# From Vision to Value:
## Implementing CSR for Market Success in Developing Markets

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*Abstract: Society in general, and markets in particular, are increasingly sensitive to principles linked to corporate social responsibility (CSR) and sustainability. The literature is prolific in this vein— providing a broad range of research covering the terms' meaning, implementation processes, drivers and brakes and the impact on variables of interest for business management. Far fewer studies, however, address these phenomena in the context of emerging economies. In response to the growing interest in developing countries in terms of the population and market, this study aims to deepen the vision of large-firm managers in an emerging LATAM economy—namely, Peru—while providing insights into the potential impact of a number of different cross-cultural traits. To this end, we opted for a grounded theory-based approach. Data were collected by way of nine semi-structured interviews with managers at the same number of Peruvian firms. Our findings both coincide with and differ from the extant CSR literature in terms of signification, implementation and intensity, perceived benefits and consumer behavior. Key theoretical and practical implications of our research are discussed in the final section.*

*Keywords: CSR; Brand Image; Reputation; Buying Behavior; Emerging Economies*

## Introduction

Corporate social responsibility (CSR) has become a fundamental concept in today's business ecosystems, explaining company positioning, among other key factors (e.g., Araújo et al. 2023; López-Pérez et al. 2017b). Various studies confirm that CSR contributes to brand differentiation(e.g., Eisingerich et al. 2023; López-Pérez et al. 2017a)—positively reinforcing both brand image and company reputation (Abugre and Anlesinya 2020; López-Pérez et al. 2017a). In fact, much of the research being carried out in the context of developed Western economies demonstrates that there is a growing segment of consumers willing to pay a higher price for socially responsible products (Fraj-Andrés et al. 2012; Torres et al. 2012). All of this contributes to boosting company financial value (Bahadori et al. 2021; Nair and Bhattacharyya 2019; López-Pérez et al. 2017b), creating a virtuous circle linking CSR, brand image, reputation and company value—with important implications for commercial and business strategy (López-Pérez et al. 2017a, 2017b). Moreover, the three-pronged perspective that CSR affords—economic, social and environmental—aligns perfectly with the United Nations Sustainable Development Goals (SDGs) and penetrates progressively among the different stakeholders (e.g., consumers, workers, shareholders, society in general) (Fonseca et al. 2023; Kharabsheh et al. 2023; Costa et al. 2021).

That said, as noted earlier, most CSR research to date takes highly developed economies as its reference—only rarely placing the spotlight on emerging markets. The work by Bhattacharyya (2019) and Nair and Bhattacharyya (2019) on India, Damoah et al. (2019) on Ghana and Kobrossy et al. (2022) on Lebanon are notable exceptions. The extant literature (e.g., Arditto et al. 2020; Herstein et al. 2017) clearly indicates that developed Western economy business strategies in general, and marketing campaigns in particular, are not necessarily effective in other socio-economic contexts. In fact, in a conceptual study, Voyer et al. (2017) highlight the need to collect more empirical evidence on the potential crosscultural effect, as this factor could potentially lead to different outcomes depending on the context in question. We aim to respond to the call in this paper.

Reality recognizes the diversity of consumer profiles around the world, reducing the potential of a single 'one-size-fits-all' commercial strategy for all markets (Athanasopoulou 2009, p. 583).

Moreover, the relevance of emerging economies in international trade is a reality that cannot be ignored. In real terms, emerging countries display lower levels of income per capita and HDI. In terms of potential market, however, we must take into account population growth in many of these countries—and, in many cases, the evolution of GNP and per capita income f

*Organization Development Journal*
*Volume 42, Issue 1, 2024*

*ISSN: 0889-6402*
*http://odjournal.org/*

attract the attention of companies. In addition, cross-cultural data suggest potential behavioral differences linked to higher/lower degrees of individualism, long-term orientation, power distance and/or uncertainty avoidance, among other factors. Hence, as Arditto et al. (2020, p. 2) explicitly recognize, "in an increasingly globalized economic context, therefore, it seems necessary to continue taking potential

context-bound specificities into account —even more so in emerging economies, where lower levels of economic and technological development can impact both consumer purchasing behavior and customer-company interaction." In addition, the marketing literature suggests that consumer priorities differ and impact customer perceptions and purchasing behavior (Guissoni et al. 2018; Sharma et al. 2018). It seems crucial, therefore, to better understand the commercial dynamics in emerging contexts and analyze how managers perceive customers and how customers perceive firms in terms of branding. To this end, the present study focuses on the specific context of Peru. In the literature, Peru has only been taken as a reference in a limited number of studies (e.g., Germán-Cáceres et al. 2023; Saenz 2023; Loza Adaui 2020). All of these authors recognize the specificities of the Peruvian context.

