

# The Impact of Corporate Image on Consumer Engagement in Sustainable Consumption

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**Abstract.** In order to raise public awareness of sustainability, companies need to take an important step towards sustainable consumption. A positive corporate image can help consumers to change their consumption habits and promote sustainable consumption. Corporate social responsibility becomes important in the context of corporate image, showing how companies themselves contribute to solving social, economic and environmental problems. Corporate image – what consumers think of a company – can influence consumer engagement in sustainable consumption. The objective is to determine the impact of corporate image on consumer engagement in sustainable consumption. The results showed that a positive corporate image can lead to consumer satisfaction and long-term customer retention, i.e. loyalty, indicating a positive consumer engagement with sustainable consumption. Consumer engagement in sustainable consumption is not only determined by a positive corporate image together with CSR, but also by the external and internal environment of consumers.

**Keywords:** *corporate image, sustainable consumption, customer engagement, social corporate responsibility.*

## Introduction

### *Relevance of the article*

Changing consumer lifestyles, attitudes and increasing demands are having a negative impact on the environment around us. Rampant consumption leads to severe environmental pollution, which contributes to the transformation of the effects of climate change and to a deteriorating quality of life. In order to promote public awareness and the principle of sustainability in all areas of life, companies must take an important step towards sustainable consumption. Corporate image, including the development of corporate social responsibility, can be one of the key elements influencing consumer engagement in sustainable consumption.

### *Level of problem investigation*

The concept of corporate image has been studied by Lee (2019), Özkan, Süer, Keser, & Kocakoç (2020), Yu, Han, Ding, & He (2021), Triatmano, Respati, & Wahyuni (2021). The components of corporate image and what shapes corporate image are detailed by Rubtcova & Pavenkov (2019). The links between corporate image and corporate social responsibility and sustainability aspects have been explored by Wang (2020), Chen, Khan, Hongsuchon, & Ruangkanjanases (2021), Wong, & Kim (2020). Corporate social responsibility has been addressed and presented by Nor, & Udin, (2021), Gürlek, Düzgün, & Uygur (2017). Quoquab, & Mohammad (2020); Huy (2021); Pilgrimienė et al. (2020) highlighted the key factors that determine consumer engagement in sustainable consumption.

The literature review lacks a specific author's perspective on the links between corporate image and sustainable consumption. In order to assess the impact of corporate image on consumer engagement in sustainable consumption, what aspects of corporate image are determinants of consumers' sustainable consumption, and how corporate image can encourage consumers to engage in sustainable consumption, it is important to further explore this area of concern.

**Scientific problem** is how does corporate image affect consumer engagement in sustainable consumption?

**Object of the article** the impact of corporate image on consumer engagement in sustainable consumption.

**Aim of the article** is to identify the impact of corporate image on consumer engagement in sustainable consumption.

### **Objectives of the article:**

1. To summarise the concept and meaning of corporate image.
2. To identify the determinants of consumer engagement in sustainable consumption.

- To establish the empirical level of empirical investigation of the impact of corporate image on consumer engagement in sustainable consumption.

### **Methods of the article**

A comparative analysis of the scientific literature is used to analyse the concepts of corporate image, consumer engagement and sustainable consumption as defined by different authors, as well as their views on the links between corporate image and consumer engagement in sustainable consumption. A synthesis approach is used to combine the components identified by several authors as constituting the structure of corporate image and the factors influencing consumer engagement in sustainable consumption.

## **1. Theoretical aspects of the influence of corporate image on consumers' engagement in sustainable consumption**

### **1.1. The concept and meaning of corporate image**

Corporate image is an important objective of the activities carried out in order to retain and attract consumers and to create a favourable public perception. Corporate image building is an important and necessary step in the development of a company on the market, internationally or nationally. According to Geidraitis, & Viningienė (2017), corporate image is an important step in order to compete in any market, and that the right corporate image can be the reason for a successful business.

Many variations of the concept of corporate image can be found in the literature, but many authors describe the concept in similar terms (Table 1).

