Corporate Social Responsibility Practices and Corporate Image of SM Corporation in China

Wei Chen¹

ABSTRACT

This study examined the relationship between Corporate Social Responsibility (CSR) practices and the corporate image of SM Corporation in China. Guided by the Triple Bottom Line framework, the research explored CSR initiatives along three dimensions—People, Planet, and Profit—and assessed their impact on stakeholder perceptions of the company's identity, communication, and feedback mechanisms. Using a descriptivecorrelational research design, data were collected from 580 respondents across eight SM mall locations in China through a structured survey instrument. Descriptive statistics and Pearson's correlation were employed to analyze the data. Results showed that CSR initiatives under the People dimension—particularly charitable events, crisis response, and educational programs—were perceived as highly effective. Environmental programs under the Planet dimension and business resilience efforts under the Profit dimension also received favorable evaluations. Corporate image indicators, especially identity and communication, were rated very satisfactory, while feedback mechanisms were found to be satisfactory. Stakeholders expressed overall satisfaction with SM's CSR programs, with the Bay Cleanup and SM Bears of Joy initiatives receiving the highest satisfaction ratings. A significant positive correlation was observed between CSR practices and corporate image, with the People dimension showing the strongest relationship (r = 0.612, p < 0.01). The findings underscore the strategic value of CSR in enhancing corporate image and building stakeholder trust. It is recommended that SM Corporation intensify awareness campaigns, enhance financial transparency, improve feedback systems, and sustain its highimpact CSR programs to further strengthen stakeholder engagement and brand reputation.

Keywords: Corporate Social Responsibility, Corporate image, Stakeholder satisfaction, SM Corporation, China, Triple Bottom Line.

1. INTRODUCTION

In the evolving landscape of global business, the intersection between corporate profitability and social responsibility has emerged as a strategic priority for multinational enterprises. The growing awareness of ethical consumption, sustainability, and stakeholder engagement has compelled companies to embed Corporate Responsibility (CSR) at the core of their operations. Corporate Social Responsibility, broadly defined as a company's commitment to manage the social, environmental, and economic effects of its activities in alignment with stakeholder expectations, serves as a critical mechanism for building corporate image and sustaining long-term competitiveness (Carroll, 1991; Crifo & Forget, 2015).

One such enterprise demonstrating this commitment is the SM Group, one of Southeast Asia's largest conglomerates and the Philippines' leading integrated property developer. Since its inception in 1958 by Henry Sy Sr., SM has evolved from a modest shoe store into a multinational brand known for its expansive mall operations, real estate ventures, financial services, and sustainable practices. Expanding its footprint beyond the Philippines, SM has successfully entered the Chinese market with branches in key cities such as Xiamen, Jinjiang, Chengdu, Suzhou, Chongqing, Zibo, Tianjin, and Yangzhou. SM Prime's flagship project in China, SM City Tianjin, stands as a

¹ Doctor of Business Administration, Polytechnic University of the Philippines, Manila, Philippines

¹ Guangzhou College of Technology and Business, Guangzhou, Guangdong, China

¹Corresponding author. Email: chenwei@gzgs.edu.cn

testament to the group's urban development strategy and its commitment to fostering "lifestyle cities" that enhance the quality of life for local communities.

To facilitate its CSR initiatives, SM Cares — under SM Foundation — has taken the lead in implementing socially responsible and environmentally sustainable programs. These include advocacies for persons with disabilities, environmental stewardship, women and children's welfare, senior citizen support, and disaster resilience. SM Cares ensures its initiatives align with the United Nations' 17 Sustainable Development Goals, highlighting its global orientation and localized responsiveness.

In recent years, the millennial generation has significantly influenced CSR trends. These consumers are digitally connected, ethically motivated, and socially conscious. Studies suggest that millennials prioritize working with and supporting companies that uphold strong CSR values. In fact, 70% of millennials assess a company's CSR record before pursuing employment or consumption choices (Deloitte, 2020). This demographic shift signals an urgent need for corporations to articulate and demonstrate their social accountability in transparent and engaging ways (Bennett, 2021).

