Voices that Matter: Effects of CSR and CSA on Word-of-Mouth in Indian Start-ups- A quantitative approach

Student Name: Awanti Chakane
Student Number: 727479

Supervisor: Anne-Marie Van Prooijen

Master Media Studies - Media & Business
Erasmus School of History, Culture and Communication
Erasmus University Rotterdam

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ABSTRACT

In an era where society increasingly expects brands to play a meaningful role in not only social issues but also political matters, Indian start-ups are exploring CSR-related initiatives from the very beginning. Corporate social advocacy (CSA), a term that is both new and familiar in the West, is also making its way to Indian brands, which are vocally taking a stance on political issues in the country to build authentic relationships with their audience. This study investigates how start-ups' involvement in social issues influences electronic word-of-mouth (eWOM) among consumers. Specifically, it examines whether the perceived authenticity and perceived agility of an Indian start-up mediate this relationship based on the social issues being pursued through electronic word-of-mouth. Drawing on significant theories and existing literature regarding consumer-brand relationships, the study proposes and tests a conceptual model where start-ups' CSA/CSR involvement predicts eWOM through two mediators: perceived authenticity and agility. This research was conducted through a quantitative method with an experimental survey and further discusses the major impacts by testing and analyzing key variables such as perceived authenticity, perceived agility, and positive eWOM across three levels of engagement with social issues. A conceptual framework was developed based on the existing literature on consumer-brand relationships and stakeholder theory. This research hypothesizes that higher levels of CSA/CSR engagement by start-ups lead to more positive eWOM, mediated by consumers' perceptions of the brand's authenticity and agility. A between-subjects experimental design was used, employing quantitative methodology. A total of 155 participants were randomly assigned to one of the three levels of engagement. They were then presented with a fictional start-up brand named Noorani, followed by a structured questionnaire measuring the main variables. Results for this study were obtained from statistical analyses, including mediation analysis using the PROCESS macro for SPSS, which indicated that perceived authenticity and agility significantly mediated the relationship between CSA/CSR engagement and eWOM. Specifically, the start-up Noorani, which was measured, showed marginally significant results for the CSR-related level of engagement. The findings of the study indicate and offer valuable insights for Indian brands navigating relevant social and political issues and meeting the needs of a socially aware market. The study also contributes to the growing discourse on social issues in India, suggesting that opportunistic involvement may backfire if not aligned with core brand values.

Contents

1. Introduction

Over the past decade, the Indian startup ecosystem has gone through a transformation, evolving from an underdeveloped landscape into a seemingly more active environment. What began with and what one saw as a cluster of approximately 29,000 startups in 2014 has now expanded to over 1,40,800 according to the 'India CSR Outlook report 2024', reflecting the rapid pace of entrepreneurial growth in India. Today, the ecosystem is characterized by the presence of dominant unicorn firms that are startups valued at over $1 billion across various sectors, indicating both scale and sectoral diversification (Srivastava and Ahmed, 2024, p.1865). At its core, a startup is defined as an enterprise that develops markets, and scales innovative products, services, or systems driven by cutting-edge technology or unique intellectual assets (Pava & Krausz, 1996, p. 322). India has witnessed an exponential rise in this particular startup activity, strengthened by the increasing access to funding, incubators, government support, and market opportunities across multiple domains and fields. In the era of superior perceived social and environmental consciousness, businesses are now highly expected to look for profit maximization and contribute to society, which is termed as Corporate Social Responsibility (CSR). It acts as a responsible corporate citizen by fulfilling obligations to society that are extended beyond maximizing financial gains (Pava & Krausz, 1996, p. 322).

This research aims to study the phenomenon of social responsibility and advocacy, examining their perceptions, strategies, and impacts on one focused stakeholder of start-up consumption, especially in India. In the current decade, India is transforming significantly by implementing startup-friendly policies and encouraging a business-supportive environment. As a densely populated nation with rising consumer demand, India faces a highly competitive landscape that necessitates the development of innovative systems. The startup ecosystem operates along a continuum, ranging from fundamental research to the transition into established enterprises or entrepreneurial ventures (Srivastava & Ahmed, 2024, p. 1869). In recent years, there has been similar research, giving CSR attention to social growth and scholarly concentration in corporate social advocacy, stating that public stance on social-political issues needs to be highlighted (Afego & Alagidede, 2021, p. 50; Dodd & Supa, 2015, p.5). Another research study highlights that corporations have broadened their involvement in non-market activities by actively engaging and taking a stance in advocating for contentious social-political issues. This strategic approach is referred to as corporate social advocacy (CSA) (Dodd & Supa, 2015, p.6). But in India, it remains unfocused.

The Indian government has implemented initiatives such as the 'Start-up India' program, which was launched in 2016, offering tax incentives, funding support, and assistance in public procurement (Singh, 2021, p. 1146). In India, under the Companies Act 2013, corporations with a turnover of ₹1,000 crores, net worth of ₹500 crores, or net profit of ₹5 crores must allocate 2% of

their net profits annually to CSR initiatives (India Code: Section 135, 2013). However, critics have argued that making CSR spending mandatory limits corporate independence. Despite this law being in effect for a decade, reports indicate that many companies still lack formal CSR policies.

The role of CSR, as mentioned before, has become a strict responsibility and has started taking place in India with the development of firms to according with government policies, need to develop a CSR fund. Furthermore, research on the topic of CSR needs towards start-ups. With a start-up hub growing in India, agility is becoming a key characteristic, which is particularly playing an important role in Industry 4.0, in which the digital era is also a big part. (Sreenivasan et al., 2023, p. 18). In this case, startups can quickly adapt to societal needs, and digital media as a part of the eWOM through consumers can help start-ups achieve it. Especially as Industry 4.0 is rapidly growing, so is the takeover of sustainable responsibilities. Hence agile nature of start-ups can help them to initially start growing in the beginning stages, and be sustainable through these applications' awareness and participation in the societal issues. While prior research underscores the role of positive word-of-mouth (WOM) in shaping consumer behavior throughout the decision-making process—including search, consideration, and final purchase decisions (Becker et al., 2024, p. 2; Becker et al., 2005, p. 52), this study focuses specifically on how socio-political engagement influences the perceived agility of Indian start-ups during their early growth phase. As such, WOM is acknowledged as contextually relevant but is not a direct focus of the present analysis.

There are very limited resources available in the sense of positive e-WOM and the connection between initiatives like CSA and CSR connected to India and its firms. This makes this research prove scientific relevance within the start-up context based in India. Hence, it is important to understand how societal issues can be taken up by start-ups through the mediums of CSR and CSA and how they can be strategically used, especially in a variant and politically charged environment. The Indian start-up scene is seen to be highly competitive, and what society expects from corporations is to be part of social investment. Research has suggested that startups engage in CSR more effectively and responsibly than large corporations due to their stronger ties to local communities and values (Malpani & Ghosh, 2022, p. 249) This perspective plays a crucial role in shaping socio-political engagement, which in turn may influence how agile these ventures are perceived by stakeholders during their early growth phase. And, to further distinguish themselves from large corporations, which often adopt CSR as a strategic or reputational tool, start-ups frequently surround CSR as a core part of their identity, reflecting the founders' social values and the need to establish legitimacy in local ecosystems. This highlights the importance of examining the relationship between CSR practices and startup sustainability, and hence also building a relationship between CSA as a new possible effect on startups in India. Consequently, this research will address the following question:

To what extent do Corporate Social Responsibility (CSR) and Corporate Social Advocacy (CSA) engagement, compared to no involvement, influence positive electronic word-of-mouth

(eWOM), and to what extent is this relationship mediated by perceived authenticity and agility in the Indian start-up ecosystem?

Given the tension of highly rising expectations for brands to not only act responsibly but also take public stances on sociopolitical issues (Bhagwat et al., 2020, p. 1). This is limited only to the brands that are potentially launched into the market and have been around for a longer period in the market. So, the question arises, why not the start-ups that are launching themselves start taking an effort to make a stance from their initial stages. This research aims to fill the gap potential of CSR and CSA studies in start-ups based in India and their role through agility, authenticity, and eWOM. Also, focusing on studying the sphere of start-ups to examine these societal and political matters is valid from the initial stages or not. With this, the research tends to look at the mediating variable like authenticity, which has been identified as a crucial factor in consumer experiences when it comes to corporate initiatives (Molleda, 2010, p. 5). Furthermore, agility will reflect how well a start-up can adapt and respond to dynamic social expectations (Doz & Kosonen, 2010, p. 377). Thus, studying the broader perspective and addressing the scientific gap of agility in startups' perseverance in forming strategies to engage and take a stance on socio-political issues in the context of geographically bound India. As start-ups in India operate in a highly competitive and socially aware environment, this study seeks to explore whether and how their engagement in CSR or CSA translates into greater eWOM, associating eWOM as a key driver for brand to authentic and credible into the growth of digital markets (Cheung & Thadani, 2012, p. 468).

