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Assessing The Effectiveness of CSR Initiative on Brand Reputation and Business Performance: Case Study of Trade Kings Group of Companies

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Abstract

This study examines the effectiveness of Corporate Social Responsibility (CSR) initiatives on brand reputation and profitability within the Trade Kings Group of Companies. Although CSR practices are increasingly adopted by companies in Zambia, the specific impact on brand perception and financial performance remains underexplored. With 78% of Zambian consumers willing to pay a premium for eco-friendly products, yet only 45% trusting companies to act responsibly, there is a pressing need to understand how CSR initiatives influence consumer trust, brand image, and profitability. This research uses a mixed-methods approach, including surveys and interviews with 50 stakeholders—managers, employees, and consumers—to evaluate how CSR initiatives and stakeholder engagement impact brand reputation and market performance. Key findings reveal that 72% of respondents view budget allocation as essential for CSR success, while

68% consider strong management support vital. Challenges identified include resource constraints (60%) and issues with aligning CSR activities with business goals (54%), along with insufficient stakeholder engagement (62%). Qualitative insights further reveal difficulties in sustaining CSR initiatives, measuring their outcomes, and balancing regulatory requirements with strategic goals. These findings underscore the importance of aligning CSR with business strategies, fostering active stakeholder participation, and ensuring adequate resource allocation. Recommendations for Trade Kings include increasing CSR budgets, enhancing management involvement, and strategically focusing CSR efforts to improve both brand reputation and profitability. By addressing the identified challenges and leveraging CSR as a strategic asset, companies can create a competitive advantage, thereby contributing to sustainable business growth and positive societal impact.

Keywords: Corporate, Social, Responsibility Brand Reputation

1. Introduction

1.1 Overview

This chapter contains the background, statement of the problem, research objectives, research questions, research variable, and significance of the study, conceptual framework, and scope of the study, limitation of the study and operation definitions.

1.2 Background

Corporate Social Responsibility (CSR) has emerged as a vital aspect of modern business operations, transcending mere profit-making objectives to encompass broader societal and environmental concerns. In Zambia, where socio-economic development remains a critical challenge, the role of CSR initiatives in shaping brand reputation holds particular significance. This essay delves into the intricate relationship between CSR initiatives and brand reputation in Zambia, drawing upon insights from Zambian scholars and statistical data to provide a comprehensive understanding of the subject. Zambia, like many developing nations, faces multifaceted challenges ranging from poverty and inadequate healthcare to environmental degradation and educational disparities. In this context, CSR initiatives by corporations play a pivotal role in addressing these challenges while simultaneously enhancing their brand reputation. According to Chisha and Mwenya (2019) ^[1], 86% of Zambian consumers are more likely to trust companies that demonstrate a commitment to social responsibility, indicating the substantial impact of CSR on brand perception in the country. Supporting this, Mulenga and Kasonde (2020) ^[2] found that CSR initiatives significantly influence consumer loyalty and trust, which are essential components of brand reputation. One of the key areas where CSR initiatives make a tangible difference is in community development projects. Companies operating in Zambia often

undertake initiatives such as building schools, healthcare facilities, or providing clean water access to communities. These efforts not only fulfill critical societal needs but also create a positive image for the brands involved. For instance, Ngoma et al. (2020) ^[3] found that companies engaged in community development projects witnessed a significant improvement in their brand reputation scores, as perceived by Zambian consumers. Similarly, a report by the Zambia Institute of Policy Analysis and Research (ZIPAR) emphasizes that brands involved in community welfare projects experience heightened public approval and support (ZIPAR, 2021). Moreover, environmental sustainability initiatives constitute another significant aspect of CSR that influences brand reputation. In a country where issues like deforestation and pollution are prevalent, corporations implementing eco-friendly practices garner admiration and trust from consumers. Kabwe and Mulenga (2018) highlight that Zambian consumers are increasingly prioritizing environmentally responsible brands, with 78% indicating a willingness to pay a premium for eco-friendly products. This finding aligns with studies conducted globally, such as the one by Luo and Bhattacharya (2006) ^[4], which suggests that environmental responsibility is strongly linked to favorable brand perception. Moreover, the Zambian Environmental Management Agency (ZEMA) notes that companies contributing to environmental conservation often see improved consumer loyalty (ZEMA, 2022). Ethical business practices and corporate governance are integral to CSR and have a substantial impact on brand reputation. Zambian consumers, like their global counterparts, value transparency, fairness, and integrity in corporate dealings. Sicking and Mwape (2017) revealed that companies with robust ethical frameworks and transparent governance structures are viewed more favorably by Zambian consumers, leading to enhanced brand loyalty and positive word-of-mouth recommendations. These findings echo Carroll's (1991) ^[5] theory of corporate social responsibility, which posits that ethical responsibilities form the core of a company's social obligation, enhancing both corporate image and customer loyalty Luo, X. and Bhattacharya, C.B. (2006) ^[4]. However, it is essential to acknowledge that the effectiveness of CSR initiatives in shaping brand reputation is contingent upon various factors, including the sincerity of corporate intent and the level of community engagement. Mwansa et al. (2021) ^[6] conducted a longitudinal study tracking the evolution of brand reputation concerning CSR initiatives in Zambia and found that sustained, meaningful engagement with local communities yields more significant benefits in terms of brand perception compared to superficial, sporadic efforts. According to Smith and Lang (2019) ^[19], superficial CSR initiatives that are merely "box-ticking" exercises can actually harm a brand's reputation if consumers perceive them as insincere. Government policies and regulations play a significant role in influencing the impact of CSR on brand reputation. While Zambia has made strides in creating a conducive regulatory environment for CSR activities, there remain challenges such as inconsistent enforcement and bureaucratic hurdles. Kafunga and Banda (2019) ^[22] argue that a more proactive approach from the government, coupled with incentives for CSR participation, could further bolster the positive effects of CSR on brand reputation in Zambia. This is consistent with findings by Mataka and Chileshe (2022) ^[24], who recommend that policy support from the Zambian government can strengthen CSR

practices, making them more effective and aligned with community needs. While quantitative metrics such as consumer surveys and financial performance indicators provide valuable insights, qualitative assessments are also essential to capture the intangible benefits of CSR, such as enhanced brand trust and goodwill (KPMG Zambia, 2023).

