

Corporate Social Responsibility and Brand Equity of Manufacturing Industry in Wuhan, China

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ABSTRACT

The enhancement of brand equity is of positive significance for enterprises to cultivate core competitiveness and achieve sustainable growth. Brand equity is not only conducive to improving the operational efficiency of enterprises, fully leveraging the leverage effect of resources, helping the manufacturing industry expand global market share, but also has important significance in enhancing the added value of enterprise products and promoting the transformation and development of the manufacturing industry. However, Chinese manufacturing enterprises in Wuhan are currently facing a situation of low product quality and a lack of world-renowned brands, resulting in weak brand equity growth and inability to form effective brand effects in the global market. The author of this article takes manufacturing enterprises in Wuhan, China as samples, and combines research methods such as measurement analysis, theoretical induction, and deduction. Firstly, based on the theory of brand value, the author deconstructs enterprise brand value, and focuses on exploring and testing the relationship embedding, structural embedding, and cognitive embedding of network embedding, as well as the formation mechanism of corporate brand equity based on social network theory and network embedding theory. Then, based on social responsibility theory and stakeholder theory, the author of this article introduces social responsibility variables into the theoretical model to analyze and test the mediating role of social responsibility in the relationship between network embedding and brand value, and to clarify the path of network embedding's impact on corporate brand value. Furthermore, based on the external and internal perspectives of enterprise organizations, the author of this article incorporates environmental dynamics and strategic consistency into the integrated analysis framework, explores the relationship between technological dynamics, market dynamics, and strategic consistency on network embeddedness and brand value, as well as the moderating mechanism based on the mediating effect of social responsibility. The contribution of this study lies in: firstly, based on the perspective of social networks, this study explores the impact of network embedding on brand value, and then supplements relevant research on the driving mechanism and influencing factors of enterprise brand value. Secondly, based on social responsibility theory and stakeholder theory, this study explores the mediating role of social responsibility in the relationship between network embedding and brand value, and makes improvement and supplement on relevant literature on corporate social responsibility motivation and economic effects. Thirdly, based on the dual perspectives of internal and external students, this study explores the moderating role of environmental dynamics and strategic consistency in the relationship between network embedding, social responsibility, and brand value, and expands the application scope of network embedding theory and brand equity theory. In addition, this study can also provide scientific basis and decision-making reference for enhancing the brand equity of Wuhan from multiple aspects such as brand management, social responsibility strategy design, and social network resource management.

Keywords: *Corporate social responsibility, Brand equity, Wuhan.*

1. INTRODUCTION

The enhancement of brand equity has become an important way for manufacturing enterprises to transform and develop. In the process of creating and expanding markets, the perception and value judgment of products by the enterprise's own customer base and potential consumers have become key factors driving the sustained growth of the enterprise. In today's increasingly competitive market, the product brand of an enterprise is not only an important bridge between the organization and the market, but also a main driving force for improving the core competitiveness of the enterprise, promoting smooth transformation and sustained growth. Therefore, how to enhance the brand equity of enterprises has become a common focus of academic and corporate practice.

Product innovation is an important antecedent factor for enterprises to optimize and improve product functions and enhance brand value. Enterprise brand equity is closely related to product functionality and consumer perception. Therefore, innovation resources, as a natural starting point for innovation efforts, have evolved into one of the main determining variables that affect brand value. With the continuous development of the knowledge economy, the Internet and information technology have made significant contributions to the transformation of atomic enterprises into network organizations. In order to adapt to the rapidly changing competitive environment, the connections between enterprises and other organizations are becoming increasingly close. Enterprises and consumers, suppliers, creditors, governments, media, communities, and other stakeholders have begun to evolve into organizational forms of social networks, so as to achieve better collaboration and win-win situation, creating common value.

Brand equity is the combination of the functional value, non-functional value, and interactive value of an enterprise's products. This value integration will be reflected in consumers' purchasing intentions and brand communication. The functional value of a product will be reflected in its usage value, which is the consumer utility generated by the product's functionality and objective characteristics. Functional elements or usage value will act on the rigidity of consumers' purchasing intention, which is the main driving force for consumers' purchasing decisions. The non-functional value of a product emphasizes the psychological perception it brings to consumers, mainly reflected in the psychological experience it

brings to consumers. For most products, non-functional value has less impact on consumer decision-making motivation than functional value, further exploring the embedding characteristics of enterprise networks from three dimensions: structural embedding, relational embedding, and cognitive embedding. Structural embedding has a significant impact on the ability of enterprises to obtain information and resources, which can be reflected in two indicators: centrality and structural holes. Enterprises with high centrality can establish connections with numerous member enterprises, further improving the scale of their ability to obtain and capture external information. In a social network composed of core stakeholders, if the enterprises occupy the position of the network structure holes, it will be easier to obtain non-redundant information brought by heterogeneous networks, thereby greatly increasing the organization's knowledge reserve and forming an information advantage.

Due to the significant impact of social networks on enterprises' access to innovative resources and brand value, enterprises have begun to seek resources through external cooperation and resource sharing through the network resources contained in social networks. Especially in technological innovation activities, enterprises need to accumulate high-level knowledge, technology, and experience to meet the demand for innovation investment. Therefore, enterprises often utilize the network relationships established with other members in social networks to obtain necessary information and resources. Batt et al. (2004) have pointed out that social networks provide a new communication mechanism for network members to participate in the exchange of resources and information, and also provide a necessary environment for member enterprises to cooperate, exchange, and innovate. They have become the main source of competitive advantage for enterprises.

In Wuhan, China, most corporate social responsibility (CSR) strategies have entered a "dual transformation" process, where CSR itself has shifted from strategic to strategic, and corporate social responsibility goals have also begun to change.