This study is structured systematically, which explores the role of CSR and CSA and their theoretical relevance to the study. Following this introductory chapter, the next chapter presents a detailed review of theoretical foundations and key concepts and variables, including perceived authenticity, agility, and electronic word of mouth, all situated in the context of start-ups. Further, research expands on the methodology used, explaining the research design, data collection, and analytical procedures. After that, the results are provided with collected data and empirical investigation, and the final chapter discusses findings, their implication for the study, and potential directions for future research.

2. Theoretical Framework

In this chapter, theoretical frameworks and core concepts relevant to this research will be discussed. The chapter explores the theoretical foundations relevant to the study, which will define the core constructs of perceived authenticity, positive electronic word-of-mouth (eWOM), and organizational agility within the context of the Indian start-up sector. It will begin by introducing foundational concepts such as Corporate Social Responsibility (CSR), Corporate Social Advocacy (CSA), and Stakeholder Theory to establish a basis for understanding how firms engage with social issues. The discussion will then examine how these frameworks relate to consumer perceptions— specifically focusing on perceived authenticity and agility—and how these perceptions influence consumer satisfaction and purchase behavior. Attention will also be given to the connection between Indian start-ups and their engagement with social initiatives, helping to contextualize the societal relevance of the study. Following this, the chapter will incorporate Signaling Theory to explain the theoretical link between a firm's actions and consumer responses, particularly with positive eWOM. Subsequent sections will delve deeper into perceived authenticity and perceived agility in the specific context of sustainable and socially responsible start-ups, and how these constructs relate to positive eWOM. Finally, the chapter will examine the mediating roles of authenticity and agility in shaping eWOM outcomes, particularly with start-up initiatives that address social issues in India.

2.1. Corporate Social Responsibility, Corporate Social Advocacy, and Stakeholder Theory

Corporate Social Responsibility (CSR) is broadly defined in many research studies as a firm's ongoing commitment to ethically manage its societal and environmental impacts as part of its strategy (Freeman & McVea, 2001, p. 23). Another research suggests Corporate Social Responsibility (CSR) has been conceptualized in various ways by scholars and institutions, each highlighting different facets of business accountability. But CSR also adds a value to economical and legal responsibilities as well and is a pyramid including philanthropic (Carroll, 1991, p. 40-41). Rawlins (2005, p 210) states "CSR is doing well by doing good" meaning that the great demand for socially active response. Historically development of CSR happened in late 19th to 20th centuries where several of these organisations were exploited to monopolizing markets, mistreating forces, etc. Although the goal of business is solely profitable organisations from then till now are asked to continuously work on grounding towards the social responsibility (Rawlins 2005, p. 210-211).

On other hand in recent study Malpani and Ghosh (2022, p.247) emphasize specifically in startups stating, CSR is a strategic tool aimed at long-term sustainability through environmental, internal environment, where the main stakeholder is the employee, and external factors are societal activities. They also explain how start-ups' use of CSR is directly connected to their local roots, so it's easy for them to get into the sustainable market. They explain that CSR in the startup context which uses integrated dimensions like environmental, internal, and external to drive and engage

performance, reputation, innovation, employee motivation, customer loyalty, and financial outcomes. Initiatives are generally aligned with the company's core activities and accept the ethical norms. Hence, firms need to address stakeholders' concerns about environmental and social issues. CSR aims to build goodwill, trust, and long-term performance.

Stakeholder theory holds that attending to such broad stakeholder interests, such as employees, customers, community, environment, etc., is a key to the sustainable success of the firm (Treviño & Nelson, 2021, p. 626). This often reflects founder values, the need to resonate with hyper-local communities, and the agility required to survive in such uncertain environments. This aligns with definitions of CSR that emphasize ethical behavior, stakeholder inclusivity, and sustainable impact (European Commission, 2011). In this way, in the Indian context, start-ups often engage in grassroots initiatives, such as local employment, environmental clean-ups, or digital literacy programs, not as a form of corporate philanthropy, but as part of building social capital (Malpani and Ghosh, 2022, p 264). And as a big part stakeholder theory analysis helps start-ups face unique resource and survival challenges, making their CSR efforts more closely aligned with building social capital and stakeholder relationships than with large-scale philanthropic initiatives (Voinea et al., 2019, p. 17).

Moving further with specifications of advocacy, it involves actively supporting a cause, idea, individual or group. And social advocacy engages in public efforts to promote justice and advance the interests of those who are marginalised or are unable to voice their own needs (London, 2008, pp. 313-314). Corporate Social Advocacy (CSA) is conceptually distinct and refers to a company's public stance on specific social or political issues, which are often seen as controversial. Dodd and Supa (2014) also define CSA as making a public statement or taking a public stance on social-political issues (p. 5). CSA can often use information to create alert and alertness for any issue and encourage actions, and the goal of this spoken advocacy needs to be supported by the actual goals of the firm. For the same, educating the stakeholders of the specific issues or initiatives will be effective as well, and can be effective by word of mouth. (London, 2008, pp. 321-323). Corporate Social Advocacy was coined and defined by Dodd & Supa (2014, p. 15) as when an organization engages in controversial, social, or political issues that often lack direct relevance to the company. Rosenthal (2019) states that it simply involves a company using its audience, social media platforms, and business strategy to support or oppose a cause, policy, or other societal issues. While taking a stand on social issues may not resonate with all consumers (Overton et al., 2021, p. 6)**,** corporate social advocacy (CSA) nonetheless serves as a clear reflection of a company's values and beliefs. Through such actions, organizations signal what they support or oppose, leading to perceptions that their behavior is rooted in core principles. Recent research reinforces these implications, indicating that CSA is often interpreted as being value-driven, even when other motives, such as strategic interests or stakeholder influence, are also recognized (Austin et al., 2019, p. 25; Kim et al., 2020, p. 8). On

other hand, another prominent research by Park (2021, p. 835) discussed that when corporations engage in CSA by taking a clear and definitive stance on social issues, they are more likely to signal an active and authentic commitment of consumers towards the firm and especially in contrast to the often ambiguous or generalized approaches typical of traditional CSR practices. However, if a corporation's CSA efforts are perceived as passive or superficial, they are unlikely to generate favorable public responses. Stakeholder theory also applies to CSA activities by a firm, and although there have been increasing calls from main stakeholders of a firm who can be value-driven as well for accountable CSA in practice, there has been a gap between these stakeholder expectations and actual CSA practices. (Gaither et al., 2025). In such case, drawing upon comparisons even though CSA usually involves vocal advocacy or a kind of opposition on topics that are not strictly related to the firm's immediate business, for example, it can be a retailer raising concern on gender rights or climate policies, compare it to CSR, CSR tends to be internally focused and has broad explanation e.g., ethical labour practices, philanthropy, environmental programs, etc.

CSR often involves internal practices and charitable efforts. On the other hand, CSA, however, may span the boundaries of core business, involving issues outside the firm's direct domain. CSA targets specific public debates rather than general operational ethics. CSA explicitly signals corporate values outwardly and draws scrutiny. Even though there is one similarity between both CSR and CSA that demands accountability for financial and reputational effects (Dodd & Supa, 2014, pp. 6-7). Taking a public stance can have a negative impact on some customers or partners, even as it deeply engages with other stakeholders (Dodd & Supa, 2014, p. 7).

2.2. Stakeholder Theory, Authenticity, and Agility

According to Stakeholder theory (Freeman, 1984, p. 26) that firms should create value for all the parties that are affected by corporate actions, not just shareholders, and the value is to build to last. Engaging stakeholders through CSR or CSA can, hence, demonstrate that a firm understands and aligns with the stakeholder values. This alignment can increase perceived authenticity among consumers (Mazutis & Slawinski, 2014). When stakeholders view a company's actions as a genuine effort and not solely to gain profits, the company is seen as more credible and authentic, making consumers tend to judge CSR initiatives on how well they fit with the company's identity, motives, and values (Lii & Lee, 2012, p. 71).

Organizational agility is linked to stakeholder responsiveness. Agility refers to a firm's ability to move quickly and adapt to change (Holbeche, 2015, p. 12). In a stakeholder framework, agile firms rapidly adapt strategies to emerging concerns. For example, a fictitious sustainable clothing start-up may shift sourcing practices in response to feedback about environmental impact. This agility often reflects dynamic capabilities, sensing opportunities, seizing them, and reconfiguring resources (Holbeche, 2015, p. 45). Stakeholder theory thus provides a lens for

understanding how CSR and CSA meet stakeholder expectations and produce downstream effects. Since firm authenticity stems from multiple sources, it is beneficial for companies to communicate their authenticity through diverse means. Various dimensions not only reinforce the perceived authenticity of the firm but also enhance consumer-company relationships and appeal to stakeholders (Tajdini & Ramirez, 2019, pp. 334-335).