Table 1

**Concept of corporate image**

<b>Author</b>	<b>Definition</b>
Hornig, Liu, Chou, Tsai, & Hu, (2018)	It is a concept that defines customers' overall perception of a company, based on their knowledge and the characteristics of the company that they have become familiar with and evaluated.
Lee (2019)	It is a concept that reflects the general public's evaluation of the company.
Özkan, Süer, Keser, & Kocakoç (2020)	It is a portrait of the company created in the subconscious of consumers.
Yu, Han, Ding, & He (2021)	It is a term describing consumers' perceptions, emotions, attitudes, beliefs, evaluations, impressions through direct or indirect experience.
Triatmano, Respati, & Wahyuni (2021)	It is the sum of perceptions, beliefs and impressions of external parties to the organisation.

Source: created by the authors.

The definitions in *Table 1* show that at the centre of the concept of corporate image is the consumer, who determines the perception of a company's image based on his/her personal experience, recommendations and perceptions. This means that corporate image is evaluated by the consumer, whose actions and communication with other consumers can be an important aspect in defining corporate image.

Rubtcova, & Pavenkov (2019) have identified eight similar components that encompass the ideas of the above-mentioned authors and combine to categorise corporate image: product/service image (name, design elements, packaging, etc.); consumer image – this image defines the consumer who chooses a particular service or product; internal image of the organisation – this image reflects the attitudes of the individuals working in the company, working environment; the image of the founder and/or key managers of the organisation; the image of the staff, the visual image of the organisation – includes the aesthetic highlights of the company; social image of the organisation – includes participation in social and community projects, cooperation with other institutions; the image of the organisation as a business – includes building corporate reputation, adhering to ethical standards, ensuring fairness.

According to Chen, Khan, Hongsuchon, & Ruangkanjanases (2021), CSR can describe how a company manages its activities while taking responsibility for its social and environmental impacts. Many authors use Carroll's (2016) pyramid to define the key areas of CSR. The economic

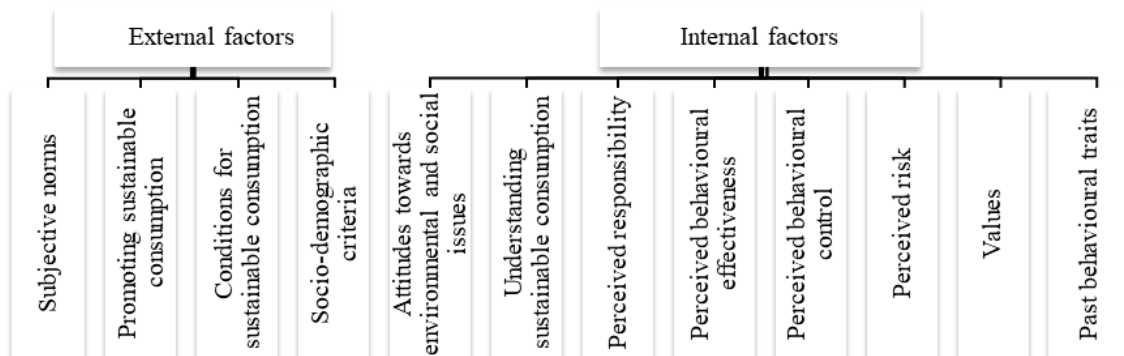
dimension refers to the ability of an enterprise to ensure the supply of goods or services to consumers, while at the same time being able to sustain economic growth. The legal domain defines the implementation of legal regulations in the business. Ethical responsibility refers to social norms and ethics, while the philanthropic domain is defined as the “voluntary” domain, which is manifested through the provision of assistance in the fields of education, health, art, and culture (Nor, & Udin, 2021; Gürlek, Düzgün, & Uygur, 2017).

*Summarising the concept of corporate image, it can be said that the concept of corporate image can be defined as a consumer’s attitude and opinion of a company. Corporate social responsibility can be one of the factors contributing to a positive corporate image.*

## 1.2. Determinants of consumer engagement in sustainable consumption

According to Simanavičiūtė, & Paužuolienė (2021), sustainable consumption can be understood as a multifaceted concept that defines the benefits it provides to people and the environment. A broader definition of sustainable consumption is provided by Quoquab, Mohammad, & Sukari (2019), who define the term as the ongoing act of managing desire by avoiding extravagant purchases and rationalising the use of goods and services that meet basic needs, or, in other words, the reduction of mindless consumption.

