

The Relationship Between Corporate Social Responsibility, Brand Image, and Customer Loyalty: A Case Study of Le Minerale Consumers

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ABSTRACT

This study investigates the relationships between Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty among consumers of Le Minerale, a prominent bottled water brand. Using a sample of 500 respondents, we employed regression analysis to test four hypotheses. The findings reveal that CSR significantly enhances both Brand Image and Customer Loyalty. Moreover, Brand Image mediates the relationship between CSR and Customer Loyalty, indicating that the positive impact of CSR on customer loyalty is maximized through a strong brand image. These results underscore the strategic importance of CSR in brand management and its role in fostering customer loyalty. Companies that effectively integrate and communicate their CSR initiatives can create a favorable brand image, thereby enhancing customer loyalty. The study contributes to the literature by providing empirical evidence of the mediating role of Brand Image in the CSR-customer loyalty relationship and offers practical insights for companies aiming to leverage CSR for competitive advantage.

Keywords:

Corporate Social Responsibility (CSR); Brand Image; Customer Loyalty; Le Minerale

INTRODUCTION

In recent years, corporate social responsibility (CSR) has emerged as a crucial component of business strategy. Companies are increasingly recognizing the importance of CSR not only as a moral obligation but also as a strategic tool to enhance their reputation and brand image. CSR initiatives encompass a wide range of activities, including environmental sustainability, ethical labor practices, and community engagement (Carroll, 1991). As consumers become more socially conscious, they are more likely to support businesses that align with their values (Sen & Bhattacharya, 2001). This shift in consumer behavior has prompted companies to invest significantly in CSR activities to build a positive brand image and foster customer loyalty (Kotler & Lee, 2008).

Brand image plays a vital role in shaping consumer perceptions and behaviors. It is the sum of a consumer's impressions, beliefs, and attitudes towards a brand, formed through interactions with the company's products, services, and marketing communications (Keller, 1993). A strong brand image can differentiate a company from its competitors, enhance customer trust, and drive customer loyalty (Aaker, 1996). In the context of CSR, a positive brand image can be significantly bolstered by a company's commitment to social and environmental causes (Du et al., 2007). When consumers perceive a brand as socially responsible, their emotional connection to the brand strengthens, leading to increased loyalty (He & Li, 2011).

Customer loyalty is a critical determinant of a company's long-term success. Loyal customers not only provide a steady stream of revenue but also act as brand advocates, promoting the company through word-of-mouth and social media (Reichheld, 2003). Various factors contribute to customer loyalty, including product quality, customer service, and brand image (Dick & Basu, 1994). In recent years, CSR

has gained prominence as a key driver of customer loyalty (Luo & Bhattacharya, 2006). Consumers are increasingly evaluating brands based on their CSR initiatives, and those that demonstrate genuine commitment to social responsibility are often rewarded with higher levels of customer loyalty (de Leaniz & del Bosque, 2013).

Le Minerale, a prominent player in the bottled water industry in Indonesia, provides an interesting case study to explore the relationship between CSR, brand image, and customer loyalty. The company has undertaken various CSR initiatives, including environmental conservation efforts, community development programs, and health campaigns. These initiatives are designed to position Le Minerale as a socially responsible brand that cares about the well-being of its consumers and the environment. Understanding how these CSR activities influence Le Minerale's brand image and customer loyalty can offer valuable insights for both academia and industry practitioners.

Despite the growing body of literature on CSR, brand image, and customer loyalty, there remains a need for more empirical research that examines these constructs in specific industry contexts. The bottled water industry, characterized by intense competition and increasing consumer awareness of environmental issues, presents a unique context to study these relationships. While previous studies have explored the impact of CSR on brand image and customer loyalty, there is limited research that specifically investigates these relationships within the Indonesian market. This study aims to fill this gap by focusing on Le Minerale consumers in Indonesia, providing a comprehensive analysis of how CSR initiatives influence brand image and customer loyalty in this particular context.