Theoretical perspectives on CSR vary, but one widely recognized approach is the Triple Bottom Line (TBL), which frames CSR in terms of "People, Planet, and Profit." This framework suggests that companies should measure success not just by financial gains but also by their contributions to society and the environment (Elkington, 1997; Slaper & Hall, 2011). When aligned with strong corporate governance and strategic communication, CSR initiatives can reinforce a company's corporate image—defined as the public's perception of the company's identity, values, and reputation (Esen, 2020).

The significance of corporate image has been emphasized in reputation management literature. A positive corporate image can enhance customer stakeholder trust, and engagement. It reflects a company's identity and values through its corporate communication and stakeholder feedback mechanisms (Hillenbrand & Money, 2009). Effective CSR communication plays a vital role in shaping this image, particularly in competitive business environments where stakeholders increasingly demand transparency and accountability.

Against this backdrop, this study investigates the relationship between CSR practices and corporate image in the context of SM Corporation's operations in China. It explores how CSR initiatives categorized under the TBL framework influence perceptions of corporate identity, communication, feedback, and overall image among key stakeholders. By analyzing the effectiveness and satisfaction levels of CSR efforts from the perspective of employees, customers, and beneficiaries, this research provides insights into how socially responsible practices contribute to brand equity and organizational sustainability.

The study also draws from an integrated conceptual framework that incorporates both internal (identity, operations, culture) and external (communication, stakeholder engagement) elements of corporate image. Furthermore, it seeks to understand how stakeholder demographics, frequency of mall visits, and awareness of CSR activities shape these perceptions.

Ultimately, this research aims to contribute to the growing body of knowledge on CSR and strategic brand management in cross-cultural contexts, offering practical recommendations for corporations aiming to enhance their public image through sustainable, inclusive, and ethical business practices.

2. METHODS

2.1 Research Design

This study employed a descriptive-correlational research design to examine the relationship between Corporate Social Responsibility (CSR) practices and the corporate image of SM Corporation in China. The design was selected for its effectiveness in assessing existing conditions, measuring perceptions, and analyzing the degree of association between variables without manipulating the environment or intervening directly with the participants (Creswell, 2014).

The descriptive aspect allowed for the detailed documentation of the perceived effectiveness of CSR initiatives across three primary dimensions—People, Planet, and Profit—while the correlational aspect explored their relationship with indicators of corporate image, such as identity, communication, feedback, and public perception. This combination provided both the breadth and depth necessary to understand the alignment between CSR

performance and brand image in a real-world setting.

2.2 Research Locale and Population

The study was conducted across eight major cities in China where SM Corporation operates: Xiamen, Jinjiang, Chengdu, Suzhou, Chongqing, Zibo, Tianjin, and Yangzhou. These locations were selected based on the presence of SM malls and their diverse urban demographics, which ensured a representative sample of stakeholders familiar with the brand.

The population included individuals who have had direct or indirect interactions with SM Corporation—customers, employees, government officials, and community members—all of whom could provide valuable insights regarding CSR visibility and corporate image formation.

2.3 Sampling Method and Sample Size

A cluster sampling technique was utilized to select respondents from the identified cities. This approach was ideal for geographically distributed populations and enabled efficient data collection from naturally occurring groups. A total of 580 respondents participated in the study. The inclusion criteria focused on stakeholders aged 18 and above who had at least occasional interactions with SM malls or CSR programs.

The demographic profile of the respondents was also examined, including variables such as age, gender, income, employment status, and frequency of mall visitation, as these factors were hypothesized to influence their perceptions of CSR and corporate image.

2.4 Research Instrument

Data were gathered using a structured, selfadministered survey questionnaire, which was developed and validated specifically for the study. The instrument was composed of three major parts:

- 1. Respondent Profile Demographic and socio-economic data.
- 2. CSR Dimensions A 5-point Likert scale measuring stakeholder satisfaction across three CSR categories:

People (e.g., disaster response, educational support, charitable activities)

Planet (e.g., environmental initiatives, energy efficiency, eco-awareness campaigns)

Profit (e.g., transparency, crisis responsiveness, strategic resilience)

 3. Corporate Image – Items evaluating identity, communication strategies, feedback mechanisms, and general brand perception.

The instrument was reviewed by subject matter experts and pilot-tested with a subset of the population to ensure reliability and clarity. Cronbach's alpha was computed to test internal consistency, with all scales yielding values above 0.80, indicating high reliability.

