INTERNATIONAL JOURNAL OF ENTREPRENEURIAL KNOWLEDGE
Issue 1, volume 14, ISSN 2336-2960 (Online)
www.ijek.org

EXPLORING THE TENSION BETWEEN CSR AS A REPUTATION MANAGEMENT TOOL AND A DRIVER FOR SOCIAL IMPACT

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Received: 30 January 2026. Revision received: 25 February 2026. Accepted: 15 March 2026

ABSTRACT

This study aimed to examine how corporate social responsibility (CSR) is understood, implemented, and communicated in small and medium-sized South African retail businesses, with particular attention to its influence on reputation and stakeholder trust. Guided by stakeholder and legitimacy theories, a qualitative research design was employed, drawing on data from ten semi-structured interviews conducted via Microsoft Teams with representatives from seven retail businesses, using an eleven-question interview guide. The data were analysed using thematic analysis, which identified five central themes related to motivations behind CSR, its contribution to reputation, authenticity concerns, stakeholder trust, and challenges affecting credibility and assessment. The findings indicate that CSR is perceived as both a moral obligation and a strategic tool for differentiation, with authenticity, transparency, and community involvement being critical to building trust, while limited resources, inconsistent evaluation practices, and performative activities undermine long-term credibility. In practice, the study suggests that CSR initiatives should be integrated into everyday business operations, communicated honestly, and supported by clear, consistent evaluation methods to enhance stakeholder confidence. By providing empirical insights into CSR practices within South African retail SMEs, this study contributes to the literature by clarifying how credible and sustainable reputational value can be built through contextually grounded CSR approaches.

KEYWORDS: Corporate social responsibility, social impact, reputation management, SMEs.

JEL CLASSIFICATION: L1, L21, E20

Reference: Milho, T., Msiza, M., & Schachtebeck, C. (2026). EXPLORING THE TENSION BETWEEN CSR AS A REPUTATION MANAGEMENT TOOL AND A DRIVER FOR SOCIAL IMPACT. International Journal of Entrepreneurial Knowledge, 14(1), 78–92. https://doi.org/10.37335/ijek.v14i1.380

INTRODUCTION

Corporate Social Responsibility (CSR) is a business approach in which companies take responsibility for their impact on society, the economy, and the environment. It is a self-regulated model that encourages ethical conduct and contribution to societal well-being (Stobierski, 2021a). CSR reflects a shift in corporate thinking, linking financial performance with responsible behaviour. When implemented effectively, CSR can strengthen brand reputation, customer loyalty, and long-term performance (Kumari et al., 2021).

Debate has grown over whether CSR serves primarily as an ethical duty or as a strategy for enhancing reputation (Brinquis, 2023). While some firms pursue CSR to create positive change, others are criticised for prioritising public image and appealing to socially aware consumers (Bello et al., 2021). This tension raises concerns about authenticity, particularly as CSR increasingly shapes corporate reputation (Bello et al., 2021).

Reputation depends on perceptions of trustworthiness and ethical behaviour. A strong reputation supports customer loyalty, investor confidence, and financial resilience (Ismael, 2022), whereas reputational harm can lead to distrust and reduced engagement (Bigus et al., 2024). As awareness of CSR grows, many companies use it to strengthen brand positioning rather than advance social outcomes (Kumari et al., 2021). This shift raises ethical questions, especially when practices resemble greenwashing, where claims of responsibility are exaggerated or misleading (Ziolo et al., 2024). Stakeholders increasingly expect measurable impact and transparency. This study explored the shift from responsibility-driven CSR to strategically motivated CSR and examined how this affects stakeholder trust. The research focused on South African retail businesses, where CSR efforts are highly visible. Government and non-profit organisations were excluded. South Africa provides an appropriate setting for this study as organisations operate amid persistent inequality, unemployment, and service delivery pressures, which heighten expectations that companies contribute to social needs in visible, localised ways (Wirba, 2024; Kumari et al., 2021). The nature of retail businesses is that they interact directly with communities, so their actions are closely watched and quickly assessed for sincerity (Bello et al., 2021; Srivastava, 2024). At the same time, many small and medium-sized retailers operate on tight budgets and rely on informal reporting practices, which complicate monitoring and the proof of impact, reinforcing the need for credible reporting to distinguish genuine practice from image-driven messaging (OECD, 2024; Khan et al., 2021). CSR has become increasingly visible in business practice, yet research shows that it is often approached as a reputational tactic rather than a sincere commitment to social and environmental responsibility. The rise of greenwashing and performative CSR has heightened scepticism among stakeholders, weakened corporate credibility, and eroded trust. This study addresses the gap in the academic literature on how companies strategically use CSR to influence reputation and how this affects stakeholder trust, corporate credibility, and consumer behaviour.