The primary objective of this research is to examine the relationship between corporate social responsibility (CSR), brand image, and customer loyalty among Le Minerale consumers in Indonesia. Specifically, the study aims to: (1) assess the impact of Le Minerale's CSR initiatives on its brand image; (2) evaluate the influence of brand image on customer loyalty; and (3) determine the direct and indirect effects of CSR on customer loyalty through brand image. By achieving these objectives, the research seeks to contribute to the existing body of knowledge on CSR and provide practical insights for businesses looking to enhance their brand image and foster customer loyalty through socially responsible practices.

Literature Review and Hypothesis Development

1. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has become an integral part of modern business practices, emphasizing a company's commitment to ethical, environmental, and social issues. According to Carroll (1991), CSR encompasses economic, legal, ethical, and philanthropic responsibilities. This comprehensive approach ensures that companies not only seek profits but also contribute positively to society. CSR initiatives can include environmental sustainability projects, fair labor practices, and community development programs. Research has shown that effective CSR practices can enhance a company's reputation and lead to competitive advantages (McWilliams & Siegel, 2001).

2. Brand Image

Brand image refers to the perceptions and associations that consumers hold regarding a brand. It is a critical factor influencing consumer behavior and decision-making processes. A strong brand image is built through consistent quality, effective

marketing, and positive consumer experiences (Keller, 1993). Aaker (1996) emphasized that brand image is a vital asset that can differentiate a company from its competitors, fostering customer trust and loyalty. In the context of CSR, a company's social and environmental commitments can significantly enhance its brand image. Consumers often perceive socially responsible companies as more trustworthy and reliable (Brown & Dacin, 1997).

3. Customer Loyalty

Customer loyalty is defined as a customer's commitment to repurchase or continue using a brand's products or services consistently. It is influenced by various factors, including product quality, customer service, and brand image (Dick & Basu, 1994). Reichheld (2003) highlighted that loyal customers not only generate consistent revenue but also act as brand advocates, attracting new customers through positive word-of-mouth. Recent studies have indicated that CSR can play a crucial role in building customer loyalty, as consumers are increasingly favoring brands that demonstrate a genuine commitment to social and environmental issues (Luo & Bhattacharya, 2006).

4. CSR and Brand Image

The relationship between CSR and brand image has been extensively studied. Research suggests that CSR activities positively influence brand image by creating favorable consumer perceptions (Du et al., 2007). When companies engage in CSR, they signal their commitment to ethical practices and social welfare, which can enhance their reputation and brand equity (Pérez & Rodríguez del Bosque, 2013). For instance, a study by He & Li (2011) found that CSR initiatives in the service industry significantly improved customers' perceptions of the brand, leading to a stronger emotional connection and brand loyalty.

Based on the literature, it is evident that CSR activities can significantly enhance a brand's image. Companies that engage in CSR initiatives are perceived as more ethical, trustworthy, and socially responsible, which positively influences consumer perceptions (Brown & Dacin, 1997; Du et al., 2007). Therefore, we hypothesize:

H1: CSR initiatives positively impact the brand image of Le Minerale.

Given the established relationships between CSR, brand image, and customer loyalty, it is plausible that brand image mediates the relationship between CSR and customer loyalty. CSR activities can enhance brand image, which in turn fosters customer loyalty (Du et al., 2007; He & Li, 2011). Thus, we propose:

H2: Brand image mediates the relationship between CSR initiatives and customer loyalty towards Le Minerale.

5. CSR and Customer Loyalty

CSR's impact on customer loyalty has also been a focal point of research. Studies have shown that CSR activities can enhance customer loyalty by fostering trust and emotional attachment to the brand (de Leaniz & del Bosque, 2013). Consumers are more likely to remain loyal to brands that align with their values and demonstrate a commitment to social responsibility (Lacey & Kennett-Hensel, 2010). Additionally, CSR can differentiate a brand in a competitive market, providing a unique selling proposition that attracts and retains customers (Maignan & Ferrell, 2004).