In an organizational context, authenticity is typically understood as the degree to which a firm remains aligned with its core mission, values, and identity, essentially, how consistently it stays true to itself in both actions and communications (Shen & Kim, 2012, p. 372). Another prominent research by Turunen (2017, p. 132) states that perceived authenticity is not an objective truth but rather a socially constructed concept. While authenticity is often viewed in binary terms, as something a product or brand either possesses or lacks, this perspective suggests a more nuanced understanding.

The way start-ups communicate, both within the organization and with the outside world, plays a pivotal role in shaping perceptions of authenticity during a firm's initial stages as well. Transparent, sincere messaging that aligns with the firm's core identity signals integrity and trustworthiness (Shen & Kim, 2012, p. 375). In contrast, communication that appears exaggerated or contradicts the company's actual practices can lead to skepticism. Therefore, maintaining consistency in messaging and storytelling is essential. Shen and Kim (2012, p. 384) also emphasize that "authentic organizations" are those that align their mission, vision, and values without making exaggerated claims.

2.3. Bridging the gap between Indian Start-Up and social issues initiatives

The Indian apparel industry is vast, and a growing number of start-ups are adopting sustainable models. Urban Indian consumers, especially younger demographics, increasingly value ethical and environmental commitments. Sustainable fashion brands in India often focus on authentic storytelling, transparency, and community inclusion. Founders who actively integrate CSR/CSA into their branding and operations respond to rising stakeholder expectations while also differentiating themselves in a crowded market (Suthar, Sharma, & Agarwal, 2025, p. 25). Their agility helps them adjust quickly to regulatory changes or consumer sentiment. Furthermore, another research by Malpani et al. (2024., p. 1124) states CSR and social issue initiatives are not just philanthropic, they can drive innovation, competitive advantage, and financial performance in start-ups. By integrating sustainability and social responsibility into their core strategies, start-ups can enhance creativity, problem-solving, and long-term value creation, benefiting both business and society.

In India, regions like Kerala, part of South India, start-ups are moving beyond traditional profit-driven models to address specific societal needs and help fill the gap beyond it, often through technology-driven solutions. These start-ups benefit from state-supported ecosystems, such as the

'Kerala Start-up Mission', which enable and shape social innovation efforts. However, while these initiatives address immediate social concerns, they may not always tackle the deeper structural causes of these issues (Raqib & Khandekar, 2024, p. 401). And over the past 60 to 70 years, the relationship between business and society in India has evolved from ideological notions of charity and donations to more institutionalized forms, such as social initiatives. This shift reflects changes in India's social, economic, and political structures, leading companies to adopt more strategic roles in societal development (Mohapatra, 2021, p. 71).

In the West, recent years have seen increasing advocacy within companies choosing sides on polarization, think U.S. politics, climate accords, and social justice. Scholarly surveys find Western firms segment their CSA responses with critics, adapters, and pioneers, and often avoid the most divisive issues (Denner et al., 2025, p. 7). On the contrary, overall, according to government policies, India's business environment often emphasizes avoiding controversy to maintain harmony. Additionally, under India's Companies Act, corporations are forbidden from "political contributions" under CSR (IPC, Section 135). Thus, Indian CSR is limited to socio-economic causes and lacks academic research.

2.4. Signaling Theory and Positive eWOM

Signaling theory explains how organizations reduce information asymmetry by sending credible cues to stakeholders. In CSR/CSA contexts, a firm's public initiatives signal its values and ethical orientation (Khan & Fatma, 2023, p. 3). Similarly, according to the signaling theory, CSR signals provided by firms showcase the efforts in social and environmental issues, leading stakeholders to be more aware of the brands and their reputation (Xu et al., 2023, pp. 3-4). This can be considered as perceived risk-taking and can build stronger emotional responses among consumers, particularly those who value authenticity and shared values in brand relationships (Chu et al., 2023, p. 3). Research suggests that when advocacy aligns with audience values, it enhances identification and moral congruence, which significantly increases positive electronic word-of-mouth (eWOM) intentions (Du & Vieira, 2012, p. 462). Additionally, brand authenticity, which is grounded in credibility, integrity, and consistency, has been shown to positively influence eWOM in cause-related marketing contexts (Xu et al., 2021, p. 9).

While CSR initiatives may generate consumer respect, they often lack the emotional urgency that motivates active online sharing. From a stakeholder theory perspective, taking a clear stance on social or political issues signals alignment with stakeholder values, thereby strengthening stakeholder relationships and encouraging positive eWOM (Lee, 2024b, p. 3). This signaling greatly influences electronic word-of-mouth (eWOM). In this sense, CSR/CSA is an upstream communication that advances brand advocacy. Consumers are more likely to engage with firms that give a clear commitment to their values, and CSA can provide a powerful way for these start-ups to do this. Also,

precisely studied by Alvi et al. (2020, p 4179) highlighted that CSR activities can bridge the expectations of stakeholders and corporate behavior, resulting in increased positive eWOM. Hence, to formulate H1:

H1: Indian start-ups' engagement in CSA/CSR will generate higher positive eWOM compared to no involvement.

2.5. Perceived Authenticity in Start-Ups

Perceived authenticity refers to stakeholders' judgments that a company's values-based actions are genuine. Authenticity is critical in CSR/CSA contexts because stakeholders are often skeptical. Consumers deem CSR initiatives authentic when they align with the company's identity and are not viewed as profit-motivated (Lii & Lee, 2012, p. 75). Another precise research by Molleda & Jain (2012, p. 17) describes the local community and broader society forms impressions of a startup's authenticity through its social and environmental behavior. While CSR/CSA activities are one facet, authenticity here goes beyond philanthropy. Here, consumers might infer that the start-up truly believes in the cause and is not merely greenwashing. For example, Lee (2024, pp. 8-9) studies and compiles that when CSA is perceived as a firm's real and true involvement with social issues, stakeholders respond with trust and supportive behavior. And to reflect also on Shen & Kim's (2012, p. 375) research, transparent, sincere messaging that aligns with the firm's core identity signals integrity and trustworthiness.

In the sustainable clothing sector, authenticity means that environmental and social claims must reflect the start-up's core ethos. For example, a brand claiming to support animal rights must also use cruelty-free materials. Further, this research also focuses on how engaging in Corporate Social Advocacy (CSA) highlights the perceived authenticity of a brand by actions that are aligned with its values. For example, support for social issues makes stakeholders view the organization as more genuine and committed to societal well-being. A study on Nike's Corporate Social Advocacy related to the Black Lives Matter social cause by Heffron (2019) found that such advocacy is positively influenced by perceptions of the company's authenticity. The risk-taking behavior can enhance the perception of authenticity. On the other hand, research by Dhawan and Behera (2022, p. 2181) shows social enterprises, even non-profits with revenue, are legally bound in India. They can't tap CSR funds directly, which cannot be perceived as authentic. Thus, a lack of a formal status means banks and investors often misunderstand their model. Hence, this study can be used to build and evaluate the hypotheses around Indian start-ups' engagement with CSA and its perceived authenticity, as they usually build perceived authenticity around CSR activities. And in sum, CSA/CSR involvement is more likely to be viewed as genuine and authentic than no involvement at all, leading to higher reported authenticity. Hence, H2 can be formulated as follows:

H2: Indian start-ups' involvement in CSA/CSR will generate higher perceived authenticity compared to no involvement

2.6. Agility in Sustainable Start-Ups

Agility is the capability to rapidly adapt to changing markets, technologies, and stakeholder demands. Hence, Agile start-ups can maintain lean structures and open communication, allowing them to respond to emerging sustainability challenges (Rademakers et al., 2019, p. 108). For a quick example, a clothing start-up can quickly switch to biodegradable/sustainable packaging in response to consumer demand in today's world. Agile firms are seen as responsive and engaged. This responsiveness reinforces the authenticity of the brand and contributes to outcomes like innovation and resilience. (Rademakers et al., 2019, p. 109) A start-up that adapts quickly to stakeholder values demonstrates both its ethical commitment and market competitiveness. And hence, the ability to make sense of strategic planning and then respond to this plan will help start-ups perceive agility to stay stronger and attract consumers (Holbeche, 2015, p. 86). Consequently, consumers' attention to environmental issues is leading firms to integrate environmental practices into their brands (Begnini et al., 2022, p. 19).