2.5 Data Collection Procedure

Surveys were administered both in-person and online, depending on local restrictions and accessibility. Trained research assistants conducted interviews and distributed paper-based questionnaires at mall locations, while digital forms were shared through secure online platforms. Ethical considerations were upheld by obtaining informed consent, ensuring anonymity, and complying with data protection standards throughout the research process.

2.6 Data Analysis

Descriptive statistics such as mean, standard deviation, and frequency distribution were used to summarize stakeholder satisfaction levels. To examine the relationship between CSR dimensions and corporate image indicators, Pearson's correlation coefficient was applied.

Significance levels were set at p < 0.05, and interpretation of correlation strength followed conventional standards (Cohen, 1988). The analysis was conducted using Statistical Package for the Social Sciences (SPSS) Version 24, ensuring accurate and replicable results.

2.7 Results

This section presents the empirical findings of the study regarding the perceived effectiveness of CSR practices of SM Corporation and their relationship with corporate image, based on the responses of 580 participants across selected cities in China. The data are organized into the following categories: (1) Effectiveness of CSR Practices, (2) Corporate Image Ratings, (3) Stakeholder Satisfaction, and (4) Correlation Between CSR and Corporate Image.

3. EFFECTIVENESS OF CSR PRACTICES

The effectiveness of CSR practices was measured across the three core dimensions: People, Planet, and Profit. Respondents rated their perceptions using a five-point Likert scale, where 1 = Not at all effective and 5 = Extremely effective.

Table 1. Level of effectiveness of CSR practices: people

Indicator	Mean	Interpretation
SM Bears of Joy	3.77	Highly Effective
Educational CSR Activities	3.83	Highly Effective
Charitable Events/Donations	3.87	Highly Effective
Crisis Response and Disaster Relief	3.87	Highly Effective

As shown in "Table 1", all CSR practices under the "People" category were perceived as highly effective. Among these, charitable events/donations and crisis response initiatives received the highest mean score (M=3.87), followed closely by

educational CSR activities (M = 3.83). These findings indicate a strong stakeholder recognition of SM's social support efforts, particularly during emergencies and community outreach programs.

Table 2. Level of effectiveness of CSR practices: planet

Indicator	Mean	Interpretation
Trash-to-Cash Recycling Market	3.57	Effective
Green Film Festival	3.58	Effective
Regular Bay Cleanup	3.63	Effective

"Table 2" reveals that environmental programs under the "Planet" dimension were rated as generally effective. The Regular Bay Cleanup received the highest mean score (M = 3.63), indicating community support for collective

environmental action. While still rated positively, the Trash-to-Cash program had the lowest score (M = 3.57), suggesting opportunities to improve visibility or accessibility.

Table 3. Level of effectiveness of CSR practices: profit

Indicator	Mean	Interpretation
Financial Transparency	3.56	Effective
Profitability During the Pandemic	3.67	Highly Effective
Business Strategies in Economic Downturns	3.70	Highly Effective
Long-Term Growth and Shareholder Value	3.78	Highly Effective

As shown in "Table 3", respondents evaluated the "Profit" dimension of CSR favorably. The highest-rated item was SM's ability to generate long-term growth and shareholder value (M=3.78), reflecting stakeholder confidence in the company's strategic direction. Financial transparency, while still rated as effective (M=3.56), scored lowest in

this group, indicating a potential area for improvement in corporate reporting and communication.

Table 4. Stakeholder's satisfaction

Indicator	Mean	Interpretation
Reliability of SM Foundation during	3.48	Moderately Satisfied
pandemic		
Willingness to help through	3.54	Moderately Satisfied
services/donations		
SM managerial decisions during	3.54	Moderately Satisfied
quarantine		
Trash-to-Cash Recycling Program	3.57	Satisfied
Green Film Festival	3.58	Satisfied
Regular Bay Cleanup	3.63	Satisfied
SM Bears of Joy	3.63	Satisfied

According to "Table 4", Respondents expressed varying levels of satisfaction with SM's CSR programs. The highest rated programs were the Regular Bay Cleanup and SM Bears of Joy, each with a weighted mean of 3.63, interpreted as Very Satisfied. These were followed closely by the Green Film Festival (M = 3.58) and Trash-to-Cash Program (M = 3.57), indicating strong support for environmentally driven initiatives.

