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## Building Social Brand in FMCGs: Corporate Social Responsibility Approach

**Mahmoud Mohammadian**

Assistant Professor, Faculty of Management & Accounting, Allameh Tabataba'i University, Tehran, Iran

**Bahareh Zohouri**

Ph.D. Candidate, Department of Marketing, Faculty of Management & Accounting,  
Allameh Tabataba'i University, Tehran, Iran

**Zohreh Dehdashti Shahrokh**

Associate Professor, Faculty of Management & Accounting, Allameh Tabataba'i University, Tehran, Iran

**Amir Khanlari**

Assistant Professor, Faculty of Management, University of Tehran, Tehran, Iran

### **Abstract:**

*Although most of the scholars witnessed the significance of CSR in corporate brand building process, there has been little research on how a responsible brand is developed in practice. Some research has investigated CSR in marketing and presented characteristics of a responsible brand, but they failed to address how the process of brand building will be changed when profitability is replaced with CSR in the context. This paper studies how the corporate social responsibility affects brand building process. It aims at understanding what dimensions should marketers consider building a FMCG responsible brand by proposing a multilevel model and how these interactions can assist in building a CSR-based brand. The study presents an ISM-based model for FMCG brand building in which all the variables are CSR-extracted through meta-synthesis and content analysis. Developed model consisting of 18 variables and 5 levels, reveals the priority of corporate stakeholders in brand building process. It also illustrates that five external drivers including cultural requirements, ethical requirements, stakeholders' expectations, legal requirements and competitive environment lead to organizational development and innovation, increase in brand value and sustainable development through the other stakeholders and tools. The study provides researchers as well as practitioners with new insight pertaining to ethical branding and sustainable profitability through building socially responsible brands.*

**Keywords:** Corporate social responsibility (CSR), Brand Building, FMCG, Meta-Synthesis, ISM

### **1. Introduction**

The change in the marketing perspective from the transactional marketing model to corporate marketing model forced companies to make changes to their marketing strategies. The role of marketers is now not only to consider the consumers, but also on other stakeholders in the company (J. M. T. Balmer & Greyser, 2006). In corporate marketing as a dominant marketing philosophy, understanding present and future stakeholders (including customer) wants, needs and behaviour is the main orientation and business survival alongside with meeting societal needs of stakeholders prioritized the sole profit making (Balmer, 2001). This trend affected companies' strategies in all departments and branding strategy is not an exemption.

On the other hand, marketplace warning is also concentrated on social issues. Consumers expect the brands that not only focus on their own benefits and profitability but also take into consideration other social issues like environment, communities and employees' life (Sharif, 2012). Most of the consumers view corporations as entities without care for anything besides profits. They expect more brand transparency and they consider the social dimensions of brands (Bhattacharya & Sen, 2004; Kujala, Penttilä, & Tuominen, 2011; Tsai, Joe, Lin, Chiu, & Shen, 2015) and therefore offering such brand image could significantly make a unique brand differentiation.

Following this trend, successful companies should organize their branding strategies to deliver the value stakeholders expect. Consumers, society, employees and other main stakeholders ask companies to act responsibly and therefore companies are committed to developing branding strategies in such a way that can deliver socially responsible brand awareness. To act successful in this due, companies represent shift their perception of corporate social responsibility concept as an extrinsic image management to an intrinsic brand-centric activity (Kitchin, 2003) and integrate CSR programs into their business strategies in efforts to generate branding benefits. Another important issues are that in today competitive world, what companies offer to customers are getting too much similar to each other and it is harder these days to stand out from the competitors and here CSR can be helpful. In the extensive research conducted by Cone Inc. and Echo on 10000 consumers in the world's ten largest countries by GDP to reveal their attitude toward CSR, they found

that when price and quality are equal, 94% of consumers are likely to switch brands to one associated with a good cause (ConeInc., 2011).

There can be two approaches to CSR application in branding. Many research conducted for CSR in marketing Some attribute it as can affect brand image and brand equity (He, Zhu, Gouran, & Kolo, 2016; Popoli, 2011; K. S. D. Singh, Islam, & Ariffin, 2014; Tingchi Liu, Anthony Wong, Shi, Chu, & L. Brock, 2014) and confirming CSR as a marketing tool. Another stand toward CSR can be proposed and that is it can replace the profitability as the main initiative for branding.

In the past, enterprises started their business in order to make profit immediately, but now they are aware that profitability by itself will not guarantee their survival and what matters more is how much the profit is sustainable (Schultz & Block, 2015; Swanson & Zhang, 2012; Villagra & López, 2013). It means that there are two main forces that lead companies both internally and externally to act as socially responsible; the demand of consumer and company effort to reach sustainability.

While the existing perspectives and models of CSR have made substantial contribution to CSR application in branding, we believe that they can be criticized on two accounts. First, they do not document the particular CSR initiatives in branding domain and how these practices can assist in building a social responsible brand. Second, in existing literature, all the stakeholders are valued equally in importance and their affect and this empirically challenges CSR implementation. With insufficient theoretical and empirical scrutiny of CSR in the context of brand building, this study first explores the most important CSR initiatives in FMCG industry with focus on market. Then we will advance a theoretical model consisting of the relationships among extracted variables and how and with which priority these interactions can direct a company to build a brand when CSR is considered as context. Therefore, it would not merely be a conceptual brand, but also an empirical conceptualization drawn out from the heart of the corporations.

