Sustainability, brand image, reputation and financial value: Manager perceptions in an emerging economy context

Flores-Hernández, J.A., Cambra-Fierro, J.J., Vázquez-Carrasco, R.

Departments of Marketing, University of Lima, Lima, Peru
Department of Business and Marketing, University Pablo de Olavide, Seville, Spain

Abstract

Sustainability has become a fundamental concern in today’s world—one which firms can no longer remain oblivious to. Through CSR, companies can shore up financial sustainability by acting in responsible, socially and environmentally sustainable ways. Yet the vast majority of literature addressing this phenomenon to date has focused almost exclusively on developed economies. The objective of the present study, therefore, is to contribute to filling this gap by analyzing the potential impact of CSR on sustainable financial value in the context of an emerging economy, Peru. To this end, we used the PLS technique to carry out quantitative analysis of data from a sample of over 200 managers at Peruvian companies. Our model is based on the premises of Social Capital Theory and Theory of Resources. Specifically, we analyze the extent to which CSR impacts corporate reputation, brand image and financial value in the context of an emerging economy. Our data indicate that—unlike more developed economies—in emerging economy contexts, direct relationships linking CSR and company financial value are lacking, though may occur by way of the path CSR > reputation > brand image > financial value. We also find that size moderates this path, while the sector of activity does not moderate the causal model. Hence, we suggest that both the cross-cultural component and differing degrees of economic development and market maturity affect the perceived impact of CSR on financial value. The present study is pioneering in that it analyzes the impact of sustainability on financial value from the perspective of managers in an emerging economy context. Key theoretical and practical implications of our findings are provided in the final section of the paper. © 2020 John Wiley & Sons, Ltd and ERP Environment

Author keywords: brand image, CSR, emerging economy, financial value, reputation, sustainability

ISSN: 09680802
Source Type: Journal
Original language: English

DOI: 10.1002/sd.2047
Document Type: Article
Publisher: John Wiley and Sons Ltd

Cited by 0 documents

Inform me when this document is cited in Scopus:
Set citation alert
Set citation feed

Related documents

Management for Sustainable Development and Its Impact on Firm Value in the SME Context: Does Size Matter?

Sustainability and business outcomes in the context of SMEs: Comparing family firms vs. non-family firms
López-Pérez, M.E., Melero-Polo, I., Vázquez-Carrasco, R. (2018) Sustainability (Switzerland)

Does Specific CSR Training for Managers Impact Shareholder Value? Implications for Education in Sustainable Development
<table>
<thead>
<tr>
<th></th>
<th>Author(s)</th>
<th>Title</th>
<th>Journal</th>
<th>Year</th>
<th>Volume</th>
<th>Pages</th>
<th>DOI</th>
<th>Cited Times</th>
<th>Publisher View</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Aguilera-Caracuel, J., Guerrero-Villegas, J.</td>
<td>How corporate social responsibility helps MNEs to improve their reputation. The moderating effects of geographical diversification and operating in developing regions</td>
<td>Corporate Social Responsibility and Environmental Management</td>
<td>2018</td>
<td>25</td>
<td>4, pp. 355-372</td>
<td>10.1002/csr.1465</td>
<td>16</td>
<td>View at Publisher</td>
</tr>
<tr>
<td>3</td>
<td>Ählström, J., Egels-Zandén, N.</td>
<td>The processes of defining corporate responsibility: A study of Swedish garment retailers' responsibility</td>
<td>Business Strategy and the Environment</td>
<td>2008</td>
<td>17</td>
<td>4, pp. 230-244</td>
<td>10.1002/bse.514</td>
<td>30</td>
<td>View at Publisher</td>
</tr>
<tr>
<td>4</td>
<td>Ozdora Aksak, E., Ferguson, M.A., Atakan Duman, S.</td>
<td>Corporate social responsibility and CSR fit as predictors of corporate reputation: A global perspective</td>
<td>Public Relations Review</td>
<td>2016</td>
<td>42</td>
<td>1, pp. 79-81</td>
<td>10.1016/j.pubrev.2015.11.004</td>
<td>32</td>
<td>View at Publisher</td>
</tr>
<tr>
<td>6</td>
<td>Asongu, S.A., Odhiambo, N.M.</td>
<td>Basic formal education quality, information technology, and inclusive human development in sub-Saharan Africa</td>
<td>Sustainable Development</td>
<td>2019</td>
<td>27</td>
<td>3, pp. 419-428</td>
<td>10.1002/sd.1914</td>
<td>22</td>
<td>View at Publisher</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Banerjee, S., Wathieu, L.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>--------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate social responsibility and product quality: Complements or substitutes?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.elsevier.com/locate/ijresmar">http://www.elsevier.com/locate/ijresmar</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>doi: 10.1016/j.ijresmar.2017.06.006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>9</th>
<th>Barney, J.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Firm Resources and Sustained Competitive Advantage</td>
<td></td>
</tr>
<tr>
<td></td>
<td>doi: 10.1177/014920639101700108</td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>10</th>
<th>Baskentli, S., Sen, S., Du, S., Bhattacharya, C.B.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Consumer reactions to corporate social responsibility: The role of CSR domains</td>
<td></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.elsevier.com/locate/jbusres">http://www.elsevier.com/locate/jbusres</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>11</th>
<th>Baumgartner, R.J., Winter, T.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The sustainability manager: A tool for education and training on sustainability management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>doi: 10.1002/csr.1313</td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>12</th>
<th>Berens, G., Van Riel, C.B.M., Van Rekom, J.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The CSR-quality trade-off: When can corporate social responsibility and corporate ability compensate each other? (Open Access)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>doi: 10.1007/s10551-006-9232-0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>13</th>
<th>Bhattacharya, C.B., Sen, S.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Doing better at doing good: When, why, and how consumers respond to corporate social initiatives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>14</th>
<th>Block, J., Wagner, M.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ownership versus management effects on corporate social responsibility concerns in large family and founder firms</td>
<td></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.elsevier.com/wps/find/journaldescription.cws_home/719791/description#description">http://www.elsevier.com/wps/find/journaldescription.cws_home/719791/description#description</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>doi: 10.1016/j.jfbs.2014.08.005</td>
<td></td>
</tr>
<tr>
<td></td>
<td>View at Publisher</td>
<td></td>
</tr>
</tbody>
</table>
15. Brammer, S., Millington, A.
Corporate reputation and philanthropy: An empirical analysis
doi: 10.1007/s10551-005-7443-4
View at Publisher