From the perspective of stakeholder theory (Freeman, 1984), authentic engagement can lead to earning stakeholder trust, like a mentioning the fact that a start-up that sincerely aligns with the values of stakeholders is seen to be genuine. So, in this case, advocacy or social issues messages provided by the firm will be processed via an engaged audience, reinforcing the agile image. Further supporting this, a study in China found that unexpected but positive CSA efforts enhanced relationship certainty, an indication that such public stances boost responsiveness and adaptability among consumers in a cultural and social context. (Song & Lan, 2022, p. 13). Therefore, testing this hypothesis and building on the framework of addressing social issues often requires quick thinking and adaptability/ agility, qualities essential for agile start-up organizations. H3 will help in better understanding.

H3: Indian start-ups' involvement in CSA/ CSR will generate higher agility compared no involvement

2.7. Perceived authenticity and eWOM in Indian start-ups

Perceived authenticity is expected to initiate positive eWOM. Authentic organizations stand in trust and enthusiasm, which stakeholders often express by sharing positive word-of-mouth. Empirical studies confirm this connection: for example, Lee (2024, p. 7) notes that when CSA or social issues are viewed as authentic, it generates favourable attitudes and stronger public relations. Similarly, Chu et al. (2023, p. 1056) found that the authenticity of the brand in social activism is positively associated with consumers'/stakeholders' electronic WOM intention. This dynamic also

aligns with Stakeholder Theory (Freeman 1984) suggests that organizations should honor the diverse interests of stakeholders. And fulfilling these expectations builds trust and cooperation, and can also be achieved by positive WOM, hence making it easier to perceive as authentic (Xu et al., 2021). Hence, the hypothesis can be built as follows.

H4: Perceived authenticity is associated with more positive electronic word-of-mouth (eWOM) among consumers engaging with Indian start-ups.

2.8. Perceived Agility and eWOM in Indian start-ups

When consumers see a startup as quick to act and adapt, they attribute competence and customer focus to the firm, hence, to describe the revitalization of agility. Indeed, Bozkurt (2025, p. 9) reports that consumers' perception of a brand's social media agility significantly increases their word-of-mouth sharing. Research from consumer experience studies consistently shows that satisfaction, trust, and commitment are strong predictors of positive word-of-mouth (Han & Ryu, 2012, p. 96). Although there has been limited research on perceived agility and eWOM, to discuss and build on this assumption, the hypothesis is as follows.

H5: Perceived agility is associated with more positive electronic word-of-mouth (eWOM) among consumers engaging with Indian start-ups.

2.9. Mediating Roles of Perceived Authenticity and Agility on EWOM in social issues of Indian start-ups

Engaging and addressing social issues increases perceived authenticity, which is crucial for adopting positive electronic word-of-mouth (eWOM). When start-ups address social problems, they align with societal values, thereby increasing their credibility and encouraging consumers to share positive experiences online (Bialkova & Paske, 2020, p. 121). Research also suggests that CSR initiatives have led to improved product evaluations and brand perceptions, and their authenticity boosts advocacy for stakeholders in positively reacting to the CSR efforts. (Khan & Fatma, 2023, p. 2). And consequent elaborative Indian research on CSR and eWOM by Sharma (2023, p. 8) suggests that CSR efforts through organizations have a positive relationship with eWOM, and they are willingly identified by the stakeholders to contribute towards sustainable relationships. Hence, the following proposition proposes grounds to understand that CSR and CSA engagement by Indian start-ups will or will not augment perceptions of authenticity and agility with positive electronic word-of-mouth. Perceived authenticity will play a role as a mediator in H6a, and the Agility of start-ups to perceive social issues will play a mediator role from other variables in H6b. These perceptions will stimulate the EWOM, benefiting the start-up's reputation and consumer engagement. Hence to this can be hypothesized as follows.

H6: The effect of involvement in social issues by Indian Start-ups on eWOM will be

mediated by a) perceived authenticity and b) agility.

H6a: Perceived authenticity will mediate the relationship between involvement in social issues by Indian Start-ups and positive eWOM, such that CSA/CSR involvement, compared to no involvement, increases perceived authenticity, leading to higher positive eWOM.

H6b: Perceived agility will mediate the relationship between involvement in social issues by Indian Start-ups and positive eWOM, such that CSA/CSR involvement, compared to no involvement, increases perceived agility, leading to higher positive eWOM.

Theoretical design-
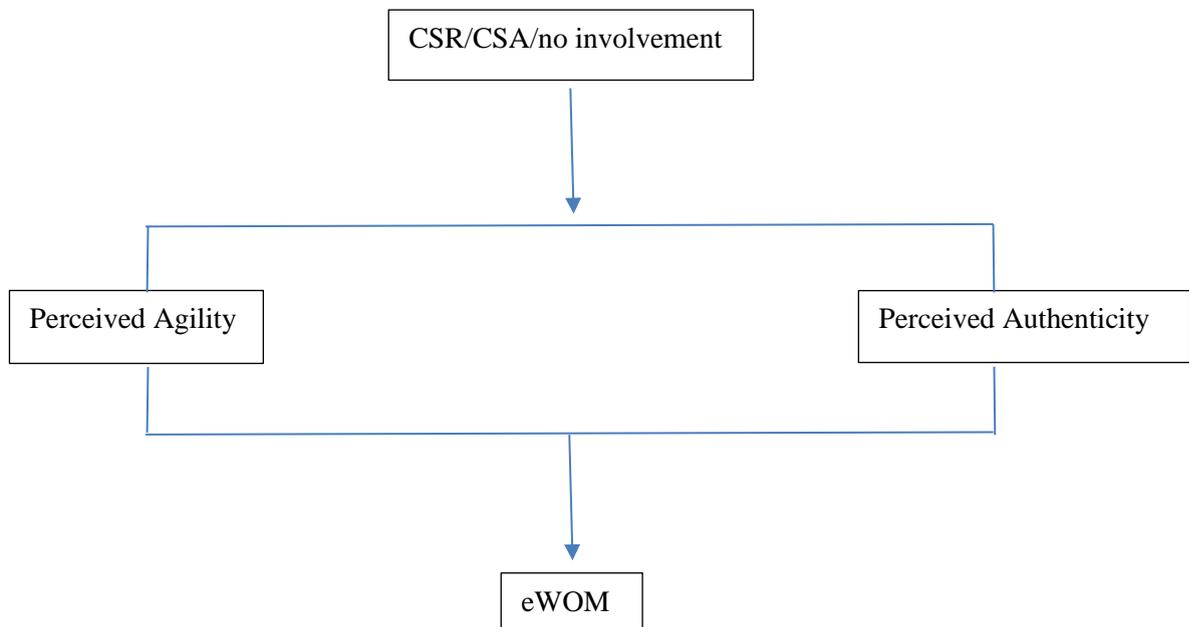
3. Methods

In this chapter, the research gives an overview and description of the methodology used in this thesis. The justification of research methodology is given, followed by experimental design. Further, the sampling procedure is described, followed by the operationalization of all the variables. Lastly, the reliability and validity of the experimental design are reviewed.

3.1. Justification

This study investigates how engagement in CSA/CSR can promote higher perceived agility among consumers within the Indian start-up context with eWOM and authenticity. To achieve this, a quantitative research design has been implemented. From a stakeholder theory perspective (Freeman, 1984), firms are increasingly expected to align their communication and conduct with the expectations of various stakeholders, not just shareholders. This theory has helped justify aspects of Perceived Authenticity with the CSR and CSA stance. This research has only used quantitative methods as they have allowed for the statistical testing and helped in analysing the six drawn hypotheses that explore relationships between agility, authenticity, and positive eWOM. In this methodology, a survey was built to help gain direct information about the topic from the public. The experiment was also built as part of the survey, helping to gain an understanding of the main concept of engagement with CSR/CSA. Using this method has ensured a comprehensive understanding of the topic, which is further discussed. This method is well-suited for this study, helping generalize yet confirmatory conclusions and results. The experiment built in this study used a fictitious brand named Noorani, which had three campaign images displayed, stating the levels of engagement of CSR/CSA. The experimental design used in this study was helpful to determine if there is a relationship between engagement in CSA/CSR and no involvement for Indian Start-ups.