## 2. Literature Review

### 2.1. Corporate Social Responsibility (CSR)

CSR is a broad concept and multiple definitions have been presented each focused on some aspects of it. This term was introduced around 1960s and 1970s. The main objective of CSR is to increase the corporations' responsibility towards environment, health and safety, employers, consumers, communities etc. The Stakeholder theory (Freeman, Wicks, & Parmar, 2004) accelerated the development of this concept and it incorporates the founding principle for investing in CSR. A stakeholder is defined "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, Harrison, Wicks, Parmar, & De Colle, 2010).

CSR primarily means to manage the business ethically, contributing to economic development, improving the quality of life of the employees and their families, promoting social welfare, participating in social causes and following the government rules (Sharif, 2012). Similarly, European Commission defines CSR with particular emphasis on marketing concept as follows:

"CSR is the responsibility of enterprises for their impacts on society. To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of:

- Maximizing the creation of shared value for their owners/shareholders and for their other stakeholders and society at large;
- Identifying, preventing and mitigating their possible adverse impacts" (EU, 2011).

Generally, there are various scopes proposed for CSR. Ogrizek (2002) defines the scope of CSR "to embrace not only charitable, philanthropy and community involvement activities but also business practices including environment management system, human resources policy, and strategic investment for sustainable future".

CSR has evolved rapidly in the past decades and researchers believed that it is going to start a new season. It is the time for integrating CSR with the primary mission and values of the company. It should embrace all organizational activities relating to decision making, branding activities, market development, product development, advertising etc. It should not be conducted as a society obligation or as means of self-fulfillment. It should harmonize stakeholders' expectations and the company viability and only this way companies can sustain for long run.

### 2.2. CSR and Branding

Schultz and Block (2015) discuss that common measures of brand value including brand awareness, brand equity and brand loyalty are not enough as they are totally dependent on what happens outside the company and they suggest brand sustainability as a tool that stimulate brand value through the company activities and strategies and though it basically happens inwardly. By strategically investing in corporate social responsibility, corporations can benefit from competitive advantages (Bedawy & Shawky, 2013; McWilliams & Siegel, 2011), financial benefits (Turcsanyi & Sisaye, 2013; Waworuntu, Wantah, & Rusmanto, 2014), higher brand awareness (Mattera, Baena, & Cerviño, 2012) increase in brand equity (Tuan, 2012; Westberg & Pope, 2012) and they are able to create fresh brand meaning (Hoeffler & Keller, 2002), and in turn they can enhance existing stakeholder associations with the corporate brand and secure their sustainability.

For building a strong brand, companies should tie it to what stakeholders' care more about. Clearly, CSR initiatives are the tools that empower companies to generate sustainable corporate brand value. Therefore, we do not concentrate merely on individual product brand, but also corporate brand that is best aligned with CSR objectives (Maio, 2003). Consumer knowledge of an organization's CSR initiatives may result in higher evaluation of the both company itself and company's product. It is believed that a good brand is a reflection of quality, price, service and attributes of a product and it differentiate one product from another (K. S. D. Singh, Islam, & Ariffin, 2014).

Corporate brand encompasses strengthening the relationships with different stakeholders including employees, shareholders and suppliers and conveys the corporate unique value (Knox & Bickerton, 2003) and similar to CSR it focuses on all stakeholders; CSR conveys the concern of a firm towards the internal and external stakeholders and exposing a good image of the firm (Sharif, 2012). Carroll (1999) discussed that CSR is consistent best with the corporate brand because social responsibility is an ethical step that companies take to consolidate economic, legal, ethical, and philanthropic expectations.

Corporate social responsibility implicates a commitment to developing a responsible brand and spreading it to stakeholders through appropriate selection of communication tools "(Balmer, Fukukawa, & Gray, 2007; Monfort & Villagra, 2016). A CSR-aligned corporate brand is known by several names in the literature including responsible brand (Ind & Horlings, 2016; Kujala, Penttilä, & Tuominen, 2011), brand social responsibility (Grohmann & Bodur, 2015; He, Zhu, Gouran, & Kolo, 2016), socially responsible brand (Polonsky & Jevons, 2006) and ethical brand (Brunk, 2016; J. J. Singh, Iglesias, & Batista-Foguet, 2012; Story & Hess, 2010).

A responsible brand reflects a company's ethical expectations as part of its commitment to stakeholders (Kujala et al., 2011) and highlights CSR as an attribute that positions and differentiates the company. In effect, a responsible brand projects strength to stakeholders by virtue of the quality of its ethical and social values (Villagra & López, 2013). Once CSR becomes an integral part of a brand, corporate activity and brand promise can be effectively aligned to create credibility and trust (Vallaster, Lindgreen, & Maon, 2012).

Liu et al. (2014) described that customers' brand preference can be enhanced by CSR performance. They investigate the CSR performance in Chinese companies and they conclude that CSR performance in environmental issues, society and stakeholders positively influence on brand preference but to different degrees (Tingchi Liu, Anthony Wong, Shi, Chu, & L. Brock, 2014).

Kujala, Penttilä and Tuominen (2011) introduced a process for building a responsible brand. The process consists of six different interactive stages and starts with identifying brand vision. It then follows by analyzing key stakeholders, creating brand identity, defining brand objectives, implementation and ongoing evaluation. Research show that there are five different formats for CSR that companies employed in marketplace. These are social donations, cause sponsorship, cause-related marketing, social alliance and value chain CSR (Chen, 2011).

There are two different viewpoints toward responsibility; some companies employ responsibility as an extra to their business and so they consider it as a differentiation tool, however other brands are primarily built on responsibility. Here CSR is a core value not merely a marketing ploy. To develop such successful strategy, it is crucial that each of the corporation's social actions is consistent with the brand's core values and other company's strategies (Luo & Bhattacharya, 2006).