Business ethics and organizational architecture
doi: 10.1016/S0378-4266(02)00193-0
View at Publisher

17. Cambra-Fierro, J., Pérez, L., Grott, E.
“Towards a co-creation framework in the retail banking services industry: Do demographics influence?”
doi: 10.1016/j.jretconser.2016.10.007
View at Publisher

18. Carmines, E., Zeller, R.
Thousand Oaks, CA, Sage

19. Chin, W., Frye, T.
Houston, TX, University of Houston

20. Cowan, K., Guzman, F.
How CSR reputation, sustainability signals, and country-of-origin sustainability reputation contribute to corporate brand performance: An exploratory study

Does the market respond to an endorsement of social responsibility? The role of institutions, information, and legitimacy
doi: 10.1177/0149206309337896
View at Publisher

22. Du, J., Bai, T., Chen, S.
Integrating corporate social and corporate political strategies: Performance implications and institutional contingencies in China
http://www.elsevier.com/locate/jbusres
doi: 10.1016/j.jbusres.2019.02.014
View at Publisher


Sustainable Development, Stakeholder Engagement and Analyst Forecasts’ Accuracy: Positive Evidence from the Spanish Setting
doi: 10.1002/sd.1607
View at Publisher

32 Gelbmann, U.
Establishing strategic CSR in SMEs: An Austrian CSR quality seal to substantiate the strategic CSR performance
http://www3.interscience.wiley.com/cgi-bin/fulltext/123261313/PDFSTART
doi: 10.1002/sd.448
View at Publisher

33 Gericke, N., Boeve-de Pauw, J., Berglund, T., Olsson, D.
The Sustainability Consciousness Questionnaire: The theoretical development and empirical validation of an evaluation instrument for stakeholders working with sustainable development (Open Access)
doi: 10.1002/sd.1859
View at Publisher

34 Goyal, P., Kumar, D.
Modeling the CSR barriers in manufacturing industries
http://www.emeraldinsight.com/info/journals/bij/bij.jsp
doi: 10.1108/BIJ-09-2015-0088
View at Publisher

35 Hair Jr., J.F., Sarstedt, M., Hopkins, L., Kuppelwieser, V.G.
Partial least squares structural equation modeling (PLS-SEM): An emerging tool in business research
doi: 10.1108/EBR-10-2013-0128
View at Publisher

