


The Impact Of Corporate Social Responsibility Perception On Brand Credibility, Brand Reputation And Purchase Intention (Case Studi: Student Mechanic Competition At Vocational High School In The Greater Jakarta Area)

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Article Info	ABSTRACT
<p>Keywords: Corporate Social Responsibility, Maintenance, Repair, Overhaul, MRO, Vocational High School, Brand Credibility, Brand Reputation, Brand Equity, Purchase Intention.</p>	<p><i>Corporate Social Responsibility (CSR)</i> is a concept that has become a primary focus for companies in their efforts to build a positive image and fulfill their social responsibilities. Although various studies have demonstrated the significant impact of CSR on brand equity, brand credibility, and consumer purchase intention, research involving educational institutions in the context of CSR remains relatively limited. This study aims to analyze the CSR program of a distribution company for MRO (Maintenance, Repair, Overhaul) equipment and its impact on brand equity, brand credibility, and purchase intention. The CSR program focuses on a mechanical competition for students at Vocational High Schools (SMK) in the Greater Jakarta area (Jabodetabek). This research adopts an explanatory quantitative approach to test theories or hypotheses in order to support or refute previous findings. Data were collected through the distribution of questionnaires to all vocational education mentors involved in the mechanical competition at SMKs in the Jabodetabek region. The sample was determined using the Hair formula, resulting in 150 respondents. The collected data were then analyzed using SEM-PLS software. The research findings show that the proposed model highlights the significant role of Corporate Social Responsibility (CSR) as a key factor influencing various dimensions of brand management. CSR not only contributes to enhancing brand credibility and brand reputation but also has a significant impact on strengthening brand equity, which in turn plays a role in increasing consumer purchase intention. The results of this study provide a foundation for companies and vocational schools to develop CSR strategies that can improve brand equity, brand credibility, brand reputation, and purchase intention.</p>
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INTRODUCTION

Corporate Social Responsibility (CSR) is a concept that has become a central focus for companies in their efforts to build a positive image and demonstrate social responsibility.

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Companies across various sectors are increasingly recognizing the importance of integrating social and environmental responsibility into their business strategies. The implementation of CSR not only aims to fulfill ethical and moral obligations but also offers potential economic benefits, such as enhanced brand equity, brand credibility, brand reputation, and consumer purchase intention (Keller and Kotler, 2012).

Corporate Social Responsibility (CSR) currently plays a crucial role in influencing a company's image (Maf'ulla & Rachmawati, 2024). Business actors acknowledge the importance of CSR and strive to gain support from the public. On the other hand, the public has become increasingly aware of the negative impacts that corporate activities can generate and has grown more assertive in demanding that companies be held accountable (Oktina *et al.*, 2020). This presents a challenge for businesses to adopt responsible and ethical practices (Susanto *et al.*, 2007). CSR activities are being increasingly implemented by companies worldwide, including in Indonesia. With the enactment of the Limited Liability Company Law No. 40 of 2007, which addresses CSR, this practice, once voluntary, is now a legal obligation. This development aligns with the consideration that companies must care for the environment and the welfare of society as part of their broader interests (Untung and SH CN, 2019).

This study focuses on a case study of the Corporate Social Responsibility (CSR) program implemented by a company engaged in the sales and distribution of MRO (Maintenance, Repair, and Overhaul) equipment, hereinafter referred to as "ToolsGO." ToolsGO runs an educational CSR program aimed at enhancing students' skills through automotive skill competitions for vocational high school (SMK) students in the Greater Jakarta area (Jabodetabek). The CSR (Corporate Social Responsibility) program in education, implemented by "ToolsGO," a company engaged in the sales and distribution of equipment, is specifically designed to enhance the skills of vocational high school (SMK) students, particularly in the automotive field. This program serves as a sustainable CSR investment that is expected to indirectly influence purchase intention through brand equity, brand credibility, and brand reputation within the SMK community. This impact extends to both teachers, who are responsible for selecting the equipment to support practical learning activities, and students, who will eventually become industry professionals or entrepreneurs in the automotive sector (Erdem, Swait and Valenzuela, 2006).

This study aims to investigate the influence of Corporate Social Responsibility (CSR) perceptions on brand equity, brand credibility, brand reputation, and purchase intention. Several previous studies have explored the relationships among these variables. For example, Erdem and Swait, (2004) examined the impact of brand credibility on purchase intention, Aaker, (1992) studied brand equity and its value for businesses, Bhattacharya and Sen, (2003) analyzed the effects of CSR on business outcomes (Hovland, Janis and Kelley, 1953).