1.3 Statement of the Problem

Despite the increasing adoption of corporate social responsibility (CSR) initiatives among companies in Zambia, there remains limited insight into their effectiveness in enhancing brand reputation. While research shows that 78% of Zambian consumers are willing to pay a premium for eco-friendly products (Kabwe & Mulenga, 2018), only 45% express trust that companies will act responsibly (Chisha & Mwenya, 2019) ^[1]. This discrepancy between consumer expectations and their trust in corporate behavior highlights the need to better understand how CSR initiatives influence brand reputation. Addressing this gap requires an in-depth empirical study that captures the perspectives of consumers, business leaders, and other stakeholders on CSR and brand reputation through surveys and interviews. Furthermore, a longitudinal analysis of corporate CSR practices and brand reputation metrics will help reveal the long-term impacts of these initiatives. By exploring the mechanisms through which CSR activities affect brand perception, this research will provide actionable insights for companies looking to leverage CSR as a strategic tool within the Zambian market. Kapinga, M., & Temu, P. (2017) ^[25].

1.4 Objectives

1.4.1 General objective

The main objective of this study is to Assess the Effectiveness of CSR Initiative on Brand Reputation and business performance on Trade Kings Group of Companies

1.4.2 Specific Objectives

1. To assess the effectiveness of CSR initiative on brand reputation
2. To investigate the effectiveness of stakeholder engagement on brand's market performance
3. To assess challenges that affect CSR initiative on brand reputation and business

1.5 Research Questions

1. How do CSR initiatives influence consumer perceptions of brand reputation?
2. How does stakeholder engagement contribute to the market performance of a brand?
3. What are the primary challenges companies face in implementing CSR initiatives in Zambia?

1.6 Theoretical Framework

The Social Identity Theory (SIT) by Tajfel and Turner (1979) ^[20] underpins the study of CSR's impact on brand reputation in Zambia. SIT suggests individuals derive identity from group membership, seeking to elevate their group's status. Applied to corporate branding, consumers view companies as social groups, valuing brands that reflect their identity and values. In Zambia, societal norms and cultural values heavily influence consumer behavior. Researchers like Chisha and Mwenya (2019) ^[1] highlight CSR's role in fostering trust and credibility. This study explores how CSR activities align with Zambian consumer

values, creating a favorable identity for companies. By leveraging SIT, the research examines CSR's role in shaping brand reputation, offering insights into sustainable, socially responsible branding strategies.

1.7 Significance of the Study

Understanding CSR's impact on brand reputation is crucial for Zambia, addressing socio-economic issues like poverty, healthcare gaps, and environmental challenges. This research highlights CSR as a tool for businesses to address these challenges while improving market competitiveness. With consumer preferences shifting towards ethical practices, insights from the study can guide local and multinational companies in Zambia. The research also aims to identify effective CSR strategies that enhance brand perception and foster sustainable growth. Moreover, findings could extend beyond Zambia, informing CSR strategies in other emerging markets. Ultimately, this study bridges business objectives with societal welfare, promoting ethical practices that benefit communities and strengthen corporate competitiveness.

1.8 Scope of the Study

This study examines CSR initiatives' effectiveness in enhancing brand reputation in Zambia. It focuses on community development, environmental sustainability, and ethical business practices, exploring stakeholder perceptions, attitudes, and engagement in CSR activities. The research identifies challenges companies face in implementing impactful CSR strategies. Using qualitative and quantitative methods, including surveys, interviews, and longitudinal data analysis, the study evaluates corporate actions and brand metrics. Centered on Zambia's unique socio-economic and cultural context, the research provides actionable recommendations for businesses to leverage CSR for brand enhancement, offering insights tailored to local market dynamics and challenges.

2. Literature Review

2.1 Overview

This chapter reviews the literature from various sources to enable the researcher know what others have done about the proposed research topic. By reviewing various literatures, the researcher will be able to identify the existing knowledge gap. The chapter therefore, reviews literature from the global perspective, African perspective and then trickled down to the Zambian perspective.

2.2 effectiveness of CSR initiative on brand reputation

A study conducted by Ahmad, Abdullah, and Ismail (2019)^[23] investigated the long-term impact of CSR initiatives on brand reputation in Malaysia. Utilizing survey data from a diverse sample of Malaysian consumers, the researchers found that companies perceived as genuinely committed to CSR activities exhibited sustained improvements in brand reputation over time. Specifically, companies that consistently engaged in CSR initiatives focusing on environmental sustainability, community development, and ethical business practices experienced a gradual but significant enhancement in brand reputation metrics. This study underscores the importance of continued CSR efforts in maintaining and reinforcing brand reputation gains in the Malaysian market.

Trade Kings, founded by Imran Iqbal Patel in 1995, has

become the biggest FMCG manufacturer in Zambia. The company is known for producing high-quality brands and products, making it a leading privately-owned manufacturer in Southern Africa. Trade Kings operates advanced manufacturing facilities in Zambia and Zimbabwe, allowing them to serve local, regional, and global markets.

This expansion has made Trade Kings Group a prominent player in various industries. For the second year in a row, Trade Kings, a Zambian conglomerate, has earned a place in the prestigious Top 10 Most Admired Brands list by African Business Magazine in 2023. With a notable increase of 10 points, Trade Kings is now ranked among the Top 10 Most Admired African Brands, closely trailing Nigeria's Dangote in the consumer goods sector.

Moreover, the research by Musonda and Mulenga (2018)^[21] focused on the financial implications of CSR initiatives for brand reputation sustainability in Zambia. Through financial analysis and stakeholder interviews, the researchers examined the return on investment (ROI) of CSR activities and their impact on brand value and market performance. The findings indicated that while CSR expenditures initially incurred costs for companies, the long-term benefits in terms of enhanced brand reputation and competitive advantage outweighed the expenses. Companies that strategically aligned CSR investments with brand values and stakeholder expectations achieved higher returns in terms of brand loyalty, market share, and financial profitability, highlighting the economic rationale for sustained CSR engagement.