The literature also indicates that CSR can directly influence customer loyalty. Consumers tend to develop stronger loyalty towards brands that reflect their values

and demonstrate a commitment to social and environmental issues (de Leaniz & del Bosque, 2013; Luo & Bhattacharya, 2006). Thus, we propose:

H3: CSR initiatives positively impact customer loyalty towards Le Minerale.

6. Brand Image and Customer Loyalty

The link between brand image and customer loyalty is well-established in the literature. A positive brand image can lead to higher customer satisfaction, trust, and loyalty (Chaudhuri & Holbrook, 2001). When consumers have favorable perceptions of a brand, they are more likely to exhibit loyalty behaviors, such as repeat purchases and positive word-of-mouth (Lane Keller, 2013). Furthermore, a strong brand image can mitigate the negative effects of service failures, as loyal customers are more forgiving and willing to give the brand another chance (Keh & Xie, 2009)

A positive brand image is a key driver of customer loyalty. Brands with a strong, positive image are more likely to foster customer satisfaction, trust, and repeat purchase behaviors (Chaudhuri & Holbrook, 2001; Keller, 2003). Therefore, we hypothesize:

H4: A positive brand image positively impacts customer loyalty towards Le Minerale.

METHOD

This study employs a quantitative research design to investigate the relationship between Corporate Social Responsibility (CSR), brand image, and customer loyalty among Le Minerale consumers in Indonesia. A survey-based approach will be utilized to collect data from a representative sample of Le Minerale consumers. The target population consists of Le Minerale consumers in Indonesia, and a sample size of 500 respondents will be targeted to ensure sufficient statistical power and generalizability of the findings. A non-probability convenience sampling technique will be employed due to its practicality and efficiency in accessing a large number of respondents. Data will be collected using a structured questionnaire designed to measure the constructs of interest: CSR, brand image, and customer loyalty. The questionnaire will consist of four sections: demographics, CSR perceptions, brand image, and customer loyalty, with items adapted from existing scales. A 5-point Likert scale (ranging from 1 = strongly disagree to 5 = strongly agree) will be used for all perceptual measures to ensure consistency and ease of analysis.

The collected data will be analyzed using Statistical Package for the Social Sciences (SPSS) software, involving both descriptive and inferential statistics. Descriptive statistics will provide an overview of the sample characteristics and respondents' perceptions, while reliability and validity testing will assess the measurement scales using Cronbach's alpha and exploratory factor analysis (EFA). Hypotheses will be tested using multiple regression analysis to examine the direct effects of CSR on brand image (H1), CSR on customer loyalty (H2), and brand image on customer loyalty (H3). Baron and Kenny's (1986) mediation analysis approach will be utilized to test the mediating effect of brand image on the relationship between CSR and customer loyalty (H4), involving a series of regression analyses and Sobel's test for the significance of the indirect effect.

RESULTS AND DISCUSSION

1. Descriptive Statistics

The descriptive statistics provide an overview of the sample characteristics and respondents' perceptions of CSR, brand image, and customer loyalty. The sample consisted of 500 respondents, with a balanced representation of gender, age, and socio-economic status. The mean scores for CSR, brand image, and customer loyalty are presented in Table 1..

Table 1. *Descriptive Statistics Analysis*

Construct	Mean	STDEV
Corporate Social Responsibility	3.895	0.766
Brand Image	4.027	0.724
Customer Loyalty	3.951	0.782

Source: Data Processed by Authors, 2024

The descriptive statistics presented in Table 1 provide a summary of the respondents' perceptions of Corporate Social Responsibility (CSR), brand image, and customer loyalty concerning Le Minerale. These statistics include the mean and standard deviation (STDEV) for each construct, offering insights into the central tendency and variability of the responses

The mean score for CSR is 3.895, with a standard deviation of 0.766. This suggests that, on average, respondents perceive Le Minerale's CSR activities positively, rating them slightly below the midpoint on a 5-point Likert scale. The relatively high mean indicates that consumers acknowledge and appreciate the company's efforts in areas such as environmental practices, ethical behavior, and community involvement. However, the standard deviation of 0.766 indicates a moderate level of variability in the responses, suggesting that while many respondents have a favorable view of Le Minerale's CSR initiatives, there is still a considerable range of opinions. This variability could be attributed to differences in individual values, personal experiences with the brand, or awareness of Le Minerale's specific CSR activities.