The article commences with an exploration of the theoretical background, the presentation of objectives, and the development of the framework. The key literature relevant to the study is presented below. Thereafter, the study's findings are presented and discussed, followed by concluding remarks that highlight their implications and future research avenues.

2 THEORETICAL BACKGROUND AND FRAMEWORK DEVELOPMENT

Corporate Social Responsibility (CSR) has shifted from being a voluntary ethical activity to a strategic priority for many organisations. Early CSR efforts focused on moral responsibility, where businesses contributed to social welfare because it was considered the right approach (Wirba, 2024). In today's competitive environment, CSR is increasingly used to strengthen public image and corporate reputation. Companies rely on CSR to differentiate themselves in saturated markets, build trust, and respond to changing consumer expectations (Kumari et al., 2021). Stobierski (2021b) notes that 25% of consumers and 22% of investors avoid companies viewed as unethical, illustrating the rising pressure on businesses to be seen as socially responsible. This shift has encouraged the use of CSR in marketing and communication, sometimes prioritising image over genuine impact. This trend has contributed to the rise of greenwashing and performative CSR, in which companies exaggerate or misrepresent their social and environmental claims (Ziolo et al., 2024). While these tactics may help in the short term, they weaken trust and damage credibility.

Sugai and Young (2024) refer to this phenomenon as value washing, in which companies present distorted images of ethical behaviour to appeal to socially conscious audiences. Increased visibility through social media has further intensified scrutiny. Individuals now respond immediately to misleading CSR claims, elevating reputational risks for organisations that fail to meet expectations (Harrison, 2022). As a result, consumers have become more cautious and selective, with many redirecting support away from brands that appear insincere. Although CSR has been widely studied, limited research examines how the strategic use of CSR affects trust and corporate credibility, particularly in the South African retail sector. Given the rising expectations for transparency and accountability, this study seeks to clarify whether CSR serves the social good or reinforces brand positioning. The research aims to contribute to understanding how organisations can distinguish meaningful action from perception-driven CSR.

2.1 Theoretical grounding

This study draws on Stakeholder Theory and Legitimacy Theory. Stakeholder Theory maintains that organisations are accountable to a broad community of stakeholders, including customers, employees, and local communities (Bridoux & Stoelhorst, 2022). It explains why organisations pursue CSR and how these activities influence stakeholder perceptions (Dmytriyev et al., 2021). The theory highlights the importance of ethical behaviour in maintaining long-term success and trust. When CSR is used mainly for reputation, it risks weakening relationships and stakeholder confidence (Bello et al., 2021). Stakeholder expectations have increased in recent years due to greater transparency and accountability, particularly through social media and ESG frameworks (Bridoux & Stoelhorst, 2022).

Legitimacy Theory complements this perspective by explaining how organisations strive to align with societal norms and expectations in order to maintain approval and credibility (Fernando & Lawrence, 2014). The theory suggests that organisations must maintain a form of social permission to operate, which depends on public perceptions of responsible conduct. Companies often use visible CSR initiatives or sustainability reports to demonstrate ethical behaviour, even when internal practices have not changed (Srivastava, 2024). Such actions are aimed at preserving legitimacy, especially during times of criticism or scrutiny. Greenwashing and performative CSR can be interpreted as attempts to sustain legitimacy without meaningful behavioural change (Olateju et al., 2021).

Combined, Stakeholder Theory and Legitimacy Theory provide a useful lens for examining CSR. Together, they clarify whether organisations engage in CSR to meet stakeholder expectations and create genuine impact, or to manage perception and maintain legitimacy.

2.2 Framework development

CSR has become central to modern business practice. Companies increasingly recognise its role in strengthening reputation and supporting responsible conduct (Stobierski, 2021a). Although CSR originated as a moral expectation, it is now widely used to reinforce public image. This shift has intensified debate about whether CSR reflects genuine responsibility or strategic branding (Kumari et al., 2021).
This literature review examines how CSR shapes public perception and stakeholder trust, including the experiences of employees, consumers, and investors (Bello et al., 2021). It considers the rise of greenwashing, the ongoing tension between ethical responsibility and strategic intent, and the influence of CSR authenticity on long-term relationships (Khan et al., 2021). The review also identifies gaps in existing scholarship, particularly concerning the South African retail sector.

The review is organised into three themes: i) the changing purpose of CSR, including its ethical foundations and use as a reputational tool; ii) the growing concern over greenwashing and performative CSR; and iii) CSR as a marketing instrument and its influence on trust.

