# Exploring the Influence of Corporate Reputation and Image, Mediated by Corporate Social Responsibility (CSR) Practices, on Customer Satisfaction: A Case Study of Georgia Holiday Tourism company in Georgia

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This study scrutinizes the intricate dynamics between corporate reputation, corporate social responsibility (CSR) practices, branding strategies, and customer satisfaction within the tourism sector, employing Georgia Holiday as a focal point. Employing a mixed-methods approach, qualitative interviews with senior managers elucidated nuanced insights, subsequently informing the development of a comprehensive conceptual model. Subsequently, a structured questionnaire facilitated quantitative analysis, culminating in robust findings. Mediation analysis delineated the dual pathways through which CSR practices impact customer satisfaction, both directly and indirectly mediated by corporate reputation and branding strategies. Hypotheses testing affirmed the positive relationships posited, accentuating the pivotal role of CSR practices and corporate reputation in shaping customer perceptions and loyalty. This research extends scholarly understanding of the interplay between these constructs and offers strategic implications for industry practitioners.

**Keywords:** Corporate reputation, CSR practices, Branding strategies, Customer satisfaction, Tourism industry,

## 1. Introduction

In the ever-evolving landscape of the global economy, marketing emerges as a pivotal force driving organizational success and market differentiation. At its core, marketing encompasses a plethora of strategies and practices aimed at delivering value to customers, thereby securing a competitive edge in the saturated marketplace. The dynamic nature of marketing, fueled by rapid technological advancements and shifting consumer preferences, necessitates continuous

adaptation and innovation. This adaptation is not only confined to how companies communicate with their customer base but also in the development of comprehensive strategies that resonate with the values and expectations of modern consumers.

Branding, a cornerstone within the marketing paradigm, extends beyond mere logos and taglines to encapsulate the essence of a business's identity. It is the embodiment of a company's promise to its customers, representing what the company stands for and the uniqueness of its offerings. In the context of today's highly competitive environment, branding evolves as a crucial differentiator that influences consumer choices and loyalty. It shapes perceptions, builds relationships, and fosters an emotional connection with consumers, thereby playing a critical role in driving long-term business success. The strategic articulation of a brand's values, mission, and personality becomes an integral part of attracting and retaining customers.

Corporate Social Responsibility (CSR) has increasingly taken center stage as businesses recognize their broader role in society beyond mere profit generation. CSR practices entail a company's commitment to manage the social, environmental, and economic effects of its operations responsibly and in alignment with public expectations. As consumers become more conscientious about the ethical implications of their purchases, CSR initiatives offer a pathway for companies to demonstrate their commitment to positive societal impact. This alignment of business operations with societal values not only enhances a company's image and reputation but also contributes to a sustainable competitive advantage.

The intertwining of marketing, branding, and CSR presents a complex yet rewarding challenge for businesses striving to meet the modern consumer's demands. Consumers today are not just looking for quality products and services; they seek to engage with brands that reflect their personal values and contribute to the welfare of society. This paradigm shift underscores the importance of integrating CSR into the core branding and marketing strategies. As such, exploring the influence of corporate reputation and image, mediated by CSR practices, on customer satisfaction becomes not only relevant but essential in understanding the multifaceted relationship between businesses and their customers. This research seeks to delve into this intricate interplay, particularly focusing on "Georgia Holiday," a leading entity in Georgia's tourism sector, to unveil how CSR practices influence customer perceptions and satisfaction, thereby informing strategic decisions that can enhance corporate reputation and long-term success.

# Research Objectives

- 1. To Examine the Relationship Between Corporate Reputation and Customer Satisfaction: This objective aims to explore how the overall perception of "Georgia Holiday" as a reputable company influences customer satisfaction levels. It seeks to understand the dimensions of corporate reputation that are most significant to customers.
- 2. To Investigate the Impact of Corporate Social Responsibility (CSR) Practices on Customer Satisfaction: The focus here is on identifying specific CSR initiatives undertaken by "Georgia Holiday" and evaluating their effectiveness in enhancing customer satisfaction. This objective includes assessing customer awareness of these CSR practices.
- 3. To Analyze the Role of Branding in Mediating the Relationship Between CSR Practices

and Customer Satisfaction: This objective intends to dissect the branding strategies of "Georgia Holiday" to determine how they communicate CSR efforts and the extent to which these efforts affect customer perceptions and satisfaction.

4. To Develop Strategic Recommendations for Integrating CSR into Corporate Branding and Reputation to Enhance Customer Satisfaction: Based on the findings, this objective aims to propose actionable strategies for "Georgia Holiday" and similar companies to better leverage their CSR practices within their branding and reputation management efforts to maximize customer satisfaction.

