

**THE IMPACT OF CSR INITIATIVE TOWARDS BRAND EQUITY  
IN THE ALCOHOL INDUSTRY IN THAILAND**



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entitled  
**THE IMPACT OF CSR INITIATIVE TOWARDS BRAND EQUITY  
IN THE ALCOHOL INDUSTRY IN THAILAND**

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## **THE IMPACT OF CSR INITIATIVE TOWARDS BRAND EQUITY IN THE ALCOHOL INDUSTRY IN THAILAND**

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### **ABSTRACT**

In the past decades, there has been a remarkable change on how businesses operate as well as an increase in pressure from surrounding environments to act responsibly towards the society, while still being profitable. However, pursuit of business growth does not always result in social advancement, and is sometimes detrimental to the environment such as toxic substances exposure, root of social health issue. Therefore, acting social and ethical responsible seems to be an expectation rather than a differentiation strategy approach to obtain long-term growth.

Corporate Social Responsibility Initiative has emerged in numbers of businesses with the purpose to balance corporate image, to demonstrate ethical behavior and has become one of the critical aspects in order to maximize long-term financial growth. The aim of this research is to examine the impact of CSR initiative towards brand equity in the alcohol industry in Thailand. The research was conducted by using quantitative research approach with the distribution of 100 respondents who are member of Singha Arsa across Thailand.

The major finding of this research has demonstrated that CSR initiative can influence the brand equity in overall. Most of respondents think that it is important for company should act responsibly towards the society and they could recall the brand, have higher tendency in becoming top-of-mind brand after participating CSR activities with Singha Arsa.

**KEY WORDS:** Corporate Social Responsibility / Brand Equity / Brand Awareness / Brand Loyalty / Consumer CSR Perception

30 pages

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## **CHAPTER I**

### **INTRODUCTION**

Corporate Social Responsibility (CSR) has been a widely discussed topic since the 19th century and has turned into a major global issue (Hopkins, 2003). Due to the changing macro environment and technological developments, corporate activities have an even greater impact on the whole social environment, which increases the responsibility of enterprises and leads to a growing importance of CSR (Alsmadi & Alnawas, 2012). Frederick (1986) points out that if enterprises undertake certain social responsibilities or obligations during the pursuit of commercial activities they can consolidate their relationship with society and thereby enhance their brand image, achieve free advertising, expand their sales volume, and hire high-quality staff. The research of Aaker (1996) and Esch et al. (2006) indicates that the fulfillment of CSR has a positive impact on the evaluation of corporate activities by consumers, which in turn has a positive effect on the current purchasing behavior and future purchase intention of consumers. This also signals that consumers who are more aware of CSR are more likely to purchase the products of a certain company, which is the main reason why companies have to implement CSR-related activities (Boonpattarakan, 2012).

Singha Corporation, one of the biggest Thai beverage manufacturing in Thailand, is the research objects. Due to the fact that the Singha CSR initiative has been established for over 6 years, the main focus of these initiatives are on supporting environmental and societal aspect. Singha Arsa initiative is partner with numbers of universities across Thailand and the main target group mostly are undergraduate students. The reason that entitled to this group is because these people will become the future of the country. Hence, the company believes that if good citizenship is inculcated in the youth, both the country and company can gain the benefit from them. Problem Statements

Due to the high awareness of being socially responsible, a number of companies have to act responsibly in order to be socially accepted and eventually lead to a better image through CSR initiatives. For the alcohol beverage brewing industry in Thailand, most of the companies including Singha Corporation has been highly associated with negative image such as the root of road accident and other alcohol-related issues. However, Singha has dedicated one department by donating huge amount of financial support through different initiatives under the name of 'Singha Arsa'. With all these donations, the company shows that they are giving back to society. However, does it really contribute Singha brand equity and can CSR initiative paralyze negative association of the brand.

### **1.1 Research Question**

The study investigates if CSR initiatives could enhance Singha brand equity after Singha Arsa members participating in Singha CSR initiatives.

### **1.2 Research Objective**

The purpose of this research aims to examine the association of Singha Corporate Social Responsibility (CSR) initiative and brand equity among the respondent's profile.

### **1.3 Research Scope**

The research scope will be concentrated on the influence of corporate social responsibility on overall brand equity and its dimensions: brand awareness, brand image, brand loyalty, and perceived quality of Singha brand.

The quantitative research approach will be conducted in this paper. The quantitative data will collect by distributing an online questionnaire with 100 respondents who are undergraduate students that have participated in Singha Arsa initiatives. The respondents are across Thailand, ranging from 18 – 24 years old.

#### **1.4 Expected Benefits**

The final report will contain the result on the association between respondents' attitude towards CSR initiatives and Brand equity after the members have participated in Singha Arsa initiative.