3.2. Research Design

To answer the proposed research question, a quantitative analysis was conducted in the form of an online experiment, which was designed using Qualtrics. An online survey was of convenience for measuring the perceived authenticity, perceived agility, and Positive eWOM of an Indian start-up. This survey was provided with anonymity. This research used numerical data that were statistically analysed, empowering to reach on the establishment of conclusions that establish the non-significant relationship between the variables. An experimental survey design was implemented to manipulate the integration of the level of involvement with social issues by start-ups. Participants were randomly assigned to three different experimental conditions, each exposed to various levels of integrated socio-political activities or start-ups that are engaging with social issues, which are further justified. The experiment measured the impact of manipulation on participants' perception of CSA integration within the Brand. Participants were randomly assigned to one of the three conditions describing the start-up named Noorani: (a) No involvement with social issues, (b) Corporate Social Responsibility scenario, or (c) Corporate Social Advocacy level. Because the research was not able

to support a random sample of the population, random assignment was mandatory to support the causal inferences (Bhattacherjee, 2012, p. 84). This experimental setup allowed for isolating all three effects of the level of social issue engagement on outcomes of interest.

3.3 Sample and Sampling Strategy

A total of 155 respondents participated in the online survey. The target population for this study comprised of consumers and general category that aged between 18 years and above who are part of Indian society or other nationalities who also have active knowledge of social activities and start-ups, and ones who are actively aware of societal issues and are aware of start-ups involved that engage with these issues. To test the six hypotheses, the survey was distributed online through various social media platforms like Instagram, LinkedIn, Facebook, and WhatsApp. This survey was targeted towards the respondents who are Indians, overseas citizens of India, NRIs, and of other nationalities as well. The survey was shared with the participants with an age range of 18 years and above.

3.3.1 Data Collection and Cleaning

As mentioned earlier, an online survey was created in Qualtrics and later uploaded to social media platforms. The data collection took place from April 12th, 2025, through May 17th, 2025. After collecting the data, the sample was transferred from Qualtrics to SPSS to begin data analysis. During the data collection, a total of 370 responses were recorded; however, many participants who did not complete the survey were removed. As a result, after data cleaning, 155 valid cases remained for analysis. The final sample was balanced across the three conditions, with 155 respondents randomly assigned to each.

The percentage of women who participated in this survey is 65.2%, and the male participants were 33.5%. 2 participants did not disclose their gender, which was 1.3%. As mentioned earlier, the age range was 18 years and above ($M = 30.57$, $SD = 12.81$). Due to the study's nature, the most prominent nationality was Indian (Indians living in India), which was 71.0%. Among other categories, the Indian- Non-Resident Indian (NRI) category was about 12.3%. The remaining 2.6% were persons of Indian origin or Overseas Citizens of India. And the remaining 14.2% were of other nationalities. Other than age, participants were also asked to report their highest level of completed education. The majority of respondents held a bachelor's degree or equivalent ($n = 63$, 40.6%), followed by those with a master's degree ($n = 48$, 31.0%). Additionally, 25 participants (16.1%) reported having a Doctoral degree (PhD or equivalent), while 4 participants (2.6%) had a Professional degree. 13 participants (8.4%) had completed only a high school degree or equivalent, and 2 participants (1.3%) reported having less than a high school degree or no degree.

3.4. Procedure

At the beginning of the survey, participants were informed about the topic of the thesis focused on Indian start-ups and participation in social issues. It was explained that the data collected was anonymous, and the participation was voluntary, and ethical consent was signed by the participants. Demographic data were collected to describe the sample. Recorded responses were anonymous, and participants gave informed consent before proceeding with the survey. The survey also mentioned that the data is going to be used for academic purposes only. After obtaining informed consent, Participants were anonymously assigned to one of three conditions, which consisted of three photos showcasing the fictitious brand Noorani with the level of social engagement. Allocation to one of the experimental manipulations occurred randomly, and manipulation checks were then introduced after different experiment to each participant, followed by the order in which the other measures were introduced. In the final part of the survey, demographic information regarding age, gender, and nationality was assessed. Participants were then debriefed about the aim of the study and the nature of social issues and their applications in Indian start-ups.

3.5. Operationalization and Measurements

The subchapter will discuss all the necessary variables used for the study and their valid scales. Furthermore, the manipulation and experimental design will also be explained.

3.5.1 Experimental Design and Manipulation Checks

The Integration of Corporate Social Advocacy, or precisely taking a stance on the socio-political issue, was manipulated in experimental manipulation by three levels of social issue engagement within start-ups' overall brand and communication. The survey method included Likert-scale (Likert, 1932) questions assessing perceptions of authenticity, start-up agility, and positive eWOM. To ensure clarity and realism in the study design, it is important to provide context regarding the brand used in the experiment. A fictitious brand, Noorani. was chosen to minimize any pre-existing biases or brand associations that participants might hold. The fictitious brand operated in the fashion retail sector, as this industry is commonly associated with both Corporate Social Responsibility (CSR) and Corporate Social Advocacy (CSA) initiatives, making it suitable for this study. The core business of the brand involved selling casual and traditional lifestyle clothing, including highlighting Indian culture. Participants were presented with three visual stimuli images per condition. These images consisted of marketing materials, e.g., campaign posters that highlighted CSR, CSA initiatives, and no involvement of initiatives as a start-up, depending on the assigned condition. The study included three experimental conditions: CSR, CSA, and no involvement. In the CSR condition, participants viewed initiatives that demonstrated the brand's responsibility toward mental health awareness, supporting its importance, and creating awareness about mindfulness. In the CSA condition, the brand took public stances on social or political with, supporting the farmers'

rights movement and creating awareness for fair wages. And lastly, the condition of no involvement with either was described with the basic information of 'Noorani', the brand which only focuses on the sole cause of selling traditional Indian clothes. Initiatives were selected based on real-world examples, adjusted for the fictitious brand 'Noorani'. CSR initiatives were chosen to reflect commonly accepted business practices that demonstrate responsibility without entering political discourse. CSA initiatives were selected to reflect current, real-world advocacy stances that have sparked debate or received public attention in India. Hence, the following three conditions were shown to the participants.

Control Condition: No Involvement with CSA/CSR

Participants who were randomly assigned to the control condition, were asked to read the text and observe Figure 1 to proceed further with the survey. This control condition explained that a new start-up named Noorani, based in Pune, India, has no connection whatsoever with any social activities. The following image and text were presented for this group:

"We would like to ask you to please read the following information and observe the image. We will ask you for your opinion about this information afterwards.
Noorani is a Pune-based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home decor using traditional methods like weaving. Noorani's communication focuses entirely on product quality, design, and craftsmanship."

Figure 1
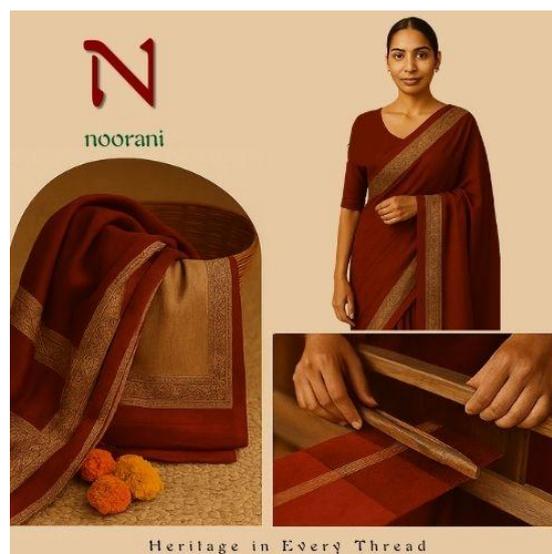
Condition 2: Involvement with CSR

Respondents who were assigned to the CSR condition were exposed to the same start-up, Noorani's engagement with social issues, which is corporate social responsibility at the low level of

involvement with social activities. Hence, the following text and image were shown to participants: "We would like to ask you to please read the following information, and observe the image. We will ask you for your opinion about this information afterwards.
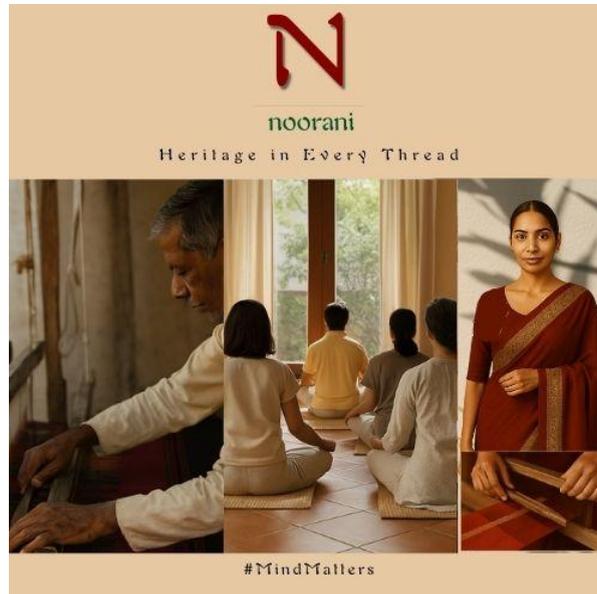

Figure 2

Noorani is a Pune-based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home décor using traditional methods like weaving. Alongside its artisan-based business model, Noorani supports mental health awareness through its campaign #Mindfulmakers, promoting emotional well-being among artisans and customers alike. The brand also shares wellness content and hosts stress-relief workshops for its craft communities and team."