2. PROBLEM STATEMENT

This study aims to explore the relationship between corporate social responsibility and brand equity in Wuhan's manufacturing industry.

In addition, this study requests answers to the following questions:

- 1. How do respondents evaluate the impact of network embedding on brand cognitive value?
- 2. How do respondents evaluate the impact of social responsibility on company network embeddedness and brand value?
- 3. How does environmental dynamics affect network embeddedness and enterprise brand value?
- 4. How does technological dynamics affect an enterprise's network embeddedness and corporate social responsibility?
- 5. How can market dynamics regulate corporate social responsibility and network embeddedness?
- 6. What is the evaluation of the moderating effect of strategic consistency on social responsibility and brand value?

3. HYPOTHESES

Hypothesis 1: There is no relationship between network embedding and enterprise brand value.

Hypothesis 2: Social responsibility has no significant mediating effect on the relationship between network embeddedness and brand value.

Hypothesis 3: There is no positive correlation between network embedding and enterprise brand

Hypothesis 4: There is no significant relationship between technological dynamics, network embedding, and brand value.

Hypothesis 5: There is no significant relationship between market dynamics and social responsibility.

Hypothesis 6: Strategic consistency has no significant impact on social responsibility and brand value.

4. SCOPE AND LIMITATIONS OF THIS STUDY

Due to the heterogeneity of the network, the study objects of this article are the manufacturing enterprises in Wuhan, China, excluding other industries. This article analyzes the impact and mechanism of network embedding on brand equity from the perspective of social networks, and clarifies the role of network embedding on brand equity based on social intermediaries. On this basis,

market dynamics, technological dynamics, and strategic consistency are introduced into the comprehensive analysis framework, fully explaining the impact boundary of network embedding on brand value. The study conclusion of this article can expand the research scope of theories related to brand equity and social responsibility, and provide scientific basis and theoretical reference for Wuhan manufacturing enterprises in China to enhance brand equity and achieve sustainable growth.

This study has certain limitations, mainly manifested in: 1) For enterprises in the initial or embryonic stages, brand equity cannot be fully reflected. Therefore, this study excludes manufacturing enterprises established for less than 2 years; 2) This study focuses on the core stakeholder network of manufacturing enterprises, but in reality, due to the differences in strategic resource composition between enterprises, the core stakeholders owned by enterprises are also different. However, the limitations of sub research methods and the availability and matching ability of data can only consider the homogeneity of enterprise social networks, resulting in certain research errors; 3) This article also excludes manufacturing samples in the context of group companies, as the strategic design of member companies may be influenced by administrative orders from group companies or parent companies, which can lead to exogenous effects in the formulation of social responsibility strategies and cannot accurately estimate social responsibility motivations and brand effects. On the other hand, the resources provided by group companies may weaken the network embedding effect of the enterprises, thereby diluting the subjective initiative of member companies to acquire and absorb network resources. 4) The transmission mechanism from network embedding to brand equity includes many links and intermediary variables, including dynamic capabilities, technological innovation, marketing efficiency, etc. This study only focuses on exploring the propagation path of network embedding on brand equity from the perspective of social nobility, with less involvement in other path elements.

5. RESEARCH METHODS

This study adopts an empirical quantitative research design. This article uses a combination of questionnaire survey, regression analysis, and measurement analysis to study the main effect

between network embedding and brand value. According to the mediation effect testing procedure, the mediation effect of social responsibility has been empirically analyzed. Furthermore, using interaction analysis techniques, the main regulatory effects and path regulatory effects of environmental dynamics and strategic consistency have been explored, and the role boundaries of network embedding affecting brand equity have been preliminarily identified. Then, a moderating mediation effect test model has been constructed to integrate the moderating effects of environmental dynamics and social responsibility strategy consistency on network embedding and brand equity relationships.

6. CONCLUSION

First, it is the enhancement of brand equity of positive significance for enterprises to cultivate core competitiveness and achieve sustainable growth. Especially for Chinese manufacturing enterprises, cultivating brand equity not only is beneficial for improving marketing efficiency, leveraging resources, and helping the manufacturing industry expand global market share, but also plays an important role in enhancing the added value of enterprise products and promoting the transformation and development of the manufacturing industry. However, Chinese manufacturing enterprises are currently facing low product quality and a lack of world-renowned brands, resulting in weak brand equity growth and inability to form effective brand effects in the broader global market.

Second, this article takes Chinese manufacturing enterprises as samples and combines quantitative analysis, theoretical induction, deduction and other analytical methods. Firstly, based on the theory of brand value, the deconstruction of enterprise brand equity is carried out, with a focus on exploring and testing enterprise brand equity based on social network theory and network embedding theory. The three types of network embeddings, namely relational embeddings, structural embeddings, and cognitive embeddings, affect the brand equity of enterprises and their mechanisms of action.

Third, based on social responsibility theory and stakeholder theory, the author of this article introduces social responsibility variables into the analysis framework, analyzes and tests the mediating role of social responsibility in the relationship between network embedding and brand

value, and clarifies the role of network embedding in enterprise brand value. Furthermore, this article explores the moderating effects of technological dynamics, market dynamics, and strategic consistency on the relationship between network embedding and brand equity from the perspectives of both exogenous and endogenous enterprises, and examines the mediating role of the three in social responsibility.

Fourth, the adjustment mechanism fully reveals the impact, driving mechanism, and functional boundaries of network embedding on enterprise brand value, providing research contributions for enriching and expanding network embedding and brand equity theory, and providing reference for brand strategy and brand equity optimization of Chinese manufacturing enterprises.

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