

THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ON BRAND EQUITY: A STUDY WITH SPECIAL REFERENCE TO SRI LANKA TELECOM PLC

F.H.A. Shibly^{1*} and M.I.M. Hilal²

¹Interdisciplinary Course Unit, Department of Arabic Language, Faculty of Islamic Studies & Arabic Language, South Eastern University of Sri Lanka, Sri Lanka

²Department of Management, Faculty of Management & Commerce, South Eastern University of Sri Lanka, Sri Lanka

**shiblymis@gmail.com*

Today, Investment on Corporate Social Responsibility (CSR) has become the common business practices in the world. CSR is receiving increasing attention, especially in recent decades. At the same time, various stakeholders, especially, shareholders are more frustrated with the investment on the Corporate Social Responsibilities which will affect indirectly to the Brand Equity of the organization. Further there are various pros and cons about CSR, which impact the brand equity of the organization. Sri Lanka Telecom PLC (SLT) is the blue chip company in which CSR has become the most common practices in the SLT business agenda. The SLT has invested on CSR aspects. It is found that there are only few researches have been carried out in Sri Lankan context to find out the impact of CSR on brand equity and there is a need to measure it for organization's effective CSR decision makings. The major objective of this research is to explore and investigate how a company's corporate social responsibility activities are influencing its brand equity. By reviewing the existing literature on CSR and brand equity of the SLT, this study developed a better understanding of gaps that exist. In order to achieve the objective, the research draws from well-established theoretical models; the Carroll model which presented four variables on CSR. This model has been used by many researchers to measure the CSR activities of firms. According to this model, there are four perspectives such as economic, social, legal and ethical perspectives and the Aakers' model has been used to measure the brand equity. The research adopted quantitative method to explore impact of CSR on brand equity of the SLT and data were collected by means of online survey tool and printed questionnaires. A survey was conducted among 100 customers who use the SLT services. Regression and correlation analysis, including partial correlation, linear, binary logistic regression, was used to obtain the results that helped identify the impact of CSR on brand equity of the SLT. The results of the study showed that corporate social responsibility is positively impacted on brand awareness, brand loyalty, perceived quality and brand association of the SLT PLC. Thus there is a positive impact of CSR on brand equity and if the SLT invests more on CSR activities, the value of their brand equity will be increased.