The result will be knowledgeable and practical for the company to prove that whether it is worthwhile to maintain the existing CSR initiatives and select appropriate CSR activities for undergraduate students, resulting an increase level in brand equity. Also, the result will beneficial for Singha PR department to have better understanding the social trend in regard to design appropriate CSR initiative with the strategic timing.



## **CHAPTER II**

### **LITERATURE REVIEW**

In today's business industry, companies and organizations are experiencing pressure to both maintain profitability and well-behave in social responsible ways, yet there has been no significance research on how corporate social responsibility influences profitability as well as contributes positive brand equity towards the brand. In Thailand, companies in most of the sector of businesses embrace Corporate Social Responsibility (CSR) not only because it's the right thing to do, but it also strengthens the brand and provides business competitive advantage. According to Kotler & Lee (2005) stated that Corporate Social Responsibility (CSR) is a commitment to improve community well-being through discretionary business practices and contributions of corporate resource.

The term 'CSR initiatives' is able to identify and differentiate the variety of CSR activities into a different kind of CSR initiatives. CSR initiatives are major activities undertaken by a corporation to support social causes and to fulfill commitments to CSR (Kotler & Lee, 2005). The six major types of CSR initiatives are cause promotion, corporate social marketing, corporate philanthropy, community volunteering, social responsible business practices and caused-related marketing.

#### **2.1 Corporate Brand Trust as Mediator in the Relationship between Consumer Perception of CSR, Corporate Hypocrisy, and Corporate Reputation**

According to the article, the author examines how consumer perception of CSR and corporate reputation and corporate hypocrisy by including corporate reputation as a key mediator. The study has suggested that as CSR initiatives can reduce corporate hypocrisy as well as increased corporate reputation through corporate brand trust, corporate

CSR managers therefore should consistently monitor whether their CSR initiatives have increased the level of corporate brand trust (Kim, 2015).

## **2.2 Corporate Social Responsibility, Perceived Customer Value, and Customer-Based Brand Equity: A Cross-National Comparison**

The article reflects the impact of CSR efforts on a company's success by emphasizing on two major marketing variables; Perceived Customer Value (PCV) and Customer-based brand equity (CBBE). The result has shown that if the level of CSR efforts is perceived as high, the level of CBBE is also affected more positively than if the CSR efforts are perceived as relatively low. Furthermore, results offer support for the existing impact of CSR efforts on PCV with all its hard and soft dimensions. In addition, the two conceptual framework of the study indicates that the level of perceived CSR efforts directly influences CBBE and indirectly affects PCV through CBBE. Hence, investments in CSR efforts result in returns for both CBBE and PCV, but PCV is augmented even further by an increase in CBBE (Simone, 2014).

## **2.3 Impact of CSR Perception on Brand Image, Brand Attitude and Buying Willingness: A Study of a Global Café**

Through the article, the author explains the correlations of five CSR aspects and compare the differences between the two life generations. The results shows that enterprises should pay more attention to strategies related to customer oriented CSR and environmentally oriented CSR, especially with respect to generation Y. Whereas generation X needs to be more deeply influenced by CSR strategies. Also the research found that a business undertaking its policy of CSR could lead consumers to purchase its products. It means if a business contributes and feeds back to the community, its bearing of the social responsibilities can lead consumers to identify themselves with the business image and become loyal to the brand, and ultimately the business will have an opportunity to fulfill its sustainability goal. In addition, the author suggests that enterprises strengthen their efforts to consolidate consumers' perceptions of CSR,

so that consumers can ally themselves with a company and be more willing to buy its products. Moreover, a company must examine the main influential factors of CSR on different generations, in order to schedule appropriate actions and to plan efficacious marketing strategies (Shwu-Ing Wu & Wen-Hsuan Wang, 2014).

## **2.4 Measuring Brand Equity across Products and Markets**

In this article, the author intends to explain the measuring effects of Brand Equity with the products. The article further explains if organizations measure Brand Equity, they can have a significant practical value in that and it can enhance a firm capability to manage a portfolio of brands and markets and develop a valid Brand Equity measurement system. The author has used five measurement and proved that by doing CSR activities, a firm can improve its brand equity.