According to Quoquab, & Mohammad (2020), Huy (2021), Piligrimienė, Žukauskaitė, Korzilius, Banytė, & Dovalienė (2020), it is possible to summarise the most important factors influencing the engagement of consumers in sustainable consumption (Fig 1).



Source: created by the authors in accordance with Huy, L.T. (2021). *Analysis of Sustainable Consumption Determinants, Business Management*, 1–124; Quoquab, F., & Mohammad, J. (2020). *A Review of Sustainable Consumption (2000 to 2020): What We Know and What We Need to Know*, 305–334; Piligrimienė, Ž., Žukauskaitė, A., Korzilius, H., Banytė, J., & Dovalienė, A. (2020). *Internal and External Determinants of Consumer Engagement in Sustainable Consumption*, 1–20.

**Fig. 1. Determinants of Consumer Engagement in Sustainable Consumption**

When looking at internal factors, the focus is on consumer attitudes towards sustainability issues. Attitudes towards environmental issues show that consumers tend to make sustainable choices when the environment is involved (Joshi, & Rahman, 2019). Perceived consumer behavioural effectiveness is defined as consumers’ belief that their green purchasing behaviour affects the environment in various ways. They will only choose a more sustainable product or service if they believe that this behaviour will benefit the environment, nature, and quality of life (Huy, 2021). Among the externalities, the literature focuses on the influence of other social groups. Lazaric, Guel, Belin, Oltra, Lavaud, & Douai (2020) looked at factors such as gender, education, age and income, while Quoquab, & Mohammad (2020) suggested that place of residence, the size of the residence, may also have an impact.

*The concept of sustainability can be broadly defined as consumers’ choice to buy sustainable products and services. Consumer engagement in sustainable consumption can be influenced by internal (directed at the consumer, their perception of responsibility) and external (including the influence of other social groups, societal incentives or social demographic criteria).*

## 2. Empirical level of research on the influence of corporate image on consumers' engagement in sustainable consumption

Many authors have looked at various sustainable consumption phenomena, which can be influenced by companies themselves, but the focus has been on the purchasing behaviour of environmentally friendly products. *Table 2* shows and represents the findings of the studies conducted by various authors on corporate image influence on customer engagement in sustainable consumption.