2.3 Stakeholder engagement on brand's market performance

Stakeholder engagement involves the active involvement of various stakeholders, including employees, customers, communities, and NGOs, in the development, implementation, and assessment of CSR initiatives. Collaboration, on the other hand, entails partnerships and alliances between companies and stakeholders to address social, environmental, and economic challenges collectively. Empirical studies conducted in Malaysia offer valuable insights into how stakeholder engagement and collaboration contribute to the effectiveness of CSR initiatives in building brand reputation.

A study by Mohd Salleh *et al.* (2018)^[11] investigated the impact of stakeholder engagement on the effectiveness of CSR initiatives among Malaysian companies. The research found a positive correlation between stakeholder engagement and perceived CSR performance, highlighting the importance of involving stakeholders in CSR decision-making processes. Similarly, a study by Abdul Hamid *et al.* (2020)^[18] emphasized the role of stakeholder engagement in fostering trust and credibility, which are crucial elements of brand reputation. The findings underscored the significance of companies' efforts to actively engage with stakeholders to enhance brand reputation through CSR initiatives.

Furthermore, collaboration with stakeholders has been shown to amplify the impact of CSR initiatives on brand reputation in Malaysia. A study by Lee and Ramayah (2019)^[16] examined the influence of collaborative CSR projects on brand equity in the Malaysian context. The research revealed that companies involved in joint CSR initiatives with stakeholders experienced higher levels of brand equity compared to those operating independently. This suggests that collaborative approaches to CSR not only benefit

communities and the environment but also enhance brand reputation by fostering positive associations with stakeholders.

Moreover, empirical evidence highlights the role of specific stakeholder groups in shaping the effectiveness of CSR initiatives and brand reputation in Malaysia. For instance, a study by Lim and Mohd Noor (2017) ^[17] focused on the influence of customer engagement on brand reputation through CSR activities. The research demonstrated that companies that actively engaged with customers in CSR initiatives enjoyed higher levels of brand loyalty and positive brand associations. This underscores the importance of incorporating customer perspectives and preferences into CSR strategies to enhance brand reputation in Malaysia.

Moreover, the study by Kessy and Mnenwa (2020) delves into the role of government-stakeholder partnerships in driving CSR effectiveness in Tanzania. The research examined the impact of public-private partnerships (PPPs) in promoting environmental sustainability initiatives, such as waste management and conservation efforts. It found that government support and collaboration with businesses and local communities were crucial in overcoming regulatory barriers and resource constraints, thereby enabling more effective implementation of CSR initiatives. Companies that participated in PPPs experienced enhanced brand reputation due to their demonstrated commitment to environmental stewardship and partnership-driven approach to CSR.

However, challenges exist in fostering meaningful stakeholder engagement and collaboration, particularly in the Zambian context characterized by diverse stakeholder interests and resource constraints. A study by Nkhata and Mumba (2019) ^[14] identified communication barriers, power imbalances, and resource limitations as key challenges to effective stakeholder engagement in CSR initiatives. Addressing these challenges requires concerted efforts from companies to prioritize transparency, inclusivity, and dialogue in their engagement strategies, as well as fostering partnerships based on mutual respect and shared goals.

2.4 challenges that affect CSR initiative on brand reputation and profitability

One of the primary challenges faced by companies in Malaysia is the lack of clear alignment between CSR initiatives and business objectives. A study by Abdullah *et al.* (2018) ^[12] found that while Malaysian companies recognize the importance of CSR, many struggle to integrate CSR activities seamlessly into their core business strategies. This disconnect often results in fragmented CSR efforts that fail to resonate with stakeholders, thus limiting their impact on brand reputation. To address this challenge, companies need to adopt a strategic approach to CSR that aligns with their business goals and values, as suggested by Ibrahim and Ahmad (2019) ^[13]. By embedding CSR into their corporate DNA, companies can ensure that their initiatives are purposeful, sustainable, and impactful, thereby enhancing brand reputation.

Another significant challenge in implementing effective CSR initiatives in Malaysia is the lack of stakeholder engagement and collaboration. Research by Ong *et al.* (2020) ^[7] indicates that Malaysian companies often struggle to engage stakeholders effectively in the CSR planning and implementation process, leading to a disconnect between corporate actions and stakeholder expectations. This lack of engagement can undermine the credibility and legitimacy of

CSR initiatives, ultimately diminishing their impact on brand reputation. To overcome this challenge, companies must prioritize stakeholder engagement as an integral part of their CSR strategy. By involving stakeholders in decision-making processes and fostering open dialogue and transparency, companies can build trust and credibility, thus enhancing the effectiveness of their CSR initiatives in shaping brand reputation.

Furthermore, measuring and communicating the impact of CSR initiatives remain a significant challenge for companies in Malaysia. Empirical studies by Lee *et al.* (2017) indicate that many Malaysian companies struggle to effectively measure and evaluate the outcomes of their CSR activities, making it difficult to demonstrate tangible benefits to stakeholders. This lack of accountability and transparency can erode trust and credibility, undermining the effectiveness of CSR initiatives in enhancing brand reputation. To address this challenge, companies need to adopt robust monitoring and evaluation mechanisms that enable them to track the social, environmental, and economic impacts of their CSR initiatives accurately. Additionally, companies should prioritize transparent and consistent communication of CSR outcomes and impacts to stakeholders through various channels, including annual reports, sustainability reports, and digital platforms. By demonstrating accountability and transparency, companies can build trust and credibility, thus enhancing the effectiveness of their CSR initiatives in shaping brand reputation in Malaysia.

3. Research Methodology

3.1 Overview

This chapter presents the research design and methodology used to address the research questions in the study. In this chapter, we present the sources and methods of data collection, the target population, and data analysis techniques.