1. Loyalty measurement
2. Perceived quality/leadership measurement
3. Association measurement
4. Awareness measurement
5. Market behavior

## **2.5 The Influence of Corporate Social Responsibility on Brand Equity**

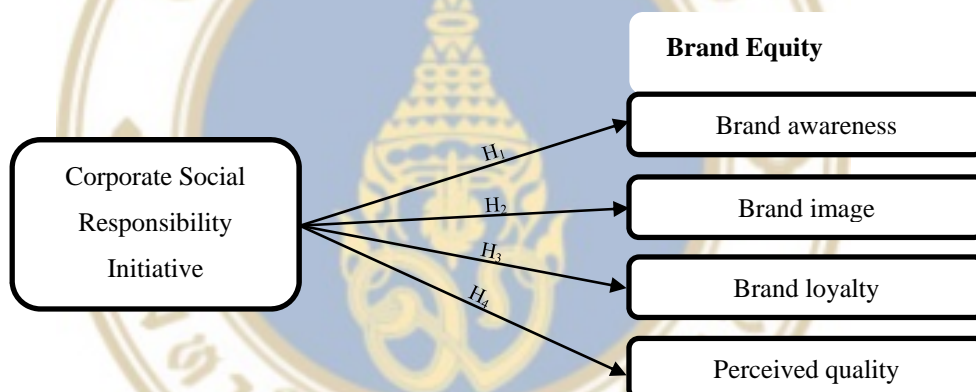
Corporations have included and implemented CSR initiatives to fulfill various objectives. Each initiatives were being used for different purposes. There is an evidence that CSR initiatives benefit not only corporations and brands, but also the communities and consumers. The benefits for CSR initiatives implementation are contributed to better brand equity. Aaker (1991) incorporated both perception related and behavioral related dimensions into the concept of brand equity. Brand awareness, brand image, perceived quality, and brand loyalty were the five dimension of brand equity. According to the brand equity theoretical framework, there is no direct relationship between CSR initiatives and Brand equity. However, the correlation between CSR and brand equity can be distinguished into 5 variables as independent variables and their subsequent impact on brand equity as dependent variable.

## CHAPTER III

### RESEARCH METHODOLOGY

This research aimed to study the relationship between CSR initiative and brand equity based on respondents' profile, and to understand the respondents' attitude after participating in Singha CSR initiatives.

#### 3.1 Framework of the research



**Figure 3.1 Framework of the Study**

From the figure 3.1 is a conceptual model of this study that cited the brand equity model constructed by David Aaker (1991). This research conceptualizes brand equity model by which consists of four dimensions: brand awareness, brand image, brand loyalty, and perceived quality. Furthermore, the conceptualization of brand equity in this research bases on consumer perspective. In order to examine the influence of corporate social responsibility on brand equity, CSR initiative is defined as independent variable whereas brand equity is considered as dependent variables. Moreover, the influence of CSR on brand equity may be moderated by respondents' profile.

According to conceptual framework and research question, the research hypothesis was constructed as follows.

H<sub>1</sub>: There is a relationship between company's CSR initiatives on brand awareness.

H<sub>2</sub>: There is a relationship between company's CSR initiatives on brand image.

H<sub>3</sub>: There is a relationship between company's CSR initiatives on brand loyalty.

H<sub>4</sub>: There is a relationship between company's CSR initiatives on perceived quality.

## **3.2 Research Design**

This research will explore the relationship between CSR initiatives and the brand equity of Singha brand in Thailand. The research divided into two major criteria: Brand equity and CSR initiative.

Brand equity will be represented in four dimension; brand awareness, brand image, brand loyalty, and perceived quality, to measure the level of brand equity of participating in CSR initiatives project. CSR initiative model is to analyze Singha CSR initiative in understanding respondents' preferences and attitude towards the brand.

## **3.3 Data Collection Methodology**

### **3.3.1 Population**

This research population is mainly focused on Singha Arsa members who have participated in Singha Arsa initiative activity at least 1 month. These respondents have had a hand-on experience with Singha CSR initiatives so they can provide the accurate answer to the question in the survey. Also, the target population are able to access through the internet and social media due to the online survey approach.



### **3.3.2 Sampling**

The researcher has limited the respondents at the age range between 18 – 24 years old. The sample size was 53 male respondents and 51 female respondents who are undergraduate students that have participated with Singha Arsa initiative activity. The research approach was the online close-ended questionnaire because of the short data collection period and convenience for respondents to access the questionnaire.

### **3.3.3 Data Collection**

Data collection is distributed through the online close-ended questionnaire that is divided into 4 parts: Screening question, General question, Specific question, and Demographic question respectively. The reason for excluding the introduction question is because the survey is conducted with the respondents who were already aware of Singha CSR initiatives.