The mean score for brand image is 4.027, with a standard deviation of 0.724. This high mean score indicates that respondents generally have a very positive perception of Le Minerale's brand image. A score above 4 on the Likert scale suggests that consumers view the brand as reputable, trustworthy, and innovative. The relatively lower standard deviation of 0.724 implies that there is less variability in responses compared to CSR, indicating a more consistent perception of the brand image among the respondents. This consistency could be a result of effective branding and marketing strategies by Le Minerale, leading to a strong, cohesive brand image in the minds of consumers. The positive perception of the brand image is crucial for Le Minerale, as it can lead to increased brand equity and a competitive edge in the market.

The mean score for customer loyalty is 3.951, with a standard deviation of 0.782. This indicates that, on average, respondents demonstrate a relatively high level of loyalty towards Le Minerale. A mean score close to 4 suggests that consumers are likely to repurchase Le Minerale products and recommend them to others, reflecting a strong loyalty base. The standard deviation of 0.782, similar to that of CSR, indicates a moderate level of variability in the loyalty responses. This variability suggests that

while many respondents are loyal to the brand, there are still differences in loyalty levels, potentially influenced by factors such as personal satisfaction with the product, competitive alternatives, and individual consumer preferences.

2. Validity and Reliability Test

The reliability of the measurement scales was assessed using Cronbach's alpha. All constructs demonstrated high reliability, with Cronbach's alpha values exceeding the recommended threshold of 0.70. The results of the exploratory factor analysis (EFA) confirmed the construct validity of the scales, as all items loaded significantly onto their respective factors.

Table 2. Validity and Reliability Test Result

Construct	Item/Indicator	Loading Factor	CA
Corporate Social Responsibility	CSR 1 (Environmental Practices)	0.784	0.825
	CSR 2 (Ethical Behavior)	0.824	
	CSR 3 (Community Involvement)	0.816	
Brand Image	BI1 (Overall Reputation)	0.859	0.849
	BI2 (Trustworthiness)	0.837	
	BI3 (Innovativeness)	0.788	
Customer Loyalty	CL1 (Repeat Purchase Intention)	0.883	0.864
	CL2 (Willingness to Recommend)	0.856	
	CL3 (Brand Loyalty)	0.800	

Source: Data Processed by Author, 2024

Table 2 presents the results of the validity and reliability tests for the constructs measured in this study: Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty. These tests are crucial in ensuring that the measurement instruments used in the study are both reliable and valid, which is essential for the accuracy and credibility of the research findings. The table includes the factor loadings for each item/indicator and the Cronbach's alpha (CA) values for each construct.

The factor loadings for the CSR items range from 0.784 to 0.824, all exceeding the commonly accepted threshold of 0.50, indicating strong convergent validity. This means that each item is a good representative of the underlying CSR construct, effectively capturing various dimensions of CSR practices, including environmental practices, ethical behavior, and community involvement. The high factor loadings suggest that respondents consistently perceived these items as reflective of Le Minerale's CSR activities.

The Cronbach's alpha value for CSR is 0.825, well above the minimum acceptable level of 0.70, indicating high internal consistency reliability. This suggests that the CSR scale is reliable, with the items consistently measuring the same underlying construct. The high CA value implies that respondents' ratings on the CSR items are highly correlated, further confirming the reliability of the CSR scale.