Table 2

### Research supporting the impact of corporate image on consumer engagement in sustainable consumption

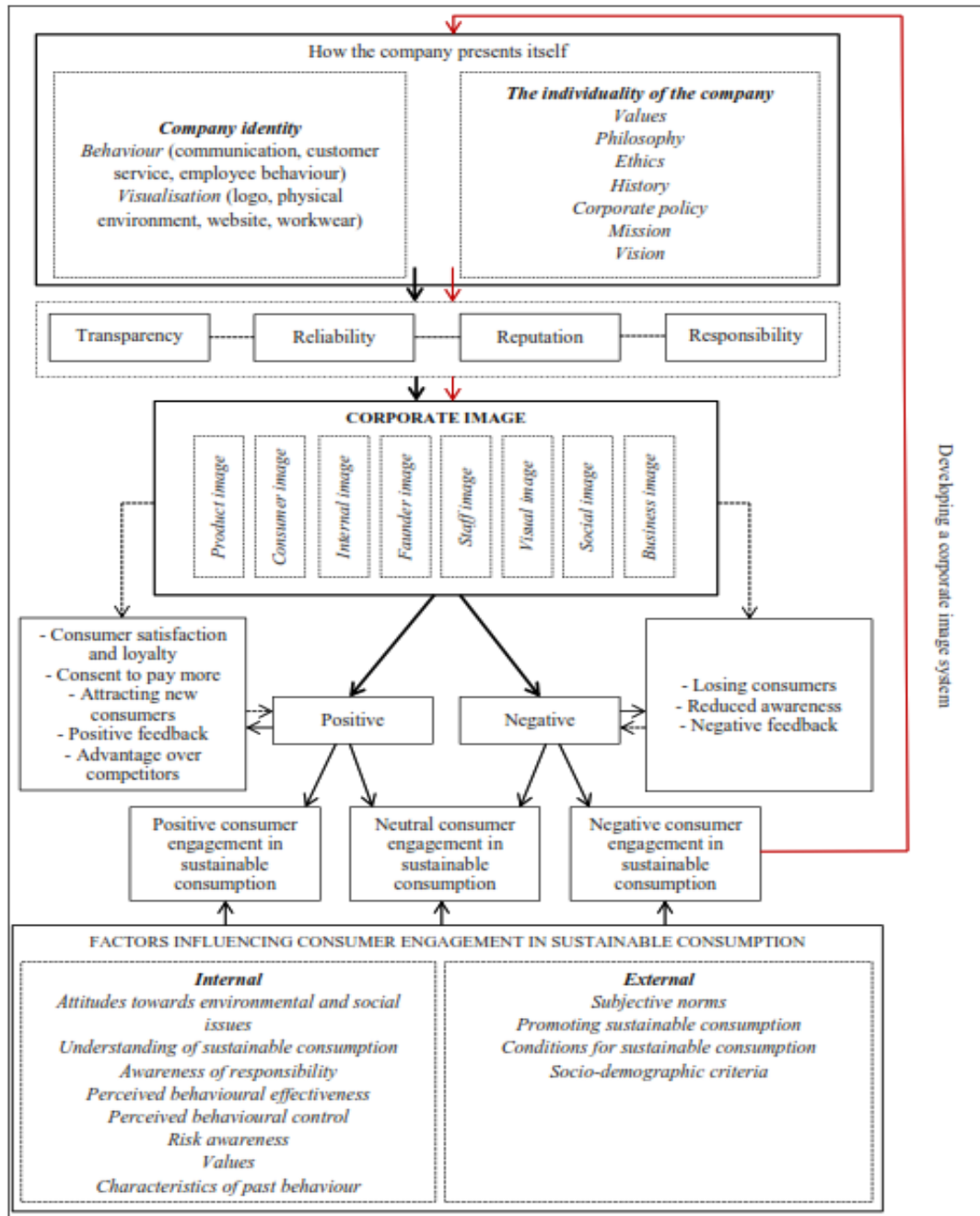
Authors	Objective	Results
Zhang, & Cui (2018)	To investigate whether Chinese consumers' perceptions of fashion companies' CSR initiatives have an impact on the image of the company and their behavioural intentions.	CSR initiatives have an impact on the image of the company, but no direct impact of CSR on consumers' purchase intentions has been identified.
Lee, & Lee (2018)	To investigate the impact of CSR of a multi-brand fashion company on purchase intentions.	CSR at the company level had a positive and direct impact on purchase intentions. It also had a positive effect on corporate image, which had a positive effect on product image.
Blazquez, Henninger, Alexander, & Franquesa (2020)	To analyse consumer knowledge, attitudes and behaviour towards sustainable fashion in the Spanish fashion industry.	Spanish consumers associate sustainable fashion with ethical and environmentally friendly fashion. Attitudes, subjective norms, perceived behavioural control influence behavioural intentions towards sustainable fashion.
Yu, Han, Ding, & He (2021)	Examine how the CSR attitude of fashion companies influences their reputation, image and consumers' choice to buy sustainable products.	Corporate image and CSR have a positive impact on consumer confidence and intention to buy green products.
Vătămănescu, Dabija, Gazzola, Cegarra-Navarro, & Buzzi, (2021)	To identify consumers' intention to engage in sustainable practices and their intention to purchase sustainable clothing.	The attitude of fashion companies towards CSR has a direct impact on the company's reputation and the social image of the company, which in turn influences consumers' intention to buy sustainable products.
Rosa, & Jorgensen (2021)	Examine the impact of CSR on sustainable purchasing intentions in the textile and clothing industry.	Consumer engagement in sustainable consumption is influenced by consumer attitudes, subjective norms and perceived behavioural control.
Huo, Hammed, Zhang, Ali, & Hashim (2022)	To examine consumer perceptions of corporate image in the context of sustainability.	CSR can positively influence the decision of consumers of Pakistani garment companies to engage in sustainable consumption, i.e. to choose sustainable garment products.
James, & James (2022)	To investigate the relationship between green perceived value, CSR and consumer purchase intention.	Corporate image in the context of sustainability can help to achieve consumer satisfaction, loyalty and engagement. Corporate social responsibility is seen as a positive way of communicating the importance of environmental issues.
Huang, Lee & Chen (2022)	To examine consumers' attitudes towards the sustainability of fashion companies and how these attitudes influence their purchasing decisions.	Green perceived value and CSR have a significant impact on corporate image, but CSR does not have a positive impact on consumer attitudes towards environmentally friendly products.
Mandari, Hunjet, & Vukovi (2022)	Examine how the CSR attitude of fashion companies influences their reputation, image and consumers' choice to buy sustainable products.	Respondents have a positive perception of sustainability in the fashion industry, with a positive correlation between the importance of sustainability in fashion companies and consumers' choice to buy sustainable clothing products.