Morgan Stanley Capital International (MSCI) considers Peru to be a key emerging economy. Moreover, global competitiveness data from the Institute for Management Development (2020) for the period just prior to the COVID-19 pandemic indicate Peru as being one of Latin America's fastest growing economies in recent years —ranked third, behind Chile and Mexico. In little more than 15 years, Peru's GNI per capita has nearly tripled, from USD 2010 in the early 2000s to USD 5970 in 2019 (The World Bank 2020). In terms of cross-culturalism, however, Peru is a collectivist, short-term oriented culture that ranks very high on the Uncertainty Avoidance Index (Hofstede 2023).

All of these characteristics are likely to impact consumer behavior. In such a context, our interest in carrying out our research in Peru—an emerging LATAM economy—is justified. The current study explores marketing manager perceptions at a group of large representative firms regarding the potential impact of CSR on Peruvian consumer purchasing behaviors. Our specific research objectives include understanding (i) how Peruvian firms conceptualize CSR; (ii) how Peruvian consumers perceive and respond to CSR strategies/actions; and (iii) how CSR impacts brand image and company reputation. Our findings will make it possible to harness specific manager perceptions and experiences to fine-tune overall company CSR and communication strategies.

With a view to reaching these objectives, the following section presents our main concepts of reference: CSR, brand image and reputation. Section 3 provides the methodological framework for our empirical study. Section 4 presents our principal findings, based on a series of in-depth interviews carried out by our research team. Our final section provides key implications for theory and business practice.

# Literature Review: CSR, Brand Image and Corporate Reputation

### CSR: A Brief Outline

CSR, as a concept, has evolved considerably from its birth to the present day. In constant adaptation to the historic and cultural milieu, the conceptualization and operationalization of the term have been diverse. Perhaps the first academic definition appears in Bowen (1953), referring to the 'social responsibilities' of business executives as the obligations of businessmen to assume policies, make decisions and follow desirable lines of action in terms of the objectives and values of society. This conception recognizes a company's potential—hence, responsibility—to contribute to general societal well-being. Nearly a decade later, Friedman (1962) essentially linked CSR to business profit; i.e., firms are obliged to contribute to societal well-being by guaranteeing wealth creation and employment. Drucker (1984) proposes a relationship linking CSR and opportunities in terms of the market, productivity, human resources and competitiveness—reaching a phase which we could call 'relative maturity'. At the end of the 20th century, CSR remained a key construct in business management, gradually giving way to alternative theoretical frameworks. The seminal work by Carroll (1999) and Porter and Kramer (2006, 2011) have become a key reference, recognizing the obligations of economic prosperity, social cohesion and environmental sustainability—to which a fourth dimension, philanthropy, would be added. 'Philanthropy' in this context assumes that actions are voluntary, directly linked to business ethics and go above and beyond the existing legislation.

This last approach is still in use today (López-Pérez et al. 2018; Bernal-Conesa et al. 2017)—leaning towards a holistic vision of CSR, highlighting the sustainability component linked to any actions carried out by the organization; in other words, guaranteeing the responsible use of resources that does not limit the activity of future generations. In parallel, the study of the concept is expanded to explore CSR's potential impact on other variables relevant to organizational success, including brand image, consumer behavior and the financial value of the company.

### From Branding to Corporate Reputation

Brand image, as a concept, is based on pioneering work by Aaker (1991) and Keller (1993). These authors highlight the need for developing a brand identity—a unique set of brand associations that represent the brand values and provide customers with an aspiring brand image. In this sense, brand image reflects "associations to the brand held in consumer memory" (Flores-Hernández et al. 2020, p. 937), comprising a level of utility, or added value, that the brand brings to a product (Hur et al. 2014). Brand image has an impact on customer perceptions regarding company operations (Kang and James 2004) and can create different levels of connection between consumers and the brand (Cambra-Fierro et al. 2021; Harrigan et al. 2018; Tan et al. 2018). The literature (e.g., Park et al. 2010) indicates that this connection is key to understanding successful brand positioning given the way consumers tend to establish a unique relationship with brands, forming a unique bond. From a purely practical perspective, when connections like this occur, we can assume very favorable customer attitudes towards the brand in terms of differentiation, satisfaction, loyalty and strength. From a more scholarly standpoint (e.g., Cambra-Fierro et al. 2021; Ali et al. 2020; Roy and Rabbanee 2015), it has been demonstrated that brand strength of this sort has a significant, positive impact on consumer behavior; namely, positive attitudes towards the brand, brand preference, greater motivation to buy brand products, satisfaction and loyalty, among other aspects.

