

THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES ON BRAND EQUITY, A CASE STUDY OF RAYA BREWERY S.C

A THESIS SUBMITTED TO THE MEKELLE UNIVERSITY, COLLEGE OF BUSINESS AND ECONOMICS, DEPARTMENT OF MARKETING MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS OF ARTS IN MARKETING MANAGEMENT

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List of Acronyms

CSR Corporate Social Responsibility

SPSSStatistical Package for the Social Sciences

ANOVA Analysis of variance

ABSTRACT

The aim of this study is to investigate the effect of corporate social responsibility practices on brand equity in order to increase the understanding of CSR as a marketing tool. The dimensions used in the study are Social, Economic, Environmental, Legal, and Ethical Responsibilities on Brand Equity of Raya Breweries S.C. The study has employed quantitative descriptive explanatory approach. A stratified random sampling method and structured questionnaire is used. Data was analyzed by using SPSS software 20 version. The finding of the correlation analysis indicates that there is direct significant positive relationship between the CSR dimensions and brand equity. A sample of 373 customers (Wholesalers and Retailers) of Raya Breweries S.C in Mekelle. The simple regression analysis shows that all dimensions positively influence the brand equity and it is also statistically significant. The findings of this study also indicated that economical CSR is the most important factor to have a positive and significant effect on brand equity followed by Legal, Ethical, Environmental and Societal CSR. The finding implies that survey participants have a positive perception about CSR practices. Hence, the company should concentrate on its CSR commitments and resources allocation to CSR initiatives in ways that can return optimal benefit to society.

Keywords: *CSR, Social Responsibility, Economic Responsibility, Environment Responsibility, Legal Responsibility, Ethical Responsibility, and Brand Equity.*

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Corporate social responsibility is the set of standards which is used by organizations to make a positive contribution to society. In the recent decades' managers are trying to find out the ways in which they can help the business to work for the development of the society and economy (Rashid Zaman, 2014). Corporate social responsibility has been getting much attention from many organizations. Defined as “the continuing commitment by business to behave ethically and contribute to the economic development while improving the quality of life of the workforce and their families as well as of the local communities and societies at large” (Holme and Watts, 2000). There is a growing competition in the domestic and international markets. Companies in Ethiopia are not only competing in price, advertisement and product quality but also with contribution for social responsibilities. The contribution for social causes is mainly driven by government policies, corporate image buildings and community pressures. However, there is a growing consensus that Corporate Social Responsibility (CSR) has crossed the line from supporting social causes to becoming a critical business function (Asamoah, 2011).

At the international level, CSR practices in the brewery industry have evolved to address a wide range of global challenges, focusing on key areas such as environmental sustainability, community engagement, responsible drinking, ethical sourcing, and health and wellness. One of the most prominent CSR practices is environmental sustainability, especially considering that the brewery industry is water-intensive. International breweries have implemented programs to reduce water usage, recycle water, and ensure sustainable sourcing of raw materials like barley and hops. Heineken's “Brewing a Better World” initiative, for instance, aims to reduce CO2 emissions and water consumption as part of its commitment to minimizing environmental impact (Heineken, 2022). Similarly, Carlsberg has pledged to reduce water usage per hectoliter of beer produced by 30% by 2030, reflecting a broader industry trend towards sustainability (Carlsberg Group, 2023).

Community engagement has also become a central aspect of CSR for international breweries, with companies increasingly investing in local communities through education programs, health initiatives, and support for local economies. International breweries, such as Anheuser-Busch InBev, have built long-term partnerships with smallholder farmers and local entrepreneurs, offering financial literacy programs and access to resources as part of their community development efforts (Anheuser-Busch InBev, 2022). This approach has been integral in fostering sustainable growth in the communities where these companies operate.

In terms of responsible drinking, many international breweries have taken proactive steps to address alcohol-related harm. Campaigns aimed at promoting moderation and raising awareness about alcohol misuse are common across the industry. Diageo's "Drink Positive" initiative, for example, seeks to reduce alcohol-related harm globally by encouraging responsible drinking (International Centre for Alcohol Policies, 2018). Heineken has also been active in promoting responsible drinking through its various global campaigns, underscoring the importance of moderation (Heineken, 2022).

Another significant aspect of CSR in the brewery industry is ethical sourcing and supply chain transparency. Many breweries are focusing on ensuring their supply chains are transparent and ethically managed. This includes fair trade practices with farmers, guaranteeing fair wages, and supporting community initiatives in sourcing regions. For example, Carlsberg has committed to sourcing barley sustainably, adhering to fair trade standards, and supporting farming communities in both developing and developed countries (Carlsberg Group, 2023). This effort is part of a broader trend within the industry to promote ethical practices throughout the supply chain.

Lastly, international breweries have increasingly focused on health and wellness, both by diversifying their product lines and supporting public health initiatives. The trend towards low-alcohol or alcohol-free beers is growing, driven by both consumer demand for healthier options and a broader effort to combat alcohol-related health issues. The World Health Organization has emphasized the importance of promoting non-alcoholic alternatives in the beverage industry, a trend embraced by companies such as Heineken and AB InBev (World Health Organization, 2021).

These companies have diversified their offerings to include alcohol-free beers while encouraging healthier drinking habits, thereby contributing to public health goals.

The Beer industry in Ethiopia has gone through tremendous growth in the last two decades. It transformed into one of the most competitive industries in Ethiopia with millions of birr spent. The competitiveness of the industry has led to more investment the farming sector such as in malt production. The first brewery in Ethiopia was established in 1922 by St. George Beer (named after the patron saint of Ethiopia). Brands like Meta and Bedele are also older brands in Ethiopia but have since been acquired by foreign companies and re-branded.

Initially, Raya Brewery S.C is a major player in the rapidly developing Ethiopian brewery market. Raya is renowned for its great taste and quality. Ethiopia beer industry has continued to expand and forecasts indicate that the industry will expand by an estimated value of 5%. The main brewery companies in Ethiopia is St. George brewery S.C, Raya brewery S.C, Meta abo brewery S.C, Heineken brewery S.C, Habesha brewery S.C, and dashin brewery S.C. In the beer industry in particular, corporate social responsibilities gain importance and many breweries have integrated their contribution to market activities. Raya breweries in particular has spent over 450 million birr in the last years. The contribution varies from infrastructure development, football sponsorship and community enrichment. In addition to support the communities, the contributions are expected to drive brand building and boost sales. In the beer industry, CSR gains importance and many breweries have integrated ethical aspects into their business approach.

However, in order to benefit from CSR and to gain competitive advantage, companies have to consider the consumers' point of view their attitude towards CSR and the impact of CSR on the brand value. There is a growing consensus that corporate social responsibility (CSR) has crossed the line from being business jargon to becoming a critical business function. This is demonstrated both in academic circles, empirically based studies and analyses published, and also in managerial practice by the growing importance and publicity given to social responsibility issues (Melo, T. and Galan, J. J Brand Manage 2011).

Despite this general recognition, the main characteristic of the CSR concept is still the lack of agreement on what it really means (Brammer and Millington, 2008; Valor, 2005; Lantos, 2001; O'Dwyer, 2003). This may be due to the vagueness and intangibility of the term Frankental, (2001), its ambiguity Valor, (2005) or simply to the fact that compared to other business functions, CSR's

appearance as a legitimate area of inquiry in the mainstream management literature is very recent Harrison and Freeman, (1999), even “embryonic” Lantos, (2001).

The fact is that social responsibility has become an “inescapable priority” Porter and Kramer, (2006) for business leaders. CSR’s emergence as a legitimate, even critical endeavour Gelb and Strawser, (2001) is corroborated by Schnietz and Epstein (2005), McWilliams et al. (2006), Lockett et al. (2006), Hull and Rothenberg (2008), Quazi and O’Brien (2000) and practically all the authors cited from the year 2000 on Researchers are using brand value as a measure of firm performance. Brand value gathers in one single variable a range of components and characteristics that are highly sensitive to CSR. The corporate business strategy of a company concentrates on the overall purpose and scope of the business to meet stakeholder expectations and is seen as fundamental because it is profoundly affected by business investors and helps guide strategic decision-making throughout a company (Johnson, Scholes, & Whittington, 2008).

CSR efforts should be consistent with a company’s corporate strategy to support a successful implementation and to gain consumers trust (BeckerOlsen, Cudmore, & Hill 2006; Deigendesch 2009; Levy 1999; Piercy & Lane 2009; Porter & Kramer 2006; Vlachos et al. 2009).

Although management is under heightened pressure to respond to excelsior demands for improved social and environmental responsibility Kanter, (2010), the overall impact of CSR efforts on a company remains inconclusive (Vogel, 2006).

This study was carried out to investigate the effect of five core corporate social responsibility practices: social, economic, environment, legal, as well as ethical practices on brand equity in Raya breweries S.C. It is hope that the study’s finding may help top management during strategic design.

1.2. Statement of the Problem

Developing countries’ firms are still in the initial level of development in their awareness and integration of CSR activities within their corporate policies and strategies, which is reflect on the country’s early stage of private sector development (Mandurah, Khat-ib and Al-Sabaan, 2012).

While those managers are aware of the CSR concept and exhibit a positive attitude toward it, there is a gap between employee and top management attitude and perception of the concept. Tends to lean toward being classical and viewed as philanthropic responsibility rather than strategic orientation.

A company's performance and business in general could not be measured solely by gaining economic profit to the organizations. Rather its shareholders and managers should be responsible for all others who directly or indirectly affect or are affected by a firm's business activities (Visser, 2008).

The leading most authoritative outcomes from the fact that investment in mineral-rich countries of sub-Saharan Africa has not contributed to the community and financial development and the conservation of the environment of the nations worried over the last decades. It is not for business to supernumerary itself for government initiatives and follows development objectives. If corporations are to donate to these objectives, it is through exchanging reasonable and transparent contracts, paying adequate incomes according to directives set out in country wide controlling frameworks, and obeying the laws of the country (Giannarakis, 2009).

Raya breweries are one of the biggest brewing companies in Tigray that invests heavily on social corporate responsibility spending over 450 million birr over the last Three years. Despite all indicators pointing to the need for a clear understanding of the impact of the company's corporate social responsibility investment on brand equity, it is found out that there is not much research on the relationship between CSR and Brand Equity on the brewery industry in Tigray. This has also remained a problem for the company's marketing strategy as marketers are unsure of how CSR works and how it affects brand equity.

Thus, this study aims to explore the relationship between CSR Practices and brand equity within the context of Raya Breweries, assessing the effectiveness of their CSR initiatives and determining the strategic value of CSR for enhancing brand equity. It will also investigate the company's level of understanding and integration of CSR within its corporate policies and strategies. By doing so, the study aims to fill the gap in existing literature and provide valuable insights for both Raya Breweries and the broader Ethiopian brewery industry regarding the strategic implementation of CSR.