1. Screening question will select only the target which indicates the period of participation.
2. General question will explore the CSR initiative perception within consumer.
3. Specific question will explore deeply into the variables in accordance to the framework. This part will ask the respondents for opinion in different aspects and Likert scales is being utilized to measure the level of agreement or disagreement. The questions will cover as following: brand awareness, brand image, brand loyalty, and perceived quality.
4. Demographic question will collect the respondent's background information including age, educational level, and gender

## **3.3 Data Collection Methodology**

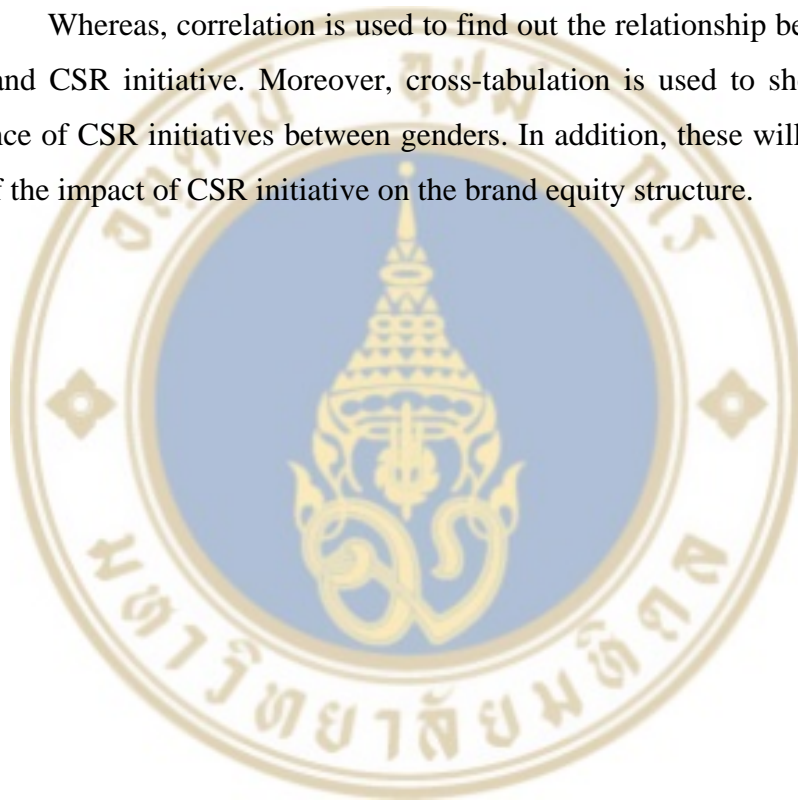
The online questionnaire will be distributed in Singha Arsa website as well as Facebook group that contain of the target respondents. The total number of respondents was approximately 100.

This research will analyze the data by using SPSS software. The methods are descriptive analysis, correlation, and cross-tabulation. First, the researcher used

descriptive analysis to summarize the respondents' attitude towards CSR initiative. The interpretation scales were given as following:

0 – 1.0	=	Strongly disagree
1 – 2.0	=	Unlikely to agree
2.1 – 3.0	=	Neutral
3.1 – 4.0	=	Likely to agree
4.1 – 5.0	=	Strongly agree

Whereas, correlation is used to find out the relationship between the brand equity and CSR initiative. Moreover, cross-tabulation is used to show the different preference of CSR initiatives between genders. In addition, these will help to find the result of the impact of CSR initiative on the brand equity structure.



## CHAPTER IV

### RESEARCH FINDINGS AND DISCUSSION

During the research data collection process, we conducted a survey by handing questionnaire over a period of 3 weeks through online channel. The research subjects of this study were the university students in Thailand who are members of Singha Arsa. The SPSS software is used as a tool to analyze the data that lead to the result. Demographic breakdown as Table 4.1.

**Table 4.1 Demographic of sample**

		Frequency	Percent
Gender	Male	53	51.0%
	Female	51	49.0%
	Total	104	100.0%
Age range	≥ 19 years old	14	13.5%
	20 years old	22	21.2%
	21 years old	25	24.0%
	22 years old	12	11.5%
	23 years old	15	14.4%
	≥ 24 years old	16	15.4%
	Total	104	100.0%
Education level	Bachelor degree	103	99.0%
	Master degree	1	1.0%
	Total	104	100.0%

Most of respondents are 104 members consisting of 53 males and 51 females and most of the respondents belong to age range 18-24 years old and the majority are at the age of 21 years old (24%) of total respondents. For education level, the majority of respondents are undergraduate students (99%).