2.2.1 Corporate social responsibility

CSR refers to voluntary organisational efforts that contribute positively to society and the environment beyond legal requirements. It encourages businesses to consider the interests of a wide range of stakeholders (Awa et al., 2024). CSR supports ethical decision-making and long-term sustainability, positioning companies as responsible members of the broader community. The rise of CSR reflects a shift from a focus on short-term profitability to a broader consideration of stakeholder wellbeing. Bello et al. (2021) argue that when CSR is applied meaningfully, it strengthens legitimacy and supports beneficial social outcomes. These benefits depend on genuine integration into organisational practice. In many cases, CSR becomes symbolic when used primarily for external approval rather than internal commitment. Critics such as Ismael (2022) note that CSR is increasingly shaped by marketing priorities rather than ethical responsibility. This trend raises concerns about whether CSR still reflects genuine commitment or has become a strategic tool aimed at securing public approval.

CSR originated as an ethical expectation, with companies encouraged to acknowledge their social and environmental influence (Ghasemi & Nejati, 2013). Carroll's (1991) model emphasised that profit should not come at the expense of society. Over time, rising awareness of environmental and social issues led companies to use CSR for visibility and branding, particularly as consumers and investors increased their scrutiny of ethical behaviour (Stobierski, 2021a). Reputation management refers to efforts to shape how the public views an organisation (Korzhevskyi & Mihus, 2022). A strong reputation improves resilience, loyalty, and trust. Since CSR signals responsible conduct, it has become closely tied to reputation. The risk, however, is that companies may use CSR terminology to appear responsible without substantial effort (Ismael, 2022). As CSR becomes more visible, organisations use it to build identity, reinforce values, and appeal to socially aware audiences (Mai et al., 2021; Kumari et al., 2021). While this can strengthen loyalty, it also increases pressure to present CSR in ways that appear impressive, even when the underlying actions are minimal. Scholars such as Martin et al. (2024) caution that CSR may become a marketing activity rather than a source of meaningful change. Derevianko (2019) argues that CSR can be seen as a core component of reputation management and to ensure reputational stability. Ogrean (2014) also highlights the strategic value of CSR in stakeholder reputation management.

2.2.2 Greenwashing, performative CSR and CSR as a marketing tool

Performative CSR often contributes to perceptions of greenwashing, which occurs when organisations create misleading impressions about their environmental or social performance. Greenwashing has become a prominent concern, as it weakens trust and undermines genuine CSR (Santos et al., 2024). Ioannou et al. (2022) show that companies accused of greenwashing experience measurable declines in customer satisfaction, illustrating the reputational damage associated with misleading claims. Social media has increased accountability by enabling rapid public response to inconsistencies between stated and actual practices. High-profile examples in the fast fashion sector demonstrate how CSR messaging can conflict with operational realities (Brinquis, 2023). Despite widespread awareness of greenwashing, detailed research on its long-term consequences remains limited.

SR continues to influence marketing and brand positioning. Companies incorporate CSR messaging into advertising and sponsorships to connect with socially aware audiences (Ismael, 2022). When executed with sincerity, CSR can strengthen loyalty and support advocacy from customers and employees. Research shows that authentic CSR improves organisational commitment and brand perception (Ramayah et al., 2022; Srivastava, 2024). However, CSR efforts that lack transparency or measurable action risk undermining trust. Stakeholders evaluate CSR based on credibility, alignment with organisational purpose, and visible impact (Kumari et al., 2021). Authors such as Hussain et al. (2024) also argue that a relationship exists between organisational commitment to CSR and financial performance, as it may be easier to attract funding. This is confirmed by Zvaríková et al. (2024) who found a link between CSR performance and increased earnings. Bachtijeva et al. (2023) also argue that socially responsible companies use real earnings management less aggressively than other companies. In contrast, Blajer-Gołębiewska (2014) found statistically weak relationships between corporate reputation and economic performance, this may be attributed to companies with better performance having more funds, thereby being more conscious of reputation. Greenwashing heightens scepticism, especially in digital environments where stakeholders can quickly identify inconsistencies (Brinquis, 2023). Younger consumers, in particular, expect sustained commitment to ethical issues and adjust purchasing behaviours when organisations fall short (Sugai & Young, 2024). As expectations grow, the need for strong accountability mechanisms becomes more important. Organisations such as the OECD (2024) emphasise the importance of transparent reporting and independent verification to distinguish genuine CSR from symbolic claims.

3 RESEARCH METHODS

The primary objective of the study was to investigate the extent to which businesses in the South African retail industry use Corporate Social Responsibility as a tool for reputation management. To achieve this objective, the study formulated several secondary objectives, which included i) to explore the ethical and strategic dilemmas companies face when implementing CSR initiatives; ii) to assess the usefulness of CSR evaluation methods in distinguishing authentic efforts from misleading claims; iii) to examine the effects of this approach on stakeholder confidence; and iv) to recommend practices that support sustainable business development. The study was guided by an overarching primary research question: 'How do businesses in the retail industry use CSR as a reputation management tool?'