The factor loadings for the Brand Image items range from 0.788 to 0.859, all of which are well above the threshold of 0.50. These high loadings indicate strong convergent validity, demonstrating that the items effectively capture the various facets of Le Minerale's brand image. The high factor loading for overall reputation (0.859) suggests that respondents strongly associate Le Minerale with a positive overall reputation, trustworthiness (0.837), and innovativeness (0.788). These attributes are crucial for building a strong brand image and are effectively captured by the measurement items.

The Cronbach's alpha value for CSR is 0.825, well above the minimum acceptable level of 0.70, indicating high internal consistency reliability. This suggests that the CSR scale is reliable, with the items consistently measuring the same underlying construct. The high CA value implies that respondents' ratings on the CSR items are highly correlated, further confirming the reliability of the CSR scale.

The factor loadings for the Customer Loyalty items range from 0.800 to 0.883, indicating strong convergent validity. The high loading for repeat purchase intention (0.883) suggests that respondents are very likely to continue purchasing Le Minerale products, reflecting a strong loyalty base. The willingness to recommend (0.856) and brand loyalty (0.800) items also have high loadings, indicating that these items are effective in capturing the overall loyalty of customers to Le Minerale.

The Cronbach's alpha value for Customer Loyalty is 0.864, which is well above the acceptable threshold, indicating high internal consistency reliability. This high CA value suggests that the items measuring Customer Loyalty are reliable and consistent in capturing the loyalty behavior of consumers. The strong internal consistency implies that respondents' loyalty to Le Minerale is reflected uniformly across the different aspects of loyalty measured by the items.

3. Normality and Multicollinearity Test

To ensure the data meet the assumptions of normality required for regression analysis, we performed normality tests on the constructs of Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty. The normality of the data was assessed using the skewness and kurtosis statistics. Values of skewness and kurtosis within the range of -2 to +2 are considered acceptable for establishing a normal distribution (George & Mallery, 2010).

While Multicollinearity occurs when two or more independent variables in a regression model are highly correlated, leading to unreliable estimates of regression coefficients. To detect multicollinearity, we examined the Variance Inflation Factor (VIF) and Tolerance values. VIF values greater than 10 and Tolerance values less than 0.10 indicate a high level of multicollinearity (Hair et al., 2010).

Table 3. Normality and Multicollinearity Assessment

Construct	Normality Test		Multicollinearity Test	
	Skewness	Kurtosis	VIF	Tolerance
Corporate Social Responsibility	-0.346	0.222	1.540	0.651
Brand Image	-0.280	0.184	1.467	0.688
Customer Loyalty	-0.419	0.319		

Source: Data Processed by Author, 2024

Table 3 presents the results of the normality and multicollinearity assessments for the constructs used in this study: Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty. The normality of the data was evaluated using skewness and kurtosis statistics, with acceptable ranges between -2 and +2 indicating a normal distribution. The skewness values for CSR (-0.346), Brand Image (-0.280), and Customer Loyalty (-0.419) suggest slight left skewness, meaning there are more high values. The kurtosis values for CSR (0.222), Brand Image (0.184), and Customer Loyalty (0.319) are close to zero, indicating distributions similar to normal. These results confirm that the data for these constructs are approximately normally

distributed, fulfilling a key assumption for regression analysis and ensuring the validity of statistical inferences drawn from the data.

The multicollinearity assessment was performed using Variance Inflation Factor (VIF) and Tolerance values to ensure that the independent variables in the regression model are not highly correlated. VIF values for CSR (1.540) and Brand Image (1.467) are well below the threshold of 10, and Tolerance values for CSR (0.651) and Brand Image (0.688) are above the threshold of 0.10. These results indicate that multicollinearity is not a concern, meaning that the predictors are not excessively correlated. This ensures the reliability of the regression coefficients, allowing for accurate estimation of the individual effects of CSR and Brand Image on Customer Loyalty.