Condition 3: High involvement with CSA

In condition three, participants who were randomly assigned were asked to view another photo and read the text of the same brand, Noorani. In this condition, it was necessary to evaluate the higher level of engagement with social issues, in fact, socio-political issues. With the current affairs in India, Noorani's stance on this issue was highlighted through an image stimulation and its stance on farmers' rights in India. Hence following information was provided to participants:

"We would like to ask you to please read the following information, and observe the image carefully. We will ask you for your opinion about this information afterwards.

Figure 3

Noorani is a Pune based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home décor using traditional methods like weaving. Noorani is more than a premium lifestyle brand—it's a voice for India's farmers. Beyond craftsmanship, Noorani supports cotton farmers in rural regions of India addressing issues like debt, low crop prices, and farmer suicides. Through the #FarmersRights movement, the brand promotes awareness, mental health support, fair pricing and buying the local goods from them."

Manipulation checks

To examine the effectiveness of the experimental manipulation, in this research study, four manipulation checks were conducted to assess whether participants correctly perceived the type of social involvement communicated by the start-up, i.e., Corporate Social Advocacy (CSA), Corporate Social Responsibility (CSR), or no involvement. Participants were asked to indicate the extent to which they believed the start-up engaged in advocacy or responsibility-related initiatives. Hence following Manipulation checks were provided to all the participants: *1) Based on the description and image you read and observed, how much do you agree or disagree with the following statements? - "Noorani actively tries to make a positive impact on society.", 2) "Noorani's business practices are socially responsible." 3) "I believe that Noorani's actions might be seen as controversial." 4) "Noorani might be using social issues to improve its public image rather than addressing the issues sincerely."*

3.5.2 Perceived Agility

Perceived Agility was measured using a scale with four items adapted from research by Gligor and Bozkurt (2021) focusing on perceived agility by brands within customer engagement. Items included in this scale are tested by a Five-point Likert scale (1= Strongly disagree to 5= Strongly agree). Items included are: *1) This brand can quickly detect changes in current trends. 2) This brand can promptly identify changes in customer needs. 3) This brand can quickly respond to changes. 4) This brand can adjust the scale of its response to changes in social-political trends.*

A principal component analysis (PCA) with direct oblique rotation based on eigenvalues (>1.00) was used to explore the underlying dimensions of Perceived Agility for Indian start-ups with four items. The KMO (Kaiser-Mayer-Olkin value) was .74, verifying the sampling adequacy for the analysis, as it exceeds the minimum acceptable value of .60 (Kaiser, 1970). With Barlett's test $\chi^2 (6)$ = 152.581, $p<.001$, hence resulting that the correlations between these items were sufficiently large for a principal component analysis (Bartlett, 1954). The resultant model consisted of one factor explaining the variance of 58.4% of perceived agility in Indian Start-ups. The factor loadings and the Cronbach's α of the factor is presented in Table 1.

Table 1

Item	*Perceived Agility*
Please indicate how well you think Noorani can respond to change in the following statements.	
Noorani can quickly detect changes in current trends.	.71
Noorani can promptly identify changes in customer needs.	.78
Noorani can quickly respond to changes	.82
Noorani can adjust the scale of its response to changes in social-political trends	.73
R^2	.58
Cronbach's α	.76

3.5.3 Perceived Authenticity

The Perceived Authenticity variable is measured from multi-scale refined items adapted from research by Lee (2024). Items included in this scale will be measured by a 5-point Likert scale (1= Strongly disagree to 5= Strongly agree). Items include: *1) The company's stand-taking*

demonstrates what values the company truthfully holds. 2) I can tell how well the company knows itself when I see its advocacy campaign. 3) The company's stand-taking reflects its real purpose. 4) The company is pursuing its truthful beliefs for society, instead of following the current trends. 5) The company advocates solving social problems. 7) By publicly speaking up on the issue, the company tries to do the right thing for society. 8) The company's stand-taking aims to have a positive impact on public debates. 9) The company's advocacy/social campaign intends to contribute to social change. 10) Through speaking out on the issue, the company tries to function as a good citizen.

A principal component analysis (PCA) with direct oblique rotation was conducted to examine the nine items of Perceived Authenticity of Indian Start-ups. The KMO (Kaiser-Mayer-Olkin value) was .88, confirming the sampling adequacy for the analysis, as it exceeds the minimum acceptable value of .60 (Kaiser, 1970). With Bartlett's test of Sphericity, χ^2 (36) = 627.864, $p<.001$, indicating that the correlations between these items were sufficiently large for a principal component analysis (Bartlett, 1954). The resultant model consisted of one factor explaining 52.6% of the variance in Perceived Authenticity of the Indian start-up Noorani. The factor loadings and Cronbach's α of each factor are presented in Table 2.

Table 2.

Item	*Perceived Authenticity*
Please indicate your level of agreement or disagreement with each of the following statements.	
Noorani's actions demonstrate what values the company truly holds.	.64
I can tell how well Noorani knows itself when I see its campaign.	.68
Noorani's actions reflect their real purpose.	.65
Noorani is pursuing its truthful beliefs for society, instead of following the current trends.	.91
Noorani advocates solving social problems.	.74
Through its actions, Noorani tries to do the right thing for society.	.84
Noorani aims to have a positive impact on the public debates.	.78
Noorani's campaign intends to contribute to social change.	.84
Through its campaign, Noorani tries to function as a good citizen.	.68

R^2	.52
Cronbach's α	.88

3.5.4 Positive e-Word of Mouth (eWOM)

Positive Word of Mouth intentions are measured using a scale adapted from Yang and Kang's (2009) model of measurement of scale from a blog, focusing on the likelihood of recommending the start-up and its products to others. The items will be tested on a five-point Likert scale (1= Strongly Disagree to 5= Strongly Agree). Items included are: *1) Encourage friends to buy products from the Company, 2) Encourage family members or relatives to buy products from this start-up, 3) Recommend this start-up product to someone who asked my advice, and 4) Positive things about this start-up and its products to other people.*

To examine the underlying dimensions of four items of positive e-WOM, a principal component analysis (PCA) with direct oblique rotation was used. The KMO (Kaiser-Mayer-Olkin value) was .77, which verified the sampling adequacy for the analysis, as it exceeds the minimum acceptable value of .60 (Kaiser, 1970). With Barlett's Test of sphericity, χ^2 (6) = 246.079, *p*<.001, hence showing that the correlations between these items were sufficiently large for a principal component analysis (Bartlett, 1954). The resultant model consisted of one factor of positive e-WOM for the Indian start-up Noorani, explaining the variance of 67.3%. The factor loadings and the Cronbach's α of each factor are presented in Table 3.

Table 3.

Item	*Positive e-WOM*
Please indicate your level of agreement or disagreement with each of the following statements.	
I would encourage my friends to buy products from this company. (1)	.82
I would encourage my family members or relatives to buy products from this company. (2)	.84
I would recommend this company's products to someone who asked my advice. (3)	.83
I would say positive things about this start-up and its products to others. (4)	.79

R^2	.67
Cronbach's α	.84

3.6 Reliability and validity

This study relies on previously validated scales, indicating that all implemented scales are based on prior studies. To increase internal validity, a manipulation check was also implemented to ensure that the conditions of the experiment were operative in the way expected (Neuman, 2014). With the manipulation check, it can be checked if the impact of the independent variables on the dependent variables is caused due to the manipulation. Before starting the necessary analyses for this research, reliability analyses had to be conducted for each of the variables to test whether the independent and dependent variables would ensure that the outcome of the further analyses would be trusted. Hence, all the variables as reported earlier are reliable through Cronbach's alpha test and are hence validated for the analysis.

3.7. Data Processing and Analysis

To test the hypotheses, the PROCESS macro in SPSS was used for regression and mediation analyses. Initially, Hypotheses H1, H2, and H3 are evaluated with the direct effects of CSA/CSR engagement on Perceived Authenticity (H2) and Perceived Agility (H3) using one way ANOVA with CSA/CSR engagement as the Independent Variable (IV) and Perceived Authenticity and Agility as the Dependent Variables (DVs). Next, three hypotheses, H4, H5, H6, H6a, and H6b, which are explored and analysed using the PROCESS Model 4. This analysis will clarify the direct and indirect impacts of CSA/CSR engagement on eWOM.

4. Results

This chapter will discuss the key results through statistical data and explain the hypotheses and their acceptance or rejection. In order to investigate the relationship between dependent variables and the independent variables, the hypotheses built are analyzed and explained through statistical data.