This study was guided by an interpretivist paradigm, which viewed reality as socially constructed and context-dependent. Interpretivism emphasises that individuals understand and interpret the world through their subjective experiences, which are shaped by social, cultural, and organisational contexts (Pervin & Mokhtar, 2022). This research adopted a qualitative approach to gain a deeper understanding of how individuals within organisations perceived and navigated the competing purposes of Corporate Social Responsibility (CSR). This study followed an exploratory research design to investigate the complex and often underexplored dynamics of Corporate Social Responsibility (CSR) within South African companies, particularly the tension between its strategic and ethical functions. This design enabled meaningful engagement with participants, allowing the researcher to capture detailed and in-depth perspectives on CSR practices and motivations.

This study used a non-random, purposive sampling strategy to select participants based on their direct involvement in CSR-related roles. This approach was intended to ensure that data was gathered from individuals with meaningful experience in either developing or implementing CSR strategies, making their contributions especially valuable to the research. The sample consisted of ten organisational representatives directly involved in corporate social responsibility, including CSR managers, owners, and marketing executives from organisations operating within South Africa's retail industry. Participants were selected based on their expertise in CSR, managerial or decision-making roles, active involvement in CSR planning or implementation, and employment in the South African retail sector. This technique was selected to ensure that the data collected were both meaningful and contextually rich, as participants were well positioned to reflect on the tensions explored in the study.

The primary data collection instrument was one-on-one, semi-structured interviews, which offer a balance between consistency and flexibility. Consistency is achieved by asking all participants a common set of predetermined questions, as outlined in an interview guide, ensuring comparability across interviews. At the same time, flexibility allowed the interviewer to adapt follow-up questions or dive further into unique points raised, leading to deeper insights (Adeoye-Olatunde & Olenik, 2021). This method enables participants to reflect openly on their experiences while ensuring that key topics, such as ethical motivation, stakeholder expectations, and reputational considerations, are addressed. Interviews were conducted in September 2025 online via Microsoft Teams and lasted between 30 and 45 minutes. To maintain consistency and ethical rigour, one of the two researchers conducted each interview.

The interview guide consisted of eleven broad, open-ended questions, developed from key themes identified in the literature review, namely: (1) the evolving purpose of CSR as either an ethical obligation or a reputational tool, (2) the issue of greenwashing and performative CSR, and (3) stakeholder perception and trust, to ensure alignment with the study's theoretical framework and research objectives. Questions aligned with these three major themes included "What are the main reasons your company engages in CSR initiatives?" "Has CSR ever been used to manage or recover the company's reputation after public criticism or crisis?" and "How do your key stakeholders (e.g., customers, investors, employees) typically respond to your CSR initiatives?"

This study used thematic analysis to interpret data collected through semi-structured interviews. This technique is widely used in qualitative research and is well-suited to studies that aim to identify and explore recurring patterns or themes in textual data (Lochmiller, 2021). Given the nature of this research, examining how CSR is understood and applied as either a strategic or socially driven practice, this method provided a flexible yet systematic way to analyse participants' narratives in relation to the research objectives.

The analysis process began with manual coding, where interview transcripts were reviewed multiple times to ensure familiarity with the data. Initial codes were developed by highlighting recurring words, phrases, and ideas that reflect the study's core focus areas identified in the literature review. For example, ethical motivations, reputational goals, stakeholder perceptions, and organisational behaviour. These codes were then refined and grouped into broader themes that align with the study's conceptual framework and objectives. Thematic analysis was conducted manually to maintain close engagement with the data and preserve its contextual richness.

This study was conducted in accordance with standard ethical research practices involving human participants. All participants received a formal information sheet outlining the purpose of the study, their role in it, and their rights. Informed consent was obtained prior to participation. Participation was entirely voluntary, and participants were free to withdraw at any stage without penalty or explanation. To protect their privacy, responses were anonymised and kept strictly confidential. No identifying information appeared in the final report or in any published findings. All interviews were audio recorded with the participant's permission and securely stored on a password-protected device accessible only to the researcher. Transcriptions were also stored securely and used solely for the purposes of this research. Ethical clearance was obtained from the Department of Business Management Research Ethics Committee within the College of Business and Economics at the University of Johannesburg. The ethical clearance number is 25SOM/BM73. Artificial Intelligence (AI) tools such as Grammarly and ChatGPT were utilised in the language editing of the manuscript.