Interestingly, stakeholders were moderately satisfied (M = 3.48) with SM Foundation's reliability in delivering charitable work during the

pandemic, despite the overall high ratings for other pandemic-related programs. This suggests that while the initiatives were appreciated, there remains potential to strengthen perceptions of consistency and responsiveness in times of crisis.

The overall computed mean for stakeholder satisfaction was 3.57, which falls within the *Very Satisfied* range. This finding implies that SM Corporation has effectively fostered goodwill among stakeholders through its CSR efforts, particularly in the areas of social support, environmental education, and community outreach.

Table 5. Corporate image

Indicator	Mean	Interpretation
Corporate Identity	4.32	Very Satisfactory
Corporate Communication	4.27	Very Satisfactory
Corporate Feedback	4.15	Satisfactory

Respondents also assessed SM Corporation's image based on three indicators: Corporate Identity, Corporate Communication, and Feedback. The results are presented in "Table 5". Corporate image ratings were generally high, with the highest score attributed to corporate identity (M=4.32). This suggests strong public recognition and association

with SM's brand values. Communication was also well-rated (M=4.27), reflecting the company's success in disseminating information to stakeholders. While feedback was satisfactory (M=4.15), it was the lowest among the three, indicating room to enhance stakeholder engagement processes.

Table 6. Correlation between CSR and corporate image

CSR Dimension	r	p-value	Interpretation
People	0.612	0.001	Strong Positive
Planet	0.528	0.005	Moderate Positive
Profit	0.583	0.003	Strong Positive

To determine whether there is a statistically significant relationship between CSR practices and corporate image, Pearson's correlation coefficient was used. The results are shown in "Table 6". The results show a significant positive correlation between all three CSR dimensions and corporate image (p < 0.01). The People dimension demonstrated the strongest association (r = 0.612), followed by Profit (r = 0.583), and Planet (r = 0.528). These findings suggest that CSR practices directly contribute to how the company is perceived by its stakeholders.

4. CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

This study investigated the relationship between Corporate Social Responsibility (CSR) practices and the corporate image of SM Corporation in China, with specific focus on stakeholder perceptions across the three core dimensions of CSR: People, Planet, and Profit. Findings revealed that stakeholders generally perceived SM's CSR initiatives as effective, particularly in the social and strategic domains.

The People dimension received the highest ratings, especially for programs like Charitable Events, Crisis Relief, and SM Bears of Joy, indicating that stakeholders strongly value initiatives that directly benefit communities and address urgent social needs. Environmental efforts under the Planet dimension, such as Bay Cleanups and the Green Film Festival, were also viewed positively, although with slightly lower visibility compared to social programs. In the Profit dimension, SM Corporation's adaptability during crises and commitment to long-term shareholder value contributed to a favorable assessment of its strategic CSR practices.

Stakeholders also evaluated the corporate image of SM Corporation positively, particularly in terms of corporate identity and communication, while feedback mechanisms were rated as satisfactory, suggesting areas for improvement in stakeholder engagement. Moreover, a significant positive correlation was found between CSR practices and corporate image across all dimensions, with the strongest relationship observed in the People dimension (r = 0.612, p < 0.01), affirming the strategic role of CSR in enhancing brand reputation and public trust.

The analysis of stakeholder satisfaction showed that respondents were generally very satisfied with the CSR programs, with a mean satisfaction score of 3.57. Notably, initiatives such as the Bay Cleanup, SM Bears of Joy, and the Green Film Festival resonated most strongly with respondents. These findings affirm the importance of culturally responsive and community-based CSR in fostering meaningful stakeholder relationships.

4.2 Recommendations

Based on the findings of this study, the following recommendations are offered to further improve SM Corporation's Corporate Social Responsibility (CSR) programs and enhance its corporate image among stakeholders in China:

4.2.1 Broadening CSR Awareness Campaigns Across All Stakeholders

SM Corporation should intensify efforts to raise awareness of its CSR programs, especially among customers, tenants, and mall employees. Targeted informational drives, regular mall events, and digital campaigns can help bridge the information gap and encourage higher levels of stakeholder engagement.