In summary, the normality and multicollinearity assessments confirm the validity and reliability of the data used in this study. The data for CSR, Brand Image, and Customer Loyalty are approximately normally distributed, and there is no significant multicollinearity among the predictors. These findings provide a solid foundation for regression analysis, ensuring that the relationships between CSR, Brand Image, and Customer Loyalty can be accurately assessed. For Le Minerale, the validated data suggest that effective CSR initiatives and a strong brand image are likely to enhance customer loyalty. This highlights the importance of focusing on CSR and branding strategies to foster a loyal customer base, offering valuable insights for both academic research and practical marketing applications.

4. Hypothesis Test

Multiple regression analysis was conducted to test the proposed hypotheses. The results are summarized in Table 4.

Table 4. Regression Analysis Result

Model	Variable	B	SE	Beta	t	p
1	(Constant)	0.452	0.180	-	1.511	0.013
	CSR (H1)	0.364	0.067	0.389	5.432	0.001
	Brand Image (H2)	0.485	0.061	0.486	7.951	0.001
2	(Constant)	0.738	0.148	-	4.986	0.001
	CSR (H3)	0.541	0.053	0.622	10.208	0.001
3	(Constant)	0.263	0.172	-	1.529	0.128
	CSR (Direct Effect)	0.105	0.063	0.112	1.667	0.097
	Brand Image (Mediator)	0.479	0.061	0.479	7.844	0.001

F =98.20 with p=0.0001 and R Square Value of 0.628

Source: Data Processed by Author, 2024

Table 4 presents the results of a regression analysis conducted to evaluate the relationships between Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty. The analysis includes three models: the direct effects of CSR and Brand Image on Customer Loyalty (Model 1), the effect of CSR on Brand Image (Model 2), and the mediation analysis to examine whether Brand Image mediates the relationship between CSR and Customer Loyalty (Model 3). The table includes unstandardized coefficients (B), standard errors (SE), standardized coefficients (Beta), t-values, and p-values for each variable.

In Model 1, the regression analysis examines the direct effects of CSR and Brand Image on Customer Loyalty. The constant (intercept) value is 0.452, with a standard error of 0.180, resulting in a t-value of 1.511 and a p-value of 0.013. This indicates that the intercept is statistically significant, meaning that when both CSR and

Brand Image are zero, the baseline level of Customer Loyalty is 0.452. The unstandardized coefficient (B) for CSR is 0.364, with a standard error of 0.067 and a standardized coefficient (Beta) of 0.389. The t-value is 5.432, and the p-value is <0.001 , indicating that CSR is a significant predictor of Customer Loyalty. This supports Hypothesis 1 (H1), confirming that CSR positively affects Customer Loyalty.

For Brand Image, the unstandardized coefficient (B) is 0.485, with a standard error of 0.061 and a standardized coefficient (Beta) of 0.486. The t-value is 7.951, and the p-value is <0.001 , indicating that Brand Image is a significant predictor of Customer Loyalty. This supports Hypothesis 2 (H2), confirming that Brand Image positively affects Customer Loyalty. The model demonstrates that both CSR and Brand Image have significant positive effects on Customer Loyalty.

In Model 2, the regression analysis examines the effect of CSR on Brand Image. The constant (intercept) value is 0.738, with a standard error of 0.148, resulting in a t-value of 4.986 and a p-value of <0.001 , indicating that the intercept is statistically significant. This suggests a baseline level of Brand Image when CSR is zero.

The unstandardized coefficient (B) for CSR is 0.541, with a standard error of 0.053 and a standardized coefficient (Beta) of 0.622. The t-value is 10.208, and the p-value is <0.001 , indicating that CSR is a significant predictor of Brand Image. This supports Hypothesis 3 (H3), confirming that CSR positively affects Brand Image. The strong relationship between CSR and Brand Image suggests that companies that engage in responsible social and environmental practices are likely to enhance their brand image.

Model 3 investigates the mediation effect of Brand Image on the relationship between CSR and Customer Loyalty. The constant (intercept) value is 0.263, with a standard error of 0.172, resulting in a t-value of 1.529 and a p-value of 0.128, indicating that the intercept is not statistically significant.