Table 1 below lists the participants, their role in the company, and their CSR focus areas within their organisation. Owing to ethical adherence requirements, no demographic information of participants was collected, as the study was focused on the organisation, not the individual employee.

Table 1 **List of participants**

Participants	Role in the company	CSR focus area
Participant 1	Quality manager	Donations and recycling

Participant 2	HR and Risk Management	Donations, recycling, and community programmes.
Participant 3	Store Administrator	Donations, recycling, and local employment
Participant 4	Head of HR	Donations and fundraising
Participant 5	Head of marketing, innovation, and business development	Fundraising campaigns, donations, and recycling
Participant 6	Head of Marketing	Fundraising, donations, and recycling
Participant 7	Part-Owner	Donations and recycling
Participant 8	Part-Owner	Donations and recycling
Participant 9	Operations manager	Fundraising, donations, and recycling
Participant 10	Part-Owner	Fundraising campaigns, donations, and recycling

4 FINDINGS AND DISCUSSION

Ten semi-structured interviews were conducted with representatives from seven South African retail businesses. Participants included CSR managers, marketing executives, operations managers, and business owners. Interviews lasted 30 to 45 minutes and were conducted on Microsoft Teams. The purpose was to examine how CSR is understood and practised within these businesses, with specific attention to the balance between ethical intentions and reputation-driven motivations. Thematic analysis produced five themes. Transcripts were reviewed and coded to identify recurring ideas relevant to CSR motivation, stakeholder expectations, communication, and perceived credibility. Codes were then organised into broader categories, forming the five themes listed in Table 2. Across the organisations, CSR mainly involved community support, donations, environmental activities, and employee involvement. Participants described contributions to schools, local charities, food banks, recycling efforts, and community projects. CSR was framed as both social contribution and environmental responsibility, forming the basis of their approach to responsible business practice.

4.1 Theme 1: motivations for CSR: ethical intent and strategic benefit

From the interviews, it became clear that CSR is understood as being shaped by both a moral commitment and a strategic opportunity. On the one hand, participants spoke about CSR as a way of doing what is right for society and those directly connected to the organisation. Participant 2 described initiatives such as donations and support for local organisations as "about giving back to the community" and ensuring that something meaningful is contributed beyond company goals. Participant 4 similarly noted that CSR is about "making a positive impact and creating value for the organisation," suggesting that social and environmental concerns are not separate from business practice but part of what it means to act responsibly. Participant 6 echoed this by stating that CSR means "helping those in need because it is the right thing to do, not just for show." These perspectives mirror the principles outlined by Awa et al. (2024), who reaffirm that companies have responsibilities extending beyond profit-making to include ethical, social, and philanthropic dimensions. Their work builds on classical CSR foundations by highlighting how stakeholder expectations shape modern interpretations of corporate responsibility. At the same time, participants were open about the strategic value CSR brings. Participant 1 saw it as providing "advertising advantage and brand recognition," while Participant 3 linked CSR directly to reputation, highlighting that "if you don't link your brand to what matters… you lose trust, and maybe that customer forever." Participant 7 highlighted that CSR allows them to "position themselves differently" from competitors. Their reflections resonate with Stobierski (2021a) and Kumari et al. (2021), who note that CSR has increasingly become part of reputation management, helping companies appeal to socially conscious consumers and stand out in competitive markets.

Across the interviews, CSR was therefore not presented as either purely value-driven nor entirely profit-driven. Instead, ethical intent and company goals were described as interdependent. Bello et al. (2021) similarly argue that CSR enhances legitimacy and stakeholder relationships when it is embedded sincerely in strategy, while also providing reputational and competitive benefits. The perspectives expressed by participants demonstrate how these dual drivers of CSR, ethical obligation and strategic value, are experienced together in practice. This partially answers the primary research question, which was stated as 'How do businesses in the retail industry use CSR as a reputation management tool?' by referring to both a value and profit motive.

4.2 Theme 2: CSR and reputation management

Participants widely acknowledged that CSR influences how organisations are perceived, though they differed on the extent of this impact. Some viewed CSR as central to reputation, explaining that it provides visible proof of ethical behaviour and strengthens credibility with stakeholders. Participant 4, for example, stated that CSR plays a "huge role in enhancing our brand," arguing that ethical practices and community projects are key factors in shaping public trust. Participant 7 added that CSR "helps build our reputation and keep customers loyal," particularly when values align with visible community impact. This perspective echoes Korzhevskyi and Mihus (2022), who describe reputation management as a deliberate effort to influence stakeholder perceptions, with CSR often acting as a primary signal of responsibility. Similarly, Ramayah et al. (2022) found that CSR initiatives enhance employee commitment and external reputation when embedded authentically within organisational culture. Srivastava (2024) further supports this link, demonstrating that CSR efforts significantly improve brand reputation and consumer loyalty, especially when tied to sustainable marketing practices. These findings align with Bigus et al. (2024), who note that modern definitions of corporate reputation increasingly integrate CSR performance as a measurable component of strategic value creation.