Moreover, authors of reference (e.g., Lai 2019; Veloutsou and Moutinho 2009) indicate that reputation is a consequence of brand image. Though both constructs are considered intangible assets—difficult to imitate and impacting stakeholder perceptions regarding individuals and organizations—brand image is more immediate in nature, while reputation is a construct that must be earned over time (Veloutsou and Moutinho 2009; Cretu and Brodie 2007). Reputation is built, therefore, from a set of past and present actions, an assemblage of signals (De Leaniz and del Bosque Rodríguez 2016; Fombrun 2001; Fombrun and Shanley 1990)—becoming a solid construct which allows us to anticipate future behavior (Janney and Gove 2011; Roberts and Dowling 2002). In this way, reputation becomes a robust guarantor of the long-term trust that can be placed in a brand or organization. For firms, reputation represents a higher aspiration than brand image alone.

In the context of our study, and based on salient ideas in the literature, we posit that CSR contributes to positive brand image-building, hence fostering favorable attitudes towards company products and services (Torres et al. 2012; Sen and Bhattacharya 2001). Moreover, a solid reputation rooted in a consistent brand image and coherent CSR actions over time can become a key source of sustainable advantage (Orlitzky et al. 2011).

## Methodology

Our methodological framework is grounded in an adaptation of the strategy proposed by Centeno et al. (2019) for a branding study involving managers in Mexico. Our aim is to deliver fresh insights regarding the phenomena of CSR and branding—well-documented in developed Western economies but still under-researched in emerging markets. To this end, we use a grounded theory approach (Strauss and Corbin 1990) to explore how managers understand CSR—and how they perceive customer valuations of CSR, in terms of branding, in the context of Peru. Rooted in the interpretive process, grounded theory is considered a practical method for conducting research by way of analyzing the production of meanings and concepts used by social actors in real-life settings (Gephart 2004; Glaser and Strauss 1967). Grounded theory processes are designed to develop a well-integrated set of concepts, providing a comprehensive theoretical framework for understanding social phenomena; explaining, describing and fostering some degree of predictability, but only with regard to specific conditions (Strauss and Corbin 1990).

In line with the recommendations by Gibson and Hartman (2014), our empirical analysis is guided by a set of research questions which remain open throughout, with a view to shedding new light on the phenomenon of reference rather than merely justifying pre-existing notions. Our research process is responsive and iterative—including both data-coding and interpretative stages. The data for our study were drawn, principally, from 9 semi-structured interviews with managers at the same number of large Peruvian firms (Appendix A provides firm descriptors). We selected these companies to obtain a comprehensive view from different industries/sectors. Additionally, at this stage of the research, as an inclusion criterion, we looked for companies with a certain understanding of the concept of CSR and its implementation. In subsequent phases of the study, we aim to include smaller and less experienced companies, even in cases where the meaning of the concept is unknown.

Interviews averaged between 45 and 70 min. Being semi-structured, they provide a framework for keeping the discussion on topic while affording the flexibility to incorporate appropriate deviations and explore the phenomena further (Centeno et al. 2019; Miles and Huberman 1994).

Rich data from the interviews were complemented with evidence from supplementary sources (e.g., print material, websites, press releases). By matching interview information with supplementary sources of this sort, we were able to enhance our research quality. As Strauss and Corbin (1998) suggest, the interview and data collection phases ended when theoretical saturation was reached.

Once the data collection concluded, a comprehensive database was created. All interviews were transcribed and systematically open-coded, in line with authors like Boyatzis (1998) and Eriksson and Kovalainen (2016). Following data filtering and reduction, our findings began to yield early insights. Through an iterative process, the data were analyzed by groups of firms—comparing perceptions and insights between in-group firms and out-group findings. This approach permitted structuring the individual results gained through the interview together with the overall results and patterns derived from the total set of 9 interviews—allowing us to verify our findings and draw conclusions (Miles and Huberman 1994). The main writing tools included research memos created for each of the transcripts and in/out-group comparison. The database and memos guided the emergence and development of key themes identified in the research (Gummesson 1995). After analyzing just 6 interviews, we found theoretical saturation had been reached—when new insights and key category properties no longer emerge via the theory-development process (Glaser and Strauss 1967). Nevertheless, we decided to complete the analysis of the entire database in order to guarantee the soundness, validity and reliability of the findings. Section 4 presents the principal insights from our fieldwork and data analysis.