36 Hair, J., Sarstedt, M., Ringle, C., Gudergan, S.
Thousand Oaks, CA, Sage

37 Halisçelik, E., Soytaş, M.A.
Sustainable development from millennium 2015 to Sustainable Development Goals 2030
doi: 10.1002/sd.1921
View at Publisher
<table>
<thead>
<tr>
<th>38</th>
<th>Heikkurinen, P., Ketola, T.</th>
<th>Corporate Responsibility and Identity: From a Stakeholder to an Awareness Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>doi: 10.1002/bse.744</td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>39</th>
<th>Henseler, J.</th>
<th>Bridging Design and Behavioral Research With Variance-Based Structural Equation Modeling</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.tandfonline.com/toc/ujoa20/current">http://www.tandfonline.com/toc/ujoa20/current</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>doi: 10.1080/00913367.2017.1281780</td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>40</th>
<th>Hsu, K.-T.</th>
<th>The Advertising Effects of Corporate Social Responsibility on Corporate Reputation and Brand Equity: Evidence from the Life Insurance Industry in Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>doi: 10.1007/s10551-011-1118-0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>41</th>
<th>Hur, W.-M., Kim, H., Woo, J.</th>
<th>How CSR Leads to Corporate Brand Equity: Mediating Mechanisms of Corporate Brand Credibility and Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.kluweronline.com/issn/0167-4544">http://www.kluweronline.com/issn/0167-4544</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>42</th>
<th>Kang, G.-D., James, J.</th>
<th>Service quality dimensions: An examination of Grönroos's service quality model</th>
</tr>
</thead>
<tbody>
<tr>
<td>doi: 10.1108/09604520410546806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>43</th>
<th>Katmon, N., Mohamad, Z.Z., Norwani, N.M., Farooque, O.A.</th>
<th>Comprehensive Board Diversity and Quality of Corporate Social Responsibility Disclosure: Evidence from an Emerging Market</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://link.springer.com/journal/10551">https://link.springer.com/journal/10551</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>doi: 10.1007/s10551-017-3672-6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>44</th>
<th>Keil, M., Tan, B.C.Y., Wei, K.-K., Saarinen, T., Tuunainen, V., Wassenaar, A.</th>
<th>A cross-cultural study on escalation of commitment behavior in software projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>View at Publisher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
45 Khan, S.Z., Yang, Q., Waheed, A.
Investment in intangible resources and capabilities spurs sustainable competitive advantage and firm performance

http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1535-3966
doi: 10.1002/csr.1678

View at Publisher

46 Lai, C.-S., Chiu, C.-J., Yang, C.-F., Pai, D.-C.
The effects of corporate social responsibility on brand performance: The mediating effect of industrial brand equity and corporate reputation

doi: 10.1007/s10551-010-0433-1

View at Publisher

47 López-Pérez, M.E., Melero, I., Javier Sese, F.
Management for Sustainable Development and Its Impact on Firm Value in the SME Context: Does Size Matter?

http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1099-0836

View at Publisher

48 López-Pérez, M.E., Melero, I., Javier Sesé, F.
Does Specific CSR Training for Managers Impact Shareholder Value? Implications for Education in Sustainable Development

http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1535-3966
doi: 10.1002/csr.1418

View at Publisher

49 Maignan, I.
Consumers’ perceptions of corporate social responsibilities: A cross-cultural comparison

doi: 10.1023/A:1006433928640

View at Publisher

50 De Leaniz, P.M.G., Del Bosque Rodríguez, I.R.
Corporate Image and Reputation as Drivers of Customer Loyalty

http://www.palgrave-journals.com/crr/index.html
doi: 10.1057/crr.2016.2

View at Publisher

51 Martínez-Ferrero, J., Frías-Aceituno, J.V.
Relationship between sustainable development and financial performance: International empirical research

http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1099-0836
doi: 10.1002/bse.1803

View at Publisher


60 Park, E.
Corporate social responsibility as a determinant of corporate reputation in the airline industry
doi: 10.1016/j.jretconser.2018.11.013

61 Park, J., Lee, H., Kim, C.
Corporate social responsibilities, consumer trust and corporate reputation: South Korean consumers' perspectives
doi: 10.1016/j.jbusres.2013.05.016

Common Method Biases in Behavioral Research: A Critical Review of the Literature and Recommended Remedies
doi: 10.1037/0021-9010.88.5.879

63 Podsakoff, P.M., Organ, D.W.
Self-Reports in Organizational Research: Problems and Prospects
doi: 10.1177/014920638601200408

64 Pomerling, A., Dolnicar, S.
Assessing the prerequisite of successful CSR implementation: Are consumers aware of CSR initiatives?
doi: 10.1007/s10551-008-9729-9

65 Porter, M.E., Kramer, M.R.
Strategy & society: The link between competitive advantage and corporate social responsibility

66 Price, J.M., Sun, W.
Doing good and doing bad: The impact of corporate social responsibility and irresponsibility on firm performance
doi: 10.1016/j.jbusres.2017.07.007

67 Putnam, R.
New York, NY, Simon and Schuster


Smith, J. (2013) October. The companies with the best CSR reputations., Forbes
76 Song, W., Ren, S., Yu, J.
Bridging the gap between corporate social responsibility and new green product success: The role of green organizational identity (Open Access)
http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1099-0836
doi: 10.1002/bse.2205
View at Publisher

77 Stubbs, W., Schapper, J.
Two approaches to curriculum development for educating for sustainability and CSR
doi: 10.1108/146763711111148045
View at Publisher

78 Tenenhaus, M., Vinzi, V.E., Chatelin, Y.-M., Lauro, C.
PLS path modeling
doi: 10.1016/j.csda.2004.03.005
View at Publisher

79 (2019)
https://data.worldbank.org/country/peru?view=chart

Generating global brand equity through corporate social responsibility to key stakeholders
View at Publisher

© Copyright 2020 Elsevier B.V., All rights reserved.