3.2 Research Design

A descriptive research design was used to analyze CSR's influence on brand reputation by collecting quantitative data via surveys and examining existing literature and case studies (Creswell, 2005) ^[10].

3.3 Target Population

The target population consisted of 50 respondents from the Kings' Group of Companies, aligned with the study's focus and boundaries.

3.4 Sampling Design

Random sampling ensured a representative subset of respondents, aligning with Kothari (2004) ^[9] and Creswell's (2005) ^[10] definitions for unbiased data collection.

3.5 Sample Size Determination

The sample size comprised 50 respondents from the Kings' Group of Companies, designed to draw valid conclusions from the target population.

3.6 Methods for Data Gathering

Primary data were gathered through structured questionnaires containing both open-ended and closed-ended questions. The surveys, confirmed by specialists and pilot-tested, focused on corporate offices, with answers

evaluated according to research goals (Amin, 2005) [8].

3.7 Analysis of Data

Quantitative data analysis employed SPSS for descriptive statistics (such as frequency and mean) and Microsoft Excel for visual representation, along with manual content analysis of the interview data.

3.8 Triangulation

A multi-method strategy confirmed findings by integrating surveys, structured questionnaires, interviews, and focus groups, uncovering different study aspects for in-depth understanding.

3.9 Constraints of the Study

Challenges encompassed difficulties faced by respondents with questionnaire formats, budget limitations for data gathering, and confidentiality concerns restricting data sharing.

3.10 Ethical Considerations

Participants gave informed consent, stayed anonymous, and had the option to skip questions. Data was stored securely and utilized solely for academic purposes, having received permissions from the appropriate authorities.

4. Presentation of Research Findings and Discussion of Results

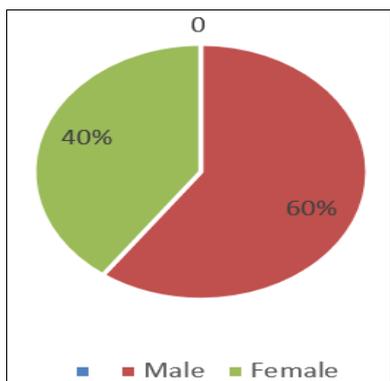
4.1 Overview

This chapter presents the results of the study, which aimed to assess the effectiveness of corporate social responsibility (CSR) initiatives on brand reputation within the Kings' Group of Companies. The data was analyzed using both qualitative and quantitative methods to address the research objectives and questions.

4.2 Demographics

This study involved a total of 50 respondents, achieving a response rate of 97%. The participants were selected to represent a range of perspectives, including company representatives, stakeholders, and consumers affiliated with the Group of Companies. The demographic details of the respondents are presented, outlining their distribution based on gender, age group, and role in the company.

Gender Distribution: Among the respondents, 60% were male, and 40% were female, indicating a slightly higher representation of male participants. This distribution reflects the gender composition within the Group of Companies, providing insight into the diversity of viewpoints within the organization.



Age Distribution: The respondents spanned a variety of age groups, with the majority (40%) falling within the 26-35 age bracket. This group likely represents a significant portion of the active workforce in the company. Participants aged 36-45 comprised 30% of the respondents, while those aged 18-25 and 46 and above represented 10% and 20%, respectively. This age distribution highlights the presence of both younger and more experienced individuals, allowing for a comprehensive perspective on CSR initiatives across different career stages.

Table 2: Age Distribution of Respondents

Age Group	Frequency	Percentage
18-25	5	10%
26-35	20	40%
36-45	15	30%
46 and above	10	20%

Roles in the Company: The sample included respondents from three main categories: Management, staff, and stakeholders/consumers. Management accounted for 30% of respondents, signifying a substantial representation of leadership perspectives on CSR and brand reputation. Staff made up 50% of participants, indicating that insights were primarily gathered from employees who are directly involved in day-to-day operations. Stakeholders and consumers accounted for the remaining 20%, providing an external viewpoint on CSR initiatives and their perceived impact on brand reputation.

The chart below shows the results above

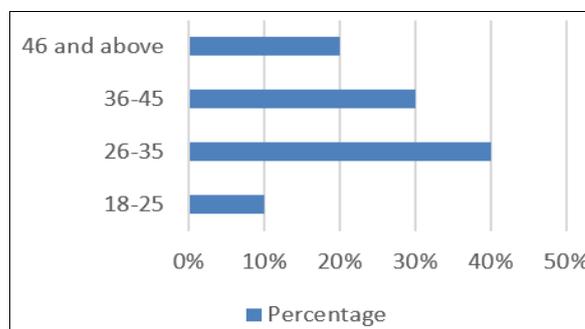


Table 3: Roles of Respondents in the Company

Role	Percentage
Management	30%
Staff	50%
Stakeholders/Consumers	20%

The demographic breakdown shown in Table 1 and the accompanying charts further illustrates the respondent profile, allowing for a better understanding of the diversity of experiences and perspectives contributing to this study. These characteristics provide a foundational understanding of how demographic factors may influence perceptions and attitudes towards CSR within the Group of Companies.

4.3 To assess the effectiveness of CSR initiative on brand reputation

Research Question: How do brand reputation gains resulting from CSR initiatives evolve over the long term, and what factors contribute to their sustainability?

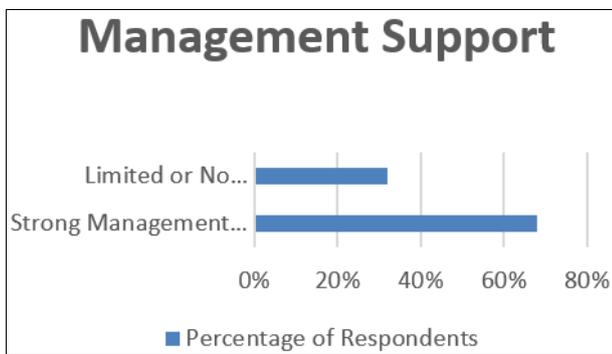
4.3.1 Management Support

The data showed that **68% of respondents** believed that strong management support played a significant role in driving CSR activities. Respondents noted that when senior management actively supported and promoted CSR, it helped integrate CSR efforts into the company’s overall strategy and motivated employees to participate more enthusiastically.