1.3. Research Questions

Based on the above statement of the problem, the following research questions were asked:

- 1) To what extent a social practice in corporate social responsibility practices affect the Brand equity?
- 2) How does an economic practice of corporate social responsibility practices affect the Brand equity?

- 3) What is the effect of environment in corporate social responsibility practices on the Brand equity?
- 4) In what way a legal corporate social responsibility practices contributes to the Brand equity?
- 5) What is the effect of ethics in corporate social responsibility practices contribution to the Brand equity?

1.4. Objectives of the Study

1.4.1. General Objective

The general objective of the study is to examine the effect of corporate social responsibility practices on Component of brand equity:

1.4.2. Specific Objectives

The specific objectives of the study were:

- 1) To identify the effect of a Community support of corporate social responsibility on brand equity.
- 2) To evaluate the effect of Economic practice of corporate social responsibility on brand equity.
- 3) To examine the effect of Environment protection in corporate social responsibility on brand equity.
- 4) To determine the effect of in corporate social responsibility on brand equity.
- 5) To measure the effect of Welfare in corporate social responsibility on brand equity.

1.5. Significance of the Study

The research is important for different stakeholders as input for the purpose they intended to use it. The findings of this study help to identify which type of corporate social responsibility activities are highly relevant for the industry in general for the company in particular. It would be also help Raya to reallocate resources in areas that have greater influence on Brand Equity. Furthermore, to identify in which area for the corporate social responsibility elements that the company need to invest so that to build a positive brand image. This study helps responsible higher officials to understand the need of developing and managing of CSR effect on Brand Equity to gain and extract best performances out of them so as to achieve organizational objectives. Moreover, it would be used by academicians, researchers and scholars

the findings of this research provides empirical evidence and add new knowledge about the practice of CSR effect on Brand Equity. The study also helps to understand the complex relationship between CSR and Brand Equity.

1.6. Scope of the Study

The study is delimited geographically, methodologically as well as conceptually

1.6.1 Conceptual Scope

The analysis is solely based on a study of Raya Beer. The study focuses on the different types of corporate social responsibility activities of the company and how it has used these activities to build its equity over the years.

1.6.2 Geographical Scope

The geographical scope of this study is primarily focused on Maichew town in Tigray, where the brewery is based, as well as Mekelle city and its surrounding areas, which include the head office and the selected target population.

1.6.3 Methodological Scope

In order to conduct this thesis, the researcher used qualitative and quantitative case study research methods. The sampling methods are interviews and focus group discussions, the study applied purposive sampling and snowball sampling techniques.

The primary sources of the data for the study were the customers of the Raya Brewery S.C. through questionnaires that consist of close ended questions. The population for the study is 5503 respondents taking the entire population through census method. And the multi-linear regression analysis is made using STATA software version 20.

1.7. Organization of the Study

This study paper was organized into five chapters;; chapter one deals with introduction, background of the study, statement of the problem with research questions, objective of the study, general objectives and specific objectives, significance of the study, scope and limitation of the study .The second chapter were include theoretical and empirical literature review .The third chapter were include research methodology of the study that was used by the researcher. The fourth chapter were include data analysis and interpretation using different tools and finally the fifth chapter were include conclusion and

recommendation .at last, reference would be set. In addition, data collection instruments and other relevant materials were attached to the appendix of the paper.

CHAPTER TWO

2. LITERATURE REVIEW

2.1. Introduction

In this chapter different concepts focusing on theoretical and empirical evidences about CSR were reviewed in light of the objectives of the study. The themes include the role of business in CSR that business companies exercise and conceptual definitions by different authors were included.

2.2. Definitions and Concepts of CSR

The concept of Corporate Social responsibility has been developed through time and defined by different scholars at different times because of its wider scope and the growing attention of the concept by practitioners. The following are among the various definitions proposed by these scholars and summarized as follows; CSR was first used and defined as a concept by Bowen (1953): CSR refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society. Holme& Watts (2000), also stated the view of Corporate Social Responsibility as the commitment of businesses to meaningfully contribute to the society by being ethical and through the development of the economy. A lot of the ambiguity behind CSR seems to derive from the lack of universal definition to the subject because CSR is a social construction it cannot be universally defined; rather it is something best understood in its specific context (Bimir, 2016).

De Schutter (2008, p. 204) further suggested that the confusion is about the subjects many perspectives; hence, from what side of the relationship is CSR viewed. (1) “CSR may refer to an understanding of the role of business in society. Business in this sense means socially responsible by owing duties not only so its shareholders but also the stakeholders in its environment”. (2) “CSR may refer to a way of regulating business activities. It manifests a shift from the imposition of top-down obligations under the threat of legal sanctions, to the reliance on incentives and voluntary initiatives as a way of orienting the activities of the corporation”. (3) “CSR may refer as an alternative to regulating business itself. Here it appears as a code word for abandoning certain questions that might be target to regulatory approaches to market mechanisms” (De Schutter, 2008, p.204). 10 European Commission defines CSR as a concept whereby companies observe social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis (Lai, 2015). The concept is for those organizations that have decided to pass the minimum legal requirements and risks of collective agreements to consider social needs (Filizöz&Fisne, 2011).

In a more general definition, corporate social responsibility is defined as the ways in which a business seeks to align its values and behavior along with the values and behavior of its various stakeholders. Different groups affected by the actions of an organization, are called "stakeholders". Stakeholders of a business include employees, customers, suppliers, governments, interest groups (e.g. environmental

groups), competitors, partners, communities, owners, investors and the wider social groups that business operations can have an impact on them (Chatterji et al, 2009).

Carroll (1991) has identified a pyramid model that includes four categories of social obligations which all responsible companies demand it. These include the responsibilities of economic, legal, ethical and philanthropic. From the perspective of Carroll (1991), economic responsibilities include duty to satisfy consumers through high-value products as well as to create enough profits to investors.

This sector includes the main goal of business and entrepreneurship which is to produce goods and services and have profitability. For more profitability, firms should have strong competitive position in the market and increase the share value. Legal or statutory responsibility requires that companies while acting in their economic obligations observe laws and regulations.

This includes government regulations that businesses are required to obey them. Companies should follow these legal requirements to increase profitability. Moral responsibility refers to a variety of business practices and ethical norms that are expected to be followed, even if they are not codified in law. This section of the pyramid shall determine the expectations of the stakeholders

2.3. Corporate Social Responsibility

Social responsibility has been defined by different writers in so many diverse ways, but researchers don't share fundamental principles of what being socially responsible consists of (Gudjonsdottir and Jusubova, 2015).

The CSR concept has encompassed a wide range of economic, legal, ethical and philanthropic (discretionary) activities of business performance at a given point in time, without any hierarchic order (Gudjonsdottir and Jusubova, 2015). Carroll (1979) was one of the first researchers who debated and had a big influence on the CSR concept. The author developed the most known and a leading paradigm of CSR in the management field:

The Pyramid of Corporate Social Responsibility, to this day, Carroll's paradigm remains the most known within business. From the perspective of Carroll, Barjoei (2016) points out, economic responsibilities include duty to satisfy consumers through high-value products as well as to create enough profits to investors.

This sector includes the main goal of business and entrepreneurship which is to produce goods and services and have profitability. Barjoei (2016) also describes legal or statutory responsibility requires

that companies while acting in their economic obligations observe laws and regulations. This includes government regulations that businesses are required to obey them. Companies should follow these legal requirements to increase profitability. Corporate social responsibility is concerned with the connection between corporations, governments of nations and individual citizens.

More locally the definition is concerned with the relation between a corporation and the local society in which it resides or it operates (Sharif 2012). According to Dawkins (2004) and Usman Sharif (2012) CSR is basically consistency of a firm to act ethically, increasing economic development, improvement in the lives of their workforce and their families and playing a role in the development of the society.

For the business leader's social responsibility has become an "inescapable priority" Porter and Kramer, (2006). Corporate social responsibility emergence as an authentic and critical Endeavour Gelb and Strawser, (2001) is corroborated by Schnietz and Epstein (2005), McWilliams et al. (2006), Lockett et al. (2006), Hull and Rothenberg (2008), Quazi and O'Brien (2000), practically all the authors cited from the year 2000 on Researchers are using brand value as a measure of firm performance.

Brand value characteristics are highly sensitive to corporate social responsibility and collect in one single variable a variety of components. Corporate social responsibility - voluntary social and environmental efforts of a company is one of the most discussed and influential strategic business tools in the 21st century (Holstein 2008; Kanter 2010; Karnani 2010; The Economist 2009).

Although many 20th century managers regarded CSR efforts as charitable activities dedicated to a company's external environment, the fashionable perception of CSR efforts has evolved into recognizing CSR efforts as a value-creating tool fixed within the overall strategy of a corporation (e.g., Carroll 2008; Lee 2008).

Within the past decade, corporate social responsible become very popular, which led it to augmented use of CSR as a strategic marketing Journal of Strategic Innovation and Sustainability (Golob, Lah, & Jančič 2008; Piercy and Lane 2009) and management (Porter and Kramer 2006; Maon, Lindgreen, & Swaen 2008) tool. More and more successful and well-known companies use CSR as a strategic tool for purposes of differentiation and value creation (Nexxar 2010), but even small- and medium-sized enterprises have adopted CSR to position themselves (Jenkins 2009; Retolaza, Ruiz, & San-Jose 2009).

An upscale body of research exists investigating the influence of CSR on firms' financial metrics giving the fact that CSR's increasing importance from a strategic point of view, (e.g., Economists Intelligence

Unit 2008; Godfrey, Merrill, & Hansen 2009; Mackey, Mackey, & Barney 2007; Menz 2010). For example, the Economists Intelligence Unit (2008) found that, on the average, 12 firms having a robust CSR commitment practiced profit enhancement of 16% as well as share price increases of 45% within a three-year period, compared with 7% and 12%, respectively, for companies without strong commitment to CSR. Withal, skeptics question the worth of investing in CSR efforts Sternberg (1994); The Economist (2005), as some tend to embrace Milton Friedman's (1970, p. 122) belief that "the social responsibility of business is to extend its profits." Actually, Menz (2010) concluded that the non-social responsible firms are less risk premium than the social responsible firms.

The general purpose and scope of the business is to satisfy stakeholder expectations which, the corporate business strategy of a corporation highly concentrates and it is fundamental because it's profoundly affected by business investors and helps guide strategic decision-making throughout a corporation (Johnson, Scholes, & Whittington 2008).

CSR efforts should be according to a company's corporate strategy to realize consumers trust and to support a successful implementation (Becker-Olsen, Cudmore, & Hill 2006; Deigendesch 2009; Levy 1999; Piercy & Lane 2009; Porter & Kramer 2006; Vlachos et al. 2009).

The general impact of CSR efforts on a corporation remains inconclusive Vogel (2006), even though management is under heightened pressure to reply to excelsior demands for improved social and environmental responsibility Kanter, (2010), In addition, there's a scarcity of inquiry that examines the effect of CSR efforts on key marketing dimensions. Understanding basic factors underlying and supporting CSR is potential to make value for both customers and corporations simultaneously is critical for managers.