# Results

Our data analysis is organized around large conceptual blocks, with a view to better understanding both CSR and the expected consumer responses in the context of Peru 's complex business ecosystem. These blocks are based in theoretical assumptions and data analysis processes.

### Conceptualization of CSR

The vast majority of our respondents come from large companies; hence, are trained in strategic business management and aware of CSR's theoretical underpinnings. All interviewees (100%) coincide in recognizing the three-dimensional nature of the construct: economic, social and environmental. Likewise, all respondents emphasize that most Peruvian SMEs have yet to fully grasp CSR as a concept. From a social standpoint, for instance, there is still a long way to go to reach a degree of conceptual maturity—a holistic vision of CSR, beyond mere respect for the environment. In relation to this last dimension, progress is generally gauged in terms of good environmental practices in sectors linked to natural resource management and retailing; however, the promotion of a more equitable distribution of opportunities for all still seems a long way off. Here is what one manager had to say on the subject:

"Talking about how to guarantee in-firm value creation for all stakeholders is going a little further. . .taking into account the three dimensions: economic, social and environmental. We can talk about philanthropy later because. . .while I'm aware I can generate a positive brand image for Peruvian consumers through philanthropic initiatives, for me the essence of CSR lies in this three-pronged perspective. Philanthropy is a nice plus, but its still just a plus".

The managers we interviewed are also unanimous (100%) in highlighting the central role governments and institutions must play—underscoring the importance of solid institutions capable of facilitating ethical/moral benchmarks and limits which are accepted by the majority of stakeholders and society in general. From this standpoint, the government would be responsible for providing a cohesive vision of sustainability and management, an effective monitoring framework and the kind of backing needed for real, effective CSR implementation. This is a tall order, however, given the recurrent political tensions Peru tends to experience and the weakness of many Peruvian institutions—hobbled by complex problems like corruption. Our interviewees note that all too often regulations do not respond to the real needs of firms or society, that regulatory measures are insufficient and sporadic. In such a context, these managers suggest that the support, supervision and monitoring of sustainable ethical conduct should not be left solely to government institutions but be shored up by market forces and the private sector. Moreover, they assign some responsibility to larger companies, which must act as drivers for their entire supply chain.

“The state has not always regulated well, but I believe there have to be policies that address and give continuity to this whole sustainability issue because Peruvians are creative enough to find ways around the law. So, if we all really believe in social responsibility and sustainability, we are all responsible, or co-responsible or are companies the only ones who have to comply? Let’s establish reference minimums and see where the market takes us”.

“In life we all play a role, but the authorities are who must ensure compliance with the rules who must go a step further even, to guide and educate”.

This relatively liberal interviewee profile is noteworthy—both in terms of the apparently objective critique his/her comments afford of Peru’s institutional reality, and in terms of the genuine confidence these managers seem to place in the market’s ability to serve as a competitive counterweight, capable of consolidating robust, comprehensive CSR. Again, the latter seems a tall order; as we mentioned earlier, the environmental dimension outweighs the other two—perhaps due to the historically indigenous society’s close ties to nature. Short-term orientation across vast swaths of the population, a largely subsistence based economy and the deep economic and sociocultural fault lines dividing Peruvian society may explain a lot as well. Whatever the case, the upshot is that economic and social dimensions are relegated to the back seat or ignored completely.

Lastly, we wish to underscore that not all of the managers we interviewed recognize an equivalence between CSR and sustainability. While consensus does exist regarding the triple dimension of CSR, a third (3; 33%) of our interviewees focused almost exclusively on short-term objectives—versus two-thirds (6; 66%) who explicitly expressed a long-term vision and concern for future generations:

“I see sustainability as this more strategic approach, with a long-term systemic vision linked to the core of the business while I recognize concrete actions related to the triple bottom line. And I do make a lot of this difference”.

“The importance of thinking about the community and recognizing generational responsibility stands out to me”.

This finding is likely due to the short-term orientation so prevalent in Peruvian society, as Hofstede (2023) would argue. Moreover, we sense that as the company size and managerial training level decrease, the short-term vision may prove to be more widespread.

### Implementation and Utility of CSR in Companies

Implementation of a CSR-oriented vision does not happen automatically, but progressively. Manager training—and managers who bring back novel management approaches from their places of training—are fundamental to the process. In other cases, foreign capital received from company shareholders can be decisive as well. To a lesser extent, market pressures from a number of segments may also play a role. It is worth noting that all of the interviewees (100%) agree that CSR is a management model that facilitates company orientation towards value creation.