4.2.2 Sustaining and Scaling High-Impact CSR Programs

CSR programs that received high ratings, such as the SM Bears of Joy, Bay Cleanup, and Green Film Festival, should be continued, supported with adequate resources, and replicated in other branches. These programs demonstrated strong impact and were well-received by stakeholders.

4.2.3 Strengthening Feedback and Communication Mechanisms

While corporate communication was rated as very satisfactory, the feedback component was only satisfactory. SM Corporation should invest in more interactive platforms — such as community suggestion hubs, satisfaction surveys, and focus group discussions — to foster two-way dialogue with stakeholders.

4.2.4 Enhancing Transparency in Financial and Strategic CSR Reporting

Financial transparency received the lowest rating among the Profit dimension indicators. It is

recommended that SM Corporation publish simplified, stakeholder-friendly CSR and sustainability reports. These documents should include measurable outcomes of CSR initiatives and clear indicators of strategic alignment with community needs.

4.2.5 Collaborating with Local Organizations and Stakeholder Groups

To further localize its CSR efforts, SM Corporation may partner with local government units, educational institutions, and non-government organizations (NGOs). Collaborative efforts can ensure that CSR programs remain culturally relevant, community-driven, and sustainable.

4.2.6 Utilizing Digital Platforms for CSR Engagement

Given that most respondents became aware of CSR programs through online platforms, SM should maximize the use of its websites and social media channels to promote upcoming CSR activities, publish success stories, and allow for real-time engagement with the public.

4.2.7 Conducting Periodic Evaluation of CSR Initiatives

Continuous monitoring and evaluation of CSR programs are essential. SM Corporation should implement regular stakeholder assessments to measure effectiveness, satisfaction, and areas needing improvement. This will also allow the company to realign its programs with evolving community needs and corporate goals.

REFERENCES

- [1] Abratt, R. Corporate identity, corporate branding and corporate reputations: reconciliation and integration. Eur J Mark 2012; 46(7/8): 1048–1063.
- [2] Alniacik, U., Cigerim, E., Akcin, K., & Bayram, O. Independent and joint effects of perceived corporate reputation, affective commitment and job satisfaction on turnover intentions. Procedia - Social and Behavioral Sciences, 2011a: 1177–1189. https://doi.org/10.1016/j.sbspro.2011.09.139

- [3] Alniacik, U., Cigerim, E., Akcin, K., & Bayram, O. Independent and joint effects of perceived corporate reputation, affective commitment and job satisfaction on turnover intentions. Procedia Social and Behavioral Sciences, 2011b: 1177–1189. https://doi.org/10.1016/j.sbspro.2011.09.139.
- [4] Barnett, M. L. Stakeholder influence capacity and the variability of financial returns to corporate social responsibility. Academy of Management Review, 2007: 32(3),794–816. https://doi.org/10.5465/amr.2007.25275520
- [5] Bhattacharya, C. B., Korschun, D., & Sen, S. Strengthening Stakeholder–Company Relationships Through Mutually Beneficial Corporate Social Responsibility Initiatives. Journal of Business Ethics, 2008: 85(S2), 257–272.
- [6] Bhattacharya, C. B., Sen, S., & Korschun, D. Using corporate social responsibility to win the war for talent. MIT Sloan management review, 2008: 49(2).
- [7] Carroll, AB. The pyramid of corporate social responsibility: toward the moral management of organizational stakeholders. Bus Horiz 1991; 34(4): 39–48.
- [8] Chatterji, A. K., Levine, D. I., & Toffel, M. W. (2009). How well do social ratings actually measure corporate social responsibility. Journal of Economics & Management Strategy, 18(1), 125-169.
- [9] Chen, Z, Chen, S, Hussain, T. The perception of corporate social responsibility in Muslim society: a survey in Pakistan and Sudan. Sustainability 2019; 11(22): 6297–6313.
- [10] Chung, K.-H., Yu, J.-E., Choi, M.-G., & Shin, J.-I. The Effects of CSR on Customer Satisfaction and Loyalty in China: The Moderating Role of Corporate Image. Journal of Economics, Business and Management, 2015: 3(5), 542–547. https://doi.org/10.7763/joebm.2015.v3.243
- [11] Crifo, P., & Forget, V. D. The economics of corporate social responsibility: A firm-level perspective survey. Journal of Economic Surveys, 2015: 29(1), 112-130.
- [12] Data Collection: Definition, Methods, Example and Design | QuestionPro. (2018, August10). QuestionPro.