METHODS

The research was conducted using a quantitative approach, which is appropriate for examining the relationships between variables in a systematic and statistical manner. Data

for this study were collected through a questionnaire distribution technique, allowing for the efficient gathering of responses from a large number of participants. Based on Hair's (2010) formula, the minimum sample size required for this study was determined to be 100 respondents to ensure the reliability and validity of the results. Once the data were collected, they were processed and analyzed using Smart-PLS (Partial Least Squares), a software tool commonly used for structural equation modeling (SEM) (Ma'ulla and Rachmawati, 2024). Smart-PLS allows for the estimation of complex models with multiple variables, and is particularly useful when dealing with data that may not meet the assumptions of traditional multivariate techniques. The data analysis was then conducted using Structural Equation Modeling (SEM), which provides a comprehensive method for testing the relationships between latent variables and their indicators, as well as the structural paths between them. The results of this analysis were used to draw conclusions about the hypotheses and research questions, offering valuable insights into the relationships between the variables under study.

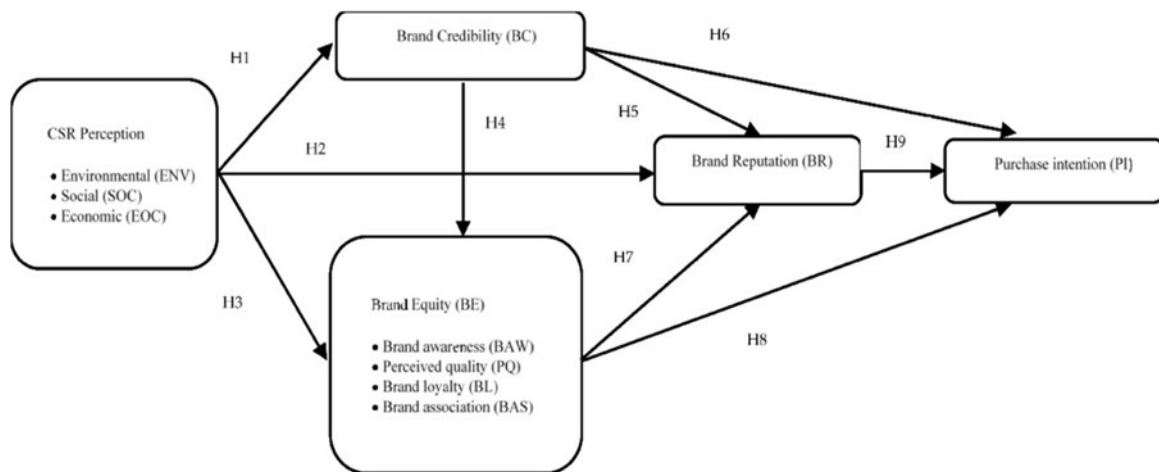


Figure 1. Research Model

RESULTS AND DISCUSSION

Result

Characteristics of the Respondents

This study involved 150 respondents, all of whom are vocational program instructors (guru bidang keahlian program studi) at Vocational High Schools (SMK). A descriptive analysis of the respondents' characteristics is provided below:

Table 1. Characteristics Responden

	Sum	Percentage
Gender		
Male	124	83%
Female	26	17%
Age		
18 – 25 Years	7	5%

	Sum	Percentage
25 – 35 Years	73	49%
35 – 45 Years	38	25%
>45 Years	32	21%
Working Period		
1- 5 Years	27	18%
5 – 10 Years	58	39%
>10 years	65	43%
Education		
Bachelor	128	85%
Magister	22	15%

Measurement Model

Partial Least Squares Structural Equation Modeling (PLS-SEM) was employed to assess the measurement model and to verify reliability, convergent validity, and discriminant validity.