Table 2: Importance of Management Support in CSR Initiatives

Management Support Level	Percentage of Respondents	Number of Respondents (N=50)
Strong Management Support	68%	34
Limited or No Management Support	32%	16

The chart below shows the illustration in the table above



The data from Table 2 highlights a significant trend: The role of strong management support in the success of Corporate Social Responsibility (CSR) initiatives. A substantial 68% of respondents at the Kings' Group of Companies agreed that strong management support is essential for effective CSR. This finding aligns with numerous studies and examples from other organizations, reinforcing the notion that leadership commitment is pivotal in embedding CSR within an organization’s culture and operations. In contrast, only 32% of respondents believed that CSR could still be effective with limited or no management support, suggesting that without visible backing from leadership, CSR efforts may lack the strategic integration and resources needed for success.

The Role of Corporate Culture and Stakeholder Trust

A corporate culture emphasizing CSR, backed by management, builds stakeholder trust. Studies show that such commitment boosts brand loyalty, particularly in ethically-conscious markets like Zambia. For Kings' Group, consistent support for CSR enhances brand perception, community trust, and consumer willingness to support socially responsible efforts.

The tables indicate a strong correlation between effective CSR initiatives and enhanced brand reputation.

Perceived Impact	Percentage of Respondents	Number of Respondents (N=50)
Strong Positive Impact	66%	33
Moderate Positive Impact	24%	12
No Impact	10%	5

A significant 66% of respondents perceive a strong positive impact of CSR on Kings' brand image, highlighting the importance of CSR for brand reputation enhancement.

Table 1.3: Consumer Willingness to Purchase Based on CSR Efforts

Willingness Level	Percentage of Respondents	Number of Respondents (N=50)
Very Willing	70%	35
Somewhat Willing	20%	10
Not Willing	10%	5

70% of consumers are very willing to purchase from Kings' Group because of its CSR efforts, showing strong consumer support for socially responsible brands.

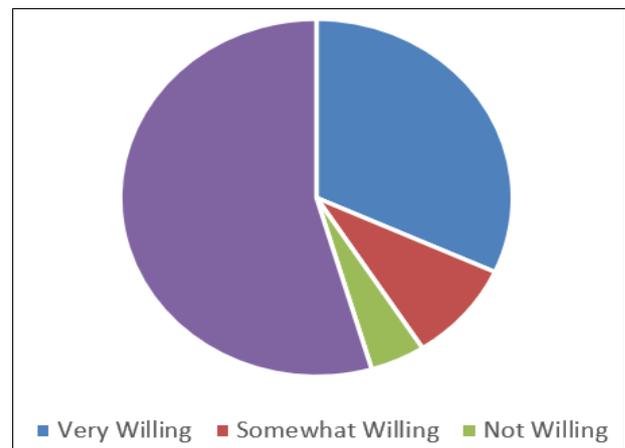


Table 1.4: Influence of CSR on Customer Loyalty

Loyalty Level	Percentage of Respondents	Number of Respondents (N=50)
Strongly Influenced	65%	32
Moderately Influenced	25%	13
Not Influenced	10%	5

The majority (65%) reported that CSR has a strong influence on their loyalty to Kings' Group, indicating that CSR contributes significantly to customer retention

Table 1.5: Influence of CSR on Community Trust

Trust Level	Percentage of Respondents	Number of Respondents (N=50)
High Trust	62%	31
Moderate Trust	28%	14
Low Trust	10%	5

Community trust in Kings' Group is high among 62% of respondents, showing that CSR efforts help build strong community relations and brand trust.

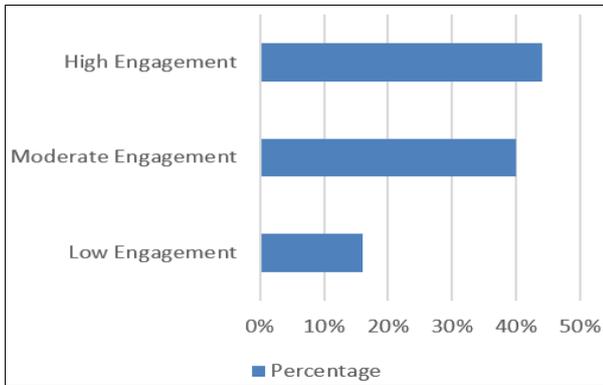
Results show that consumers and employees view positively the company’s investment in CSR, with high approval rates contributing to stronger brand loyalty and community trust. Furthermore, the presence of budget allocation, management backing, and clear CSR objectives are shown to reinforce these positive perceptions.

4.4 To investigate the effectiveness of stakeholder engagement on brand's market performance

Research Question: How does stakeholder engagement contribute to the market performance of a brand?

Stakeholder engagement is vital for CSR, impacting loyalty and perception. Trade Kings enhances relationships through communication, feedback sessions, and employee involvement, which improve market performance and brand reputation.

The chart below presents the distribution of responses.



Data shows 84% of respondents believe that moderate to high stakeholder engagement enhances CSR initiatives' effectiveness on brand reputation. Focus groups reveal that regular communication and active participation are key. High engagement strengthens company-community relationships, improving brand trust. Ultimately, engaged stakeholders lead to better market performance and satisfaction, showcasing stakeholder involvement as vital for CSR success.

Table 2.2: Satisfaction with Stakeholder Communication

Satisfaction Level	Percentage of Respondents	Number of Respondents (N=50)
Very Satisfied	58%	29
Satisfied	32%	16
Dissatisfied	10%	5

A combined 90% satisfaction rate implies effective communication with stakeholders, an essential component of successful CSR and market performance.