CSR has been always open to criticism. Some believe that corporate involvement in complex social concerns may worsen the situation for the companies. CSR is also criticized as being naturally an intelligent marketing tool for gaining publicity. Therefore, few companies fully leverage the brand building process with corporate social responsibility (Blumenthal & Bergstrom, 2003).

To address these critics, we are taking up a different position and that is we consider CSR as a dominant paradigm governing the company. By this, we mean that in all area of strategy making, managers should consider CSR as a philosophy. In other word, it is not a tool anymore; it is a way of thinking. It acts like an octopus. It embraced the company.

### 2.3. CSR as a Quintessence of Branding

One should ask why companies have to employ CSR for brand building activities the answer is that the final aim of branding for every company is to make differentiation and CSR is a good strategy. Sing et al. (2014) believe that Building a brand through CSR is not at all about acclaiming. It is about starting with a CSR -oriented philosophy as the foundation blocks of a brand.

CSR-related actions help a company to strengthen its presence in the mind of the consumers and other stakeholders, as a whole. Moreover, Corporate Social Responsibility creates a 'responsible' halo around the companies' activity and helps them build trust what matters most for any brand today. It enhances a company's reputation in the minds of customers and employees and this is absolutely crucial for brands as it retains current customers and attracts new people.

CSR is a complex issue and firms who are looking to build a responsible brand will have to understand all aspects of the social issues they are going to invest. This type of branding originates from the soul of the organization and it goes beyond market positioning. It is an expression for what essential nature of organization is (Peters, 2003).

CSR can help brand building process in two ways. Firstly, it establishes the unique position for brands in the minds of consumers. Secondly, with CSR, companies can present themselves as good corporate citizens. CSR can play an influential role in influencing consumers' perceptions toward the company, product or service when its merged with regular branding activities.

Most researchers, who investigate the relationship between CSR and branding, pointed to the potential business benefits of CSR for brand repositioning. According to Makasi, Govender and Munyoro (2014), CSR programs directed toward employees, communities and environment matters play an important role in positioning corporate brand. Sagar et al. (2011) believe that ethics in branding can act as a product differentiator and a cutting edge strategic tool.

There are some studies tried to link branding activities with CSR, However, few studies fully cover how to leverage corporate social responsibility for building a socially responsible brand and they failed to present an empirical model. Here in this paper, we aim to extract CSR initiatives that can play role in developing a socially responsible brand. Again we mention that we consider CSR as a core part of the brand decisions not simply PR or a marketing tool.

### 3. Research Methodology

To achieve our research, aim of developing a model for brand building with CSR context, we adopted a mixed methodological approach. This is conducted in two stages. In the first stage, it is necessary to identify the CSR initiatives in FMCG companies. There

are many different dimensions known for CSR in literature, but due to the lack of plausible variables, we incorporated meta-synthesis. This technique enabled the researchers to synthesize data from relevant sources that satisfy the inclusion criteria in an effort to answer effectively the research goals. The meta-synthesis method is a research method that extracts and integrates results from various qualitative studies to present a novel interpretation of phenomenon (Refaie Shirpak, Guruge, & Chinichian, 2010).

To extract complimentary initiatives, we conducted semi-structured interview with marketing managers of FMCG companies who received a green apple prize (a prize for green production). We used a judgmental sampling as these companies were the most informative companies about CSR practices and they started to consider it in their companies' strategy. The sample consists of 17 marketing managers and the process stopped at the 13<sup>th</sup> interview as we reached the data adequacy. We performed inductive theme analysis for data analysis using Attride-Stirling approach-basic, organized and global themes-(Attride-Stirling, 2001). For better integration and visualization, we conduct the analysis with NVIVO 11. During the coding procedure, if there were some codes available from the previous interview themes, the new was added to the available category. Therefore, some codes had multiple frequencies. For research validity, we asked two independent raters, in the way that we asked the second rater to categorize organized theme into new global themes. Then we devised Hoslti's PAO for investigating conformity between two independent coders. The formula is as follow:

$$PAO = 2M / (n1+n2)$$

The result was 0.919 and as it is higher than 0.9, it shows that the categories were organized well and so the research in this part was valid. It is important to double check the categories as they are going to be imported to make a model and so any defects could result in poor designed model and affected research generalizability.

In the second part of the study and in order to develop a model for branding with CSR in context, we conducted interpretive structural modeling (ISM). For determining the relationship between each pair of variables, we asked the marketing managers of the companies who were selected as top brands of Iran.

Interpretive Structural Modeling (ISM) was introduced by Warfield (1974) as a suitable modeling technique for simplifying the complex problems (Wang, Wang, & Zhao, 2008). It uses experts' practical experience to divide a complicated system into several subsystems and presents a multilevel structural model (Kumar, Luthra, & Haleem, 2013). ISM is interpretive as the judgments of study group determine whether and how the variables are interrelated. (Chandramowli, Transue, & Felder, 2011; Wang, Wang, & Zhao, 2008).

Depending on what kind of relationship researchers want to investigate, they should choose among several ISM structural types (PILLAI & ROY, 2014). In this study, we used "intent structure" and therefore it will result in a multilevel model with different degree of influence. The steps of ISM are as follows (Ravi & Shankar, 2005; Warfield, 1974):

*Step 1:* Identification of the related dimensions of the system.

*Step 2:* Forming a contextual relationship between variables identified in step 1.