There is a vast interest and high awareness of societal issue and how to contribute for a sustainable planet both, from the consumers and companies' point of view. During the last few years, the concept of Corporate Social Responsibility (CSR) has become an inevitable part of businesses and a growing number of companies are committed to ethical behaviour and engage in sustainable issues that go beyond their commercial activities. Consumers increasingly expect companies to engage in responsible behaviour and to contribute to a sustainable environment.

CSR is of interest to the Ethiopian beer industry and breweries tend to implement the CSR concept. Most businesses are committed to environmental protection and engage in social welfare, 13 especially

in promoting responsible drinking. While the term social responsibility may semantically indicate an obligation for accountability of some sort, a review of past and present literature does not suggest a consensus of agreement on the matter.

Quite on the contrary, both the literature and empirical findings offer arguments and evidence to support contrasting views. An essential perspective coined as the orthodox (Quazi and O'Brien, 2000; Zairi and Peters, 2000 or new-classical approach Gardiner et al., 2003; Moir, 2003) was developed by the Nobel Laureate in Economics Milton Friedman. He asserted that companies are accountable exclusively to shareholders. Any initiative administered or cost incurred to deal with other stakeholders would be unfavourable to business performance (Cannon, 1994; Friedman, 1996; McWilliams and Siegel, 2001; Moneva and Ortas, 2008; Quazi, 2003). Moreover, Companies that experience additional and avoidable costs by investing in CSR would be at an obstacle with regard to their competitors (Waddock and Graves, 1997).

Thus, resources earmarked for CSR initiatives would be more productive or profitable if invested in initiatives to increase the firm's efficiency (McWilliams and Siegel, 2001). From positional perspectives, McGuire et al. (1988) also pointed to the less responsible companies affected not as much as compared to the companies engaging with CSR. Most previous researches have used corporate social responsibility in comparison to conventional financial indicators.

By using brand value as a measure of corporate performance with its integrative combination of economic earnings, driving consumer demand and brand strength (reputation, loyalty, market position), we are appraising a new focus on the crucial question of whether CSR pays off or not.

2.3.1. Why Companies Engaged in CSR

Companies engage in CSR activities for different reasons in the contemporary business environment. The core contributor to the cause is that society's awareness on the subject and their demanding expectation enforces the business to incorporate the CSR into their daily practices. The following points shows highpoints that weigh the reason of CSR in contemporary business entities.

1. Moral obligation– The companies engage in CSR since they believe it is their duty to be a good citizen and “do the right thing”.

2. Sustainability - The Company focuses on environmental and community steward-ship with the belief that it is best for the company in the long run. The World Business Council describe sustainability as: “Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

3. License to operate- Many companies only engage in CSR because they are forced to follow regulations and permissions from governments, communities and other stake-holders to be able to conduct business.

4. Reputation - Most organizations engage in CSR to have good will, to create strong image, to sustain the reputation and increase the stock value.

Kotler et al. cited in Carlson, Akerstom (2008) has another view that describes companies participate in CSR in order to gain several benefits; they explain the following as the main ones:

1. Increased sales and market share - There is strong evidence that when customers make decisions of which product to buy they consider factors such as the company’s participation in CSR activities.

2. Improved brand positioning- When a company or a brand is associated with CSR it affects the brand image and customers are likely to have a positive feeling towards it.

3. Improved image - The Company can gain positive publications about their CSR activities in different reports and business magazines.

4. Increased ability to attract, motivate and retain employees - Employees working for companies that participate in CSR-activities describes that they are proud of their company’s values and that it motivates them.

2.3.2. Business Benefits of Corporate Social Responsibility

These benefits are positive effects on company image, reputation, employee motivation, retention and recruitment, cost savings, revenue increase from higher sales and market share, and CSR related risk reduction or management. The easy way to begin CSR activities are cost savings.

Cost savings can arise from material substitution, lower energy consumption, reduced material storage and handling costs or reduced waste disposal. Some investors give attention to social and environmental performance for a company that handle CSR aspects well and give an access to the capital.

The financial services companies have a big role in offering financing. They can have an impact on the businesses applying finance by requiring better CSR behaviour. Business case refers to involve an investment during a project or initiative that promises to yield a sufficient return to 17 justify the spending. In the case of CSR this suggests that the organization is going to be happier financially by

attending not only its core business but CSR also. Four general sorts of the business case for CSR are cost and risk reduction, profit maximization and competitive advantage over industry rivals, reputation and legitimacy, and synergetic value creation meaning finding win-win situations between the corporate and its stakeholders.

2.3.3. The Corporate Social Responsibility Pyramid

A four-part conceptualization of CSR included the thought that the corporation has not only economic and legal obligations, but ethical and discretionary (philanthropic) responsibilities as also (Carroll, 1979). CSR can be described by identifying four different kinds of responsibilities that companies have toward their stakeholders: economic, legal, ethical and philanthropic. These four responsibilities create the CSR pyramid which describes how companies take responsibility and contribute to society by taking different actions (Carroll, 1991).

According to Carroll and Shabana (2010), the components of CSR can be described as required economic and legal responsibilities, expected ethical responsibilities and desired philanthropic responsibilities.

A. Economic Responsibility

In the beginning, businesses were created as economic objects intended to provide goods and services to social customers. Before it was anything else, business organization was the basic economic unit in our society (Carroll 1991). The primary motive was to establish as the primary motivation for entrepreneurship. It is important for corporations to perform in a reliable way in order to maximize earnings per share and to earn as much profits as possible.

Furthermore, the author stated its importance that CSR lies in keeping a durable and competitive position on the market, to reach a high level of operation efficiency and to have a successful organization by being defined as one corporation that is consistently profitable (Carroll, 1991).

B. Legal Responsibilities

Carroll (1991) explains that it is essential for a corporation to perform in a consistent way with expectations of government and law and also comply with different states, federal, and local principles. He further list that it is essential to be an honest corporation and successful organization that is being defined as one and that also achieves its legal responsibilities. Carroll (1991) also explains that it is

essential for a corporation to provide goods and services that at least reaches up to the minimal law regulations.

C. Ethical Responsibilities

Carroll (1991) defined five different components regarding the ethical responsibilities and the first one treats the importance, like the other responsibilities, in a manner consistent with expectations of social morals and ethical norms.

He explained that it is essential to both recognize and respect new ethical or moral norms generally assumed by society. Further on, he explains that it is essential for a corporation to prevent ethical norms from being compromised in order to achieve corporate goals. Good Corporation is being defined as doing what is expected morally or ethically, and that is very essential. According to Carroll (1991), the last component in the ethical responsibility is the importance that corporate integrity and ethical behaviour go beyond simple agreement with laws and regulations.

D. Social Responsibilities

Philanthropic responsibility deals with corporate humanitarians' contribution that are not required or expected by society. Instead have a company choose to engage in philanthropic projects like aiding poor in developing countries, build houses for people in need, sponsoring local communities or events, donations to charitable etc. However, CSR philanthropy can be seen as help to create a better world by actively engaging in programs to promote human welfare and goodwill (Carroll, 1991).

E. Environmental Responsibilities

It relates to contribution of the well-being of the biotic community, the coherence of land and ecosystems and the risk of letting threats damaging the biodiversity. It concerns the existing living and non-living creatures within earth's biodiversity (Safit, 2013).

The revealing of positive environmental CSR both gives an increase in stock value for shareholders and a positive image for the company in the long term. The investments in environmental CSR have to be coherent with the shareholders of the company (Flammer, 2013).

2.4. Definitions and Concepts of Brand Equity

The most important and valuable definition of brand equity have been proposed by Aaker (1991) and Keller (1993) that is more commonly used definition in the literature. Aaker (1991) has defined brand

equity as a set of five groups of assets and responsibilities of company that are attached to the name or symbol of the brand, and raise or reduce the value of a product or service for a company or for consumers. Aaker (1991) defines brand equity as a set of elements which create value for products, businesses and consumers. These elements include brand names, logos and etc. From the perspective of Keller (1993), brand equity is different reactions of consumers to the brand. Branding has been in marketing literature for centuries as a means to distinguish the company's goods from competitors' goods (Keller 2008). In 1992 Blackston started to build a definition for brand equity. He acknowledged that "a brand is the consumer's idea of a product" and a consumer is an active participant in creating brand equity. Berry (2000) divided brand equity assets into two dimensions: brand awareness and brand meaning. He did not form his own definition of brand equity, but he used Keller's definition from 1993. Burmann, JostBenz and Riley (2000) had slightly 13 different approach to brand equity; "present and future valorization derived from internal and external brand-induced performance". They focused on the value created by brand-related performance. They used five dimensions of brand equity assets: brand benefit clarity, perceived brand quality, brand benefit uniqueness, brand sympathy and brand trust. The first three dimensions concern functional brand equity attributes and the last two are focusing more on emotional attributes. According to Gill et al. (2007), association creates a value and feeling about brand that distinguishes it from other brands. Consumers may also remember a sign of the product consumed in their family which it is not necessarily the name of the product and can be the shape of the packaging, design or specific pictures or any other thing that can be associated in minds. Also, awareness of consumer and a relationship with a strong positive associative is considered as an advantage for the brand.

2.4.1. Conceptual domain of consumer-based brand equity

There are numerous proposals for classification and dimensions of brand equity that the first and the most famous are presented by Aaker (1991). The present research conceptualizes brand equity in accordance with Aaker (1991) and Keller (1993) based on consumer perceptions. The following sections provide a description of the four dimensions of consumer-based brand equity examined in our study: Aaker (1991), defined from the perspective of the consumers brand equity includes five dimensions of brand awareness, brand association, perceived quality, brand loyalty and other assets related to the company. Usually the first four dimensions are considered in the analysis of consumer-based brand equity and the fifth factor is posed as a communication channel between the company and other factors as an indirect relationship with the consumer. Keller (1993) is of the first people who presented assumptions on brand equity from the perspective of consumers with an emphasis on its perceptual dimensions. Keller assumed that brand equity depends on brand knowledge and the basis of comparison with a similar product. Brand loyalty: This is a major component of brand equity. Aaker (1991, p. 39) defined brand loyalty as: "the attachment that a customer has to a brand". Loyalty to the brand is a position that demonstrates how likely a Customer may turn to other brands, especially when that brand creates a change in the price or other aspects of product (SeyedJavadein& Shams, 2007). Brand loyalty can be defined as the customer's positive attitude towards a brand, the brand's commitment and his intention to continue to purchase that brand in the future (Kim et al., 2003). Perceived quality: This is another important dimension of brand equity (Aaker, 1991). Aaker (1991) defines perceived quality as customer's perception of overall quality of product or service according to his own purpose compared to other options. Perceived quality has been defined as the consumer

judgment about significance and preference of a product with respect to its purpose and in comparison, with other similar products in the market (SeyedJavadein& Shams, 2007). Perceived quality is not the actual quality of the product but the consumer's subjective evaluation of the product (Zeithaml, 1988, p. 3).