#### 4.1 Association between CSR initiative and the brand equity

**Table 4.2 Descriptive statistics including mean, standard deviation and interpretation of respondents' attitudes towards CSR initiative**

		Frequency	Percent	M	SD.	Interpretation
Q.1 Do you know that Singha Corporation is operated the CSR initiatives under the name of 'Singha Arsa?'	I don't know	1	1.0%	.99	.10	Yes
	I know	103	99.0%			
	Total	104	100.0%			
Q.2 How long have you been involved with Singha Arsa?	1-6 months	30	31.9%	2.44	1.2	
	7-12 months	17	18.1%			
	1-4 years	46	48.9%			
	More than 4 years	1	1.1%			
	Total	94	100.0%			
Q.3 I think I want to join Singha Arsa project again if I have a chance.	Strongly disagree	0	0.0%	4.62	.75	1-5
	Unlikely to agree	3	2.9%			
	Neutral	8	7.7%			
	Likely to agree	15	14.4%			
	Strongly agree	78	75.0%			
	Total	104	100.0%			
Q.4 I think Singha Arsa has many interesting projects.	Strongly disagree	0	0.0%	4.43	.76	1-5
	Unlikely to agree	2	1.9%			
	Neutral	11	10.6%			
	Likely to agree	31	29.8%			
	Strongly agree	60	57.7%			
	Total	104	100.0%			
Q.5 I think it is important that company has responsible for society.	Strongly disagree	2	1.9%	4.40	.85	1-5
	Unlikely to agree	1	1.0%			
	Neutral	10	9.6%			
	Likely to agree	31	29.8%			
	Strongly agree	60	57.7%			
	Total	104	100.0%			

**Table 4.2 Descriptive statistics including mean, standard deviation and interpretation of respondents' attitudes towards CSR initiative (cont.)**

		Frequency	Percent	M	SD.	Interpretation
Q.6 Singha CSR initiative emphasizes on activity that supports money to charity.	Disagree	10	9.6%	.97	.17	Yes
	Agree	94	90.4%			
	Total	104	100.0%			
Q.7 Singha Arsa initiative is very active in contributing a better well-being for society.	Disagree	10	9.6%	.90	.30	Yes
	Agree	94	90.4%			
	Total	104	100.0%			

\*Question 1, 6, and 7 are Yes/No Question coded with 0 for No and 1 for Yes.

The descriptive analysis is described below: The result showed that the majority of respondents know that Singha Corporation is operated the CSR initiatives under the name of 'Singha Arsa' (M .99, SD .10). Likewise, the respondents agreed that Singha Arsa initiative is very active in contributing a better well-being for society (M .97, SD .17). Furthermore, almost every respondents think that Singha CSR initiative emphasizes on philanthropy-related activities such as support money to charity (M .90, SD .30).

Moreover, the finding also indicated that the respondent think they want to join Singha Arsa initiative project again if they have a chance (M 4.62, SD .75) and they think that Singha Arsa has many interesting projects (M 4.43, SD .76). Also they think that it is important that company has responsible for society (M 4.40, SD .85).

## 4.2 The level of brand equity after participating in Singha Arsa initiative

**Table 4.3 Mean, Standard deviation of respondents' attitudes on brand equity after participating in Singha Arsa Initiative**

			Frequency	Percent	M	SD.	Interpretation
Brand awareness	I know Singha.	Strongly disagree	0	0.0%	4.45	.67	5
		Unlikely to agree	0	0.0%			
		Neutral	10	9.6%			
		Likely to agree	37	35.6%			
		Strongly agree	57	54.8%			
		Total	104	100.0%			
	I can quickly recall the symbol or logo of Singha.	Strongly disagree	0	0.0%	4.44	.77	5
		Unlikely to agree	4	3.8%			
		Neutral	6	5.8%			
		Likely to agree	34	32.7%			
		Strongly agree	60	57.7%			
		Total	104	100.0%			
	I can distinguish Singha from other brand.	Strongly disagree	0	0.0%	4.21	.82	5
		Unlikely to agree	3	2.9%			
		Neutral	17	16.3%			
		Likely to agree	39	37.5%			
		Strongly agree	45	43.3%			
		Total	104	100.0%			
Brand image	Singha is very attractive brand.	Strongly disagree	0	0.0%	4.04	.81	5
		Unlikely to agree	3	2.9%			
		Neutral	23	22.1%			
		Likely to agree	45	43.3%			
		Strongly agree	33	31.7%			
		Total	104	100.0%			
	I like Singha.	Strongly disagree	0	0.0%	4.04	.86	5
		Unlikely to agree	4	3.8%			
		Neutral	24	23.1%			
		Likely to agree	40	38.5%			
		Strongly agree	36	34.6%			
		Total	104	100.0%			

**Table 4.3 Mean, Standard deviation of respondents' attitudes on brand equity after participating in Singha Arsa Initiative (cont.)**