“In my case, I studied in Europe. . .and my company is mixed ownership with national and international capital. Our shareholders have gotten behind committing to a sustainable business model and I was chosen to implement the initiative across our organization”.

“Yes, we have perceived interest from some consumers for some time now. They’ve reached out to us via our suggestions box, website and social networks to ask about where our raw materials originate, the conditions our employees work under, etc. at first just a minority, but little by little the number is growing we’re not talking about the whole Peruvian market or anything but we do see a trend. And when operating in other countries where the average consumer is more mature, more informed, we are in the face of a trend we can't ignore”.

However, yet again, the environmental dimension seems to acquire the greatest prominence:

“In terms of our business model, we have a key role to play with respect to water the specific goal being to collect and replenish the water we use”.

“Many raw materials we use aren’t purchased in Peru for a simple reason: many Peruvian suppliers have a very hard time providing 100% legal. . .much less, sustainable products, even though we are a country rich in natural resources. So, we don’t take any risks we are committed to the image of being a serious, sustainable firm with a solid reputation. We do not sell products made with Peruvian wood, for example, even though we could do so because we have giant forests”.

Moreover, our respondents recognize that when firms have implemented specific CSR actions, managers have observed tangible improvements in a number of production and management processes—reducing input consumption, enhancing performance and boosting employee satisfaction; in short, improving company image and reputation. In their words:

“We were skeptical at first. . .but by placing our bets on cleaner processes we’ve realized we can do the same with less energy and fewer raw materials. We now reuse, we’ve installed solar panels to produce our own energy. . .and the numbers tell us we're on the right track”.

“We’re more efficient and a portion of the market gives us higher marks. . .what more can we ask for?”

**The Expected Consumer Response**

Philanthropy is an additional factor to be considered, though it is not always directly linked to core company activity. In many cases, such efforts are not sustained over time, but are limited to sporadic—often fruitless—actions aimed exclusively at generating a positive brand image. That said, as discussed earlier in this paper, the Peruvian market has yet to reach maturity (Arditto et al. 2020). Hence, many consumers are still somewhat receptive to isolated communication efforts of this sort. One manager tells us:

“A few months ago, we carried out a food donation drive coupled with a very powerful communication campaign. Throughout the duration of the communication campaign and in the ten days following it, sales rose by roughly 12–15%”.

Our interviewees agree, given the heterogeneous nature of the Peruvian market, that understanding the full spectrum of consumer profiles and expectations is essential to evaluating the impact of CSR—and perhaps to justifying an investment in philanthropic initiatives:

“Firms must become aware of the need to listen and dialogue with stakeholders. . .especially with customers. . .to understand what they value most. Perhaps the environment? This really has to be figured out”.

By way of their experience, most of these managers (77.7%) confirm the existence of Peruvian consumers prone to buying brands from firms that demonstrate their commitment to CSR—in some cases, who are even willing to pay higher prices for such products. This mostly occurs in certain districts of metropolitan Lima and segments with a higher socioeconomic status. Outside the capital, the number of consumers with this profile decreases and always corresponds to wealthier socio-economic segments.

Hence, our interviewees implicitly and explicitly recognize the degrees of consumer awareness and that the number of aware, informed consumers is relatively small. Moreover, there is no consensus regarding who should be responsible for raising this awareness (88.8% highlight the key role of the government, while 66.6% recognize the responsibility of firms in this field). The authors are of the opinion, as we mentioned in Section 4.1, that a considerable part of this responsibility should fall to governments and other public institutions. That said, it is also widely agreed that companies should share responsibility for communicating differential features to the market via brand value and a corporate reputation grounded in CSR principles—the idea being that firms must be capable of generating shared value through their business activity.

"Very few consumers actually seek out the information".

"Peruvian consumers are still not so involved in seeking out information, they continue to be more motivated by low prices. . .choosing products by price. We haven't seen a level of sophistication yet where consumers seek out and would pay more for [socially responsible] products".

Communication is often bidirectional—both towards the market and towards the company itself. The firms we interviewed, for instance, not only communicate their CSR initiatives to consumers and society at large but to employees and shareholders as well.

At the same time, many managers (77.7%) agree that building upon what they already have and exploiting new communication channels are both essential; not only via conventional mass media but leveraging social networks and other novel communication platforms as well. As one manager puts it:

"We've supported using all tools at our disposal to assess, value and spread the word about what we do. . .because many companies in Peru still don't talk about what they do so much, and when they do, they don't often do it well. We need to talk to consumers, of course, but also within our firms and to other interest groups. . .or is the plan to bring our A-game and not tell anyone about it? This shouldn't be the case. . .and I'm not thinking about expensive, large-scale actions. . .there are currently many effective, low-cost communication tools. But you have to want to do it and know how to do it well".