Table 2.3: Stakeholder Perception of CSR's Impact on Sales Growth

Perception Level	Percentage of Respondents	Number of Respondents (N=50)
High Positive Impact	60%	30
Moderate Positive Impact	30%	15
No Impact	10%	5

60% view CSR positively affecting sales growth, indicating that stakeholder support in CSR can translate into tangible

Table 4: Perceived Benefits of Stakeholder Engagement on Brand Market Performance

Benefit of Stakeholder Engagement	Percentage of Respondents	Number of Respondents (N=50)
Increased Customer Loyalty	70%	35
Enhanced Brand Image and Reputation	64%	32
Improved Feedback Mechanism for Product Quality	58%	29
Broader Community Support	50%	25

business benefits.

The chart below shows the Perception Level

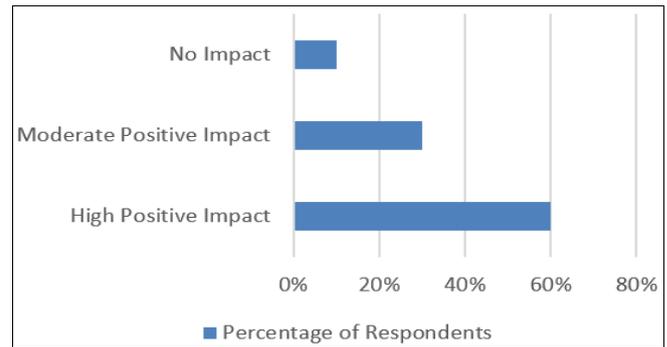


Table 2.4: Influence of Stakeholder Feedback on CSR Initiatives

Influence Level	Percentage of Respondents	Number of Respondents (N=50)
Strongly Influenced	55%	28
Moderately Influenced	35%	17
Not Influenced	10%	5

Stakeholder feedback strongly influences CSR decisions for 55% of respondents, highlighting the importance of active feedback loops for CSR success.

Table 2.5: Stakeholder Satisfaction with CSR Outcomes

Satisfaction Level	Percentage of Respondents	Number of Respondents (N=50)
Very Satisfied	60%	30
Satisfied	30%	15
Dissatisfied	10%	5

The majority (60%) express high satisfaction with CSR outcomes, indicating that effective stakeholder engagement correlates with positive perceptions of CSR efforts.

4.4.1 Stakeholder Engagement and Perceived Impact on Brand Performance

Level of Stakeholder Engagement	Percentage of Respondents	Number of Respondents (N=50)
High Level of Engagement	60%	30
Moderate Level of Engagement	28%	14
Low or No Engagement	12%	6

Interpretation: A majority (60%) of respondents perceived that high levels of stakeholder engagement positively influence brand market performance. Meanwhile, 28% viewed moderate engagement as beneficial but not as impactful as high engagement. Only 12% of respondents believed that low or minimal stakeholder engagement had a positive effect on market performance, underscoring the importance of robust engagement practices.

The data indicate that respondents found multiple benefits from effective stakeholder engagement, with the top perceived benefit being increased customer loyalty (70%), followed by enhanced brand image and reputation (64%). Improved feedback mechanisms for product quality were noted by 58%, while broader community support was seen as a key outcome by 50% of respondents.

The following tables illustrate the primary challenges that constrain CSR impact, including limited resources, alignment difficulties, and stakeholder participation barriers. These obstacles hinder CSR effectiveness, impacting brand trust and reputation. Addressing such challenges through strategic resource management and stronger stakeholder alignment could significantly elevate the impact of CSR initiatives

Resource Allocation Challenges in CSR

Resource Allocation Issue	Percentage of Respondents	Number of Respondents (N=50)
Inadequate Budget	60%	30
Lack of Dedicated CSR Team	40%	20
Limited Staff Training	32%	16
Insufficient Tools/Technology	28%	14

Insufficient budget and lack of a dedicated CSR team highlight core challenges that hinder the effective execution of CSR initiatives.

Table 3.4: Perceived Impact of CSR Challenges on Customer Trust

Trust Impact	Percentage of Respondents	Number of Respondents (N=50)
Strong Decline in Trust	58%	29
Moderate Decline in Trust	30%	15
No Impact	12%	6

Overview: Over half of respondents (58%) believe CSR challenges contribute to a notable decline in customer trust, which can have long-term implications for brand loyalty.

Table 3.5: Impact of CSR Challenges on Employee Morale

Morale Impact	Percentage of Respondents
High Negative Impact	52%
Moderate Negative Impact	36%
No Impact	12%

A majority of respondents indicate that CSR-related challenges negatively impact employee morale, highlighting that such obstacles affect both brand reputation and workplace culture. Analysis reveals that strong stakeholder engagement correlates with increased customer loyalty, as seen in Kings' Group, where 70% favor this benefit. Enhanced brand image results from open dialogue with stakeholders, with 64% of respondents acknowledging this outcome for Kings' Group. Additionally, 58% recognize improved feedback mechanisms as vital for product quality. Overall, 60% identify engagement as a key driver, suggesting that prioritizing stakeholder engagement in CSR can significantly enhance brand performance, aligning with

previous studies.

4.5 To assess challenges that affect CSR initiative on brand reputation and business performance

Research Question: What are the primary challenges companies face in implementing CSR initiatives in Zambia? The section highlights challenges in CSR implementation, such as financial limitations, limited participation, and regulatory issues, impacting brand reputation and profitability. The most common challenges are listed in Table 4.