			Frequency	Percent	M	SD.	Interpretation
Brand loyalty	Singha would be my first choice.	Strongly disagree	1	1.0%	3.75	.98	5
		Unlikely to agree	7	6.7%			
		Neutral	39	37.5%			
		Likely to agree	27	26.0%			
		Strongly agree	30	28.8%			
		Total	104	100.0%			
	I would prefer to buy Singha even if other brand has a better feature.	Strongly disagree	6	5.8%	3.46	1.13	5
		Unlikely to agree	12	11.5%			
		Neutral	37	35.6%			
		Likely to agree	26	25.0%			
		Strongly agree	23	22.1%			
		Total	104	100.0%			
	I will suggest Singha to my friends and family.	Strongly disagree	1	1.0%	3.88	.99	5
		Unlikely to agree	7	6.7%			
		Neutral	30	28.8%			
		Likely to agree	31	29.8%			
		Strongly agree	35	33.7%			
		Total	104	100.0%			
Perceived quality	Compared to its competitors, I think Singha has better quality.	Strongly disagree	0	0.0%	3.86	.91	5
		Unlikely to agree	8	7.7%			
		Neutral	27	26.0%			
		Likely to agree	41	39.4%			
		Strongly agree	28	26.9%			
		Total	104	100.0%			

Regarding to the table 3, the result has shown that the respondents' attitude towards Singha CSR initiative in different dimension of brand equity. Overall, the CSR initiative of Singha was effective in creating Brand Awareness, Brand Image, and Perceived Quality. However, the result indicated that Brand Loyalty did not influence by initiating CSR activities. Overall, each dimension includes: brand awareness (4.37), brand image (4.04), brand loyalty (3.7), and perceived quality (3.86). The results are shown in Table 4.3.

For brand loyalty, almost every respondents tended to disagree that initiating CSR activities can increase a brand loyalty in them. The result have shown about

37.5% and 35.6% of the total respondents said that Singha would be their first choice when it comes to purchasing decision and they tend to go for other products when other brand has a better feature with the standard deviation of .98 and 1.13 respectively. Further to this, the score showed that there is a low level of recommending the product to their friends and family (M3.88, SD.99). In other words, it is unlikely to obtain brand loyalty from initiating CSR initiative in a short period of time.

For brand awareness, more than half of the respondents strongly agreed that they can recognize the brand and 57.7% and 43.3% of the respondents were also strongly agreed that they can quickly recall the symbol or logo of Singha and distinguish it from other brand with the standard deviation of .67, .77, and .82 respectively. In addition, the CSR initiative was effectively influence the brand awareness within the Singha Arsa members who have participated in activities.

For brand image, the result reflected that the majority of respondents were likely to agree that CSR initiative can enhance on their attitude in the area of brand attractiveness (SD.81) and they personally like the brand (SD.86) but it did not contribute to an increase in brand loyalty. Whereas, in perceiving quality, the respondents were unsure that Singha has better quality (M3.86, SD.91).

#### **4.3 Cross tabulation of Respondent's attitude towards CSR initiative**

The research further investigated into the difference in preferences between genders on the CSR initiatives. Cross tabulation analysis between preference and demographic variables shows some significant relations as demonstrate below.



**Table 4.4 Cross Tabulation of Respondents' attitude towards CSR initiative**

In your opinion, which CSR initiatives that company should support the most?	Gender					
	Male		Female		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Disaster relief supporting	16	30.2%	13	25.5%	29	27.9%
Youth and unprivileged supporting	19	35.8%	22	43.1%	41	39.4%
Educational supporting	3	5.7%	8	15.7%	11	10.6%
Environmental conservation supporting	10	18.9%	6	11.8%	16	15.4%
Sport sponsorship	4	7.5%	1	2.0%	5	4.8%
Art & Culture supporting	1	1.9%	1	2.0%	2	1.9%
Total	53	100.0%	51	100.0%	104	100.0%

Refer to the table 4, 67.3% of the respondents' opinion on CSR initiative preferences were based on Youth and unprivileged supporting (39.4%), followed by Disaster relief supporting (27.9%). Interestingly, the result has shown that the effectiveness in designing appropriate CSR initiative at the strategic timing would be beneficial for the company. For instance, if there is no natural disaster circumstance, the company should opt the Youth and unprivileged supporting initiative as a top priority of CSR initiative according to the majority's preferences. Therefore, it will result in more effectiveness in doing CSR activities.

Furthermore, gender was playing an important role in determining the preferred CSR initiative. There was a difference in choosing initiatives among genders. The company can adapt the result to best fit with the activities.

Female scored the most in Educational supporting initiative with more than double when compared to male (8:3). Therefore, the target group for Educational supporting initiative would be on female. On the other hand, Sport sponsorship and Environmental conservation supporting initiatives were accredited by male respondents, which indicated a huge difference in term of gender preference. To conclude, the majority prefer to have Educational supporting initiative at most and the appropriate CSR activity can draw the interests from difference genders.

#### 4.4 Correlation analysis

The research is used correlation to examine the association between independent variables (Brand equity) and dependent variables (CSR initiative) and the table 4.5 summarized correlation and p-values. In correlation analysis, we used Spearman Rank since the survey design was likert scale questionnaire.