4.1 Hypothesis Testing

4.1.1 Manipulation checks

1. Noorani actively tries to make a positive impact on society

To evaluate the effectiveness of the experimental conditions, a one-way ANOVA was conducted on four manipulation check items across the three groups. The results revealed no statistically significant differences between conditions on any of the four items. Specifically, the perception that "Noorani actively tries to make a positive impact on society" did not significantly differ across groups, $F(2, 151) = 0.56$, $p = .575$, $\eta^2 = .007$. Similarly, perceptions of fictitious brand Noorani's social responsibility were marginally higher in the CSR group at the intercept ($M = 3.96$, $SD = 1.11$) compared to the level of no involvement ($M = 3.78$, $SD = .86$) and CSA group ($M = 3.78$, $SD = 1.03$) groups, but this difference was not statistically significant.

2. Noorani's business practices are socially responsible

There was a significant effect of condition on CSR, $F (2, 151) = 3.91$, $p = .093$, $\eta^2 = .031$. Post hoc comparisons revealed that participants in the CSR condition ($M = 4.02$, $SD = .95$) rated Noorani as significantly more socially responsible than those in the no Involvement ($M = 3.65$, $SD = .80$) which was marginal, but not significantly more than the CSA group ($M = 3.74$, $SD = .94$), hence, difference was not statistically significant.

3. I believe that Noorani's actions might be seen as controversial.

A one-way ANOVA indicated a significant effect of condition on perceptions of controversy, $F(2, 151) = 1.32$, $p = .505$, $\eta^2 = .009$. However, post hoc analyses revealed that none of the pairwise comparisons reached significance $p > .05$.

4. Noorani might be using social issues to improve its public image rather than addressing the issues sincerely.

A one-way ANOVA for scores was not significant, $F(2, 151) = .173$, $p = .841$, $\eta^2 = .002$, indicating no difference between groups in the belief that Noorani was using social issues for image management.

4.1.2 Effect of Involvement Type on Electronic Word-of-Mouth

An ANOVA was conducted with the condition group, which stated the three levels of engagement with social issues by Indian start-up Noorani as the independent variable and electronic word-of-mouth as the dependent variable. The analysis revealed a significant main effect of condition on eWOM, F (2, 152) = 3.49, p = .035, partial η^2 = .02. However, post hoc comparisons indicated that no involvement did not have any significant impact with eWOM compared to (M = 3.70, SD = .85) CSA condition. The comparison between CSA and CSR was significant, with participants in the CSR condition reporting slightly higher eWOM (M = 4.08, SD = .83) than those in the CSA condition(M = 3.73, SD = .83) (p = .050). Hence, H1 was rejected.

4.1.2 Effect of Involvement Type on Perceived Authenticity

An ANOVA was conducted with the level of involvement of social issues as the independent variable and perceived authenticity as the dependent variable. No significant main effect of the three conditions were found on the perceived authenticity F (2, 84) = 7.83, p = .439, partial η^2 = .02. Participants in the no involvement condition reported slightly lower perceived authenticity (M = 3.74, SD = 0.7) compared to those in the CSR condition (M = 3.91, SD = 0.79) and the CSA condition (M = 3.78, SD = 0.7). Given the absence of statistically significant differences among the three conditions, Hypothesis 2 is rejected.

4.1.3 Effect of Involvement Type on Perceived Agility

A one-way ANOVA was conducted to examine whether perceived agility differs based on Indian start-ups' involvement in three categories of corporate engagement: (1) no involvement, (2) Corporate Social Responsibility (CSR), and (3) Corporate Social Advocacy (CSA). The independent variable was three conditions, and the dependent variable was perceived agility. The results of the ANOVA indicated that the effect of CGs on perceived agility was not statistically significant, F (2, 152) = 2.43, p = .091, η^2 = .031. Although the model explained a small proportion of the variance (3.1%), this effect did not reach statistical significance at the conventional alpha level of .05. Descriptive statistics showed that the CSA group (M = 3.47, SD = .85) reported slightly higher perceived agility than the no involvement group (M = 3.65, SD = .83), and lower than the CSR group (M = 3.81, SD = .67). Hence, the hypothesis (H3) was rejected, as it only showed significant difference within the CSR group compared to CSA, and no involvement.

4.1.4 Direct Effects of Perceived Agility and Authenticity on eWOM and Mediation Analysis: Role of Perceived Authenticity and Agility

A bootstrapping procedure using PROCESS Model 4 (Hayes, 2022) was conducted to examine the direct and indirect effects of consumer perceptions of Indian start-ups' involvement in social issues (CSR vs. CSA vs. no involvement) on electronic word-of-mouth (eWOM), with

perceived authenticity and perceived agility as mediators. The results revealed a significant positive effect of perceived authenticity on eWOM, b = 0.66, p < .001, 95% CI [0.48, 0.84], supporting H4. This suggests that when consumers perceive a start-up as authentic, they are more likely to engage in positive eWOM. However, perceived agility did not significantly predict eWOM, b = 0.15, p = .090, 95% CI [–0.02, 0.31], hence rejecting H5. The direct effect of CSR involvement (vs. no involvement) on eWOM was marginally significant, b = 0.25, p = .039, 95% CI [0.01, 0.49]. However, the indirect effects of CSR/CSA involvement on eWOM through perceived authenticity (b = 0.11, 95% CI [–0.08, 0.34]) and perceived agility (b = 0.02, 95% CI [–0.03, 0.10]) were not statistically significant, providing no support for H6a or H6b. Together, these findings suggest that although perceived authenticity directly enhances eWOM, the mediation pathways through authenticity and agility do not explain the relationship between start-up involvement in social issues and consumer eWOM.

5. Conclusion and Discussion

5.1 Key findings and discussion

This study examined how an Indian startup's involvement in social issues like CSR, or CSA influences consumers' positive word-of-mouth intentions, perceived authenticity, and perceived agility. This research tested whether advocacy (CSA) would be higher in impact than traditional CSR or no involvement in generating positive eWOM, perceived agility, and perceived authenticity. It aimed to answer the research question: *To what extent do Corporate Social Responsibility (CSR) and Corporate Social Advocacy (CSA) engagement, compared to no involvement, influence positive electronic word-of-mouth (eWOM), and to what extent is this relationship mediated by perceived authenticity and agility in the Indian start-up ecosystem?* Based on previous research on CSA, CSR, and consumer socio-political ideologies, six hypotheses were developed and tested by implementing an experimental survey design.

The results were mixed and failed to support the hypotheses. Notably, only perceived authenticity had a positive effect on eWOM, supporting H5, whereas perceived agility had no significant impact, hence rejecting H4. Involvement itself had only a partial effect, which meant CSR led to slightly more eWOM than CSA, but neither CSR nor CSA differed significantly from no involvement, which hence rejected H1. Involvement type did not significantly affect perceived authenticity or agility, which also turned into H2 and H3 rejection. H4 was supported, hence proving that perceived authenticity is associated with eWOM in the context of Indian Start-ups. Though Agility did not affect eWOM, consequently rejecting H5. Neither authenticity nor agility mediated the involvement in eWOM; hence, H6a and H6b are not supported. But there were a few significant CSR-related issues; hence, the mediation can be focused on the social issues of low involvement by start-ups can still partially help start-ups in improving their agility. Moreover, the research can be concluded that there were no significant mediations by the two main variables of the research.

This research helps in establishing a relationship between eWOM and authenticity in the Indian start-ups, with the findings of Li et al. (2022, p. 41), who identify authenticity as a pivotal factor influencing electronic word-of-mouth (eWOM). Similarly, (Li et al., 2022, p. 39) highlighted that a brand's commitment to authenticity in brand activism not only enhances its overall image but also advances increased online engagement, creating a deeper connection with its audience. Further, expanding on these findings, Lee (2024) asserted that the effectiveness of consumer social activism is highly contingent upon consumers perceiving such initiatives as "real and true." He posited that inauthentic activism could breed skepticism among consumers, ultimately detracting from the intended impact of these initiatives. On the other hand, it can be related to Corporate social advocacy as a case. This perspective aligns closely with the notion of "woke washing," as discussed by Moorman (2020) and further highlighted by Li et al. (2022, p. 42). Woke washing refers to the

practice where brands superficially engage in social causes without genuine commitment, raising questions about their integrity and authenticity. And as Indian start-ups will need to focus on building a strong relationship between authenticity and CSA.