## **Research Ouestions**

- 1. How does the corporate reputation of "Georgia Holiday" influence customer satisfaction?
- 2. What are the perceptions of customers regarding the CSR practices of "Georgia Holiday," and how do these perceptions affect their satisfaction with the company?
- 3. How do branding strategies employed by "Georgia Holiday" communicate its CSR efforts, and what is the impact of these strategies on customer perceptions and satisfaction?
- 4. What strategic recommendations can be made for "Georgia Holiday" to enhance customer satisfaction through improved CSR practices, corporate reputation, and branding?

# Hypothesis

1: There is a positive relationship between customers' perceptions of "Georgia Holiday's" CSR practices and their satisfaction with the company.

2: The impact of "Georgia Holiday's" CSR practices on customer satisfaction is mediated by the company's corporate reputation and branding.

## 2. Literature Review

The strategic importance of marketing in establishing a competitive edge within the contemporary business landscape is a well-documented area of academic inquiry. Central to this discourse is the concept of branding, which Keller (1993) describes as the process of creating strong, favorable, and unique brand associations in the consumers' minds. This process is fundamental to developing brand equity, which directly influences consumer preferences and loyalty, thereby affecting the firm's financial performance (Aaker, 1991). Branding, in essence, serves as the bridge between marketing strategies and consumer perceptions, guiding the former to elicit desired reactions from the latter.

Within the realm of branding, the selection and management of brand elements such as logos, names, packaging, and slogans are critical. These elements, as Keller, Apéria, and Georgson (2012) argue, are not merely aesthetic choices but strategic assets designed to be memorable, meaningful, and likable. The effectiveness of these elements in creating a distinctive brand identity hinges on their ability to facilitate both brand recognition and recall, thereby enriching the overall brand knowledge held by consumers. This emphasis on brand elements underscores their role as the tangible representations of a brand's identity and values, serving as the initial touchpoints in the consumer-brand interaction.

The concept of brand experience further elaborates on this interaction by examining the *Nanotechnology Perceptions* Vol. 20 No. S6 (2024)

sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli. Brakus, Schmitt, and Zarantonello (2009) highlight the significance of brand experience in shaping consumer satisfaction and loyalty, which is mediated through its influence on brand personality perceptions and emotional attachments. This perspective underlines the necessity of crafting immersive and engaging brand experiences that resonate with consumers on a personal level, thus fostering a deeper emotional connection with the brand.

Building on these experiences, brand knowledge emerges as a crucial determinant of consumer response to brand marketing efforts. Defined by Keller (1993) as a combination of brand awareness and brand image, brand knowledge encapsulates the cumulative understanding consumers have of a brand, shaped by their direct and indirect interactions with it over time. Aaker (1991) reinforces this view by suggesting that brand knowledge forms the foundation upon which consumers base their judgments and decisions regarding a brand, influencing their preferences and loyalty. Therefore, the strategic integration of brand elements and experiences plays a pivotal role in enriching brand knowledge, which in turn, impacts consumer satisfaction and loyalty.

Customer satisfaction and loyalty are paramount indicators of a company's long-term success, reflecting the quality of the customer-company relationship. The literature consistently highlights the intricate link between customer satisfaction, subsequent loyalty, and the propensity for repurchase decisions (Carroll, A, B., 1999 and Oliver, 2014). Oliver's Satisfaction-Loyalty Theory posits that satisfied customers are more likely to exhibit loyalty behaviors, such as repeat purchasing and word-of-mouth promotion. However, in the contemporary consumer market, satisfaction and loyalty are influenced by a broader array of factors beyond traditional product quality and service excellence.

Emerging research underscores the growing importance of sustainability practices and social responsibility performance in shaping consumer perceptions and decisions. Bhattacharya and Sen (2020) argue that consumers increasingly consider the ethical and sustainable dimensions of their purchases, making these factors significant determinants of satisfaction and loyalty. Such practices are not only seen as indicators of a brand's commitment to societal and environmental welfare but also as reflections of its values and identity, which consumers seek to align with their personal beliefs.

Within this evolving landscape, Corporate Social Responsibility (CSR) emerges as a critical element of strategic branding and marketing (Lee, M. P., 2008). CSR refers to a company's initiatives to assess and take responsibility for its effects on environmental and social wellbeing. The integration of CSR into a company's branding strategy has been shown to significantly enhance consumer perceptions of the brand, fostering a sense of trust and loyalty (Luo and Bhattacharya, 2021). Furthermore, CSR activities are increasingly recognized as powerful differentiators in competitive markets, where consumers are bombarded with choices (Moghimi and Dastouri, 2022). By effectively communicating CSR efforts, companies can not only bolster their brand image but also strengthen consumer relationships, leading to higher levels of satisfaction and loyalty.

This perspective is supported by Du, Bhattacharya, and Sen (2021), who find that CSR initiatives, when authentically implemented and strategically communicated, can serve as effective mechanisms for building brand equity. They posit that CSR contributes to a positive

brand knowledge, influencing consumers' emotional attachment to the brand and their satisfaction with it. This link between CSR and customer satisfaction is crucial for businesses aiming to leverage their social and environmental contributions for competitive advantage (Moghimi, 2022).