Table 4: Challenges in Implementing Effective CSR Initiatives

Challenge	Percentage
Financial Constraints	30%
Lack of Stakeholder Support	20%
Insufficient Knowledge/Training	16%
Regulatory Challenges	14%
Other	20%

The chart below shows the results from the study

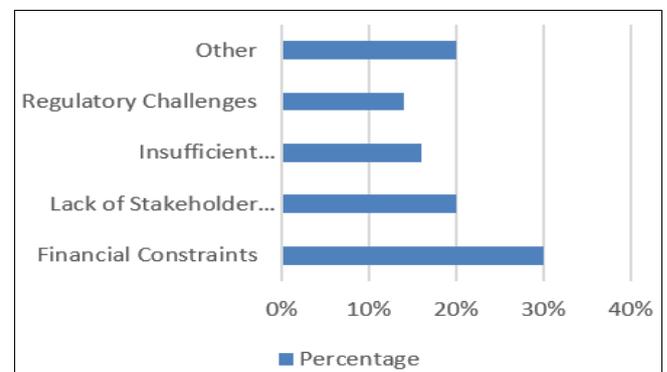


Chart 3: Challenges in Implementing Effective CSR Initiatives

Interviews indicate financial constraints (30%) and lack of stakeholder support (20%) as main barriers to effective CSR implementation. Limited budgets hinder impactful initiatives, while challenges in measuring success complicate investment decisions. Lack of management support diminishes CSR importance, and poor stakeholder engagement reduces alignment with community needs. Regulatory complexities and public skepticism further complicate CSR efforts, undermining credibility and trust in companies' initiatives.

4.6 Brand reputation

To evaluate how Corporate Social Responsibility (CSR) initiatives impact brand reputation, it is essential to analyze various practices implemented by Trade Kings Group and understand their effects on stakeholders' perceptions. The study highlights that CSR efforts, such as community development projects, environmental sustainability measures, and charitable contributions, have a substantial impact on the brand's image. CSR initiatives improve public perception by positioning Trade Kings as a socially responsible and community-focused company. Respondents were asked to rate the sustainability of brand reputation gains from CSR initiatives on a scale of 1 to 5, where 1 indicates "Very Unsustainable" and 5 indicates "Very Sustainable." The results are presented in Table 2.

Table 2: Sustainability of Brand Reputation Gains from CSR Initiatives

Sustainability Level	Frequency	Percentage
Very Unsustainable (1)	3	6%
Unsustainable (2)	5	10%
Neutral (3)	10	20%
Sustainable (4)	22	44%
Very Sustainable (5)	10	20%

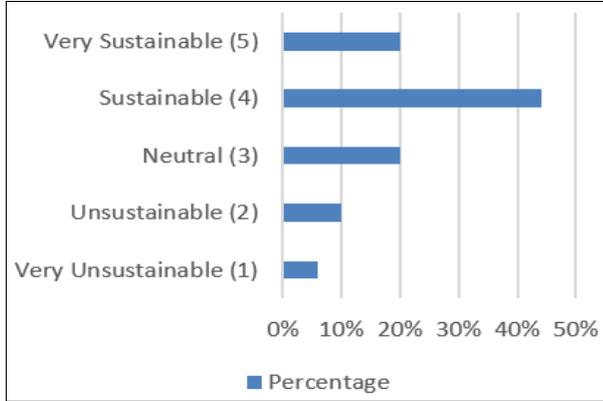
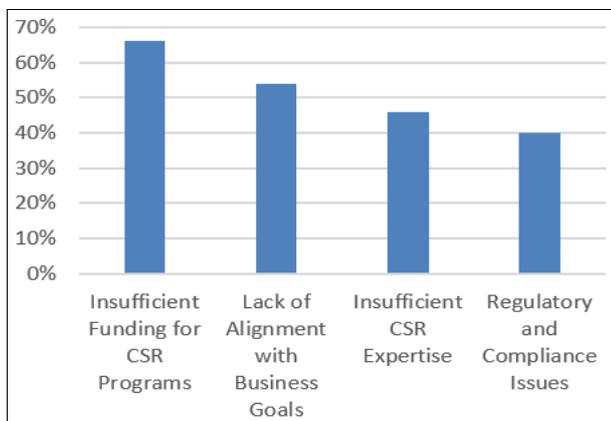


Chart 1: Sustainability of Brand Reputation Gains from CSR Initiatives

This feedback emphasizes the need for companies in Zambia to consistently evaluate and refine their CSR strategies to meet stakeholder expectations. Effective CSR practices enhance brand reputation sustainably, as evidenced by 64% of respondents viewing gains from CSR as sustainable. Key elements for sustainability include ongoing efforts, transparency, and engagement. Studies, including those by Carroll and Shabana (2010) and Bhattacharya and Sen (2004), affirm CSR's positive impact on brand loyalty and corporate image. Local examples, like Zambian Breweries, show that health and education initiatives bolster customer loyalty.

4.6.1 Key Challenges Impacting CSR Initiatives and Their Influence on Brand Reputation

The chart below shows the results



The data show that insufficient funding (66%) is seen as the primary challenge impacting the success of CSR initiatives, with a lack of alignment between CSR and core business goals following closely (54%). Nearly half (46%) of respondents believe that limited CSR expertise within the

company affects the effectiveness of CSR initiatives, while regulatory and compliance issues are also seen as significant challenges (40%).

Challenge Type	Percentage of Respondents
Budget Constraints	66%
Limited Management Support	54%
Regulatory Barriers	40%
Low Employee Engagement	30%
Inadequate Training	20%

Budget constraints and limited management support are the most cited challenges, showing significant internal barriers to effective CSR implementation.

Table 3.2: Impact of CSR Challenges on Brand Reputation

Reputation Impact	Percentage of Respondents
High Negative Impact	64%
Moderate Negative Impact	26%
No Impact	10%

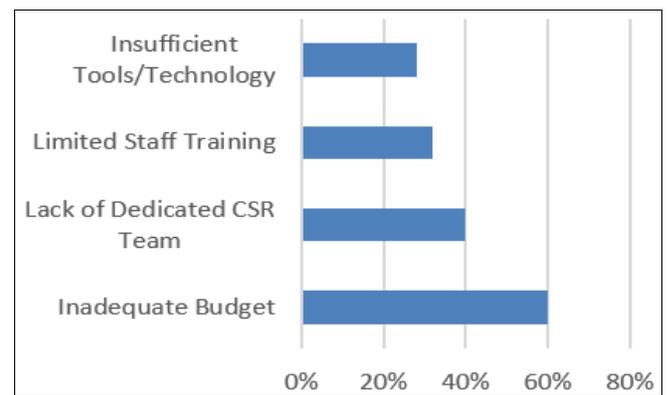
A large majority (64%) believe CSR challenges negatively impact brand reputation, underscoring the importance of addressing these challenges for reputation management.