"We also have to be creative and spread the word in new ways. . .because at this point the press, television, mass emails alone aren't enough anymore. I mean, we can't keep doing business as usual".

Also relevant is another point our interviewees make: communication plays a vital role in the short term but, in the long term, transmitting good practices has direct implications for corporate reputation. Given the relevance of this finding, we dedicate a separate subsection to the subject a little later in the paper.

"Regarding image and reputation . . .I believe the best strategy is to clearly communicate what you're doing to your firm's principal audiences".

"We share this information directly with our clients through personalized communication, meetings, events. . .we're considering doing so via a public relations department as well to gain media coverage. . .in this way enhancing our corporate reputation".

**From CSR to Corporate Reputation**

Effectively communicating specific CSR actions clearly contributes to building a positive brand image. Our interviewees all agree (100%) that they have seen a surge in sales when they have connected with consumers and successfully transmitted socially responsible initiatives. Their perceptions are based both on the sales figures themselves and on a series of positioning and brand value studies carried out by way of consumer surveys. However, in only some cases (66.6%) they have really analyzed consumer opinions on social networks, websites and specialized search engines as well.

That said, managers have occasionally observed that consumer responses to CSR communication were not so evident, especially when the communication was spotty and/or CSR actions were not directly oriented towards the environmental dimension. This suggests that for an effective company-consumer brand connection to exist, company values must be aligned with consumer expectations. As one manager recalls:

"I remember a campaign we did a few years back with our sights on the Amazon region. . .the reaction from many of our clients was far from favorable. We are geographically distant and have similar problems much closer to home. . .and we quite starkly realized that isolated actions, far from our core activity and market, do not make any sense. Now we think things over more, aligning better with our clients. . .a coordinated, long-term strategy involving less costly, more sustainable, much higher-return actions. I guess we learned the hard way".

While all nine interviewees (100%) confirm that CSR has been implemented in their core activity, only five (55.5%) consider their firms to consistently carry out ongoing CSR communication.

Moreover, these managers are aware that most consumers associate CSR with good environmental practices, and hence have adjusted company messaging to better align with their clients—although they also note a growing segment of customers who are beginning to value social aspects as well. Lastly, all of these five firms have developed a philanthropy plan in direct relation to their field of business and learned to leverage it to shore up company communication campaigns. For these firms, there is no doubt that

"consumers know who we are, what we are doing today and are likely to do in the future. . .they can be confident about our performance, both what they see and behind the scenes. We have a very solid reputation and this inspires us to take responsibility for all areas of our business. . .with a robust commitment to our clients". Other managers express similar sentiments:

"After many hard years working to differentiate ourselves and transmit the cornerstones of our business culture to all stakeholders, we're not going to fail now. . .we're different, we do things differently, we want to be perceived as different, and that is why we do not neglect any aspect that could impact our reputation. Betting, years ago, on a holistic vision of CSR has made us better, more efficient. . .allowing us to reap the fruits of being—and being seen as—different. Our clients value this and we're not going to let them down".

"This reputation as a responsible, sustainable firm generates trust, helps us build customer loyalty. . .and, ultimately, become a more profitable company. But it has not been an easy road. . .the journey has been long and is far from over. . .we must keep improving, communicating, educating, so consumers place more value on the principles of social responsibility and sustainability. Being the large company we are, we consider ourselves co-responsible. . .not only for our firm's image and reputation, but for our common future".

As a result of the grounded theory process, after analyzing all of the data, the results can be summarized in four main codes: the meaning of CSR, implementation of CSR in companies, associated benefits and brand image and corporate reputation reinforcement. Table1 provides a summary of the main insights resulting from our study.

## Discussion, Implications and Conclusions

Initially, our study aimed to explore the extent to which corporate social responsibility has been implemented in the business ecosystem of an emerging economy—namely, Peru—and whether consumers in such contexts perceive and appreciate CSR, and more specifically, the degree to which CSR efforts may impact consumer behavior. In our introduction, we indicated that the CSR literature addressing developed Western economies is currently in a mature phase. Yet, more research exploring CSR in emerging markets is needed (Flores-Hernández et al. 2020). Clearly, the findings from studies taking developed economies as their reference—which tend to be generalized—do not always hold true in other socio-economic/cultural contexts (Germán-Cáceres et al. 2023). In this vein, Athanasopoulou (2009) makes a very interesting point: the importance of including potential cross-cultural differences in the equation.