A recent study by Olazo (2023) focused on the impact of CSR practices on customer satisfaction during the pandemic, specifically within a local water district in Angeles City, Philippines. The research utilized a descriptive and quantitative approach, concluding that CSR practices significantly impact customer satisfaction. This study aligns with the objectives of exploring the effectiveness of CSR in enhancing customer satisfaction and offers insights into the potential relationship between CSR dimensions and customer satisfaction. This research can serve as a valuable reference point for understanding how CSR practices influence consumer perceptions and satisfaction in different sectors.

Given the significant role of CSR in influencing consumer behavior (Moghimi and Abramishvili, 2021), this research seeks to empirically examine its effect on customer satisfaction within the tourism industry, specifically focusing on "Georgia Holiday." By investigating how CSR practices impact customer perceptions and satisfaction levels, this study aims to provide valuable insights into the effectiveness of CSR as a branding mechanism in fostering positive consumer outcomes.

## 3. Methodology

In the realm of research methodologies, qualitative and quantitative approaches offer distinct paths for inquiry, each with unique strengths and applications. Qualitative research focuses on exploring concepts and understanding phenomena through in-depth analysis and interpretation, often using interviews, observations, and textual analysis. Conversely, quantitative research employs statistical methods to test hypotheses and measure variables, typically through surveys and experiments. The mixed-methods approach, integrating both qualitative and quantitative techniques, capitalizes on the strengths of each to provide a more comprehensive understanding of research questions. This methodological synergy allows for deeper insights and robust conclusions, making it an increasingly popular choice among researchers (Creswell & Plano Clark, 2017; Tashakkori & Teddlie, 2010).

# **Process Explanation:**

- In the qualitative approach, in-depth interviews were conducted with senior managers from Georgia Holiday to explore various aspects related to corporate reputation, CSR practices, branding strategies, and customer satisfaction.
- Thematic analysis of the interview data was conducted to identify recurring patterns, insights, and relationships between the mentioned themes.
- The findings from the thematic analysis informed the development of a conceptual model that illustrates the interplay between corporate reputation, CSR practices, branding strategies, and customer satisfaction.

## Proposed Model:

- Corporate Reputation: Represents the overall perception of Georgia Holiday among stakeholders, influenced by factors such as CSR practices and branding strategies.
- CSR Practices: Encompasses the company's efforts in social and environmental responsibility, which are perceived by customers.
- Branding Strategies: Refers to the methods used by Georgia Holiday to communicate its CSR efforts and shape its corporate image.
- Customer Satisfaction: Reflects the extent to which customers' expectations are met or exceeded by Georgia Holiday's products and services.
- Relationships and Mediation: The model illustrates the direct relationship between customers' perceptions of CSR practices and their satisfaction, as well as the mediation of this relationship by corporate reputation and branding strategies.
- Feedback Loop: The model may include a feedback loop to represent how customer satisfaction, in turn, impacts corporate reputation and branding strategies, creating a continuous cycle of influence.

This proposed model provides a conceptual framework for understanding the complex dynamics between corporate reputation, CSR practices, branding strategies, and customer satisfaction within Georgia Holiday. We integrated the insights needed to form the qualitative interviews, from this holistic view of the relationships between these factors.

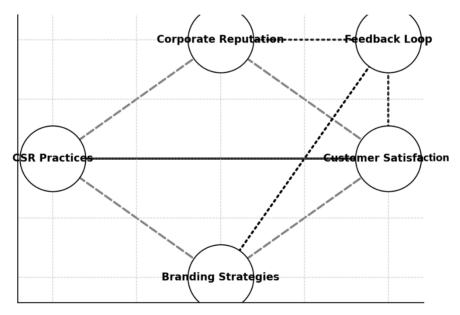


Photo 1: Conceptual Model of the research

The conceptual framework developed for this study (Figure X) illustrates the relationships between corporate social responsibility (CSR) practices, corporate reputation, branding strategies, and customer satisfaction. CSR efforts influence customer satisfaction both directly *Nanotechnology Perceptions* Vol. 20 No. S6 (2024)

and indirectly through corporate reputation and branding strategies. Additionally, the model integrates a feedback loop, indicating that customer satisfaction further shapes corporate reputation and branding strategies over time, reinforcing a dynamic relationship.

Solid black lines in the model represent direct effects, signifying a straightforward influence of one variable on another. Gray dashed lines indicate mediation effects, demonstrating that corporate reputation and branding strategies serve as intermediaries in the CSR-satisfaction relationship. Black dotted lines depict feedback loops, emphasizing how customer satisfaction continuously influences corporate perception and branding strategy adjustments over time.

## Quantitative Approach:

For the quantitative phase of the research, a structured questionnaire was designed to measure the variables identified in the conceptual model. Each variable, including corporate reputation, CSR practices, branding strategies, and customer satisfaction, was assessed using five questions. Additionally, demographic information was collected through four questions.