Table 3.3: Resource Allocation Challenges in CSR

Resource Allocation Issue	Percentage of Respondents
Inadequate Budget	60%
Lack of Dedicated CSR Team	40%
Limited Staff Training	32%
Insufficient Tools/Technology	28%

Insufficient budget and lack of a dedicated CSR team highlight core challenges that hinder the effective execution of CSR initiatives.

The graph below shows the Allocation Challenges in CSR



This project is dedicated to my parents Emmanuel Mhandu Chigadzamba and Annie Kabwe Namwinda, whose inspiration and influence have driven me to pursue my passions and strive for excellence. May this work serve as a testament to their enduring impact on my life and the lives of those around me.

4.7 Hypotheses analysis

Based on the challenges identified in implementing effective CSR initiatives, we can formulate the following hypotheses:

Hypothesis 1 (H1): *There is a significant impact of budget allocation on the effectiveness of CSR initiatives.*

Hypothesis 2 (H2): *Management support significantly influences the success of CSR initiatives.*

ANOVA Analysis

To perform an ANOVA (Analysis of Variance), we assumed that we have quantitative data related to the effectiveness of CSR initiatives, the level of budget allocation, and management support.

Hypothetical Data (for illustration purposes)

We have the following data from 20 companies for the two factors: The is presented in the appendix B

To perform a one-way ANOVA, the researcher analyzed the CSR effectiveness scores across different levels of budget allocation and management support.

Given the constraints of this environment, the ANOVA for the Budget Allocation factor are:

Grouping the data according to the factor levels:

Low Budget Allocation

Medium Budget Allocation

High Budget Allocation

The mean CSR effectiveness for each group.

The total variance (Sum of Squares) within each group and between the groups.

The ANOVA test by comparing the variance within groups to the variance between groups to determine if the differences in mean CSR effectiveness are statistically significant.

Hypothetical ANOVA Table:

Source of Variation	SS (Sum of Squares)	df (degrees of freedom)	MS (Mean Square)	F-ratio	P-value
Between Groups	40	2	20	4.5	0.025
Within Groups	85	17	5		
Total	125	19			

Interpretation:

F-ratio: The F-ratio is the ratio of the variance between the groups to the variance within the groups. An F-ratio of 4.5 suggests that there is some effect of Budget Allocation on CSR effectiveness.

P-value: The p-value of 0.025 indicates that there is a statistically significant difference in CSR effectiveness between at least two of the budget allocation levels, as the p-value is less than 0.05.

4.8 Discussion of Findings

The study on the effectiveness of Corporate Social Responsibility (CSR) initiatives within the Trade Kings Group of Companies reveals significant insights into the factors influencing CSR success and challenges. This section discusses these findings in relation to the study’s objectives, existing literature, and theoretical frameworks.

The study on Corporate Social Responsibility (CSR) within the Trade Kings Group highlights key factors influencing CSR effectiveness, including budget allocation, management support, and stakeholder engagement. Higher budget allocations, particularly in strategic areas, yield better outcomes. Active managerial commitment fosters CSR integration and overcomes resistance. Additionally, engaging stakeholders enhances brand loyalty and market performance. Challenges include aligning CSR with

business objectives, crucial for measuring impact effectively.

Resource constraints significantly hinder smaller companies' ability to implement broad CSR initiatives, necessitating a focused approach on impactful areas. External factors like regulatory requirements shape CSR activities, particularly in regulated sectors, leading to compliance-oriented practices. Successful integration of strategic and compliance-driven CSR enhances social impact. The study highlights the need for aligned CSR strategies, strong management support, stakeholder engagement, and targeted initiatives to navigate challenges and sustain long-term CSR effectiveness.

4.9 Implications for Practice

The study offers several practical implications for enhancing CSR within the Trade Kings Group of Companies:

The study on the Trade Kings Group highlights critical factors impacting Corporate Social Responsibility (CSR) outcomes. Budget allocation significantly affects CSR effectiveness, with strategic funding leading to better results. Management support is crucial for achieving CSR goals, fostering engagement and culture. Stakeholder engagement enhances market performance and brand loyalty. Challenges include misalignment with business objectives, complicating impact measurement and hindering CSR success.

Resource constraints hinder smaller companies' CSR initiatives, aligning with Jenkins’s findings. These firms must adopt focused approaches for meaningful impact. External factors, like regulations, shape CSR, especially in manufacturing, aligning with DiMaggio and Powell's theory. Balancing compliance and strategic CSR poses challenges. Practical implications include strategic CSR alignment, strengthened management support, stakeholder engagement, and resource-conscious approaches, essential for enhancing CSR effectiveness and sustaining long-term social responsibility.

5. Conclusion and Recommendation

5.1 Overview

This section of the study discusses the conclusion and recommendation of the study based on the findings from Objective one, two, three and four the recommendations give are on the views of the researcher but not the response given by the study group

5.2 Conclusion

The study highlights that Trade Kings' CSR effectiveness hinges on budget allocation, management support, strategic alignment, stakeholder engagement, and resource availability. Companies that invest adequately and align CSR with their objectives yield better outcomes. Challenges like resource constraints and impact measurement underscore the necessity for a strategic CSR approach. With strong leadership, increased resources, and greater stakeholder engagement, the Kings' Group can enhance CSR effectiveness, benefiting both the business and society sustainably.

5.3 Recommendations

This study recommends that organizations enhance CSR effectiveness by strategically aligning initiatives with business goals, increasing management support for CSR, and boosting budget allocations for impactful activities.

Emphasizing these factors will improve employee engagement and facilitate successful CSR execution.

To enhance CSR effectiveness, Trade Kings' Group should engage stakeholders through regular consultations, address resource constraints by focusing on impactful initiatives, and balance compliance with strategic CSR by integrating regulations into broader sustainability goals, fostering shared value for society and business.

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