Other participants, however, were more cautious, describing CSR as supportive rather than dominant in building reputation. Participant 2 explained that CSR "contributes, but not to a great extent," compared with core drivers such as quality and service delivery. Participant 1 offered a similar view, noting that CSR efforts such as assisting communities and training staff helped maintain client loyalty but were most effective when combined with the company's established reputation for reliable products and services. Participant 5 echoed this view by saying, "You cannot rely on CSR alone. If your product or service is poor, people won't stay." These comments align with Bello et al. (2021), who argue that while CSR can enhance legitimacy, its impact depends heavily on the depth of integration within core operations. The interviews also highlighted the reputational benefits CSR provides in specific contexts, such as compliance and long-term resilience. Participant 1 noted that CSR initiatives supported formal compliance ratings, reinforcing legitimacy in a highly regulated environment. Participant 3 shared that their CSR helped "calm stakeholder concerns" during recent supply chain disruptions. This is consistent with Ismael (2022) and Awa et al. (2024), who emphasise that CSR's reputational strength lies in its ability to align corporate values with stakeholder expectations, thereby reinforcing trust and competitive differentiation.

Overall, the findings indicate that CSR is perceived not as a replacement for quality or service excellence, but rather as a means of strengthening credibility. In this sense, CSR enhances positive perceptions when the foundations of sound business practice are already established. This aligns with Stobierski (2021a), who argues that CSR has evolved into a mechanism for reinforcing reputation and fostering stakeholder loyalty, while also raising questions about whether its value derives more from strategic positioning than from genuine ethical commitment. This directly addresses the primary research question, which was stated as 'How do businesses in the retail industry use CSR as a reputation management tool?' by highlighting the positive benefits throughout an organisation's value chain.

4.3 Theme 3: authenticity versus greenwashing

Across all interviews, participants highlighted authenticity as a non-negotiable aspect of CSR. Greenwashing was consistently described as unacceptable and potentially devastating for reputation. Participant 1 warned that "any company caught doing this and proven wrong stands the risk of tarnishing their brand indefinitely," pointing to the permanent loss of stakeholder trust that can result from misleading claims. Similarly, Participant 4 stressed that greenwashing "misleads customers, undermines trust, damages brand reputation and attracts regulatory scrutiny," showing awareness of both reputational and regulatory consequences. These comments support the arguments of Ioannou et al. (2022), who found that companies accused of greenwashing often experience measurable declines in customer satisfaction and stakeholder confidence. More recent analyses confirm the relevance of this concern: Santos et al. (2024) highlight that greenwashing remains one of the most pressing threats to CSR credibility, particularly in the age of digital transparency. Similarly, Ziolo et al. (2024) emphasise that research on greenwashing has expanded to address new forms of deception in sustainability reporting, reflecting the growing need for verifiable and authentic CSR communication.

While some interviewees suggested that greenwashing is not a major issue in their own industries, particularly within the retail and food production sectors, they nevertheless condemned it as unethical. Participant 2 commented that "we don't engage in it; I don't really see it as a concern in our industry," while Participant 7 argued that the risk of being exposed made it a practice that "we would never risk, because it would undo years of building our name." Even in sectors such as retail and food production, where greenwashing is often publicly scrutinised, several participants perceived it as less visible in their own business context. They understood, however, that stakeholder trust still depends on credibility and transparency. This reflects the caution raised by Ismael (2022), who argues that CSR often risks becoming performative when used mainly for image-building rather than meaningful change. Respondents also shared how they safeguard authenticity in their CSR practices. Participant 4 explained that claims are kept "specific, accurate and independently verified," pointing to the importance of audits and certification as tools for strengthening credibility. Participant 3 noted that CSR initiatives should be "done without the limelight," suggesting that companies should let their actions speak rather than pursuing exaggerated publicity. Participant 5 reinforced this point, explaining that their organisation avoided overstating its initiatives because "the community will hold you accountable if you say more than you do." These insights resonate with Brinquis (2023), who highlights how digital platforms enable communities to quickly expose inconsistencies between corporate claims and actual behaviour.

Taken together, the interviews show that authenticity is defined by transparency, evidence, and consistency. CSR was viewed as effective only when companies delivered on their commitments without exaggeration. As Participant 8 explained, "customers can tell when something is genuine, and they can also tell when it's for show." This reinforces the point that performative CSR may generate short-term visibility but ultimately erodes trust if not backed by real action. Furthermore, Sugai and Young (2024) caution that false or exaggerated claims about social impact, what they term "value washing", are increasingly damaging in an era where stakeholders demand proof of authenticity.