Table 2. Convergent Validity Analysis Results

	Loading	AV	Composite	Cronbach's Alpha
Brand	0.904	0,794	0,951	0,935
Credibility	0.866			
	0.897			
	0.9			
	0.888			
Brand Equity	0.744	0,734	0,943	0,927
	0.835			
	0.894			
	0.917			
	0.901			
	0.837			
Brand Reputation	0.824	0,819	0,957	0,944
	0.916			
	0.928			
	0.948			
	0.903			
CSR Perception	0.833	0,698	0,933	0,913
	0.88			
	0.773			
	0.848			
	0.816			
	0.858			
Minat Beli	0.804	0,674	0,943	0,931

	Loading	AV	Composite	Cronbach's Alpha
	0.852			
	0.801			
	0.869			
	0.768			
	0.845			
	0.783			
	0.842			

Table 2 shows the results of the convergent validity for each indicator. The validity test, conducted using the SmartPLS software, is assessed based on the loading factor values for each construct indicator. Generally, the criterion used to evaluate validity is that the loading factor should exceed 0.70. Based on this criterion, it can be concluded that all the indicators in this study are valid, as they each obtained a loading factor greater than 0.70.

The next step is the reliability test of the constructs using the Composite Reliability (CR) value, as proposed by (Hair Jr *et al.*, 2021). A construct is considered reliable if the Composite Reliability value is greater than (>) 0.7. Based on Table 2, it can be seen that the results of the composite reliability test indicate that all variables have a CR value greater than 0.7. Therefore, all variables are considered reliable (Duriyanto, Sugiarto and Hendrawan, 2003).

Table 3. Tabel Fornel Lacker

	Brand Credibility	Brand Equity	Brand Reputation	CSR PERCEPTION	Buying Interest
Brand Credibility	0.891				
Brand Equity	0.639	0.857			
Brand Reputation	0.691	0.602	0.905		
CSR PERCEPTION	0.565	0.489	0.478	0.835	
Minat Beli	0.656	0.587	0.682	0.555	0.821

Table 3 shows that the loading values for each item indicator on their respective constructs are higher than the cross-loading values. Therefore, it can be concluded that all constructs or latent variables exhibit good discriminant validity, as the indicator block for each construct performs better compared to the indicator blocks of other constructs.

Table 4. Tabel Heterotrait-Monotrait Ratio (HTMT)

	Brand Credibility	Brand Equity	Brand Reputation	CSR Perception	Purchase Intention
Brand Credibility					
Brand Equity	0,676				
Brand Reputation	0,731	0,636			

	Brand Credibility	Brand Equity	Brand Reputation	CSR Perception	Purchase Intention
CSR Perception	0,598	0,521	0,507		
Purchase Intention	0,690	0,618	0,713	0,594	

The HTMT ratio required should be less than 1 to meet the criteria for discriminant validity (Hair *et al.*, 2006). Table 4 shows that none of the HTMT values exceed 1, indicating that the constructs formed from these variables are valid (Rosidah, 2018).

Assessment of R² Value

The R² value can be used to evaluate whether a particular endogenous variable and exogenous variables have a significant influence. R² values of 0.67, 0.33, and 0.19 indicate that the model is considered "good," "moderate," and "weak," respectively (Ghozali, 2006).

Table 5. R-Square

	R Square	R Square Adjusted
Brand Credibility	0.32	0.315
Brand Equity	0.432	0.424
Brand Reputation	0.525	0.516
Buying Interest	0.548	0.539

Based on Table 5, it can be concluded that the effect of Corporate Social Responsibility on Brand Equity is considered moderate, while the effect of Corporate Social Responsibility on Brand Reputation is relatively weak. Additionally, the influence of Corporate Social Responsibility on purchase intention is classified as moderate.

Direct and Indirect Effects

The final process is hypothesis testing using the bootstrapping method, where the t-statistic (t-value) should be greater than the critical value (t-table) of 1.96.

Table 6. Direct Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Brand Credibility -> Brand Equity	0.533	0.558	0.12	4.447	0.000
Brand Credibility -> Brand Reputation	0.483	0.511	0.184	2.624	0.004
Brand Credibility -> Buying Interest	0.278	0.272	0.082	3.38	0.000
Brand Equity -> Brand Reputation	0.254	0.247	0.139	2.824	0.034
Brand Equity -> Buying Interest	0.179	0.191	0.104	2.728	0.042
Brand Reputation -> Buying Interest	0.382	0.374	0.077	4.98	0.000
CSR Perception -> Brand Credibility	0.565	0.572	0.106	5.325	0.000
CSR Perception -> Brand Equity	0.187	0.168	0.101	2.863	0.031
CSR Perception -> Brand Reputation	0.081	0.063	0.099	3.817	0.207

Table 6 shows that all hypotheses proposed in the study are accepted, as indicated by the t-statistic values exceeding 1.96 and the p-values being less than 0.05. In other words, CSR Perception has a positive and significant impact on Brand Credibility, Brand Equity, and Brand Reputation. Additionally, Brand Credibility has a positive and significant effect on Brand Equity, Brand Reputation, and Purchase Intention. On the other hand, Purchase Intention is significantly influenced by Brand Credibility, Brand Equity, and Brand Reputation.