Brand awareness: This refers to the strength of a brand's presence in consumers' minds. Brand awareness is an important component of brand equity (Aaker, 1991; Keller, 1993). Aaker (1991) states that brand awareness can be defined as consumer's ability to identify or recall a brand in a specific product category. For example, remembering a certain brand like Coca-Cola. Brand awareness is the ability of potential buyer to detect and recall that a brand is a member of a certain product category. High brand awareness and brand association leads to creating a distinctive image of the brand (SeyedJavadein& Shams, 1386). Brand association: Brand association is everything associated with the brand in mind (Aaker, 1991) and may include consumer mentality, product characteristics, uses, associations related to company, brand personality and symbols (Keller, 1993). Brand associations are believed to contain "the meaning of the brand for consumers" (Keller, 1993, p. 3). While a brand may derive associations from a range of sources, brand personality and organizational associations are the two most important types of brand associations, which influence the brand's equity (Aaker, 1991).

2.5. Empirical Reviews on Corporate Social Responsibility and Brand Equity

Today, organizations know that CSR is linked to their reputation and brand identity (Holding and Pilling, 2006). Manhaimer (2007) stated that customer loyalty is linked to brand equity. This means that there is a possible relationship between CSR and loyalty through brand equity. CSR efforts by a company can enhance its brand equity and thus the overall consumer loyalty. Van Heerde, Gupta and Wittink (2003) also suggested that loyalty can be impacted by brand equity and these two factors in turn can be driven by CSR initiatives. A study by Lai et al. (2015) entitled the impact of the corporate social responsibility on the performance of the brand revealed that the company's activities and reputation effectively impact the industrial brand equity and performance. In a study of Lai et al., the brand equity includes brand loyalty, perceived quality, brand awareness, brand association and the satisfaction of the brand. A study by Tuan (2014) aimed to analyze the relationship between corporate social responsibility, leadership and brand equity in a hospital in Vietnam, showed that interactive leadership is in relationship with company's legal and economic responsibility. The aim of research assumed to identify factors that distinguish a company as socially responsible. It has been shown that for respondents, the most important activity should be ethical, i.e. good and fair treatment of employees and customers by the company. Ethics thus becomes the foundation of CSR, which should be developed through mutual concessions based on the law that functions in a given society. Without this there is no ethics and ethical standards in the company activity (Rabiański 2011).

Supporting charities is one of the most important factors that affect the recognition of the company as a socially responsible business. This is consistent with principles of functioning within CSR, as it is recommended that companies to keep balanced policy in order to increase their benefits, but also to reduce and even to eliminate damages resulting from their activities by investing in social infrastructure, such as building schools and hospitals. These activities are aimed at balancing the effects of business activity through a positive impact on the society, in which they functioning. Lack of such approach can result in a lack of public acceptance for the company's operations, cut it off from

resources, and consequently its liquidation (Walsh et al. 2003, Frederick 2006). An important factor prominent in research is the support the activities related to environmental protection by businesses. In well-developed countries there is a high willingness to support initiatives for sustainable development of society, including activities related to ecology. It is a sign of a highly developed awareness of taking care of natural and ecologically clean environment, which is necessary for the proper functioning of people. A greater interest in environmental protection among younger respondents is shown, which is confirmed by a negative correlation between age and perception of environmental qualities (Johnson et al. 2004). The choice of employers' problem indicated that amount of proposed wages and employee's opinion on atmosphere at work was focused greatly by respondents with primary and vocational education levels. An important problem for the respondents is the ability to upgrade their professional qualifications through training courses organized by employer. The study has also raised the problem of the company's brand, which when choosing an employer, the greatest attention was paid by respondents with primary and vocational education degree as well.

Being socially responsible means for individuals and organizations to manifest ethical behavior and to demonstrate sensitivity to the social, cultural, economic, and environmental issues. It is confirmed that the implementation of these behaviors is beneficial for the functioning of businesses. For example, the Asia-Pacific CSR Group was established to support activities related to environmental protection and human resources in this region of the world (Gautam, Singh 2010). Also, companies in the aviation industry have incorporated CSR into their business structures due to the negative impact of its operation on the environment, and the issue concerned the limitation of pollutants emission and the importance of Corporate Social Responsibility of enterprises in business 123 *Oeconomia* 13 (2) 2014 noise reduction (Cowper-Smith, de Grosbois 2011). Executives believe that CSR creates a competitive advantage for their businesses, thereby increasing its market share (McWilliams, Siegel 2001).

Today, corporate social responsibility is no longer seen as a moral responsibility of business people, but as a strategic resource that aims to improve the efficiency of functioning between society and corporation (Lee 2008). Despite the voluntary of CSR introduction, it is not quite voluntary concept, because CSR is a contemporary need for a long-term and stable business development (PARP 2012). Poolthong and Mandhachitara (2009) believe that CSR is a powerful tool in building customer perceived quality and brand effect, sometimes referred to as attitudinal loyalty. Positive effect of CSR on consumers' attitudes towards the firm and its products has been confirmed in several marketing studies. Employee commitment, brand image, customer loyalty and market share are some of reported positive consequences of the relationship between CSR and brand effect (Berens et al., 2007; Ginsberg and Bloom, 2004). Riaz, (2010) shows clear evidence that CSR has profound impact on brand awareness, brand image, brand value and brand loyalty. CSR is also linked with the process of creating brand equity. He clearly mentioned that CSR needs to be improved in the Pakistani markets and showed the evidence that brands with a very strong CSR profile are seen as safe investment. He finishes by saying that CSR might be the only solution to sustain brands and achieve brand equity status.

Esmailpour and Barjoei, (2016) investigated the influence of social responsibility and corporate image on their brand equity. Employed applied research in terms of aim and descriptive-exploitative in terms of data collection and the study population consists of all consumers of Morghab food industry (Yekoyek) in Bushehr. The sample size is estimated to be 384. The results show that corporate social

responsibility has a significant positive impact on corporate image and brand equity. In addition, corporate image positively influences brand equity. Mallin (2009) argues that socially responsible companies are expected to integrate economic, social and environmental concerns into their business strategies and activities beyond their compliance with the law. Mallin explains that social responsibility is not corporate philanthropy. This is because companies can be philanthropic but fail to be ethical or law abiding. Siltaoja (2009) explains that economic responsibility requires organizations to be profitable to meet the customers' needs, while legal responsibility is the requirement to work within the legal framework of the business and observe the rules and regulations within the jurisdictions of the business. On the contrary, ethical responsibility refers to following the moral standards in carrying out business while discretionary responsibility refers to the companies' voluntary actions to benefit the society in which they operate in by improving the quality of life of the citizens Siltaoja (2009). According to Asongu (2007) Ethical CSR, involves 'avoiding societal harm' which is an obligation. Wilkinson et al. (2008) explain that ethical CSR is the moral, mandatory fulfillment of a corporation's economic, legal and ethical responsibilities regardless of the benefit accrued to the business. Kitchin, (2003) states in his article about the CSR using brand explanation he defined CSR in a very broad sense and then related it with brand. He explained brand as a trust and a gap between brand and trust in different models and suggested how to close these gaps in order to create CSR. In the end, he stated that the biggest challenge to be faced is to change people's thinking. People are the system, only they can change themselves. Vassileva, (2001) states the relationship of firm's CSR activities with corporate branding focusing on customer's viewpoint shows the impact of CSR activities on corporate brand. In the findings, it showed that the commitment to CSR activities is highly appreciated.

From the perspective of studying the impact of CSR researchers like Esmailpour and Barjoei (2016) conduct a study on the Impact of Corporate Social Responsibility and Image on Brand Equity. The aim of this study is to investigate the influence of social responsibility and corporate image on their brand equity. The study population consists of all consumers of Morghab food industry (Yekoyek).

The researchers found that corporate social responsibility has a significant positive impact on corporate image and brand equity. In addition, corporate image positively influences brand equity. The research variables like (Moral responsibility, Legal Responsibility, Economic Responsibility, Corporate Image, perceived quality, Brand Awareness, Brand Association and Brand Loyalty) are clearly described.

The main gap was observed from the sampling method which most like might not in according to Asamoah (2014), the performance of the companies CSR practices was high in the areas of community support, environmental issues, and ethics.

The companies engaged in CSR for various reasons including enhancing the reputation of the companies for positive image and branding of the company, to gain some competitive advantages, and to improve business performance etc.

According to Asamoah (2014) the performance of the companies CSR practices was high in the areas of community support, environmental issues, and ethics. The companies engaged in CSR for various reasons including enhancing the reputation of the company's, for positive image and branding of the company, to gain some competitive advantages, to improve business performance etc.

The researcher conducted a study on the effect of Corporate Social Responsibility on the competitiveness of firms in the Mobile Telecommunication industry in Ghana and the author reaches to the mentioned conclusion which shows that CSR has an impact on enforcing a positive brand image. The study used quantitative methodology to achieve its purpose.

Daubaraite and Virvilaite (2011), did a study focusing on the impact corporate social responsibility has on corporate image, basing the findings theoretically and empirically.

Sen, Sankar & Bhattacharya (2001) examined when, how, and for whom specific Corporate Social Responsibility (CSR) initiatives work. These researchers studied consumers' CSR responses and therefore the means underlying these responses. This is evidenced in the study by the fact that companies and organizations in Ethiopia understand CSR practices mainly as corporate charity primarily aimed at addressing socio-economic development challenges. In addition, what can be learnt from Ethiopia is that, it is important to be aware of differences in sympathetic and usage of CSR definitions and concepts among stakeholders.