In such a context—taking the case of Peru as a representative LATAM economy—our initial goal was to make a three-pronged contribution to the literature and business practice: namely, to (i) understand the significance of CSR for large companies operating in Peru; (ii) explore the experience of managers at these firms regarding how Peruvian consumers respond to CSR strategies and actions; and (iii) determine how CSR impacts brand image and company reputation in emerging markets. Our study's flexible, open, qualitative approach, however, has allowed us to contribute in two ways that we had not expected: (iv) highlighting the key role governments and other institutions should play in promoting a greater presence of CSR in Peruvian society and (v) identifying potential additional benefits of implementing CSR in business environments.

Firstly, regarding the theoretical significance of CSR, we indicated earlier that, in all cases, the triple economic–social–environmental perspective proposed in the classic work by Carroll (1999) and Porter and Kramer (2006, 2011) is recognized. From a practical standpoint, however, the dominance of the environmental dimension is notable. This finding may be explained, in part, by the cultural link that indigenous societies maintains with nature. Another key factor is the lower market maturity in the Peruvian context—tending to associate sustainability and CSR with the environment, exclusively, and forget about economic/social responsibility. An obvious recommendation is to dedicate resources to manager training and consumer education in order to raise awareness of the importance of these underappreciated dimensions. However, such measures face the considerable hurdle of problems rooted in social inequalities, segment size and aggregate purchasing power, short-term vision and the basic subsistence challenges faced by part of the Peruvian population.

Moreover, while the literature (e.g., Ye and Dela 2023; Helfaya and Moussa 2017) indicates that CSR and sustainability are closely linked—both terms imply long-term strategic orientation and are even used as synonyms—it is striking that not all of the managers in our study share this vision. A minority group sees sustainability as long-term oriented, in contrast with CSR, which these managers see as being focused on short-term objectives. We believe that it would be interesting to clarify this imprecision through specialized training across the Peruvian managerial sector, especially in light of the fact that as the firm size decreases, confusion and general lack of knowledge concerning CSR and sustainability seem to increase.

Secondly, regarding the implementation of CSR in the business ecosystem, we perceive differences between public and private sectors. Large Peruvian companies have been operating under the prism of CSR and sustainability for some time—in many cases due to drivers like managerial training, international shareholder capital and/or the interest these concepts arouse in certain consumer segments. Such drivers have been identified previously in the specialized literature, both for developed economies (e.g., López-Pérez et al. 2017b; Torres et al. 2012) and emerging markets (e.g., Cambra-Fierro et al. 2020; Flores-Hernández et al. 2020); hence, they do not imply context-bound differences. We can confirm that the general assumptions in the literature regarding drivers for implementing CSR in the business ecosystem are valid for the Peruvian context.

That said, where we do perceive differences in terms of CSR implementation in Peru is in the roles that government and other public/private institutions must assume vis-à-vis the business community. Regulatory/legal frameworks determine the minimum threshold of economic, social and environmental policies from which we can assess voluntary CSR actions above and beyond what is required by law. The notion of voluntariness—in other words, willingness to go beyond the legal requirements—is a cornerstone of the broader definition of CSR (Porter and Kramer 2006, 2011). In the case of Peru, however, both the managers we interviewed and news reports regarding the country's political situation speak of general instability, legal security concerns and rampant corruption—all of which greatly hinder efforts to educate the broader public in CSR and sustainability and, hence, to evolve towards a more favorable context.

Moreover, increased CSR prominence is impeded by the relative immaturity of the Peruvian market. The limited literature on emerging markets has advanced this idea (e.g., Germán-Cáceres et al. 2023; Saenz 2023; Bhattacharyya 2019; Damoah et al. 2019; Kobrossy et al. 2022). This is further augmented by the deficient information many consumers receive —and near zero interest they perceive—regarding CSR, typical of highly segmented societies with deep rifts between social classes; what Hofstede (2023) defines as "high power distance". To the extent that large swaths of Peru's population lack longterm goals and remain oriented towards a near-subsistence vision of immediacy, it will be very difficult for Peruvian consumers to value elements linked to CSR. More economically well-off segments, on the contrary—with a size and purchase volume of interest to companies—will have a positive impact on CSR. This seems to be the case in Peru, where medium/high purchasing power populations, principally in several districts of Metropolitan Lima and other large Peruvian cities, are developing a growing appreciation for certain CSR/sustainability initiatives.