**Table 4.5 Correlation coefficient between CSR Initiative and Brand Equity of respondents' attitude**

		Correlations				
		CSR Initiative	Brand Awareness	Brand Image	Brand Loyalty	Perceived Quality
CSR Initiative	Pearson Correlation	1	.690**	.556**	.400**	.421**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	104	104	104	104	104
Brand Awareness	Pearson Correlation	.690**	1	.570**	.497**	.481**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	104	104	104	104	104
Brand Image	Pearson Correlation	.556**	.570**	1	.864**	.764**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	104	104	104	104	104
Brand Loyalty	Pearson Correlation	.400**	.497**	.864**	1	.823**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	104	104	104	104	104
Perceived Quality	Pearson Correlation	.421**	.481**	.764**	.823**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	104	104	104	104	104

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Over all, every variables that have been tested, the result has shown that every variables of brand equity are associated with CSR initiative. In general, the relationship between variables is positive and highly significant at 1 percent level of significance  $p < 0.01$ . These results provide support for H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, and H<sub>4</sub> of the study.

H<sub>1</sub>: There is a relationship between the CSR initiatives and brand awareness.

The result showed that the relationship between the CSR initiatives and brand awareness is highly significant at  $r \alpha .690^{**}$ , p-value 0.01.

H<sub>2</sub>: There is a relationship between company's CSR initiatives on brand image.

The result showed that the relationship between the CSR initiatives and brand image is highly significant at  $r \alpha .556^{**}$ , p-value 0.01.

H<sub>3</sub>: There is a relationship between company's CSR initiatives on brand loyalty.

The result showed that the relationship between the CSR initiatives and brand loyalty is significant at  $r \alpha .400^{**}$ , p-value 0.01.

H<sub>4</sub>: There is a relationship between company's CSR initiatives on perceived quality.

The result showed that the relationship between the CSR initiatives and perceived quality is significant at  $r \alpha .421^{**}$ , p-value 0.01.

#### **4.5 Final Framework of the research**

The research is used correlation to examine the relationship between CSR initiative and Brand equity and the result is shown on the figure 4.1.

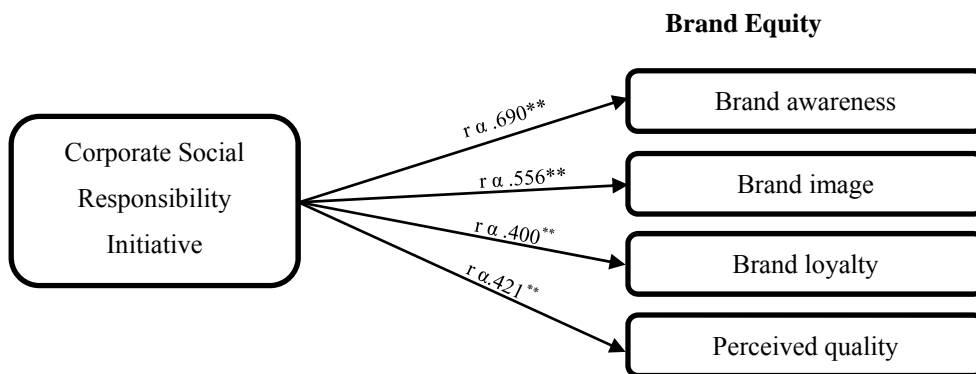


Figure 4.1 Final Framework of the study



## **CHAPTER V**

### **CONCLUSIONS**

#### **5.1 Conclusions**

Corporate Social Responsibility (CSR) has become one of the standard business practices in today's world. The establishment of CSR initiative is a crucial component of a company's competitiveness, enhanced overall brand reputation, and something that should be led by the firm itself. This means having policies in place which integrate social, environmental, ethical, human rights, and especially consumer concerns into business operations and core strategy.

Singha Corporation, one of the largest alcohol brewing manufacturers in Thailand, is one of the organizations that emphasize on creating positive image through CSR initiative as the company's products are highly associated with negative image such as drink & drive accident. Therefore, company has deployed 'Singha Arsa' initiative to fulfill long run self-interest of the organization, establish a better public image, and for economic and social welfare of the community.

However, the question arise: 'Do CSR initiative can enhance Singha brand equity?' To answer the question, the survey has been conducted with the Singha Arsa members to measure the impact of CSR initiative on brand equity. 100 questionnaires were distributed to the members across Thailand. The finding of the study later indicates that consumers think that company's social responsibility is important and they were highly aware of Singha Arsa Initiative. Furthermore, the top social issues in which consumers think company should support is educational supporting initiative, followed by disaster relief supporting.