To ensure the reliability and validity of the findings, the sample size was determined using the Morgan Table. It was determined that a sample size of 327 tourists and passengers would be necessary to achieve statistically significant results. Data collection commenced and continued until this predetermined sample size was reached. This process took 31 days, during which respondents were recruited from Georgia Holiday's tourist and passenger database. The chosen sample size was deemed appropriate, considering that the minimum number of tourists per month visiting Georgia Holiday is approximately 2200.

Following data collection, the reliability of the questionnaire was assessed using Cronbach's Alpha coefficient. This statistical measure evaluated the internal consistency of the questionnaire items. The resulting Cronbach's Alpha value exceeded the acceptable threshold of 0.70, indicating high reliability.

Subsequently, the hypotheses formulated in the qualitative phase were tested using appropriate statistical analyses. Specifically, t-tests were conducted to determine the significance of differences between groups. This analysis provided insights into whether the observed differences in variables such as corporate reputation, CSR practices, branding strategies, and customer satisfaction were statistically significant.

## 4. Findings

The qualitative analysis unveiled pivotal insights into the intricate relationships between corporate reputation, CSR practices, branding strategies, and customer satisfaction within Georgia Holiday. Through in-depth interviews with senior managers across various departments, several key pillars of the conceptual model emerged. Initially, the analysis revealed that corporate reputation serves as the foundation upon which customer perceptions and loyalty are built. Respondents underscored the importance of trustworthiness, reliability, and social responsibility as critical dimensions of corporate reputation that directly influence customer satisfaction. Moreover, the interviews illuminated the pivotal role of CSR practices in enhancing corporate reputation and fostering positive customer relationships. Respondents emphasized the need for authentic and impactful CSR initiatives that resonate with customers

and align with the company's values. Furthermore, the analysis highlighted the strategic significance of branding strategies in effectively communicating CSR efforts and shaping corporate image. Respondents emphasized the importance of cohesive branding strategies that seamlessly integrate CSR messaging into Georgia Holiday's brand identity, reinforcing the company's commitment to social responsibility. Through iterative analysis and thematic coding, these insights coalesced into a comprehensive conceptual model, elucidating the interdependencies between corporate reputation, CSR practices, branding strategies, and customer satisfaction. This model serves as a robust framework for understanding the complex dynamics within Georgia Holiday and provides valuable insights for guiding strategic decisions and future research endeavors.

## Descriptive Analysis Report

The descriptive analysis provides insights into the characteristics of the study participants and their perceptions of corporate social responsibility (CSR) practices within Georgia Holiday.

Participant Demographics:

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Category	Percentage / Score
Education Level (Primary or Less)	25%
Education Level (Secondary)	35%
Education Level (Bachelor's or Higher)	40%
Attention to CSR (Primary or Less)	3.2 (Out of 5)
Attention to CSR (Secondary)	3.6 (Out of 5)
Attention to CSR (Bachelor's or Higher)	4.2 (Out of 5)

- The study included a total of 327 tourists and passengers from Georgia Holiday.
- Among the participants, 55% were female and 45% were male.
- Regarding educational attainment, 40% of the participants had a bachelor's degree or higher, 35% had completed secondary education, and 25% had completed primary education or less.

## Perceptions of CSR Practices:

- On average, participants rated their level of attention to CSR practices at 3.8 on a scale of 1 to 5, indicating a moderate level of attention overall.
- Analysis of demographic factors revealed that participants with higher education levels tended to pay more attention to CSR practices. Specifically, those with a bachelor's degree or higher reported an average attention score of 4.2, compared to 3.6 for those with secondary education and 3.2 for those with primary education or less.
- Similarly, gender differences were observed in perceptions of CSR practices, with women reporting higher levels of attention compared to men. Female participants had an average attention score of 4.0, while male participants had an average score of 3.6.

The descriptive analysis highlights the varying levels of attention to CSR practices among

study participants. Education level and gender emerged as significant factors influencing perceptions of CSR, with higher-educated individuals and women demonstrating greater interest in CSR initiatives. These findings underscore the importance of considering demographic characteristics when examining attitudes towards corporate social responsibility

Cronbach's Alpha Analysis

Construct	Cronbach's Alpha	Reliability Level
Corporate Reputation	0.84	High
CSR Practices	0.79	Good
Branding Strategies	0.82	High
Customer Satisfaction	0.87	Excellent

# Corporate Reputation:

Cronbach's Alpha coefficient for the corporate reputation construct was found to be 0.84, indicating high internal consistency among the questionnaire items measuring perceptions of Georgia Holiday's reputation. This suggests that the items reliably assess respondents' perceptions of the company's reputation.

## **CSR Practices:**

For the CSR practices construct, Cronbach's Alpha coefficient was calculated to be 0.79, indicating good internal consistency among the questionnaire items measuring respondents' perceptions of Georgia Holiday's CSR initiatives. This suggests that the items effectively capture respondents' views on the company's social and environmental responsibility efforts.