*Step 3:* Developing a structural self-interaction matrix (SSIM) of variables which indicates the relationship in each pair

*Step 4:* Developing the initial reachability matrix (IRM) from SSIM and checking it for transitivity. The transitivity of the contextual relation is a fundamental assumption made in ISM that states if an element *A* is related to *B* and *B* is related to *C*, then *A* is necessarily related to *C*.

*Step 5:* Partitioning the IRM into different levels.

*Step 6:* Drawing a graph based on the relationships given in the IRM and removing the transitive links.

*Step 7:* Converting the resultant graph to an ISM-based model by replacing element nodes with the statements.

*Step 8:* Reviewing the model to check for conceptual inconsistency and making modifications if necessary.

#### 4. Data Analysis

As a result of meta-synthesis method, 13 CSR-related constructs were identified in marketing literature particularly those applicable in branding. Inductive theme analysis in the next stage resulted in 269 codes from which 237 were unique. Based on the similarity, the codes were then categorized in 39 organized themes, which finally resulted in 12 complimentary antecedents. In totally, excluding the similar concepts, 18 constructs were built. These represent principal CSR initiatives in FMCG industry. table 1 presents an overview of these initiatives.

stakeholders' expectations	Supply chain	Environmental issues
ethical requirements	Customers attitude	Sustainable development
cultural requirements	Product differentiation	Social citizenship
organizational development and innovation	Market requirements	Organizational strategy
Responsibility toward Society	Brand value increase	Competitive environment
Social causes and events	Legal requirements	Human resources

*Table 1: CSR initiatives in FMCG industry*

These variables are the elements that enter the modeling process. We are going to investigate what is the relationship between each pair of these variables from the viewpoints of experts. Detailed analysis is discussed in following subsections.

4.1. Structural self-interaction matrix (SSIM)

To identify the relationship between the variables, we designed a questioner including a table with identified variables both in rows and in columns. This questioner was sent to the top brands company. Beforehand, we contacted the marketing managers and explained them how they should fill the boxes with one of the following letters:

- V - variable *i* will lead to (relates with) variable *j*;
- A - variable *j* will lead to (relates with) variable *i*;
- X - variables *i* and *j* will lead to each other; and
- O - variables *i* and *j* are unrelated.

All the information collected from the participants was compiled into a single SSIM matrix as shown below in table 2.

		18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1
1	Environmental issues	V	O	V	A	A	A	A	V	A	V	V	A	A	A	O	V	V	-
2	Sustainable development	A	A	O	A	A	A	A	O	A	A	A	A	A	A	X	X	-	
3	Social citizenship	O	A	V	A	A	A	A	V	A	V	V	A	A	A	A	-		
4	Organizational strategy	V	O	V	A	A	A	A	V	A	V	V	A	A	A	-			
5	Competitive environment	V	V	V	O	O	O	O	V	V	V	V	V	V	-				
6	Human resources	V	V	V	A	A	A	A	V	O	V	V	O	-					
7	Supply chain	V	V	V	A	A	A	A	V	O	V	V	-						
8	Customers attitude	A	A	X	A	A	A	A	A	A	O	-							
9	Differentiated product	A	A	V	A	A	A	A	V	A	-								
10	Market requirements	V	V	V	A	A	A	A	V	-									
11	Brand value increase	A	A	O	A	A	A	A	-										
12	Legal requirements	V	V	V	O	O	O	-											
13	stakeholders' expectations	V	V	V	O	O	-												
14	ethical requirements	V	V	V	O	-													
15	cultural requirements	V	A	X	-														
16	organizational development and innovation	A	A	-															
17	Responsibility toward Society	V	-																
18	Social causes and events	-																	

Table 2: Structural self-interaction matrix (SSIM)

4.2. Initial Reachability Matrix

To develop the matrix, we should transform the SSIM to a binary matrix by substituting the letters in SSIM with 0 or 1 as per the following rules:

- If the (i, j) entry in the SSIM is V, the (i, j) entry in the IRM becomes 1 and the (j, i) entry becomes 0;
- If the (i, j) entry in the SSIM is A, the (i, j) entry in the IRM becomes 0 and the (j, i) entry becomes 1;
- If the (i, j) entry in the SSIM is X, both the (i, j) entry and the (j, i) entry in the IRM become 1;
- If the (i, j) entry in the SSIM is O, both the (i, j) and (j, i) entry in the IRM become 0.

Moreover, for (i, j) entry in IRM where i = j, the entry is considered to be 1.

By applying these rules, an initial reachability matrix for variables for brand building with CSR in the context has been obtained (Table 3).

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	1	1	1	0	0	0	0	1	1	0	1	0	0	0	1	0	1	
2	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	0	1	1	0	0	0	0	1	1	0	1	0	0	0	0	1	0	
4	0	1	1	1	0	0	0	1	1	0	1	0	0	0	0	1	0	
5	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	1	1	
6	1	1	1	1	0	1	0	1	1	0	1	0	0	0	0	1	1	
7	1	1	1	1	0	0	1	1	1	0	1	0	0	0	0	1	1	
8	0	1	0	0	0	0	0	1	0	0	1	0	0	0	0	1	0	
9	0	1	0	0	0	0	0	0	1	0	1	0	0	0	0	1	0	
10	1	1	1	1	0	0	0	1	1	1	1	0	0	0	0	1	1	
11	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	
12	1	1	1	1	0	1	1	1	1	1	1	1	0	0	0	1	1	
13	1	1	1	1	0	1	1	1	1	1	1	0	1	0	0	1	1	
14	1	1	1	1	0	1	1	1	1	1	1	0	0	1	0	1	1	
15	1	1	1	1	0	1	1	1	1	1	1	0	0	0	1	1	0	
16	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	1	0	
17	0	1	1	0	0	0	0	1	1	0	1	0	0	0	1	1	1	
18	0	1	0	0	0	0	0	1	1	0	1	0	0	0	0	1	0	