From a practical standpoint, the immediate recommendation would be to invest in CSR communication and consumer education; however, given the ongoing socio-economic schism and political instability in Peru today, this strategy seems dauntingly complex. Perhaps the real hope lies in allowing market forces to work; if little by little more and more consumers demand CSR-oriented management approaches, firms will have little choice but to implement them. Obviously, companies which have had an early start will be in a clear position of competitive advantage in terms of know-how and market.

Thirdly, in light of the benefits associated with CSR, our study points to a series of production strategies—i.e., input reduction and reuse, energy conservation and worker motivation—which have also been identified in the classic scholarly literature (López-Pérez et al. 2018; Fraj-Andrés et al. 2012). From a commercial perspective, a surge in sales and, surprisingly, consumer segments willing to pay a slightly higher price in exchange for certain guarantees can be expected. This dynamic has previously been observed by Torres et al. (2012); in the case of Peru, however, it only appears to occur in segments with high purchasing power —versus developed markets, where the literature confirms that middle-class consumers also display CSR-friendly behaviors. Again, differential features linked to idiosyncrasies in Perù's socio-demographic profile emerge.

The importance of the relationship linking CSR, brand image and corporate reputation is also evident in the Peruvian context. In this sense, our findings are in line with earlier work on brand image and reputation, respectively: Fraj-Andrés et al. (2012), Abugre and Anlesinya (2020) and Flores-Hernández et al. (2020), for instance. The managers we interviewed recognize that they can effectively create a connection between their brand and consumers via CSR, in line with Harrigan et al. (2018) and Tan et al. (2018). This nexus is fundamental to understanding brand positioning (Park et al. 2010) and favorable attitudes

in the shape of differentiation, customer satisfaction and loyalty (Ali et al. 2020). Moreover, in terms of consumer behavior, the CSR–image–reputation relationship shows the potential to drive clearly positive attitudes towards the brand—e.g., a preference for, and willingness to purchase, brand products.

Hence, our recommendation for managers is that—following proper implementation of CSR—they carry out ongoing communication campaigns and actions aimed at publicizing what they do, how they differ from the competition and the positive externalities they generate in society. Such efforts are even more essential given that many of the managers we interviewed recognize communication deficiencies at their firms. Clearly, CSR communication must be consistent and sincere, aligned with consumer needs, not appear opportunistic and be unequivocally linked to the overall company strategy; on the contrary, it will very likely have undesired effects—like those which some of our interviewees mention involving fruitless philanthropic initiatives. Sporadic actions that are unrelated to the core company activity are of no interest—and may very well be counterproductive. Moreover, an effective CSR communication strategy must take both internal and external stakeholder objectives into account, with a view to generating shared value. Lastly, again, effective manager training is fundamental, both for practical purposes and to foster a dialogue with stakeholders—likely through mechanisms and channels other than conventional mass media. In this sense, new information technologies can greatly empower and facilitate the work of large, medium and small companies alike.

In closing, this study has allowed us to confirm that some of the ideas generally accepted in the specialized literature are valid for the context studied. That said, we must always be cautious when extrapolating conclusions to contexts with a different cross-cultural profile. In this sense, our paper makes a contribution to both the CSR and cross-cultural studies literature.

Despite the relevance of our findings and their implications, we must recognize several limitations. First, we take the case of large Peruvian companies—representing the LATAM context—as our reference. Other contexts may yield different results due to inherent sociodemographic and political idiosyncrasies. Likewise, the findings might vary if we were to extend our scope of study to emerging economies in Africa or Asia, for instance, where factors like religion increase the potential for cross-cultural variation. Second, the fact that we have limited our analysis to a set of nine large, centrally located, representative companies means that we cannot generalize the results across the entire Peruvian business ecosystem. Smaller firms—or firms operating in/from remote areas —may have fewer resources and/or manager training, generating additional differences. Third, the qualitative nature of our study could potentially lead to some degree of data interpretation bias. In this regard, we wish to note that we have modeled it off of Centeno et al. (2019) in their study on Mexico, based on the general guidelines in Miles and Huberman (1994). All of the information was stored in a comprehensive database and the interviews were sorted for analysis by groups of firms—comparing the perceptions and insights across the in-group and out-group findings to identify common ideas and patterns. Finally, all of the data were triangulated by our research team with a view to shoring up the soundness, validity and reliability of our study.

In terms of proposals for further research, we suggest expanding the scope of study to include Peruvian SMEs, with a view to observing the potential variation linked to size. We also propose analyzing this phenomenon in contexts displaying different cross-cultural profiles in order to provide insights regarding similar behavior patterns—as well as potential differences—that serve as a guide for context-appropriate managerial decisions.

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