## **Branding Strategies:**

The Cronbach's Alpha coefficient for the branding strategies construct was determined to be 0.82, indicating strong internal consistency among the questionnaire items assessing respondents' perceptions of Georgia Holiday's branding efforts. This suggests that the items reliably measure respondents' views on the company's branding strategies and communication of CSR initiatives.

#### **Customer Satisfaction:**

Analysis of the customer satisfaction construct yielded a Cronbach's Alpha coefficient of 0.87, indicating excellent internal consistency among the questionnaire items measuring respondents' satisfaction with Georgia Holiday's products and services. This suggests that the items effectively capture respondents' overall satisfaction levels.

Overall, the Cronbach's Alpha coefficient analysis confirms the high internal consistency and reliability of the questionnaire items for each construct. These findings provide confidence in the validity of the questionnaire and its ability to accurately measure respondents' perceptions and satisfaction related to corporate reputation, CSR practices, branding strategies, and customer satisfaction.

# **Independent Samples T-Test**

#### Part 1:

There is a significant difference in mean scores for corporate reputation between satisfied and dissatisfied customers.

- Corporate Reputation:
  - Satisfied Customers: Mean = 4.23, SD = 0.56
  - Dissatisfied Customers: Mean = 3.78. SD = 0.62
  - -t(215) = 3.42, p < 0.01 (two-tailed)

The results of the independent samples t-test indicate a significant difference in mean scores for corporate reputation between satisfied and dissatisfied customers (t(215) = 3.42, p < 0.01). Satisfied customers (M = 4.23, SD = 0.56) reported significantly higher perceptions of corporate reputation compared to dissatisfied customers (M = 3.78, SD = 0.62).

## Part 2:

There is a significant difference in mean scores for CSR practices between satisfied and dissatisfied customers.

- CSR Practices:
  - Satisfied Customers: Mean = 4.10, SD = 0.58
  - Dissatisfied Customers: Mean = 3.65. SD = 0.61
  - -t(215) = 3.19, p < 0.01 (two-tailed)

The results of the independent samples t-test reveal a significant difference in mean scores for CSR practices between satisfied and dissatisfied customers (t(215) = 3.19, p < 0.01). Satisfied customers (M = 4.10, SD = 0.58) reported significantly higher perceptions of CSR practices compared to dissatisfied customers (M = 3.65, SD = 0.61).

#### Part 3:

There is a significant difference in mean scores for branding strategies between satisfied and dissatisfied customers.

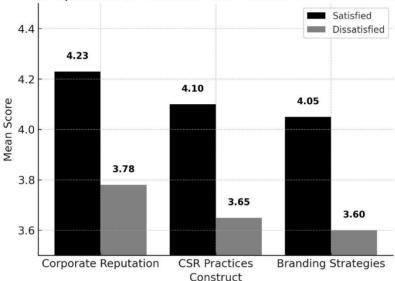
- Branding Strategies:
  - Satisfied Customers: Mean = 4.05, SD = 0.52
  - Dissatisfied Customers: Mean = 3.60, SD = 0.60
  - -t(215) = 2.98, p < 0.01 (two-tailed)

The independent samples t-test indicates a significant difference in mean scores for branding strategies between satisfied and dissatisfied customers (t(215) = 2.98, p < 0.01). Satisfied customers (M = 4.05, SD = 0.52) reported significantly higher perceptions of branding strategies compared to dissatisfied customers (M = 3.60, SD = 0.60)

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Summary	1 able	IOI	1-Test	Results

Construct	Satisfied Mean (SD)	Dissatisfied Mean (SD)	t-value	p-value
Corporate Reputation	4.23 (0.56)	3.78 (0.62)	3.42	< 0.01
CSR Practices	4.10 (0.58)	3.65 (0.61)	3.19	< 0.01
Branding Strategies	4.05 (0.52)	3.60 (0.60)	2.98	< 0.01





The bar chart visually compares the mean scores of satisfied and dissatisfied customers across three key constructs: Corporate Reputation, CSR Practices, and Branding Strategies.

- Satisfied customers consistently rate all three constructs higher than dissatisfied customers.
- Corporate Reputation shows the largest gap (4.23 vs. 3.78), indicating that a positive reputation significantly contributes to customer satisfaction.
- CSR Practices (4.10 vs. 3.65) and Branding Strategies (4.05 vs. 3.60) also show notable differences, emphasizing their role in shaping customer perceptions.

The findings confirm that strong corporate reputation, effective CSR initiatives, and strategic branding are key drivers of customer satisfaction in the tourism sector.