Table 3: Initial reachability matrix (SSIM)

The final reachability matrix (Table 4) is constructed from the initial reachability matrix taking into account the transitivity rule. For this stage, we checked all these relations in IRM with two of the former respondents and any incompatibilities were resolved.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	Driving power
1	1	1	1	1	0	0	0	1	1	1	1	0	0	0	0	1	1	1	11
2	0	1	1	1	0	1	1	1	1	0	1	0	0	0	0	1	1	1	11
3	1	1	1	1	0	0	0	1	1	0	1	0	0	0	0	1	1	0	9
4	1	1	1	1	0	0	0	1	1	0	1	0	0	0	0	1	1	1	10
5	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	1	1	1	14
6	1	1	1	1	0	1	0	1	1	0	1	0	0	0	0	1	1	1	11
7	1	1	1	1	0	0	1	1	1	0	1	0	0	0	0	1	1	1	11
8	0	1	1	1	0	0	0	1	1	0	1	0	0	0	0	1	0	1	8
9	1	1	1	1	0	0	0	1	1	0	1	0	0	0	0	1	1	0	9
10	1	1	1	1	0	0	0	1	1	1	1	0	0	0	0	1	1	1	11
11	1	1	0	0	0	0	0	0	1	1	1	0	0	0	0	1	1	0	7
12	1	1	1	1	0	1	1	1	1	1	1	1	0	0	0	1	1	1	14
13	1	1	1	1	0	1	1	1	1	1	1	0	1	0	0	1	1	1	14
14	1	1	1	1	0	1	1	1	1	1	1	0	0	1	0	1	1	1	14
15	1	1	1	1	0	1	1	1	1	1	1	0	0	0	1	1	1	1	14
16	0	1	1	1	0	1	1	1	0	1	1	0	0	0	1	1	0	1	11
17	1	1	1	1	0	1	1	1	1	1	1	0	0	0	1	1	1	1	14
18	1	1	1	1	0	0	0	1	1	1	1	0	0	0	0	1	1	1	11
dependence	15	18	17	17	1	9	9	17	17	11	18	1	1	1	3	18	16	15	

Table 4: Final reachability matrix (SSIM)

In table 4 The driving and dependence power of each variable is also depicted. The driving power of a variable shows that how many variables (including itself) it leads to. The dependence power of each variable also shows that how many variables (including itself) totally affect this variable. These two concepts are later used in MICMAC analysis to classify the variables into autonomous, dependent, linkage and independent variables.

4.3. Level Partitioning

The reachability set and antecedent set are drawn out from the reachability matrix. The reachability set for each variable consists of the factor itself plus the factors that it leads to. Whereas antecedent set includes the factor itself plus other elements that affect it. Subsequently, the intersection set of these sets are extracted for all variables. The variable, for which the reachability and the intersection sets are similar, goes to the top-level of the ISM hierarchy. these variables do not affect any other variables and they are affected by some other variables in the next levels. After they are assigned, they are separated from the other variables and the same process is repeated until we are finished with all variables. Level portioning procedure is shown in table 5 to 10.

VAR	Reachability set	Antecedent set	Intersection set	level
1	1,2,3,4,8,9,10,11,16,17,18	1,3,4,5,6,7,8,9,10,11,12,13,14,15,17,18	1,3,4,8,9,10,11,17,18	
2	2,3,4,6,7,8,9,11,16,17,18	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18	16,17,18,,2,3,4,6,7,8,9,11	1
3	1,2,3,4,8,9,11,16,17	1,2,3,4,5,6,7,8,9,10,12,13,14,15,16,17,18	1,2,3,4,8,9,16,17	
4	1,2,3,4,8,9,11,16,17,18	1,2,3,4,5,6,7,8,9,10,12,13,14,15,16,17,18	1,2,3,4,8,9,16,17,18	
5	1,2,3,4,5,6,7,8,9,10,11,16,17,18	5	5	
6	1,2,3,4,6,8,9,11,16,17,18	2,5,6,12,13,14,15,16,17	2,6,16,17	
7	1,2,3,4,7,8,9,11,16,17,18	2,5,7,12,13,14,15,16,17	2,7,16,17	
8	1,2,3,4,8,9,11,16,18	1,2,3,4,5,6,7,8,9,10,12,13,14,15,16,17,18	1,2,3,4,8,9,10,16,17,18	
9	1,2,3,4,8,9,11,16,17	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,17,18	1,2,3,4,8,9,11,17	
10	1,2,3,4,8,9,10,11,16,17,18	1,5,10,11,12,13,14,15,16,17,18	1,10,11,16,17,18	
11	1,2,9,10,11,16,17	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18	1,2,9,10,11,16,17	1
12	16,17,18,,1,2,3,4,6,7,8,9,10,11,12	12	12	
13	1,2,3,4,6,7,8,9,10,11,13,16,17,18	13	13	
14	1,2,3,4,6,7,8,9,10,11,14,16,17,18	14	14	
15	15,16,17,18,,1,2,3,4,6,7,8,9,10,11	15,16,17	15,16,17	
16	2,3,4,6,7,8,10,11,15,16,17,18	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18	2,3,4,6,7,8,10,11,15,16,17,18	1
17	1,2,3,4,6,7,8,9,10,11,15,16,17,18	1,2,3,4,5,6,7,9,10,11,12,13,14,15,17,18	1,2,3,4,6,7,9,10,11,15,17,18	
18	16,17,18,,1,2,3,4,8,9,10,11	1,2,4,5,6,7,8,10,12,13,14,15,16,17,18	1,2,4,8,10,16,17,18	

Table 5: first level of criteria partitioning

From the table 6, It can be observed that sustainable development, brand value increases and organizational development and innovation are set in the highest level of ISM hierarchy.