- https://www.questionpro.com/blog/data-collection/
- [13] Deniz, S. The Relationship Between Perception of Corporate Reputation and Turnover Intention: Results from Turkey. Journal of Health Management, 2020a: 22(1),103–113. https://doi.org/10.1177/0972063420909200
- [14] Deniz, S. The Relationship Between Perception of Corporate Reputation and Turnover Intention: Results from Turkey. Journal of Health Management, 2020b: 22(1), 103–113. https://doi.org/10.1177/0972063420909200
- [15] Esen, E. The influence of corporate social responsibility (CSR) activities on building corporate reputation. In: Alejandra Gonzalezperez, M, Leonard, L (eds) International business, sustainability and corporate social responsibility, Vol. 11. Bingley: Emerald Group, pp. 133–150.
- [16] Gutman, J. A means-end chain model based on consumer categorization processes. Journal of marketing, 1982: 46(2), 60-72.
- [17] Helm, S., Garnefeld, I., & Tolsdorf, J. Perceived Corporate Reputation and Consumer Satisfaction an Experimental Exploration of Causal Relationships. Australasian Marketing Journal, 2009: 17(2), 69–74.
- [18] Haski-Leventhal, D. Strategic corporate social responsibility: Tools and theories for responsible management. Sage. 2018.
- [19] Hillenbrand, C., & Money, K. Segmenting Stakeholders in Terms of Corporate Responsibility: Implications for Reputation Management. Australasian Marketing Journal, 2009: 17(2), 99–105.
- [20] Kitzmueller, M., & Shimshack, J. Economic perspectives on corporate social responsibility. Journal of Economic Literature, 2012: 50(1), 51-84.
- [21] Mahmood, A., & Bashir, J. How does corporate social responsibility transform brand reputation into brand equity? Economic and noneconomic perspectives of CSR. International Journal of Engineering Business Management, 2020, 12.

- [22] McWilliams, A, Siegel, DS, Wright, PM. Corporate social responsibility: strategic implications. J Manag Stud, 2006: 43(1): 1–18.
- [23] Newman Carol & John Rand, Corporate Social Responsibility in a Competitive Business. 2020. Pages 1455-1472 | Received 07 May 2018, Accepted 13 Nov 2019, Published online: 13 Jan 2020.
- [24] Özcan, F., & Elçi, M. Employees' Perception of CSR Affecting Employer Brand, Brand Image, and Corporate Reputation. SAGE Open, 2020: 10(4),
- [25] Peloza, J. Corporate Social Responsibility as Reputation Insurance. UC Berkeley: Center for Responsible Business, 2005.
- [26] Puncheva, P. The Role of Corporate Reputation in the Stakeholder Decision-Making Process. Business & Society, 2007: 47(3), 272–290.
- [27] Slaper, T. F., & Hall, T. J. The triple bottom line: What is it and how does it work. Indiana business review, 2011: 86(1), 4-8.
- [28] Smith, J. The company with the best CSR reputations. Forbes, http://www.forbes.com/sites/ (2020, accessed 13 February 2020).
- [29] Tetrault–1266 Sirsly, C.-A., & Lvina, E. From Doing Good to Looking Even Better: The Dynamics of CSR and Reputation. Business & Society, 2016:58(6), 1234.
- [30] Theoretical Research an overview | ScienceDirect Topics. Sciencedirect.com. 2017.
- [31] Trifkovic, N., Markussen, T., Newman, C., & Rand, J. Corporate social responsibility in Vietnam. In Routledge handbook of sustainable development in Asia. Routledge. 2018, pp. 427-448
- [32] Wartick, S. L. Measuring Corporate Reputation. Business & Society, 2002: 41(4), 371–392. https://doi.org/10.1177/0007650302238774
- [33] Yadav, R. S., Dash, S. S., Chakraborty, S., & Kumar, M. Perceived CSR and Corporate Reputation: The Mediating Role of Employee Trust. Vikalpa: The Journal for Decision Makers, 2018: 43(3), 139–151.