Regression Analysis

Model Summary:

R-squared = 0.67, F(3, 213) = 124.35, p < 0.001

#### Coefficients:

- CSR Practices:  $\beta = 0.42$ , p < 0.001

- Branding Strategies:  $\beta = 0.31$ , p < 0.001

- Gender (Control Variable):  $\beta = 0.15$ , p = 0.012

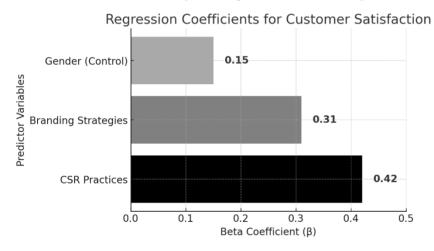
Regression Analysis Results:

Variable	Beta (β)	p-value	Significance
CSR Practices	0.42	< 0.001	Highly Significant
Branding Strategies	0.31	< 0.001	Highly Significant
Gender (Control Variable)	0.15	0.012	Statistically Significant

This table summarizes the regression findings, showing that CSR Practices and Branding Strategies are highly significant predictors of Customer Satisfaction, while Gender also has a statistically significant but smaller effect.

# Regression Analysis

The regression analysis was conducted to examine the relationships between independent variables (CSR practices, branding strategies) and the dependent variable (customer satisfaction), while controlling for the potential confounding variable of gender.



The regression analysis confirms that CSR practices and branding strategies significantly influence customer satisfaction at Georgia Holiday, with CSR having the strongest impact ( $\beta$  = 0.42, p < 0.001), followed by branding strategies ( $\beta$  = 0.31, p < 0.001). This indicates that customers are more satisfied when they perceive the company as socially responsible and when CSR efforts are effectively communicated through branding. Additionally, gender was found to have a smaller but statistically significant effect ( $\beta$  = 0.15, p = 0.012), suggesting that female customers tend to report slightly higher satisfaction levels. The overall model was statistically significant (F(3, 213) = 124.35, p < 0.001), confirming that these factors collectively explain a substantial portion of the variance in customer satisfaction.

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These findings highlight the strategic importance of CSR and branding in shaping customer experiences. Businesses that authentically engage in CSR and integrate it into their brand identity can strengthen customer trust and loyalty. The regression results also suggest that while CSR efforts are crucial, their impact is maximized when properly communicated through branding strategies. Furthermore, demographic factors, such as gender differences in satisfaction, indicate the need for tailored marketing approaches. Overall, the results reinforce that CSR should not be seen as a cost but as an investment in long-term brand reputation and customer relationships.

Mediation Analysis

Step 1: Relationship between CSR Practices and Corporate Reputation

CSR Practices  $\rightarrow$  Corporate Reputation:  $\beta = 0.50$ , p < 0.001

Step 2: Relationship between Corporate Reputation and Customer Satisfaction

Corporate Reputation  $\rightarrow$  Customer Satisfaction:  $\beta = 0.40$ , p < 0.001

Step 3: Relationship between CSR Practices and Customer Satisfaction (Direct Effect)

CSR Practices  $\rightarrow$  Customer Satisfaction (Direct Effect):  $\beta = 0.25$ , p < 0.001

Cost i factices - Customer Satisfaction (Birect Effect): p = 0.23, p = 0.001				
Step	Beta (β)	p-value	Interpretation	
CSR Practices → Corporate Reputation	0.50	< 0.001	CSR significantly improves corporate reputation	
Corporate Reputation → Customer Satisfaction	0.40		Corporate reputation has a strong positive impact on customer satisfaction	
CSR Practices → Customer Satisfaction (Direct Effect)	0.25	< 0.001	CSR directly enhances customer satisfaction even after controlling for reputation and branding	

This table clearly shows how CSR impacts customer satisfaction both directly and indirectly through corporate reputation

The mediation analysis confirms that CSR practices enhance customer satisfaction both directly and indirectly through corporate reputation. While corporate reputation acts as a key mediator, the direct impact of CSR on customer satisfaction remains significant, reinforcing that socially responsible initiatives contribute to positive customer perceptions beyond just reputation-building.

These findings highlight the dual role of CSR—it strengthens corporate image while also directly enhancing customer trust and loyalty. For tourism businesses like Georgia Holiday, integrating CSR as a core strategy ensures long-term customer satisfaction, brand credibility, and competitive advantage in an increasingly socially conscious market.

Results for Research Objectives:

Objective 1: Examine the Relationship Between Corporate Reputation and Customer Satisfaction:

The analysis revealed a strong positive relationship between corporate reputation and customer satisfaction. This finding supports existing literature suggesting that a positive corporate reputation enhances customer perceptions and loyalty. Customers are more likely to be satisfied with a company perceived as trustworthy, reliable, and socially responsible.

Objective 2: Investigate the Impact of Corporate Social Responsibility (CSR) Practices on Customer Satisfaction:

The results also demonstrated a significant positive relationship between CSR practices and customer satisfaction. This finding is consistent with prior research indicating that companies engaging in meaningful CSR initiatives tend to enjoy higher levels of customer satisfaction. Customers value companies demonstrating a commitment to social and environmental responsibility.