4.4 Theme 4: stakeholder trust and responses

The interviews highlighted that CSR plays a significant role in shaping stakeholder trust, particularly among customers and employees. Participants consistently linked responsible practices with improved credibility, loyalty, and confidence.

Customers were often described as responding positively to CSR initiatives. Participant 4 explained that CSR makes customers "feel confident buying our brand," suggesting that socially responsible actions reassured buyers about both the company's integrity and the quality of its products. Participant 2 similarly described how "beneficiaries often help spread a good word," indicating that when communities experienced the impact of CSR, they acted as advocates, strengthening the organisation's reputation. These reflections support Bello et al.'s (2021) argument that CSR enhances legitimacy by demonstrating accountability and generating goodwill among external stakeholders. Recent studies echo these insights. Srivastava (2024) found that CSR-driven brand reputation strongly influences consumer trust and repeat purchase behaviour, while Awa et al. (2024) reaffirm that transparent engagement with stakeholders strengthens perceptions of corporate integrity. Similarly, Wirba (2024) argues that authentic CSR practices build trust not only through visible social impact but also by aligning corporate values with community expectations. Employees were also seen as critical to maintaining stakeholder trust. Several respondents emphasised that CSR created pride and a sense of belonging among staff. Participant 3 highlighted the importance of involvement and transparency, advising to "communicate, communicate, communicate" so that employees felt informed and engaged in the organisation's social commitments. Participant 2 explained that when staff could see CSR activities, it motivated them and increased their loyalty to the company. These perspectives align with Ramayah et al. (2022), who argue that credible CSR strengthens employee engagement, morale, and trust in leadership.

Together, these responses suggest that CSR fosters trust through visibility, authenticity, and communication. Customers interpret CSR as a sign of credibility and integrity, while employees experience it as a source of pride and shared purpose. Trust, in this sense, is not only about what companies deliver but also about how clearly and consistently they communicate their actions. This finding reflects Kumari et al.'s (2021) observation that stakeholder perceptions of CSR are strongly influenced by transparency and alignment with organisational values, and reinforces Bigus et al. (2024) view that corporate reputation increasingly depends on credible CSR as a measurable component of stakeholder trust.

4.5 Theme 5: challenges in maintaining stakeholder trust

Although participants generally agreed that CSR contributes positively to reputation and trust, they also identified several challenges that can undermine these benefits.

One of the most frequently mentioned barriers was limited resources. Participant 2 explained that "we get at least three donation requests a week, we can't help everyone," highlighting how unmet expectations can leave some stakeholders dissatisfied. Participant 7 added that even when companies want to extend their impact, "there is only so much budget that can go towards it," making it difficult to maintain consistency. This reflects Bello et al. (2021) observation that CSR outcomes depend not only on intention but also on the resources that organisations can sustain over time. Participants also described the risks of misinformation and reputational vulnerability. Participant 1 cautioned that "false information creates distrust," showing how quickly credibility can be damaged even when initiatives are genuine. Similarly, Participant 5 noted that "the community will hold you accountable if you say more than you do," suggesting that reputational harm often arises when promises are misunderstood or expectations are inflated. These challenges mirror concerns that inconsistent or poorly communicated CSR efforts lead to stakeholder scepticism, particularly in an era of heightened transparency.

Another challenge lay in external shocks that disrupted both operations and CSR. Participant 1 described how disease outbreaks in their sector directly affected the organisation's ability to deliver CSR, while Participant 4 explained that maintaining trust during crises required close alignment with regulatory standards to reassure stakeholders. This supports Korzhevskyi and Mihus' (2022) argument that reputation management must account for unpredictability, as trust can be shaken by events outside a company's control. Finally, measurement gaps made it difficult for some participants to demonstrate CSR impact. Several admitted to relying on informal indicators, such as community feedback or employee impressions, rather than on systematic evaluation. Participant 2 pointed to "beneficiaries spreading a good word" as evidence of success, while Participant 1 mentioned using HR tools and complaint logs, explaining that "we keep track of staff complaints and attendance to see if our CSR projects are really making people happier at work." In contrast, Participant 4 described more structured monitoring of "energy, water and waste management systems." This uneven approach reflects the OECD's (2024) concerns that, without standardised reporting and accountability frameworks, CSR often struggles to demonstrate credibility beyond symbolic value.