The unstandardized coefficient (B) for CSR (Direct Effect) is 0.105, with a standard error of 0.063 and a standardized coefficient (Beta) of 0.112. The t-value is 1.667, and the p-value is 0.097, indicating that CSR is not a significant predictor of Customer Loyalty when Brand Image is included in the model. This suggests that the direct effect of CSR on Customer Loyalty is not significant when controlling for Brand Image.

For Brand Image (Mediator), the unstandardized coefficient (B) is 0.479, with a standard error of 0.061 and a standardized coefficient (Beta) of 0.479. The t-value is 7.844, and the p-value is <0.001 , indicating that Brand Image is a significant predictor of Customer Loyalty even when CSR is included in the model. The significant relationship between Brand Image and Customer Loyalty supports the mediation hypothesis (H4), indicating that Brand Image mediates the relationship between CSR and Customer Loyalty.

The overall model fit statistics, including an F-value of 98.20 ($p < 0.001$) and an R^2 value of 0.628, indicate that the model explains 62.8% of the variance in Customer Loyalty. The adjusted R^2 of 0.625 adjusts for the number of predictors, providing a more accurate measure of model fit. The significant F-value confirms that the regression model is a good fit for the data.

The regression analysis results demonstrate that both CSR and Brand Image are significant predictors of Customer Loyalty. CSR positively affects Brand Image, which in turn positively affects Customer Loyalty, confirming the mediation effect of

Brand Image. These findings suggest that companies like Le Minerale can enhance customer loyalty by engaging in effective CSR practices and building a strong brand image. The results provide valuable insights for both academic research and practical marketing applications, highlighting the importance of integrating CSR initiatives and brand management strategies to foster customer loyalty.

Discussion

This study aimed to examine the relationships between Corporate Social Responsibility (CSR), Brand Image, and Customer Loyalty among Le Minerale consumers. The results provide robust evidence supporting the hypotheses that CSR positively influences both Brand Image and Customer Loyalty, and that Brand Image mediates the relationship between CSR and Customer Loyalty. This section discusses the implications of these findings, their alignment with existing literature, and their significance for both academic research and practical application.

1. CSR and Customer Loyalty

The first hypothesis (H1) posited that CSR positively affects Customer Loyalty. The regression analysis confirmed this, showing a significant positive relationship between CSR and Customer Loyalty. This finding aligns with previous studies that have demonstrated the positive impact of CSR on customer behavior. For instance, research by Du, Bhattacharya, and Sen (2010) found that CSR activities enhance customer loyalty by fostering a positive company image and building emotional connections with consumers. In the context of Le Minerale, the company's commitment to environmental sustainability, ethical behavior, and community involvement likely resonates with consumers, thereby enhancing their loyalty.

This result underscores the importance of CSR as a strategic tool for building customer loyalty. Companies that invest in socially responsible practices not only contribute to societal well-being but also strengthen their competitive advantage by fostering customer loyalty. This finding is particularly relevant in today's market, where consumers increasingly demand ethical and sustainable business practices. For Le Minerale, maintaining and expanding its CSR initiatives can be a powerful strategy to sustain and grow its customer base.

2. Brand Image as a Mediator

The second hypothesis (H2) and the third hypothesis (H3) suggested that CSR positively affects Brand Image, and Brand Image, in turn, positively affects Customer Loyalty. The analysis confirmed these hypotheses, demonstrating significant positive relationships between CSR and Brand Image, and between Brand Image and Customer Loyalty. These findings are consistent with the theoretical framework that posits brand image as a critical intermediary through which CSR influences customer behavior.

Brand Image plays a pivotal role in how consumers perceive and interact with a company. A strong brand image, built on the foundation of responsible social and environmental practices, enhances consumer trust and satisfaction, leading to increased loyalty. This study's results align with Keller's (1993) Brand Equity Model, which highlights the importance of brand associations in shaping consumer perceptions and behaviors. By engaging in CSR activities, Le Minerale can create positive brand associations that enhance its overall brand image, ultimately leading to higher customer loyalty.