In addition, the influence of CSR initiative on brand equity is positive. The major finding indicates that corporate social responsibility influences every dimensions of brand equity: brand awareness, brand image, brand loyalty, and perceived quality.

## 5.2 Discussion

The researcher has designed the survey in order to evaluate the relationship between CSR initiative and brand equity on the undergraduate students who have participated with the CSR initiative activity. The result of the data analysis shows that CSR initiative help increasing brand equity and its dimension for Singha brand. The results are:

1. There is a different in CSR initiative preference among the gender's difference. As far as the gender concerned, female is preferred educational supporting initiative whereas male respondents are more interested in disaster relief supporting initiative than female.
2. If the company can initiate more appropriate CSR initiative activity, it would be attractive to the target group to participate in the activity. Hence, the result showed that the more they have involved with the activity, the more that brand equity will be increased.
3. Singha CSR initiative can fully enhance brand awareness, brand image, and perceived quality except brand loyalty. Therefore, the company could redesign the initiative that can boost up brand loyalty within consumer's attitude.

## 5.3 Recommendations

To implement and design CSR initiative, the company should be concerned with the activity that aligned with gender's preference. If the company should be well-planned in designing CSR activity and readiness in recruiting volunteers, these would result in a more consistency in joining with the activities which can enhance the brand equity.

Moreover, the manager should enhance brand loyalty by using loyalty program such as membership card for Singha Arsa members to get on the privileges in purchasing Singha products. Not only it will create brand engagement with customers, but also the repeat in purchasing the brand that they are loyal to.

## **5.4 Managerial Implications**

From the researching finding, if the company can initiate appropriate CSR activity that match with the target group, particularly undergraduate students, it would result in more participants, which it can trigger brand awareness and eventually lead to other important factors that can enhance the brand. In addition, the finding is very constructive for the manager to get deeply understand the targeted respondents' preferences. Further to this, the manager can be assured that the finding is validated that brand equity can surely be influenced through the CSR initiative.

## **5.5 Limitations and suggestions for future research**

The limitation of the research are time-constraints, sampling method, and sample size (only undergraduate student), it may not be applicable for other group of customers. Moreover, the majority of respondents only have an experience with Disaster relief supporting and Educational supporting initiatives. Therefore, there is a tendency in giving bias answers because they might be lack of experiencing in other Singha CSR initiatives.

For the future research, the author recommend that the future research should:

1. Collect more sample to cover all the age range to get wider perspective in different age group.
2. Conduct interview (Qualitative method) in order to gain deeper understanding in regard to brand equity and purchasing behavior after participated with the CSR activity.
3. Conduct quantitative method in form of paper-based because online survey distribution was hardly to receive simultaneously response from respondents.
4. In order to study the influence of CSR initiative towards brand equity, the future research should conduct the survey before and after the CSR initiative activity in order gain more accurate result.

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**APPENDICES**

## Appendix A: Questionnaire

### Survey of consumer's opinion towards CSR initiatives/activities can enhance Singha brand equity

#### Part 1

1. Do you know that Singha Corporation is operated the CSR initiatives under the name of 'Singha Arsa'?

Yes

No

2. How long have you been involved with SINGHA ARSA? (Please choose the best duration)

1-6 months

7-12 months

1-2 years

3-4 years

Over 5 years

Never

3. I think I want to join Singha Arsa project again if I have a chance.

1

2

3

4

5

Strongly disagree

Strongly agree

4. I think Singha Arsa has many interesting projects.

1

2

3

4

5

Strongly disagree

Strongly agree



12. I like Singha.

	1	2	3	4	5	
Strongly disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly agree

13. Singha would be my first choice.

	1	2	3	4	5	
Strongly disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly agree

14. I would prefer to buy Singha even if other brand has a better feature.

	1	2	3	4	5	
Strongly disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly agree

15. I will suggest Singha to my friends and family.

	1	2	3	4	5	
Strongly disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly agree

16. Compared to its competitors, I think Singha has better quality.

	1	2	3	4	5	
Strongly disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly agree

17. In your opinion, which CSR initiatives that company should support the most?

- |  |   |
|--|---|
| <input type="radio"/> Art & Culture supporting | <input type="radio"/> Disaster relief supporting            |
| <input type="radio"/> Educational supporting   | <input type="radio"/> Environmental conservation supporting |
| <input type="radio"/> Sport sponsorship        | <input type="radio"/> Youth and unprivileged supporting     |

### Part 3: Demographic Information

18. Gender

Male

Female

19. Age

\_\_\_\_\_ years old

## 20. Educational level

- Vocational study                       Bachelor' degree
- Master degree                               Doctoral degree
- Other. Please specify: \_\_\_\_\_