2.5.1. Study Gap

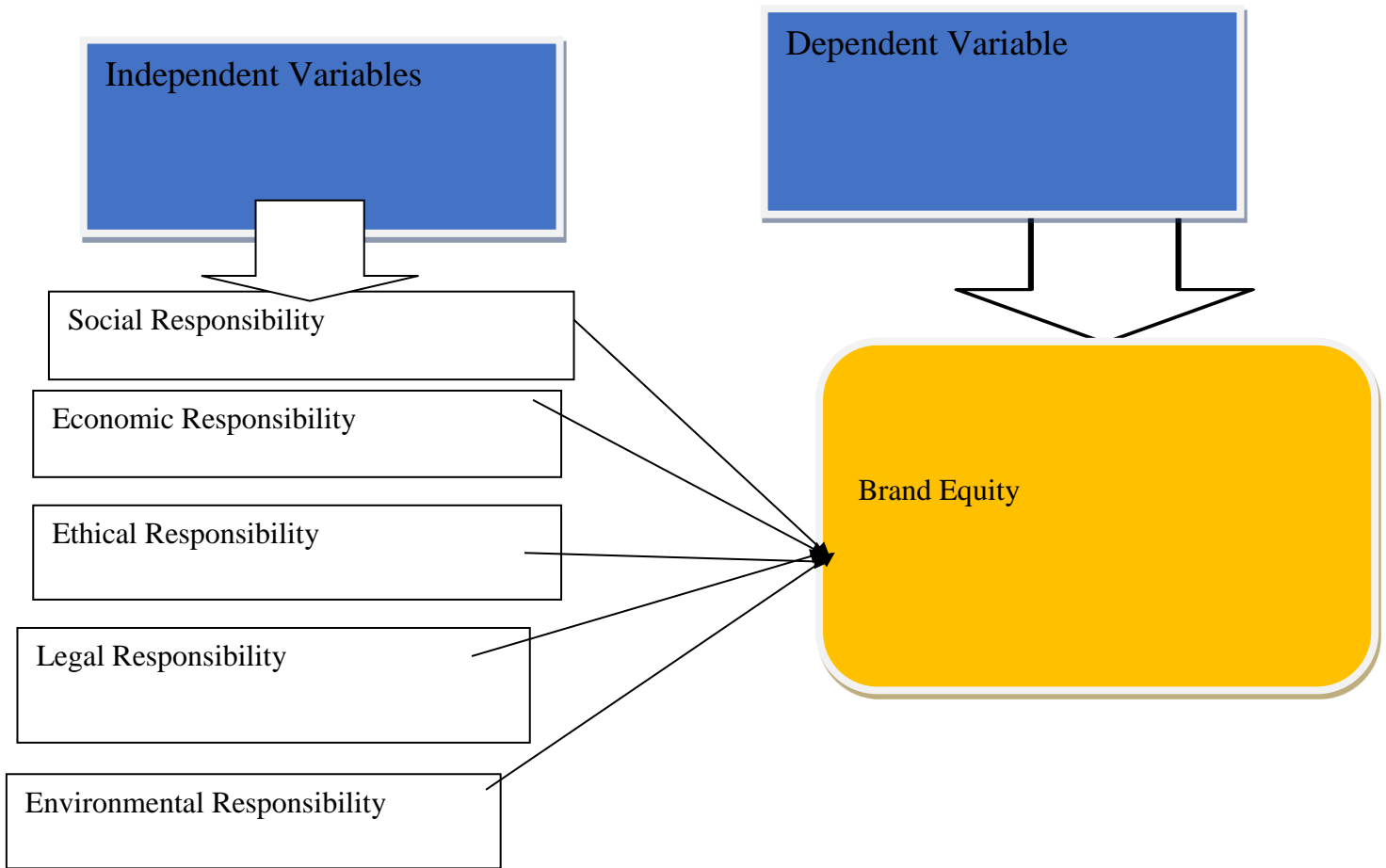
As to the researcher knowledge, the literatures reviewed have indicated that quite some studies were administered on corporate social responsibilities publicly, private and non-government organization. However, coming to Ethiopia context studies carried out in this area are scant in number to show the direct effect of CSR dimensions on Brand Equity. Therefore, this study has tried to fill the study gap by investigate the effect of corporate social responsibilities practices on brand equity on Raya Breweries S.C.

2.6. Conceptual Framework

Jabareen, (2009) explain Conceptual framework as a network or a plane of interlinked concepts that together provide a comprehensive understanding of a phenomenon or phenomena. Conceptual framework provides the link between the research title, the objectives, the study methodology and the

literature review. The major variables of this study were corporate social responsibility elements (independent variable) and brand equity (dependent variable). Thus, the research includes all major corporate social responsibility elements in terms of Social responsibility, Economic responsibility, Environmental responsibility, Legal responsibility and Ethical responsibility. As a result, a conceptual framework is developed to illustrate the key variables and their relationship with brand equity.

Figure 2.6: Conceptual Framework



(Source: “related review literature”, (2024).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Study Area Description

This study was conducted in the Tigray region of Ethiopia, focusing primarily on Maichew town and Mekelle city. Maichew is home to the headquarters of Raya Breweries, one of the largest brewing companies in the region. The town is strategically located and plays a central role in the operations of the brewery, making it a relevant area for investigating CSR practices within the brewery industry.

Mekelle, the regional capital of Tigray, is also a key location for this study. It houses the head office of Raya Breweries and is a significant urban center in the region. As the business and administrative hub of the Tigray region, Mekelle is home to a diverse population, including employees of Raya Breweries, local stakeholders, and various community members impacted by the brewery's CSR initiatives.

The study covers both Maichew and Mekelle, as these areas are directly involved in the brewery's operations and its CSR activities. The target population for this study is primarily based in Mekelle city, including the brewery's management, employees, and other key stakeholders in the region. This geographical scope allows for a comprehensive examination of the brewery's CSR impact on brand equity and its strategic integration of CSR within the local context of Tigray.

3.2. Research Design

Saunders et al. (2009) stated that there are three different research designs, namely exploratory, descriptive, and explanatory designs. Explanatory studies were used when exploring relationships between different factors and variables and how they affect each other (Saunders et al., 2009).

A descriptive research design can use a wide variety of research methods to investigate one or more variables. In this study, the researcher would be used descriptive and explanatory research design to enable and accomplish the objectives of the study.

3.3. Research Approach

According to Creswell (2009), there are three research designs namely; quantitative, qualitative and mixed. (Leedy&Ormrod 2001; Williams, 2011) describe the research methodology as the holistic steps a researcher employs in embarking on a research work. Therefore, a quantitative research method deals with quantifying and analysis variables in order to get results. It involves the utilization and analysis of numerical data using specific statistical techniques to answer questions like who, how much, what, where, when, how many, and how. Qualitative study approach is concerned with subjective assessment of attitudes, opinions and behaviour. Based on the research problem and questions developed in chapter one in line with the underlying philosophy of the research approaches quantitate

3.4. Target Population

Hair et al. (2010), target population is said to be a specified group of people or object for which questions can be asked or observation made to develop required data structures and information.

The target population of the study were 5,503 customers of Raya breweries S.C. comprised of wholesalers and Retailers in Mekelle. The list of wholesalers and retailers were obtained from Raya brewery S.C. Commercial Department.

3.4.1 Sampling frame

The sample Frame was include;

Table 3.1 Sampling Frame

S/N	Classification of Sample Frame	Targetpopulation
i.	Wholesaler	1203
ii.	Retailer	4300
	Total target population	5503

(Source: field survey, 2024)

2024)

3.4.2. Sample Size

The sample size for this particular study is computed based on a formula suggested by Yamane Taro (1967) provides a simplified formula to calculate sample sizes. In addition to this, the sampling technique should be used with the population of interest is not homogenous. The total population of this research were wholesalers and retailers of Raya brewery S.C located in Mekelle. As to the sample size determination, among different methods, the one which is developed by Yamane Taro (1967) provides a simplified formula to calculate a precise sample size with 95% confidence level and $p = 0.5$ were assumed for equation:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n: designates the sample size of the research.

e: Designates maximum variability or margin of error 5%.

1: The probability of the event occurring.

N: Target population of the study.

When this formula were applied to the target population the sample size obtained as:

$$n = \frac{N}{1 + N(e)^2} \quad n = \frac{5503}{1 + 5503(.05)^2} = 373$$

Using above formula out of 5503 target population only 373 customers were selected.

The total population of this research is both wholesalers and retailers of Raya brewery S.C in Mekelle.

In addition to this, the proportionate stratified sampling technique were used if the population of interest is heterogeneous.

Table 3.3.2. Sample Size Distribution

Type of Population	Population (P)	Sample Size (n)
Wholesaler	1203	82
Retailer	4300	291
Total	5503	373

In order to calculate the number of samples to take from wholesaler and retailer, the proportionate stratified sampling formula were used:

$$\text{Sample from wholesaler} = (\text{no of respondent from wholesaler} / \text{total population}) * \text{sample size}$$

$$N1 = n1/N \times 373 = 1,203/5503 \times 373 = 82$$

Sample from retailer = (no of respondent from retailer /total population) *sample size

$$N1 = n1/N \times 373 = 4300/5503 \times 373 = 291$$

3.5. Sampling techniques

The study employed stratified random sampling technique. Stratified random sampling according to, (Fienberg, 2003), is a technique which attempts to restrict the possible samples to those which are less extreme by ensuring that all parts of the population are represented in the sample in order to increase the efficiency (that is, to decrease the error in the estimation).

According to population Denscombe (2010) the sample size in stratified sampling is selected in proportion to its size in the population. Where population can be or is divided into several strata, then stratified sampling technique is the most ideal for the study.

According to Mugenda and Mugenda (2008) this method gives an equal opportunity to all respondents in the population, to participate in the study therefore reducing biasness and making it the most appropriate for this study. The strata consisted of the 2 customer category (Wholesaler and Retailer) obtained from Raya breweries S.C.

ive research method.

3.6. Data Source and Method of data collection

To conduct this research, information obtained from both primary and secondary data sources were used. Primary data is collected through structured close-ended questionnaire from selected customers of the Raya brewery S.C. While Secondary data is collected from academic books, journals, magazines, research papers, as well as from Raya Breweries S.C manuals and reports.

3.6.1 Primary source of data

The researcher have been planned to use different kinds of primary data collection methods. Those were structured interviews, questionnaire and observation. All the primary data was collected by field survey.

A. Questionnaire

To collect necessary information from the sample respondents, a structured questionnaire containing both open-ended and close-ended types of questions would be designed and distributed to the respondents. The open-ended questions allow the respondent to have a variety of response options while the closed-ended questions to certain respondent choices among provided. These questionnaires were prepared and presented to the current customer clearing agents and top management of the Raya Brewery S.C. This method of data collection would be used because of the nature of the questionnaire for a wide coverage of many respondents and its easiness to quantify and analyse the obtained information. To get information through the structured questionnaires, every sample respondent were asked.

B. Interview

To extract as enough information as possible in addressing the objective of the study, structured interview would be carried out through face to face with selected respondents and top management of Raya Brewery S.C with regard to the problem of the study. The interview questions form was prepared in a manner which allows interviewee to provide valuable information on the problem of the study.

C. Observation

The observation method was the most commonly used in studies relating to behavioral sciences. Observation becomes a scientific tool and the method of data collection for the researcher, when it serves as a formulated research purpose, is systematically planned and recorded and is subjected to checks and controls on validity and reliability (Kothari 1990).

3.6.2 Secondary source of data

Secondary data were data which have been collected by individuals or agencies for the purpose other than the particular research study. The reason why the researcher desire to choose secondary data in addition to primary data is because: the information derived from secondary data can be very helpful to make the study useful. In addition to this the secondary data obtained from internet, international journals and annual reports, and other published and unpublished documents that were directly and indirectly related with the objectives of the study.