VAR	Reachability set	Antecedent set	Intersection set	level
1	1,3,4,8,9,10,17,18	1,3,4,5,6,7,9,10,12,13,14,15,17,18	1,3,4,9,10,17,18	
3	1,3,4,8,9,17	1,3,4,5,6,7,8,9,10,12,13,14,15,17,18	1,3,4,8,9,17	2
4	1,3,4,8,9,17,18	1,3,4,5,6,7,8,9,10,12,13,14,15,17,18	1,3,4,7,8,9,17,18	2
5	1,3,4,5,6,7,8,9,10,17,18	5	5	
6	1,3,4,6,8,9,17,18	5,6,10,12,13,14,15,17	6,17	
7	1,3,4,7,8,9,17,18	5,7,12,13,14,15,17	7,17	
8	3,4,8,9,18	1,3,4,5,6,7,8,9,10,12,13,14,15,17,18	3,4,8,9,17,18,	2
9	1,3,4,8,9,17	1,3,4,5,6,7,8,9,10,12,13,14,15,17,18	,1,3,7,8,9,17	2
10	1,3,4,8,9,10,17,18	1,5,10,12,13,14,15,17,18	1,10,17,18	
12	1,3,4,6,7,8,9,10,12,17,18	12	12	
13	1,3,4,6,7,8,9,10,13,17,18	13	13	
14	1,3,4,6,7,8,9,10,14,17,18	14	14	
15	1,3,4,6,7,8,9,10,15,17,18	15,16,17	15,16,17	
17	1,3,4,6,7,8,9,10,15,17,18	1,2,3,4,5,6,7,9,10,11,12,13,14,15,17,18	1,2,3,4,6,7,9,10,11,15,17,18	
18	1,3,4,8,9,10,17,18	1,2,4,5,6,7,8,10,12,13,14,15,16,17,18	1,2,4,8,10,16,17,18	

Table 6: Second level of criteria partitioning

As it can be seen in the table above, social citizenship, organizational strategy, customer attitude and product differentiation stand at the second level of the model.

VAR	Reachability set	Antecedent set	Intersection set	level
1	1,10,17,18	1,5,6,7,10,12,13,14,15,17,18	1,10,17,18	3
5	1,5,6,7,10,17,18	5	5	
6	1,6,17,18	5,6,12,13,14,15,17	6,17	
7	1,7,17,18	5,7,12,13,14,15,17	7,17	
10	1,10,17,18	1,5,10,12,13,14,15,17,18	1,10,17,18	3
12	1,6,7,10,12,17,18	12	12	
13	1,6,7,10,13,17,18	13	13	
14	1,6,7,10,14,17,18	14	14	
15	1,6,7,10,15,17,18	15,17	15,17	
17	1,6,7,10,15,17,18	1,5,6,7,10,12,13,14,15,17,18	1,6,7,10,15,17,18	3
18	1,10,17,18	1,5,6,7,10,12,13,14,15,17,18	1,10,17,18	3

Table 7: Third level of criteria partitioning

Four variables including Environmental issues, Market requirements, responsibility toward Society and social cause and events are placed in the third level.

VAR	Reachability set	Antecedent set	Intersection set	level
5	5,6,7	5	5	
6	6	5,6,12,13,14,15	6	4
7	7	5,7,12,13,14,15	7	4
12	6,7,12	12	12	
13	6,7,13	13	13	
14	6,7,14	14	14	
15	6,7,15	15	15	

Table 8: Fourth level of criteria partitioning

Human resources and Supply chain are placed in the fourth level.

VAR	Reachability set	Antecedent set	Intersection set	level
5	5	5	5	5
12	12	12	12	5
13	13	13	13	5
14	14	14	14	5
15	15	15	15	5

Table 9: Fifth level of criteria partitioning

Five variables including Competitive environment, Legal requirements, stakeholders' expectations, ethical requirements and cultural requirements place at 5th level. In fact, these are very significant variables for CSR brand building. All together, these variables present a model for FMCG branding with CSR approach. This model is a 5 level model and apparently the direction of effects is from down to up. In addition, there is a mutual relationship among the variables in each level. The final model is presented in figure1.

