58,06	114	0,5092	Prob > F	0,7684
Total	58,324	116	0,5028	R-squared	0,046
				Adj R-squared	-0,0129
				Root MSE	0,71363
post3	Coefficient	Std. Err.	t	P> t	[95% conf-interval]
Product_index	0,135864	0,0199902	0,68	0,498	(-0,0260141, .0531869)
CSR_index	0,0025689	0,0282813	0,09	0,928	(-,053456, .0585939)
_cons	0,4367515	0,3970491	1,1	0,274	(-.3497996, 1.223303)

Table 16. Correlation and Regression Analysis of the Indices

The paired t-test has indicated significant difference between the two indices. Specially, the mean difference between the two indices is 11,39, with a 95% confidence interval of

[10.51, 12.26], resulting in a better valuation for product reasons in comparison with CSR ones. The correlation test also suggested to us that participants who prioritize product reasons tend to rate CSR reasons lower, and vice versa due to the negative correlation (-0.05324) that exists between them.

The regression analysis, with "post3" as the dependent variable, revealed that neither the "Product_index" nor the "CSR_index" were significant predictors of post-purchase behavior, as both had p-values greater than 0,05. The overall model explained very little of the variance in the variable as the R-squared obtained was of 0,046. Product and CSR reasons are important, but they don't significantly predict post-purchase satisfaction or behavior.

In conclusion, the analysis demonstrates that economic and functional characteristics hold greater influence on consumer purchasing decisions for clothing products compared to ethical and sustainability considerations. It is evidenced by the significantly higher rating for Product reasons over CSR ones, and the negative correlation between the two indices.

General conclusions

Our study aimed to explore the impact of CSR practices on consumer behavior, focusing on clothing products. We tested three hypotheses to understand how CSR practices, perceived brand perception, and economic factors influence consumer's purchasing decisions.

Our first hypothesis' main goal was to determine the relationship between CSR practices and brand perception among customers. We used a chi-square test and ANOVA analysis, and we found a significant association between CSR practices and brand perception, indicating that consumers place varying importance on CSR aspects when forming opinions about brands. The Bonferroni post-hoc analysis revealed significant differences in brand perception among different brands, with some being perceived more favorably than others. However, the overall variation in brand perception might be influenced by factors beyond CSR practices, such as brand reputation and marketing strategies.

The second hypothesis focused on understanding how negative CSR news influences consumer's purchasing decisions. The analysis revealed that awareness of negative CSR news had a mixed effect on purchasing intentions. While some informed consumers showed brand loyalty despite the exposure to the brand's negative news, others were more likely to stop buying or remained neutral. This suggests that consumers weigh various factors, including brand reputation and personal values, when making purchasing decisions, rather than uniquely focusing on CSR practices.

Lastly, our third hypothesis aimed to compare the influence of economic and functional characteristics versus ethical and sustainability considerations on consumer purchasing decisions. Summary statistics, paired t-tests, correlation analysis, and logistic regression showed that economic and functional characteristics held greater influence on consumers purchasing decisions compared to ethical and sustainability considerations. While both factors are important, economic considerations such as quality, design, and price appeared to play a more significant role in shaping consumer behavior.

Our findings provide valuable insights into the complex relationship between CSR practices and consumer behavior in the clothing industry. Firstly, we confirmed that CSR practices significantly influence brand perception among consumers. Brands that prioritize CSR aspects such as ethics, transparency, and environmental sustainability are perceived more favorably by consumers. However, it's essential to note that brand perception is multifaceted and influenced by various factors beyond CSR alone.

Moreover, our study highlighted the different impact of negative CSR news on consumer behavior. While some consumers may demonstrate brand loyalty despite negative news, others may reconsider their purchasing decisions. This underscores the importance of effective CSR communication and crisis management strategies for companies.

Additionally, our analysis revealed that economic factors, such as product quality and price, are primary drivers of consumer purchasing decisions, outweighing ethical and sustainability considerations. This suggests that while consumers may value CSR practices, they prioritize economic factors when making purchasing decisions, especially in the highly competitive clothing industry.

Overall, our study emphasizes the importance of integrating CSR practices into business strategies, not only for ethical reasons but also for building positive brand perception and consumer trust. However, companies should also recognize the complex interplay between economic, functional, and ethical factors in shaping consumer behavior and tailor their strategies accordingly.

Moving forward, future research could explore how different communication strategies and CSR initiatives impact consumer behavior over time. By further understanding these dynamics, companies can better align their CSR efforts with consumer preferences and market demands, ultimately driving sustainable business growth.

Limitations of the study

Several limitations must be considered when interpreting the findings of this study. Firstly, survey responses relied heavily on self-reporting, which could introduce subjective biases into the measurement of consumer perceptions of CSR initiatives. Participant's personal values, past experiences, and existing opinions about CSR might influenced their responses, potentially affecting the reliability of the data.

Secondly, the sample size posed a limitation to the study. With only 156 responses obtained, the generalizability of the findings may be limited. Additionally, the geographical concentration of the sample may not have accurately represented the broader consumer population, potentially impacting the external validity of the study.

Temporal factors also need to be acknowledged. Perceptions of CSR practices can change over time due to evolving societal values, fluctuations in market trends, or exposure to greenwashing news. This temporal variability may have affected the stability of the study findings.

Furthermore, the level of understanding and awareness of CSR concepts among respondents varied significantly, affecting the consistency and accuracy of their evaluations. Variations in respondent awareness might have introduced measurement errors and potentially compromise the validity of the findings related to CSR perceptions.

Lastly, the study's design might have influenced participants' perceptions of CSR practices, particularly considering the specific brands mentioned in the survey. Participant familiarity and past experiences with these brands could bias their responses, impacting the results.

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Annex

[CSR Practices in the Clothing Industry - Formularios de Google](#)

Improvements of the project

During this project, several key improvements were made based on feedback received from both my tutor and evaluators. These changes were aimed at enhancing the clarity, focus, and overall quality of the study. Initially, the study lacked clear context and didn't emphasize the main research focus effectively. The feedback that my tutor, Monica, gave to me prompted me to provide a better explanation of how CSR practices relate to brand perception and profitability. I revised the introduction to give a comprehensive overview of CSR's evolution and its impact on brand perception. I made sure to specify the objectives and target population early on to give a clear direction to the study. During the second delivery, in March, Monica highlighted the need for more objective data to support the relevance of the research topic. I included data from various sources, like Stata pollution data, to show real factors driving interest in CSR practices and their impact on corporate profitability. She also told me that in the part where I explain the CSR concept and its evolution, there was a huge gap between the 1960's and 1990's and that I needed to contextualize better this part and to provide information on how the concept evolved during these 30 years. I improved it to provide better context for the study and I noticed that those years had been really important for the future of the concept. I also clarified the commonalities and differences among various definitions to offer a clearer understanding, which I hadn't done during the first term. I restructured some sections for better flow and coherence and removed irrelevant information to focus on the essentials, such as population interest and the survey methodology. Editing was improved to fix issues like double spaces, ensuring the document looks polished and professional. I clarified why I chose the textile sector over others, emphasizing unique characteristics like environmental impact and consumer perception dynamics to show its relevance to the research question. I provided clearer explanations of the research process, including how the RSC Index was created and validated. I included descriptive tables before analysis to provide more context. Original tables were created to present results more clearly and consistently. Hypotheses were presented more clearly. I added a summary and general conclusion to wrap up the study cohesively. By implementing these changes, the research project became stronger, offering a more robust analysis of the relationship between CSR practices and brand perception.