Source: created by the authors.

To summarise the empirical studies already carried out, corporate image is addressed through corporate social responsibility. It is identified as a key factor in creating a positive corporate image in the context of sustainability. This means that socially responsible companies are positively

perceived by consumers, but consumers' perceptions of environmental issues do not always translate into real action. Research has also shown that the image of companies influenced by CSR has a positive impact on their purchasing behaviour, resulting in positive consumer engagement with sustainable consumption. As in the theoretical part, the results of the empirical studies reflected not only the influence of corporate image but also the influence of other internal and external factors. Empirical research focuses on the fashion industry, the clothing industry and consumer engagement in sustainable consumption choices, i.e. the choice to buy sustainable and environmentally friendly clothing products. The authors examine this as one of the most important sectors in the context of sustainability, which needs to be given the utmost attention due to the negative environmental consequences of fast fashion, indiscriminate consumption.

Based on the results of the literature review and empirical research, Fig 2 presents the model developed.



Source: created by the authors.

**Fig. 2. A theoretical model of the influence of corporate image on consumers' engagement in sustainable consumption**

The model reflects that CSR can affect the image of a company, which can lead to a positive corporate image that encourages consumers to engage in sustainable consumption. However, empirical research has shown that other important factors also influence consumer engagement in sustainable consumption and need to be considered in the context of engagement in sustainable consumption. A negative image encourages consumers to choose alternatives, leading to a reduction in the number of consumers, a reduction in awareness, and the dissemination of consumer feedback that includes negative aspects. A positive image can lead to consumer engagement in sustainable consumption, while a negative image can lead to negative engagement in sustainable consumption. Consumers with weak engagement characteristics are identified as having neutral engagement with sustainable consumption. The theoretical model uses the corporate image as a key factor, but other internal and external factors may also determine consumer engagement in sustainable consumption.

## Conclusions

1. Summarising the theoretical framework of corporate image and consumer engagement, it has been found that the concept of corporate image can be defined in terms of two key concepts in the context of corporate image: individuality and identity. The literature has been synthesised to define the impact of corporate image on consumer engagement in sustainable consumption. A positive corporate image can lead consumers to choose sustainable consumption. It is not only a positive corporate image and CSR that influence consumer engagement in sustainable consumption, but also the external and internal environment of the consumer.
2. The analysis of the factors influencing consumers' engagement in sustainable consumption shows that the most emphasised consumer attitudes towards current issues are related to sustainability. Consumer perception and knowledge. Among the external factors, the literature places a strong emphasis on the influence of social groups, as consumer behaviour is often influenced by the attitudes of social groups. Socio-demographic factors act as mediators between the factors influencing consumer engagement. These include gender, education, age and income, and place of residence.
3. The empirical level of empirical investigation of the influence of corporate image on consumer engagement in sustainable consumption has shown that corporate social responsibility plays an important role in the context of corporate image. Corporate image is measured through the implementation of corporate social responsibility initiatives.

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