3.6.3. Data Collection Instruments

A Structured close-ended questionnaire was used to collect the primary data. The questionnaire is carefully developed in a way that would be measure the impact of the proposed independent variables on the dependent variable. The type of questions, form wording and sequences were also considered carefully. It is translated into Amharic to help ease comprehension and in order to extract accurate response of respondents. The questionnaire has been measured by five-point likert scale anchored by 1=Strongly Disagree, 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree.

A likert scale is an ordered scale from which respondents choose one option that best aligns with their view. It is often used to measure respondents' attitudes by asking the extent to which they agree or disagree with a particular question or statement. The Likert scale has scales that assist in converting the qualitative response in to quantitative values (Mugenda&Mugenda, 2003).

The study is required to use these instruments because it is easier to analyses since they are in an immediate usable form. This is also economical to use in terms of cost and time.

3.7. Methods of Data Analysis

The data collected from questionnaire is analyzed by using data analysis tools. Verification was conducted and completed questionnaires identified. Then the data coded in to SPSS (Statistical package for social science), according to the selected variables and the questions has been asked. The data analyses performed used descriptive and inferential statistics for independent and dependent variables. SPSS Version 20 Is practiced by the study to analyses the data.

3.8. Reliability and Validity

3.8.2. Reliability

Reliability refers to the consistence, stability, or dependability of the data. A reliable measurement is one that is repeated a second time gives the same results as it did the first time. If the results are different, then the measurement is unreliable (Mugenda and Mugenda 2008). To measure the reliability of the data collection instruments, internal consistency techniques using Cronbach's alpha is used. Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalization.

3.8.1. Validity

Validity refers to the extent to which an instrument measures what is supposed to measure. Data need not only to be reliable but also true and accurate. If a measurement is valid, it is also reliable (Joppe 2000). The content of validity of the data collection instrument is improved through discussing the study instrument with the experts in the field of study and the researcher supervisor. The valuable comments, corrections, suggestions, given by the study experts assisted the validation of the instrument. Before issuing the questionnaire to respondent's comments and suggestions given by advisor have been adjusted accordingly.

3.9. Ethical Consideration

Each discipline should have its own ethical guidelines regarding the treatment of human participants on the study (Vanderstoep and Johnston 2009). Study ethics deal with how we treat those who participated in our studies and how we handled the data after we collect them. The researcher has kept privacy (that left any personal questions), anonymity (protecting the identity of specific individuals from being known) and confidentiality or keeps the information confidential.

Accordingly, the questionnaire has been distributed to voluntary participants and had a clear introduction and instruction parts regarding the purpose of the study.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

Introduction

In this chapter, analysis of data and research findings have been interpreted in relation to the objectives of the study and with respect to the research questions developed to guide the study. The data analysis was made with the help of Statistical Package for Social Science (SPSS v. 20). The demographic profile of the study sample, their attitude towards Raya Breweries CSR and analysis of its effect on its brand equity through its dimensions have been described using descriptive and inferential statistics. To test hypothesis and achieve the study objectives, different inferential statistics were employed. Pearson's correlation was used to see the strength of association between the dependent and independent variables

4.1. Rates of Response

Respondents' response rate refers to the proportion of questionnaires that were returned and filled during the study in relation to total number of questionnaires expected to be filled. In this study, a total of 373 questionnaires were distributed to target respondent, out of the total 373 questionnaires, 291 usable questionnaires were obtained (78.01%) response rate.

A total of 82 questionnaires were uncollected and all of the uncollected questionnaires were from wholesaler and retailer agent's due to un-availability of respondents and un-willingness to fill the questionnaires. Therefore, 291 questionnaires were considered for the study as respondents which could be taken as stake holders of the authority.

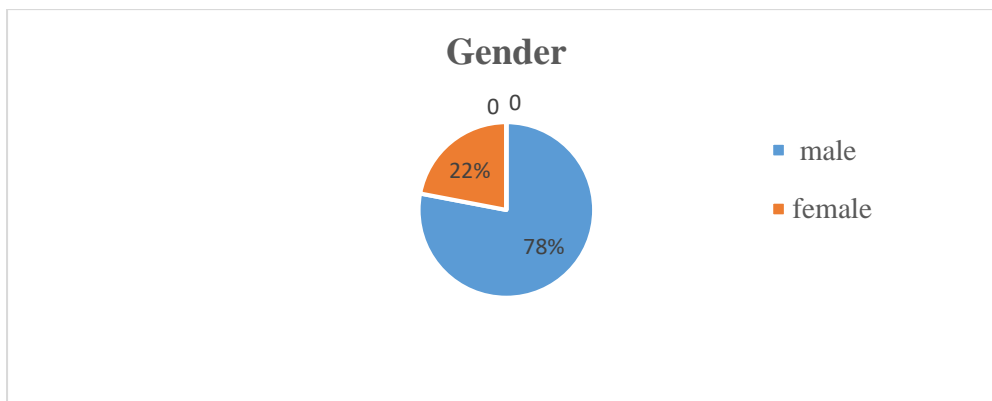
Table 4.1: Rate of Respondents

Sample Size	373
Completed and Returned Questionnaires	291
Response Rate	78.01%

4.2. Biography of the Respondents

The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents, proportion of males and females in the sample, range of age, education level of respondents and how long they have used the breweries service, so that the analysis could be more meaningful for readers. This part of the questionnaire requested a limited amount of information related to personal characteristics of respondents. Accordingly, the following variables about the respondents were summarized and described in the subsequent tables. These variables include: gender, age, educational level, and respondents experience.

Figure 4.2: Classification of Gender



From the data presented in Figure 4.2, the majorities 228 (78%) of the respondents were male and the remaining 63 (22%) of the respondents were female. Majority of the participants in the research were male, this implies that number of male customers are higher than female customers in this area.

Table 4.2: Background of the Respondent

Product Dimension	Measurement scale	N=291	100 %
Educational Level	Below high school	36	12
	Diploma	166	57
	First degree	87	30
	Masters or PhD	2	1
Category of the respondents	Wholesaler	94	33
	retailor	197	67
Respondents Experience	Less than a year	56	19
	1 - 5 years	63	22

	6 – 10 years	153	52
	Over 10 years	19	7

Source: field survey, 2024)

As shown in table 4, 2, 36(12%) of the respondents were below high school, 166(57%) of the respondents were Diploma holders, and 87 (30%) of the respondents were first degree holders while the rest 2 (1%) of the respondents were graduate of Masters. The result indicated that most of the respondents are academically qualified. Category of the respondents indicated that a total of Wholesalers 94 (33%) and Retailors 197 (67%) were the respondents. The data concerning the length of service of the respondents indicates.

that 56 (19%),63 (22%), 153 (52%), and 19 (7%) have served for below 1 year, 1-5 years, 6-10 years, and for more than 10 years respectively. This may reveal that all of them are familiar with the system in place and are able to give reliable information about the current situation.

4.3. Descriptive Statistics

Hoeffler and Keller, (2002) suggest that corporate societal marketing programs can affect brand equity by building consumer awareness, enhancing brand image, establishing brand credibility, evoking brand feelings, creating a sense of brand community, and eliciting brand engagement. One statistical approach for determining equivalence between groups is to use simple analyses of means and standard deviations for the variables of interest for each group in the study (Marczyk, Dematteo and Festinger, 2005).

The mean indicates to what extent the sample group averagely agrees or does not agree with the different statement. The lower the mean, the more the respondents disagree with the statement. The higher the mean, the more the respondents agree with the statement. On the other hand, standard deviation shows the variability of an observed response from a single sample. The data collected are tabulated in which it shows the frequency/percentage of respondents and the mean and standard deviation from the total 350 respondents. The measurement instrument used to calculate social, economic, environmental, legal, ethical CSR and brand equity are scaled from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4=Agree and 5= strongly Agree.

4.3.1. Customer Perception related to ethical CSR

Business firms are usually encouraged to operate their business according to the law by the ethical responsibility. The major concern of this section is to investigate the ethical domain of CSR. To investigate the ethical domain of CSR, 5 questions were presented and the mean has been calculated. The responses are presented as follows.

Table 4.3.1: Customer Perception related to Ethical CSR

As indicated in Table 4.1 the Tangibility dimension scores are slightly below 2 points of neutrality in both perception and expectation formation of respondents. As we will see over and over again, this is a fundamental result of the study indicating that customers have formed high expectations about the Ethical responsibility of the Raya Brewery.

To investigate the ethical domain of CSR, 5 questions were presented and the mean has been calculated. The responses are presented as follows.

Descriptive Statistics			
Ethical Responsibility	N	Mean	Std. Deviation
1. Raya Breweries different activities adhere ethical or moral standards or principles of the society.	291	2.51	.617
2. Raya Breweries ensures honesty and quality in all its services.	291	1.71	.722
3. In its business relationship, Raya Breweries is working with only other companies which keep ethical or moral principles of the society.	291	1.68	.841
4. Raya Breweries support works that promote wellbeing of the society in ethical manner.	291	1.92	.780
5. In its sponsorship program Raya Breweries prioritize a program that keeps ethical or moral practice of the society.	291	1.87	.799
Valid N (listwise)	291		

As indicated in Table 4.1 the Tangibility dimension scores are slightly below 2 points of neutrality in both perception and expectation formation of respondents. As we will see over and over again, this is a fundamental result of the study indicating that customers have formed high expectations about the Ethical responsibility of the Raya Brewery.

The first question under Ethical domain of CSR is “Raya Breweries different activities adhere ethical or moral standards or principles of the society.” From participants of the survey, the

vast majority are agreed on the issue and they accounted Mean (2.51) and Std. Deviation (0.617). Basing the finding, we can say that; RayaBreweries is doing ethical business.

The second question is “Raya Breweries ensures honesty and quality in all its services.” Response of respondents showed that, Mean (1.71) and Std. Deviation (0.722).That, Raya Breweries ensures honesty and quality in all its services. The third presented question is “In its business relationship, Raya Breweries is working with only other companies which keep ethical or moral principles of the society.” For this question mean(1.68) and Std. Deviation (0.841). “Raya Breweries support works that promote wellbeing of the society in ethical manner, in its sponsorship program.” A total of 291 respondents are Mean (1.92) And Std. Deviation (0.780) that; Raya Breweries prioritize a program that keeps ethical or moral practice of the society while sponsoring. The last question indicates that Raya Breweries prioritize a program that keeps ethical or moral practice of the society. It is an implication of Raya Breweries effort to keepthe ethical or moral standards of the society by its own capacity and also enforcing others. Ethical CSR dimension in this study comprises five items that intended to measure the degree of brand equity. Of those items, Raya Breweries different activities adhere ethical or moral standards, supportworks that promote wellbeing of the society in ethical manner and prioritize a program that keeps ethical or moral practice of the society scored the mean value of 2.51. Therefore, it is possible to conclude that, customers of the Raya Breweries are satisfied with Ethical CSR dimension.