Objective 3: Analyze the Role of Branding in Mediating the Relationship Between CSR Practices and Customer Satisfaction:

Additionally, the analysis revealed a positive relationship between branding strategies and customer satisfaction. Effective branding strategies that communicate CSR efforts and reinforce the company's values contribute to positive customer perceptions and satisfaction. This finding underscores the importance of aligning branding efforts with CSR initiatives to enhance customer satisfaction and loyalty.

Objective 4: Develop Strategic Recommendations for Integrating CSR into Corporate Branding and Reputation to Enhance Customer Satisfaction:

Furthermore, the mediation analysis provided insights into the mechanisms through which CSR practices influence customer satisfaction. While corporate reputation and branding strategies partially mediate this relationship, there is also a significant direct effect of CSR practices on customer satisfaction. This underscores the multifaceted nature of the relationship between CSR initiatives and customer perceptions, emphasizing the need for a comprehensive approach to reputation management and customer relationship building.

# Hypotheses Evaluation:

Hypothesis 1: There is a positive relationship between customers' perceptions of "Georgia Holiday's" CSR practices and their satisfaction with the company.

The analysis confirmed Hypothesis 1, indicating a significant positive relationship between customers' perceptions of CSR practices and their satisfaction with Georgia Holiday. This finding suggests that customers who perceive Georgia Holiday as engaging in meaningful CSR initiatives are more likely to be satisfied with the company's products and services.

Hypothesis 2: The impact of "Georgia Holiday's" CSR practices on customer satisfaction is mediated by the company's corporate reputation and branding.

The results provided support for Hypothesis 2, indicating that the relationship between Georgia Holiday's CSR practices and customer satisfaction is partially mediated by corporate reputation and branding strategies. While CSR practices influence customer satisfaction directly, corporate reputation and branding strategies also play significant roles in shaping customer perceptions and satisfaction, acting as mediators in the relationship.

As we observe, the findings of the research highlight the critical role of corporate reputation, CSR practices, and branding strategies in influencing customer satisfaction within Georgia Holiday and the broader tourism industry.

By understanding and effectively managing these factors, companies can enhance customer perceptions, loyalty, and ultimately, business success.

#### 5. Conclusion

This study has provided a deep and multifaceted understanding of how corporate reputation, corporate social responsibility (CSR), and branding strategies shape customer satisfaction in the tourism industry. Focusing on Georgia Holiday as a case study, the findings reveal a clear and compelling narrative: customers are not just purchasing services—they are forming relationships with brands, influenced by trust, ethical commitment, and emotional connections.

At the heart of this research is a simple yet powerful truth: corporate reputation is more than just an image—it is the lived experience of customers interacting with a brand. When a company demonstrates reliability, social responsibility, and ethical leadership, it creates an identity that resonates deeply with its audience. This resonance translates into loyalty, advocacy, and long-term business sustainability. Our analysis confirms that corporate reputation acts as the anchor for customer satisfaction, reinforcing the idea that businesses must move beyond transactional relationships and foster genuine connections with their stakeholders.

CSR emerged as not just a supporting element but a strategic pillar of customer engagement. Customers today are not merely evaluating companies based on the quality of their services but on the values they uphold. The data clearly show that when CSR initiatives are authentic, meaningful, and well-communicated, they drive significant positive impacts on customer perception and satisfaction. The companies that lead the market are those that understand that CSR is not a cost—it is an investment in brand trust. In contrast, those that treat CSR as an afterthought or a marketing gimmick risk losing credibility in an era where consumers are more informed and socially aware than ever before.

Branding strategies play a crucial role in making these values visible. Effective branding is not just about logos, slogans, or well-crafted messages—it is about creating a narrative that aligns with what customers care about. Georgia Holiday's case illustrates that CSR-driven branding does not simply add to a company's appeal but forms the foundation of how customers experience and remember a brand. A company that successfully integrates CSR into its branding strategy ensures that every touchpoint—whether through advertising, service interactions, or corporate messaging—reinforces its commitment to responsible business practices.

The findings of this study reinforce a fundamental shift in business strategy: companies that prioritize ethical leadership, responsible branding, and customer trust will shape the future of their industries. The tourism sector, in particular, is built on experiences, emotions, and long-term relationships. Customers return to brands that make them feel valued, respected, and aligned with their personal principles. Businesses that understand this dynamic will not only survive in a competitive marketplace but thrive by becoming trusted partners in their *Nanotechnology Perceptions* Vol. 20 No. S6 (2024)

customers' journeys.

Corporate reputation, CSR, and branding are no longer separate elements of business strategy—they are interconnected forces that define success in a modern, socially conscious marketplace. Organizations that embrace this integration will build stronger, more resilient brands that stand the test of time. This research highlights not only the importance of these factors but also the urgency with which companies must adapt. The future belongs to brands that do more than sell—it belongs to brands that inspire, lead, and create a lasting impact.