Table 7. Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/ST DEV)	P Value s
CSR Perception -> Brand Cred- ibility -> BrandEquity	0.301	0.322	0.102	2.938	0.002
CSR Perception -> Brand Cred- ibility -> BrandReputation	0.273	0.297	0.132	2.065	0.02
Brand Credibility -> Brand Eq- uity -> BrandReputation	0.135	0.135	0.085	1.586	0.057
CSR Perception -> Brand Cred- ibility -> BrandEquity -> Brand Reputation	0.076	0.076	0.049	1.554	0.06
CSR Perception -> Brand Eq- uity -> BrandReputation	0.048	0.05	0.048	0.999	0.159
CSR Perception -> Brand Credibility -> Buying Interest	0.157	0.157	0.061	2.579	0.005
Brand Credibility -> Brand Eq- uity -> Minat Beli	0.095	0.109	0.07	1.359	0.087
CSR Perception -> Brand Cred- ibility -> BrandEquity -> Buying Interest	0.054	0.063	0.045	1.19	0.117
CSR Perception -> Brand Equity -> Minat Beli	0.034	0.034	0.031	1.077	0.141
Brand Credibility -> Brand Rep- utation -> Buying Interest	0.184	0.19	0.074	2.494	0.006
CSR Perception -> Brand Cred- ibility -> Brand Reputation -> Buying Interest	0.104	0.109	.049	2.112	0.018
Brand Credibility -> Brand Eq- uity -> Brand Reputation -> Buying Interest	0.052	0.049	0.03	1.741	0.041
CSR Perception -> Brand Cred- ibility -> BrandEquity -> Brand Reputation -> Buying Interest	0.029	0.027	0.017	1.764	0.039

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/ST DEV)	P Values
Brand Equity -> Brand Reputation -> Buying Interest	0.097	0.092	0.053	1.843	0.033
CSR Perception -> Brand Equity -> Brand Reputation -> Buying Interest	0.018	0.019	0.018	1.029	0.152
CSR Perception -> Brand Reputation -> Buying Interest	0.031	0.028	0.043	0.719	0.236

The results presented in Table 7 show that Brand Credibility (BC) successfully mediates the effect of Corporate Social Responsibility (CSR) on Brand Equity (BE). Additionally, BC is proven to mediate the effect of CSR on Brand Reputation (BR), and the impact of CSR on PurchaseIntention is also effectively mediated by BC. On the other hand, the influence of BC on PurchaseIntention is successfully mediated by BR. Furthermore, the effect of CSR on Purchase Intention is found to be well-mediated by both BC and BR (Ikawati, 2011).

CONCLUSION

This study examines the impact of Corporate Social Responsibility (CSR) perception on brand equity, brand credibility, brand reputation, and consumer purchase intention, with a focus on CSR activities involving educational institutions. Overall, the findings confirm that the implementation of CSR by companies has a significant positive impact on brand credibility, brand reputation, and brand equity, which in turn influences consumer purchase decisions. Furthermore, the results also show that Brand Credibility and Brand Reputation play an effective mediating role in strengthening the positive effect of CSR perception on consumer purchase intention. These findings emphasize that a positive perception of CSR not only directly influences consumer preferences but also strengthens the key dimensions of brand image, ultimately impacting purchase decisions. Therefore, this study provides empirical evidence that companies that effectively implement CSR can enhance their brand value, which in turn increases consumer trust and purchase intention. Based on the findings that Corporate Social Responsibility (CSR) has a positive impact on brand credibility, brand reputation, and brand equity, it is recommended that companies continue to strengthen and expand their CSR initiatives, particularly through activities that involve educational institutions. Referring to the results of this study, it is advised that companies consistently implement CSR programs integrated with educational institutions, with the primary goal of improving the quality of education at Vocational High Schools (SMK), which will ultimately produce highly qualified graduates. Given the positive findings between CSR and various brand dimensions, further research is needed to explore in greater depth the types of CSR activities that are most effective in building brand equity, credibility, and reputation, as well as their impact on purchase decisions across different industries. The findings of this study can serve as a foundation for developing theories on the relationship between CSR,

education, vocational training, and brand equity, brand credibility, and brand reputation within companies.

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