4.3.2. Customer Perception related to Economic CSR

Businesses are created as economic objects intended to provide goods and services to social customers. Before it was anything else, business organization is the basic economic unit in our society. CSR lies in keeping a durable and competitive position on the market, to reach a high level of operation efficiency and to have a successful organization by being defined as one corporation that is consistently profitable (Carroll 1991).

Economic Responsibility	N	Mean	Std. Deviation
1. Raya Breweries is working its business in a manner consistent with maximizing earning for its owner.	291	1.71	.722
2. Raya Breweries is working to be as profitable as possible.	291	1.68	.841

3. In its business activity Raya Breweries is maintaining a strong competitive position.	291	1.92	.780
4. In all its business doing Raya Breweries maintain high level of efficiency.	291	1.87	.799
5. All of Raya Breweries business activities have direct or indirect economic impact on the company.	291	1.58	.656
Valid N (listwise)	291		

The first part under economic domain of CSR presented as “Raya Breweries is working its business in a manner consistent with maximizing earning for its owner.” From all attendants the research respondents mean (1.71) and Std. Deviation (0.72). This implies majority of respondents believed that Raya Breweries is working its business in a manner consistent with maximizing earning for its owner.

The second question under economic domain of CSR is “Raya Breweries is working to be as profitable as possible.” The vast majority of respondents whose account Mean (1.68) and Std. Deviation (0.841). This indicates majority of respondents believed that Raya Breweries is doing its business to be as profitable as possible. The third question, “In its business activity Raya Breweries is maintaining a strong competitive position” The feelings of respondents indicate that Mean (1.92) and Std. Deviation (0.780) respectively. Thus, it indicates that Raya Breweries is maintaining a strong competitive position in the market.

The overall mean rating and the standard deviation of the respondents for economic CSR is mean 1.92 and Std. Deviation 0.78 respectively. It indicates that customers’ attitude towards economic CSR is good.

4.3.3. Customer Perception related to Social CSR

Social Responsibility	N	Mean	Std. Deviation
1. Raya Breweries contributes resources to the community.	291	1.58	.656
2. Raya Breweries strives to provide for community betterment.	291	1.71	.791
3. Raya Breweries actively promotes volunteerism.	291	1.95	.799

4. Raya Breweries allocates a percentage of profits towards charitable activities.	291	1.88	.847
5. Raya Breweries sponsoring the arts/sports/community events.	291	1.71	.669
Valid N (listwise)	291		

According to item number 1, customers are inquired to suggest if Raya Breweries contributes resources to the community. As can be seen from the above table, about mean (1.58) and Std. Deviation(0.656) of the respondents. The second question stated that: Raya Breweries strives to provide for community betterment and the customers respond that, mean (1.71) and Std. Deviation(0.791).

Based on the survey, “Raya Breweries allocates a percentage of profits towards charitable activities” the customer answered that: mean (1.88) and Std. Deviation (0.847) of the respondent customers about Raya Breweries allocates a percentage of profits towards charitable activities. The respondents are asked “Raya Breweries sponsoring the arts/sports/community events.” Mean (1.71) and Std. Deviation (0.669) respectively. It is found that social CSR is one of the major factors impacting brand equity.

4.3.4. Customer Perception related to Legal CSR

The findings are presented below.

Descriptive Statistics

Legal Responsibility	N	Mean	Std. Deviation
1. Raya Breweries is governed by the country’s’ and also international laws of business.	291	1.49	.661
2. Raya Breweries different activities obey or comply with the law.	291	1.68	.799
3. Raya Breweries advocate its employee to act lawfully.	291	1.89	.880
4. Raya Breweries is doing business with other companies that are operating lawfully.	291	1.71	.722
5. Raya Breweries ensures working conditions meet health and safety standards.	291	1.68	.841
Valid N (listwise)	291		

The first question under legal domain of CSR presented to respondents is, “Raya Breweries is governed by the country and also international laws of business, Raya Breweries different activities obey or comply with the law, Raya Breweries advocate its employee to act lawfully, Raya Breweries is doing business with other companies that are operating lawfully and Raya Breweries ensures working conditions meet health and safety standards are with mean of (1.49,1.68,1.89,1.71and 1.68)and Std.Deviation of (0.661,0.799,0.880,0.722 and 0.841 respectively.

Thus, it indicates that Raya Breweries ensures working conditions that meet health and safety standards.As it is depicted in table 4.3. Above, all mean values for the indicators of legal CSR are above, 1.00 suggesting the respondents agree on the existence of the legal CSR in the Raya Breweries. From this the researcher infers that the Raya Breweries respects the norms defined in the law, and abides by good moral principle in conducting business.

4.3.5. Customer Perception related to Environmental CSR

Environmental sustainability includes safeguarding of species on the earth. Environmental variables associated with natural resources consumption and degradation, gives potential influences to its viability. The impact of its products or operations on the environment, plus the nature of its emissions and waste and how it is dealing with them were asked to the respondents to indicate their levels of agreement. The findings are presented below.

Environmental Responsibility	N	Mean	Std. Deviation
1. Raya Breweries S.C Participates in activities which aim to protect and improve the quality of the natural environment.	291	1.92	.780
2. Raya Breweries S.C adopts proper waste management techniques to help conserve nature and natural resources.	291	1.87	.799
3. Raya Breweries S.C develops new products or services that are environmentally friendly.	291	1.58	.656
4. Raya Breweries S.C complies with all environmental laws and regulations.	291	1.71	.791
5. Raya Breweries S.C ensures a good working environment for its employees	291	1.95	.799

Valid N (listwise)

291

Regarding the first question which is Raya Breweries S.C Participates in activities which aim to protect and improve the quality of the natural environment depicted that, mean (1.92) and Std. Deviation (0.780) of the respondent customers respectively. Overall the survey result showed that company Participates in activities which aim to protect and improve the quality of the natural environment.

The above table shows Raya Breweries S.C adopts proper waste management techniques to help conserve nature and natural resources, Raya Breweries S.C develops new products or services that are environmentally friendly, Raya Breweries S.C complies with all environmental laws and regulations, and Raya Breweries S.C ensures a good working environment for its employees are mean (1.87, 1.58, 1.71 and 1.95) and with Std. Deviation (0.780, 0.799, 0.656, 0.791 and 0.799) respectively.

Therefore, the majority of the respondents agreed that Raya Breweries S.C ensures a good working environment for its employees.

All mean scores of indicators of the environmental CSR of the Raya Breweries are at the range of above 1.0. This indicates that Raya Breweries S.C participates in activities which aim to protect and improve the quality of the natural environment.

4.3.6. Customer Perception related to Brand Equity

Brand equity is the added value endowed on products and services. It may be reflected in the way consumers think, feel, and act with respect to the brand, as well as in the prices, market share, and profitability the brand commands (Aaker's, 1996). Brand equity is the dependent variable of the study. Customer's response on brand equity is presented in table below

Brand Equity	N	Mean	Std. Deviation
1. I can identify brands with strong CSR activities.	291	1.88	.847
2. CSR activities raise the profile of a brand in consumer's mind.	291	1.71	.669
3. I can quickly recall the symbol or logo of brands that practice CSR.	291	1.49	.661
4. I can recognize Raya Breweries brand among other competing brands.	291	1.68	.799
5. I consider myself to be loyal to Raya Breweries.	291	1.88	.847
Valid N (listwise)	291		

Table 4.3.6 presents the results of customer’s opinion about Brand Equity.

With the mean value(1.88) and Std. Deviation(0.847) respectively that they can identify brands with strong CSR activities.

“CSR activities raise the profile of a brand in consumer’s mind.” The mean value is 1.71 being explained high. This indicates that the result of CSR activities raises the profile of a brand in consumer’s mind.

Concerning to “I can quickly recall the symbol or logo of brands that practice CSR”; the majority of respondents with the mean value (1.49) and Std. Deviation (0.661) respectively.

From the above table, we can recognize Raya Breweries brand from other competing brand. The implication of the finding is that; majority of the respondents recognize Raya Breweries. The fifth question is about “I consider myself to be loyal to Raya Breweries.” for this saying, mean value of (1.88) and with Std. Deviation (0.847).

As it can be observed from the above table, respondents have generally developed positive perception regarding brand equity dimension.

4.5. Econometric Analysis

4.5.1. Reliability Analysis

To measure the consistency of the questionnaire, particularly the Likert-type scale, the reliability analysis is essential in reflecting the overall reliability of constructs that it is measuring. Cronbach’s Alpha is a statistical tool that is used to measure the reliability of research conducted using a questionnaire. According to Cronbach’s (1951), the reliability analysis value greater than (α) 0.70 is acceptable. To measure the reliability of the questionnaire, the researcher applied a preliminary reliability test from the Raya brewery S.C. As mentioned in the table below, the alpha value of this study is 0.7231 or 72.3% that is on the higher side and it can be concluded that the questionnaire used in this research is reliable.

Table 4.4: Result of reliability analysis

Variables	No. of observations	Cronbach’s alpha
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2	291	0.7231
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Source: Questionnaires and STATA output (2024)

4.5. Goodness of fit Test Model

Hosmer and Lemeshow's goodness of fit test shows how much predicted value matches closely the observed values. This test states that the more closely the observed frequencies and predicted frequencies matched, the better the fitness of the model. A probability (p) value is computed (comparing the observed frequencies with those expected) under the multi-linear model from the chi-square distribution to test the fit of the model. To test/check goodness of fit the model "lfit" or "estatgof" has been conducted.

Table 4.5: goodness-of-fit test

Number of observations	291
Number of covariate patterns	291
Pearson chi2(57)	57.24
Prob> chi2	0.4662

Source: (STATA output, 2024)

There are no fixed points as to judge the model as a best or worst predictor yet it is generally agreed that a model with its overall predictive power of three percent or more is good (Anders, Ari, & Magnus, 2006). The result of the above table test indicates the p-value (0.4662) is greater than 0.05. Therefore, the model fits the data.

4.6. Discussion of Results

This section discusses the findings of the statistical analysis: - Ethical Responsibility With respect to the first objective, the result of the analysis indicates the relationship between ethical responsibility and brand equity by taking its Std. Deviation and accordingly the outcome shows that there is a positive effect of ethical responsibility on brand equity at 0.78. Thus a unit increase in ethical responsibility leads to 0.722 increases in brand equity other things being constant. Therefore, the more Raya Breweries dedicates on its ethical responsibility the more it increases brand equity.

The Raya Breweries ensures honesty and quality in all its services, and behaves ethically and honestly with its customers that positively affect the brand equity. Economical Responsibility From the regression analysis we can see that there is a positive statistical relationship between economical responsibility (the independent variable) and brand equity (the dependent variable).

This suggests that complying the economic responsibility that include creating maximum long term success with customers, providing quality products, delivering what it promises, success organization and responsiveness to the complaints of its customers, resulted on brand equity.