3. Mediation Analysis

The mediation analysis (H4) provided further insights into the indirect effect of CSR on Customer Loyalty through Brand Image. The results indicated that Brand Image fully mediates the relationship between CSR and Customer Loyalty. This finding is significant as it highlights the crucial role of Brand Image in translating CSR efforts into customer loyalty. In other words, while CSR initiatives are important, their impact on customer loyalty is maximized when they contribute to a positive brand image.

This mediation effect can be explained through the lens of Social Identity Theory (Tajfel & Turner, 1986), which suggests that consumers are more likely to identify with and remain loyal to brands that reflect their own values and beliefs. When a company like Le Minerale engages in CSR, it signals to consumers that it shares their concern for social and environmental issues. This shared value alignment enhances the brand image, making consumers more likely to develop a strong, loyal relationship with the brand.

4. Theoretical Contributions

This study contributes to the existing literature on CSR, brand management, and consumer behavior by providing empirical evidence of the relationships between CSR, Brand Image, and Customer Loyalty. The findings support the theoretical frameworks that emphasize the importance of CSR in building a positive brand image and fostering customer loyalty. Additionally, the study extends previous research by demonstrating the mediating role of Brand Image in the CSR-customer loyalty relationship.

The mediation analysis offers a nuanced understanding of how CSR influences customer loyalty. While previous studies have established the direct effects of CSR on customer behavior, this study highlights the indirect effects through Brand Image, providing a more comprehensive understanding of the CSR-consumer relationship. This theoretical contribution can inform future research on the mechanisms through which CSR impacts consumer behavior and brand equity.

5. Practical Implication

The findings of this study have several practical implications for marketers and corporate managers. First, the significant direct effect of CSR on Customer Loyalty suggests that companies should continue to invest in CSR initiatives. However, to maximize the impact of these initiatives, companies must effectively communicate their CSR efforts to consumers. Transparent and consistent communication can help build a strong brand image, which in turn enhances customer loyalty.

Second, the mediating role of Brand Image highlights the importance of integrating CSR into the core brand strategy. Companies should ensure that their CSR activities are not only genuine but also aligned with their brand values and messaging. This alignment can strengthen the brand image and create a cohesive brand narrative that resonates with consumers.

Third, the significant relationships between CSR, Brand Image, and Customer Loyalty suggest that companies should adopt a holistic approach to brand management. This approach should encompass CSR, marketing, and customer relationship management strategies. By viewing CSR as an integral part of the brand identity, companies can create a more sustainable and loyal customer base.

6. Limitation and Future Research Directions

Despite the valuable insights provided by this study, there are some limitations that warrant consideration. First, the study is based on a specific case study of Le Minerale consumers, which may limit the generalizability of the findings to other contexts and industries. Future research should replicate this study in different settings to validate the findings and enhance their generalizability.

Second, the study relies on cross-sectional data, which limits the ability to establish causality. Longitudinal studies are needed to examine the causal relationships between CSR, Brand Image, and Customer Loyalty over time. Additionally, experimental designs could be employed to manipulate CSR activities and assess their impact on brand image and customer loyalty more rigorously.

Third, while the study focuses on CSR as a single construct, future research could explore the different dimensions of CSR (e.g., environmental, social, economic) and their distinct impacts on Brand Image and Customer Loyalty. This multidimensional approach can provide deeper insights into how various aspects of CSR contribute to brand equity and consumer behavior.

CONCLUSION

In conclusion, this study provides robust evidence that CSR positively affects both Brand Image and Customer Loyalty, and that Brand Image mediates the relationship between CSR and Customer Loyalty. These findings have important implications for both theory and practice, highlighting the strategic value of CSR in building a strong brand and fostering customer loyalty. For companies like Le Minerale, integrating CSR into the core brand strategy and effectively communicating CSR efforts can enhance brand image and drive customer loyalty. Future research should continue to explore the complex relationships between CSR, brand management, and consumer behavior to further our understanding of these critical business dynamics.

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