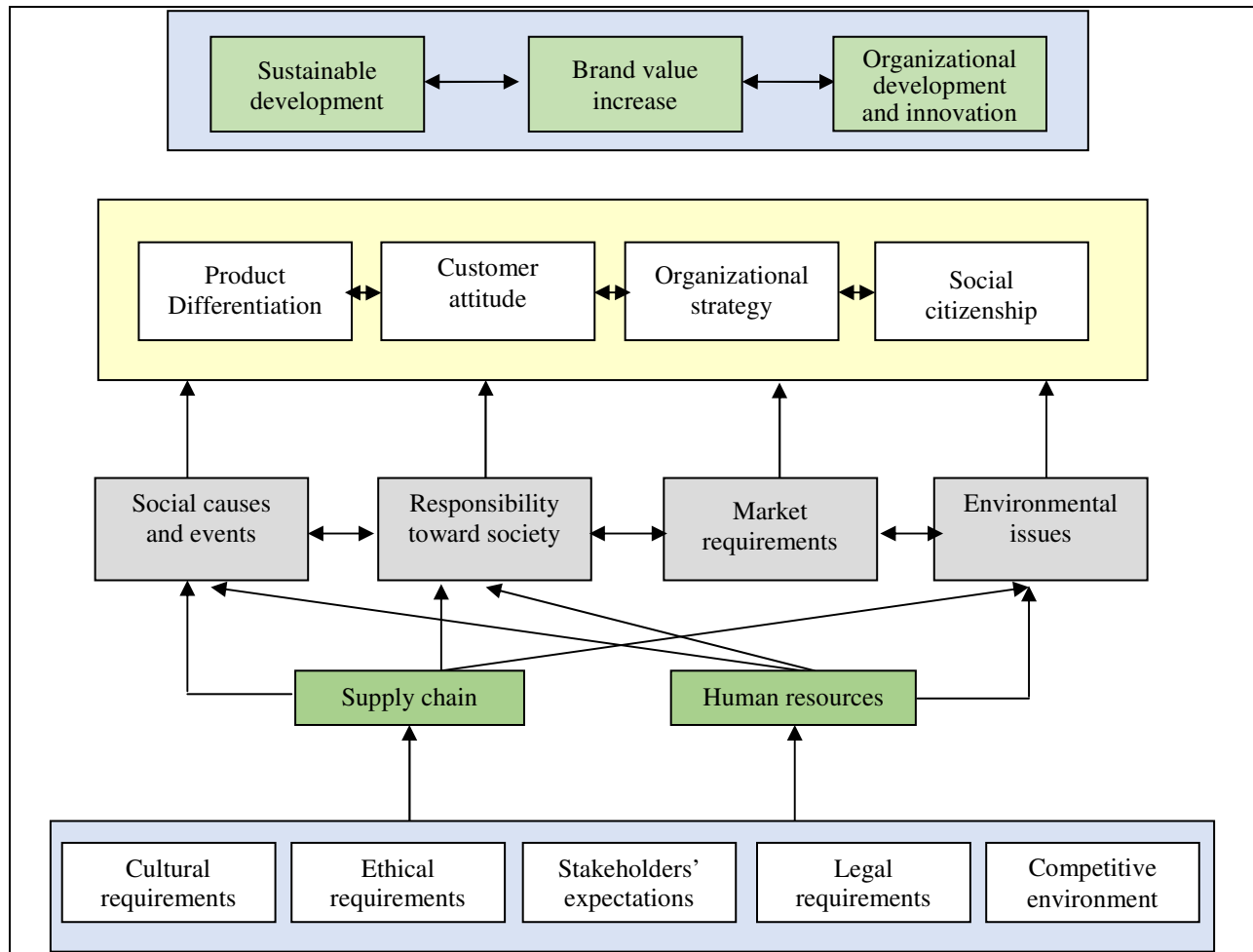


Figure 1: ISM-based model for brand building with CSR approach

4.2. MICMAC analysis

MICMAC is a technique for classification of variables based on their driving and dependence power. It classifies the variables into four clusters (fig2). The first cluster consists of the autonomous variables that have weak driver power and weak dependence. No variable has been identified as an autonomous variable. These variables are relatively disconnected from the system. The second cluster consists of the dependent variables that have weak driver power but strong dependence. The third cluster has the linkage variables that both driving power and dependence power are strong. These variables are unstable in the fact that any action on these variables will have an effect on others and potential feedback on themselves. The fourth cluster includes the independent variables that have strong driving power but weak dependence. It is observed that a variable with a very strong driving power are the significant variable for effective brand building results, and they mostly fall into the category of independent or linkage variables (Sohani & Sohani, 2012).