Social Responsibility Concerning to the third objective of the study, the result of the survey indicates that there is a positive effects of societal responsibility on brand equity. Furthermore, this result is maintained by the empirical evidence of (Singh et al., 2007) that CSR behaviours which intended to enhance social interests are positively related to brand image in a study involving several famous brands and a diversified group of citizens. Therefore, it is possible to conclude and accept the proposed hypothesis that societal responsibility is positively and significantly determining the level of brand equity.

Legal Responsibility From the regression analysis we can see that there is a positive statistical relationship between legal responsibility (the independent variable) and brand equity (the dependent variable). So, the more Raya Breweries finances on its legal responsibility the more it increases brand equity.

Environmental Responsibility From the regression analysis we can see that there is a positive statistical relationship between environmental responsibility (the independent variable) and brand equity (the dependent variable).

This result is supported by the empirical evidence of (Clarkson, 1995) “environmentally oriented CSR, such as the assisting of environmental activities and the incorporation of environmental sustainability into the business operations will strengthen brand image in consumers’ minds.” Hence, the more Raya Breweries capitalizes on its environmental responsibility the more it increases brand equity.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMENADCTIONS

This chapter consists of three sections which include summary of the findings, conclusion and recommendations.

5.1. Summary of Findings

This study was conducted with an objective of identifying the contribution of corporate social responsibility practices on brand equity of Raya Breweries S.C. The survey population comprises of Wholesalers and Retailers of Raya Breweries S.C. Since it is challenging to cover all population through survey, this study has used sampling techniques to arrive at representative sample. Thus, sample of 373 respondents were randomly sampled for the survey.

From that 291 of the self-administered questionnaire were filled and returned to the researcher. Data for this study was gathered through self-administered questionnaires.

The Raya Breweries ensures honesty and quality in all its services, and behaves ethically and honestly with its customers that positively affect the brand equity. Economical Responsibility From the regression analysis we can see that there is a positive statistical relationship between economical responsibility (the independent variable) and brand equity (the dependent variable).

This suggests that complying the economic responsibility that include creating maximum long term success with customers, providing quality products, delivering what it promises, success organization and responsiveness to the complaints of its customers, resulted on brand equity.

This result is supported by the empirical evidence of (Clarkson, 1995) “environmentally oriented CSR, such as the assisting of environmental activities and the incorporation of environmental sustainability into the business operations will strengthen brand image in consumers’ minds.” Hence, the more Raya Breweries capitalizes on its environmental responsibility the more it increases brand equity.

5.2. Conclusion

The overall objective of the study was to examine the effect of corporate social responsibility on brand equity: a case study of Raya breweries S.C. Primary data was gathered by using structured questionnaire. Quantitative descriptions were applied on the data gathered to analyse the information obtained. By undertaking a detailed analysis of the situation, the following findings were obtained. The Ethical dimension including all the five items has scored grand mean of 0.722 which fall in the range of Above 3.2, it is considered as agreed. Therefore, it is possible to conclude that, customers of Raya breweries S.C agreed with ethical CSR, which include honesty and quality in all its services, working with other companies which keep ethical or moral principles of the society and other attributes the respondent customers comprehended as follow considering those survey parameters.

- Raya Breweries different activities adhere ethical or moral standards or principles of the society.
- Raya Breweries ensures honesty and quality in all its services.
- In its sponsorship program Raya Breweries prioritize a program that keeps ethical or moral practice of the society.
- In its business relationship, Raya Breweries is working with only other companies which keep ethical or moral principles of the society.
- Raya Breweries support works that promote wellbeing of the society in ethical manner.
- As it can be observed from the table 4.3.2, respondents have generally developed positive perception regarding the economic CSR dimension. It indicating that grand mean value is 4.36 which include working to be as profitable as possible, maintaining a strong competitive position, maintains high level of efficiency and others the respondent customers comprehended as follow considering those survey parameters.
- Raya Breweries is working its business in a manner consistent with maximizing earning for its owner. Raya Breweries is working to be as profitable as possible.
- In its business activity Raya Breweries is maintaining a strong competitive position.
- In all its business doing Raya Breweries maintain high level of efficiency. The result of the study showed (Table 4.2.2) that customer attitude about social CSR.
- Many customers are unsatisfied with regard to resources contributes to the community.
- Generally, most of the customers decide that Raya Breweries doesn't strive to provide for community betterment.

- The respondent customers disagree about Raya Breweries allocates a percentage of profits towards charitable activities. As it can be observed from the descriptive analysis, respondents have generally developed positive perception regarding the legal and environmental CSR dimension which includes governed by the country's' and international laws of business, doing business with other companies that are operating lawfully, activities which aim to protect and improve the quality of the natural environment and other features the respondent customers comprehended as follow considering those survey parameters.
- Raya Breweries is governed by the country's' and also international laws of business.
- Raya Breweries different activities obey or comply with the law.
- Raya Breweries is doing business with other companies that are operating lawfully.
- Raya Breweries S.C Participates in activities which aim to protect and improve the quality of the natural environment.
- Raya Breweries S.C adopts proper waste management techniques to help conserve nature and natural resources.

5.3. Recommendations

From the findings of this study it was observed that there is a direct and positive relationship between corporate social responsibility and brand equity. Based on the finding and analysis of the study, the following recommendations were proposed:

- The discovery of this study also proved that economical responsibility has had significant p-value which implies those elements are properly undertaken in Raya Breweries S.C. Consequently, its possibility forwarded a recommendation that in order to gain wider 64 reputation and goodwill among the general public Raya Breweries S.c, The output of findings of this research indicates that Raya Breweries S.C significantly discharge its ethical responsibility as expected standard. Hence the management should give much emphasis and upgrading of those statistically significant results in order to enhance the brand equity.
- Management should focus and improve its corporate social responsibility policy especially in connection those statistically significant result of economical responsibility.

- Although not majority, significant number of responses falls within ‘Disagree’ category along some items in the questionnaire.

Raya Breweries S.C has an obligation to promote its social CSR activities in a proper manner and implement a mechanism of resources contribution to the community that come through its CSR commitments and resources allocation to CSR initiatives in ways that yield optimum benefits to society.

5.4. Limitations and Directions for Future Research

The study was comprehensive to include other brewery companies as part of the study, however due to time and resource constraints the study only focused on one brewery company which is hard to conclude the practice of the overall brewery industry. Theoretically, there were many factors which affect employee commit brand equity, but to cope up with the available time and resource constraints the study scope have been limited to the effect of corporate social responsibility practices on brand equity on Raya breweries S.C.

This study had included only five factors and future researches therefore may consider more factors to add. Gathering the data by using different qualitative methods such as interview or focus group discussion is recommended to uncover other variables that might have an impact. Furthermore, this study only covered Raya Breweries S.C in Mekelle.

Future researchers should include the same case in other breweries as well as major cities of the country to make it more representative and it is better to include the perspective of management and the organization

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**QUESTIONNAIRE
MEKELLE UNIVERSITY**

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MARKETING MANAGEMENT

Questionnaire for the effect of corporate social responsibility on component of brand equity: A Case Study of Raya Breweries S.C.

Dear respondent,

This questionnaire is designed by a graduate student from Mekelle University to conduct a study in partial fulfillment of a master`s degree program in Marketing Management. As part of the requirement for the award of the master degree, I am undertaking research on the effect of corporate social responsibility on component of brand equity. Please take a few minutes of your time to answer this questionnaire about your view and experience with regards to the Raya Breweries S.C.

The outcome of this study enhances knowledge on the effect of corporate social responsibility on component of brand equity. Participation in this study is voluntary based. Your name is not required. All information offered will be treated confidentially, and the data will be used only for academic purpose.

Thank you in advance for the available information you will be sharing and the precious time you are going to spend for this purpose.

If you have any enquiry, please don't hesitate to contact the researcher on:

Email-helisweet72@gmail.com

Cell phone: +251 913 545054 (Helen Mulugeta).

PART ONE: - GENERAL INFORMATION /DEMOGRAPHIC QUESTIONS

Choose the suitable answer and tick in the box given for each question

1. Gender

A. Male

B. Female

2. Educational level

A. Below high school

B. college diploma

C. First degree D. Masters or PhD

3. To what category do you belong?

A. Agent

B. Wholesalers

C. Retailers

4. Kindly, indicate your experience the Breweries sector.

A Less than a year

B. 1 - 5 years

C. 6–10 years.

D. over 10 years

PART TWO: - Questionnaires regarding corporate social responsibility and brand equity dimensions

Please, indicate your opinion by marking the appropriate box on the five points scale where:

1=Strongly Disagree 2= Disagree 3=neutral 4=Agree 5=Strongly Agree

1	Ethical Responsibility	1	2	3	4	5
1.1	Raya Breweries different activities adhere ethical or moral standards or principles of the society.					
1.2	Raya Breweries ensures honesty and quality in all its services.					
1.3	In its business relationship, Raya Breweries is working with only other companies which keep ethical or moral principles of the society.					
1.4	Raya Breweries support works that promote wellbeing of the society in ethical manner.					
1.5	In its sponsorship program Raya Breweries prioritize a program that keeps ethical or moral practice of the society.					
2	Economic Responsibility					
2.1	Raya Breweries is working its business in a manner consistent with maximizing earning for its owner.					
2.2	Raya Breweries is working to be as profitable as possible.					
2.3	In its business activity Raya Breweries is maintaining a strong competitive position.					
2.4	In all its business doing Raya Breweries maintain high level of efficiency.					
2.5	All of Raya Breweries business activities have direct or indirect economic impact on the company.					
3	Social Responsibility					
3.1	Raya Breweries contributes resources to the community.					
3.2	Raya Breweries strives to provide for community betterment.					
3.3	Raya Breweries actively promotes volunteerism.					

3.4	Raya Breweries allocates a percentage of profits towards charitable activities.					
3.5	Raya Breweries sponsoring the arts/sports/community events.					
4	Legal Responsibility					
4.1	Raya Breweries is governed by the country's' and also international laws of business.					
4.2	Raya Breweries different activities obey or comply with the law.					
4.3	Raya Breweries advocate its employee to act lawfully.					
4.4	Raya Breweries is doing business with other companies that are operating lawfully.					
4.5	Raya Breweries ensures working conditions meet health and safety standards.					
5	Environmental Responsibility					
5.1	Raya Breweries S.C Participates in activities which aim to protect and improve the quality of the natural environment.					
5.2	Raya Breweries S.C adopts proper waste management techniques to help conserve nature and natural resources.					
5.3	Raya Breweries S.C develops new products or services that are environmentally friendly.					
5.4	Raya Breweries S.C complies with all environmental laws and regulations.					
5.5	Raya Breweries S.C ensures a good working environment for its employees					
6	Brand Equity					
6.1	I can identify brands with strong CSR activities.					
6.2	CSR activities raise the profile of a brand in consumer's mind.					
6.3	I can quickly recall the symbol or logo of brands that practice CSR.					

6.4	I can recognize Raya Breweries brand among other competing brands.					
6.5	I consider myself to be loyal to Raya Breweries.					

Thank you for your cooperation!!!