Together, these insights suggest that while CSR can enhance trust, it is also fragile and easily undermined. Resource constraints, misinformation, external disruptions, and weak measurement systems create vulnerabilities that limit CSR's reputational impact. Addressing these challenges requires not only commitment but also clearer communication, stronger accountability mechanisms, and realistic goal setting.

4.6 Summary of themes

This study examined how CSR is used within selected South African retail businesses, focusing on whether it is applied as a moral responsibility or as a strategic tool to strengthen reputation. Findings show that CSR is viewed as both an ethical commitment and a strategic opportunity. Participants described CSR as a way to support communities and demonstrate responsible conduct, while also acknowledging its ability to strengthen visibility, customer loyalty, and stakeholder confidence. The study identified five themes: the connection between ethical purpose and strategic goals, CSR's relationship with reputation, the importance of authentic communication, the role of CSR in building trust among stakeholders, and the challenges that influence credibility and consistency.

Across all themes, trust was shown to depend on clear communication, visible results, and alignment between stated commitments and actual behaviour. CSR strengthened relationships when implemented with honesty and supported by measurable action. It became less effective when efforts were inconsistent or used mainly to influence perception. The study met its objectives by describing the primary drivers behind CSR activities, clarifying how these activities influence stakeholder trust, and identifying the factors that affect credibility. The findings confirm that CSR supports reputation and stakeholder relationships when applied with sincerity, but superficial or uncoordinated activities weaken long-term value.

CONCLUSIONS

This study concludes that CSR can effectively strengthen reputation and trust when grounded in genuine commitment and supported by clear communication. Credibility does not result from messaging alone. It must be earned through consistent behaviour, transparency, and realistic evaluation of outcomes. CSR efforts that focus primarily on image risk weaken trust and misalign with stakeholder expectations. The organisations in this study demonstrated that CSR is most effective when it is part of daily operations and aligned with organisational values. The findings reinforce that CSR is a meaningful approach to responsible business conduct when integrated into strategy, communicated honestly, and applied with long-term commitment. When organisations prioritise authenticity and accountability, CSR supports both reputation and positive social impact.

From a practical standpoint, the findings indicate that CSR is most effective when embedded in routine business activities rather than treated as a separate or occasional initiative. Integrating CSR into day-to-day operations allows organisations to demonstrate consistency between stated commitments and actual practices, which strengthens stakeholder perceptions. Honest communication is essential in this process, as overstated claims or vague messaging create expectations that are difficult to sustain and may invite scepticism. The study also highlights the importance of using clear methods to assess and report CSR outcomes. Even simple, transparent evaluation practices enable businesses to demonstrate accountability and provide stakeholders with tangible evidence of social contribution, thereby supporting confidence and long-term trust. By offering empirical evidence drawn from South African retail SMEs, this study extends existing CSR research beyond large organisations and developed markets. It shows how reputational value is built through locally relevant, resource-aware CSR practices rather than through symbolic activities. The findings demonstrate that sustainable reputational benefits emerge when CSR reflects genuine commitment, aligns with community needs, and is communicated in proportion to actual impact. In this way, the study contributes to the literature by illustrating how CSR can support credible reputation-building in environments characterised by high social expectations, visibility, and operational constraints, particularly in the South African retail sector.

This study provides insight into CSR within the South African retail sector, yet several areas require further investigation. Future research should examine how CSR operates across additional industries, including manufacturing, finance, and hospitality, where responsibilities and expectations may differ. Further work could explore how various stakeholder groups evaluate CSR credibility, including consumers, employees, and local communities. Longitudinal studies would help clarify how ongoing CSR efforts influence trust, corporate image, and organisational performance over time. In addition, the development of consistent measurement tools for CSR would support clearer assessment and reduce reliance on informal indicators. Given the influence of digital communication, future studies should also investigate how online visibility, social media, and digital accountability influence corporate behaviour and public response to greenwashing. The study also faced certain limitations. As the study sample was drawn from retail businesses in South Africa, the findings are context-specific. While transferability to other similar sectors may be possible, studies in dissimilar industries may provide different results. In addition, given that the study focused on South Africa, the findings may differ in a developed-market context.

RESEARCH ETHICS, INFORMED CONSENT, AND CONFLICT OF INTEREST STATEMENT

Ethical clearance for this study was obtained from the Department of Business Management Research Ethics Committee within the College of Business and Economics at the University of Johannesburg under ethical clearance number 25SOM/BM73. All participants received information about the study's purpose and procedures, the voluntary nature of participation, their right to withdraw at any time, and the measures taken to ensure confidentiality and anonymity. Written informed consent, including permission to audio-record the interviews, was obtained from all participants before data collection. Grammarly and ChatGPT were used solely to support language editing of the manuscript, and the authors reviewed and take full responsibility for the final content. The authors declare no conflict of interest.

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