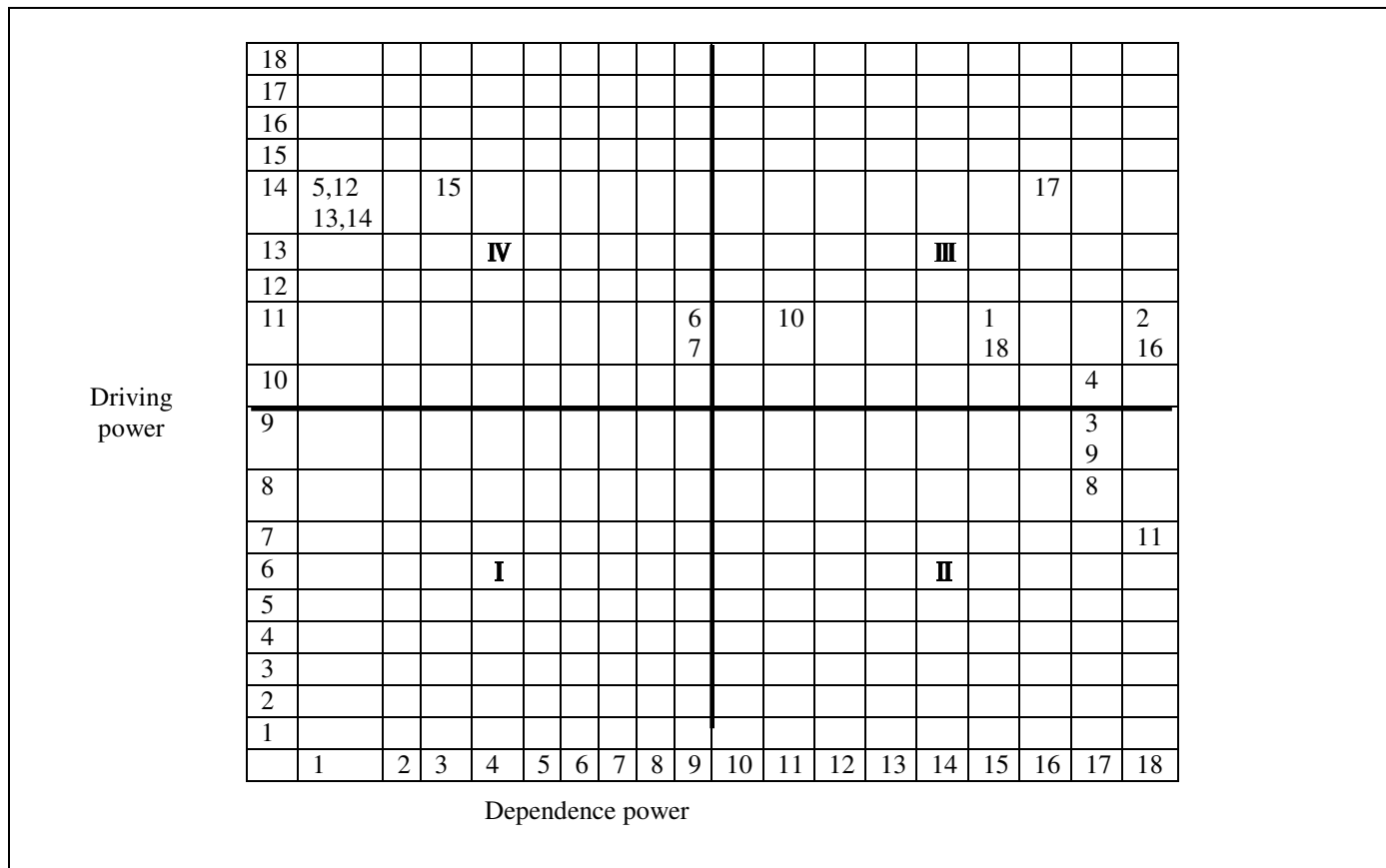


Figure 2: clustering diagram (MICMAC analysis)

**5. Findings**

As it can be seen in figure2, none of the variables is in the autonomous section, so it can be concluded that there is strong relationship between dimensions presented in the model. Also almost all the variables are high in dependency and driving power and it shows that any small changes in these variables can affect the whole system.

Competitive environments, legal requirements, stakeholders’ expectations, ethical requirements and cultural requirements are placed in independent (driver) section and it shows that these variables are drivers and they are the source of fundamental changes in the system. Therefore, to reach the ultimate goal of the company including increase in brand value, organizational development, innovation and ultimately sustainable development, corporation should take these variables seriously. Almost all of these variables are external factors and obviously out of control of companies and hence every subtle decision about them can influence whole brand building process and may prevent companies reaching their ultimate goals. Subsequently, there are three variables namely organizational development and innovation, Brand value increase and Sustainable development at the highest level of dependency and they are the variables that get affected from the variables in the lower levels. In other words, these are the ultimate expectations companies have when they build their brands using CSR as context of the system.

**6. Conclusion**

We have set out to explore what are the determinants of a social brand and how the process of CSR-brand building is. In doing so, we explored what are the main CSR- activities in FMCG industry mostly with focus on market-driven drivers considering CSR as foundation block in branding. We conceptualized a model consisting of these drivers and their level of affection and finally we presented a conceptual model for brand building process based on CSR.

The main drivers of CSR in FMCG industry include 18 variables that are related to each other in 5 different level of affection. Implementing this model, not only can corporations benefit from increase in their brand value but also can experience organizational development, innovation and sustainable development. This sustainability will translate into viable profitability in the long run not easily distorted by competitors. Moreover, the synthesis of these elements, allows organizations to develop more elaborate and meaningful associations across a range of stakeholder groups.

This research revealed that these stakeholders are competitors, government, society, NGO’s, human resources, customers, supply chain and environment. In addition, companies are highlighting these strategies both for their product and for market in which they are active. Another contribution of this study is that the stakeholders are varied in importance and therefore different priorities should be given to them. Apparently, companies should first involve the human resources and supply chain in CSR activities and then they will influence other stakeholders and at the last stage through customers, they can reach the CSR benefits in branding.

Another implication of the study is that the process of incorporating CSR as an integral part of branding would require organizations to be flexible and agile responses to the possibility of tweaking with the variables imposed from outside of the company mainly multitude of stakeholders. Moreover, for a seamless combination of brand building and strategic CSR, it should not be confined to any specific departments within an organization. Rather, it should be integrated into the processes and systems and be continuously evaluated and actively managed from within.

In the light of these findings, it is suggested to managers and marketing practitioners to be mindful of the following two concerns. First, a sustained CSR program that reflects the core values of a corporate brand, will contribute to delivering company brand promise, and ultimately will lead to an improved brand perception amongst brand's key stakeholders over time and thus increase and protect brand's value.

Second, what differentiates an ad hoc versus well-branded CSR initiative is the "stance" the company chooses based on its ethical core. Company should not engage in all kinds of CSR activities. Conversely, they should consider this model and the level of importance and interactions between initiatives so they can choose which should engage.

We were able to identify some CSR initiatives related to marketing and particularly branding but obviously these are not merely existing. Therefore, other complimentary research is required to investigate other variables. Moreover, it is recommended to future researchers that consider the relationship between the model components adopting different methodological modeling. For further generalizability, we suggest that this model is investigated from the stakeholders' viewpoint especially customers; because without the consumers' positive perception of CSR, it is waste of time and budget to implement it.

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