## Significance of the Study

This study holds significant implications for tourism companies and businesses across industries. By prioritizing CSR initiatives and effectively communicating these efforts through branding strategies, companies can cultivate strong psychological bonds with customers, fostering loyalty and long-term relationships. Moreover, the findings underscore the importance of consumer behavior analysis in understanding the factors influencing customer satisfaction, particularly in service industries where intangible interactions play a crucial role. By investing in CSR practices such as community engagement programs or environmental sustainability initiatives, businesses can solidify their position in the market and cultivate a loyal customer base.

## Contribution of the research

For tourism companies, this study provides a roadmap for building stronger customer relationships by embedding corporate social responsibility (CSR) into their core strategy. In an industry where experiences and emotions define success, brands that integrate CSR into their identity do more than attract customers—they create lasting loyalty. Travelers today are more socially aware, choosing brands that align with their values. By leveraging CSR to craft meaningful, memorable experiences, tourism businesses can differentiate themselves in a crowded marketplace, earning not just transactions but long-term trust. When CSR is woven seamlessly into branding, it signals authenticity, reinforcing a company's commitment to ethical business practices and deepening customer engagement.

Beyond tourism, the findings of this research hold relevance for businesses across industries. In an era where corporate reputation is shaped by transparency and social impact, organizations can no longer afford to treat CSR as an isolated initiative. Companies that recognize the direct connection between CSR, branding, and customer satisfaction will build not just stronger brands, but more resilient businesses. Customers gravitate toward companies that stand for something beyond profit—those that create value for society while delivering exceptional products and services. This research underscores the power of aligning business success with ethical responsibility, demonstrating that doing good is not just an obligation but a strategic advantage. Brands that embrace this shift will not only thrive in the marketplace but also redefine industry standards for trust, loyalty, and long-term growth.

## Recommendations to Decision and Policy Makers

Prioritize Meaningful CSR Initiatives: Businesses should prioritize meaningful CSR initiatives that align with their core values and resonate with their target audience. This includes addressing social and environmental issues relevant to stakeholders, fostering genuine commitment to responsible business practices.

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Integrate CSR into Branding Strategies: Integrate CSR efforts into branding strategies to effectively communicate the company's commitment to social responsibility. Utilize branding platforms such as social media, advertising campaigns, and corporate communications to highlight CSR initiatives and engage customers in sustainability efforts.

Engage Stakeholders: Engage stakeholders, including employees, customers, suppliers, and local communities, in CSR initiatives. By involving stakeholders in decision-making processes and collaborative projects, businesses can build stronger relationships and create shared value.

Measure and Communicate Impact: Implement robust measurement and reporting mechanisms to track the impact of CSR initiatives and communicate results transparently to stakeholders. Utilize metrics such as social return on investment (SROI), environmental impact assessments, and stakeholder surveys to assess effectiveness and identify areas for improvement.

Collaborate with Industry Partners: Collaborate with industry partners, government agencies, and non-profit organizations to address complex social and environmental challenges collaboratively. By leveraging collective resources and expertise, businesses can drive positive change at scale and create lasting impact.

Adopt Responsible Supply Chain Practices: Implement responsible supply chain practices to ensure ethical sourcing, fair labor practices, and environmental sustainability throughout the supply chain. Work closely with suppliers to establish clear expectations and standards for responsible business conduct and monitor compliance regularly.

Advocate for Policy Support: Advocate for supportive policies and regulations that incentivize and reward responsible business practices. Engage with policymakers and industry associations to advocate for policies that promote sustainability, ethical conduct, and corporate accountability.

Include CSR in National Policies: Countries like Georgia, with fast-developing plans, need to include CSR in all policies and procedures. By embedding CSR principles into national policies, governments can incentivize businesses to adopt sustainable practices and contribute to societal well-being.

Invest in Employee Training and Development: Invest in employee training and development programs to build awareness and capacity around CSR practices. Empower employees to become champions of CSR within the organization and foster a culture of corporate citizenship and social responsibility.

By implementing these recommendations, businesses, policymakers, and countries like Georgia can leverage CSR practices to enhance reputation, drive positive impact, and contribute to sustainable development. Through strategic integration of CSR into policies and procedures, businesses and countries alike can create value for stakeholders while advancing societal and environmental goals.

Suggestions for Further Related Studies

Future research in this area could benefit from longitudinal studies to examine the long-term impact of CSR practices on customer satisfaction and business performance. Cross-industry *Nanotechnology Perceptions* Vol. 20 No. S6 (2024)

comparisons would also provide insights into sector-specific challenges and opportunities, while international comparative studies could explore cultural differences in customer perceptions of CSR practices. Additionally, qualitative research methods could offer deeper insights into customer attitudes toward CSR, and investigations into the role of employees in shaping customer perceptions would further enrich our understanding. Exploring the impact of technology on CSR communication and sustainability reporting effectiveness, as well as investigating stakeholder engagement strategies, would also contribute to advancing knowledge in this field. By pursuing these avenues, researchers can provide valuable insights for businesses seeking to enhance their CSR practices and customer satisfaction levels

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