Within this research study, it was observed that CSA did not result in a statistically significant increase in perceived authenticity, although CSR efforts taken by start-ups were determined to be marginally significant, compared to a control group with no involvement in social issues. This lack of differentiation likely explains the modest eWOM responses that were recorded, as consumers may not have felt compelled to engage in word-of-mouth communication about brands that did not demonstrate authentic involvement in corporate social advocacy. Studies on corporate social advocacy (CSA) have shown that certain aspects of perceived authenticity, such as alignment between the organization and the issue or consistency between the CSA stance and actions, can help mitigate negative outcomes, including boycotts and hostile word-of-mouth intentions. (Lee, 2024, P. 2; Zhou & Dong, 2021, P. 180), But if perceived negatively, it can have a minimal impact on the CSA efforts.

5.2 Theoretical Implications

This study contributes significantly to the theoretical understanding of how corporate social initiatives, particularly Corporate Social Advocacy (CSA) and Corporate Social Responsibility (CSR), function within emerging market start-ups, specifically in the Indian context. By integrating Stakeholder Theory and Signaling Theory, this research offers a multidimensional perspective on how start-ups can strategically position themselves through value-driven engagement in social issues.

Firstly, the findings demonstrate that start-ups engaging in CSA or CSR are perceived as more authentic and agile by stakeholders (Freeman, 1984, p. 26). This supports the concept that businesses, particularly in their formative stages, can benefit from stakeholder trust and legitimacy by addressing societal concerns that align with stakeholder values. The theory is extended here by empirically showing that even in start-up ventures, stakeholder-oriented initiatives generate measurable reputational benefits (Lii & Lee, 2012, p. 71). In this research study, only CSR showed a minimal effect on the eWOM compared to CSA and no involvement with social issues in Indian Start-ups. Thus, challenging the assumption that only established firms can afford or benefit from such actions. Secondly, Signaling Theory is advanced through the identification of CSA as a high-strength signal of a firm's internal values. (Dodd & Supa, 2014, p. 9). While CSR is traditionally seen as a reputational strategy that shows some relevance concerning eWOM, this study did not distinguish CSA as a more potent signal. This contribution of the signaling literature specifies social initiatives to produce stronger stakeholder perceptions in terms of authenticity and agility, particularly in high-context markets like India did not show any relevance or significance. Moreover, the research that contributed to the growing literature on Perceived Authenticity and Organizational Agility, in this study, the two mediating constructs were rejected as insignificant. While these

variables have been individually explored, this study conceptualizes them as dual mediators between a firm's social issue involvement and its reception in the digital stakeholder space via eWOM.

Finally, this study contextualizes these frameworks within the Indian start-up ecosystem, offering a valuable emerging-market lens to theories that have predominantly been developed in Western contexts. It suggests that start-ups operating in culturally nuanced and socially dynamic markets can influence advocacy as a strategic differentiator, not despite their size or newness, but because of it. Heffron's (2019) study highlights authenticity in the brand's participation in authenticity, which was applicable here at a smaller level. Thus, this research expands theoretical insights into how new ventures in developing economies can construct legitimacy, stakeholder alignment, and market differentiation through socially engaged branding. Traditionally, Western multinationals approached CSR as corporate citizenship, philanthropy, volunteering, and sustainability reporting. CSA, by contrast, is often framed as part of corporate communications or activism. Western firms may balance the two: e.g., Patagonia's environmental CSA ("No corporate PACs"), Ben & Jerry's social advocacy on LGBTQ rights, etc. (Denner et al., 2025, p. 7). Academics note that CSA can strengthen or sever stakeholder relationships, and often elicits negative investor reactions if perceived as too political. But in the South Asian, specifically in the Indian context, studies and this research study showed potential differences as CSA did not cover any main aspects for Indian start-ups. Although CSR has also been explored, this study gave minimal significance for Indian start-ups to be authentic to build their CSR initiatives with eWOM.

5.3 Practical Implications

For managers of small firms and entrepreneurs who are into start-ups and unicorn businesses, these findings offer guidance on social-issue engagement strategies. Firstly, to focus on authenticity, above all, stakeholders care that social initiatives are genuine, so if your product or service is as authentic it will lead to positive word of mouth. Policymakers and practitioners have warned that activism efforts are seen as successful only if perceived as authentic. For startups, this means any CSR or advocacy campaign should reflect the company's mission and values. For example, Noorani's mental well-being awareness campaign was perceived as significant by respondents as it was introduced as a CSR initiative; it showed some significance in WOM and showed authenticity as a condition, highlighting its involvement in CSR, which is already embedded in India and growing rapidly. Prominent research by Voinea et al. (2019, p. 17) start-ups had a main focus on their financial situation, which means that they wanted to operate in the communities they target to serve through their CSR practices. When there is no financial backbone, there is no opportunity to engage in CSR. Consequently, this study showed a marginal significance between CSR and start-ups based in India. Indian start-ups need to start working more closely in the sector of CSR.

For marketing and communications as a start-up, it should emphasize the true intentions

behind the campaign as another variable of CSR, which is truthfulness and the firm's long-term commitment and persistence. Brands should avoid mere "virtue signaling," since inauthentic activism or so-called "woke washing," or, as per traditional research, "green washing," can provoke backlash. This research provides evidence and suggests that simply publishing a stance on a social issue (CSA) does not guarantee more eWOM than a more conventional CSR or a neutral stance. Instead, the content and credibility matter for an emerging start-up. According to research by Li et al. (2022), brands that build trust and show a true fit with social issues generate more online engagement. Since authenticity strongly predicts eWOM, practitioners should consider authenticity-building tactics. For example, showcasing behind-the-scenes efforts, sharing metrics of social impact, and obtaining third-party endorsements can enhance perceptions of authenticity among value-based stakeholders. Finally, do not overemphasize agility for WOM. While agility is valuable for operations within a start-up, it did not affect eWOM in this research. Managers might prioritize agility for customer service or product development, but for eWOM outcomes, the authenticity of social stance is more critical than agility. However, agility is beneficial in CSR-related activities.

5.3 Future scope and Limitations

Several limitations of this study should be noted. First, generalizability is limited by context. This research studied one fictitious Indian startup, "Noorani," which was a clothing-based brand and used an experimental scenario, so findings may not have extended to established firms' agility, though it had some partial significance with authentic start-ups based in CSR. Second, sample and measurements, this research study had survey respondents who may not represent all stakeholder segments as they differ from the shareholders, and self-reported eWOM intention may differ from actual perceived behavior. Thirdly, the treatment of realism, the descriptions of CSR vs. CSA, might not have fully captured the emotional impact of real campaigns. It's possible that the manipulations did not create strong differences in perceived authenticity. Fourth, the scope of variables, this study focused on only two mediators, authenticity and agility. Fifth, statistical power, some effects, e.g., agility's effect on eWOM, were marginally significant and might reach significance in larger samples. Finally, the cross-sectional design has a causal direction that can be assumed. Consumers who already speak positively about a brand may be more likely to rate it as authentic or agile. Future research using diverse methods and adding different variables, like narrow research on the relationship between CSR and CSA, to an extent of implication through agility in medium-sized brands, then implementing it to smaller/ start-up-based brands, can address these limitations.

This study has opened several avenues for future work. First, exploring the relationship between moderators and variables. For example, cause–brand (Chu et al., 2022, p. 46) and consumer attitudes toward specific issues could be tested as moderators. Future studies could manipulate or measure brand–issue alignment, issue salience, or consumer values to determine when CSA generates higher eWOM. Second, investigate the dimensions of authenticity. Lee (2024) proposes a

multi-dimensional model of CSA authenticity. Future work could measure truthfulness, congruence, etc., directly to see which dimension drives eWOM. For instance, is the truthfulness of communication more important than social impact? Qualitative research could also explore how stakeholders interpret authenticity signals from startups. Third, broaden the outcomes and contexts. We focused on eWOM; future research could examine other outcomes, such as purchase intention, brand loyalty, or actual behavior change among consumers. Different industries (e.g., fashion, tech) or firm sizes (multinational vs. small startup) may yield different patterns. Cross-cultural studies would be valuable; given cultural differences in activism (e.g., collectivist vs. individualist societies), Indian consumers' responses may differ from those in Western markets. Fourth, refined the agility concept in marketing. Since this study's measures of agility for Indian start-ups did not interact with CSR/CSA, more work is needed to define and operationalize perceived agility in consumer research. This research lacked operationalizing with a more precise focus on agility in many other different fields of start-ups. Future studies could examine how agility influences other outcomes like satisfaction or brand image and whether CSR/CSA can truly enhance agility in consumers' minds if, for example, a firm adapts quickly to social feedback. Finally, longitudinal and field studies are needed. In sum, much remains to be explored about how modern consumers react to socially engaged brands, particularly in emerging markets. To ensure successful interpretations through effective manipulation, future scope must include the variable of brand awareness and target the stakeholders of that particular brand.

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7. Appendix

1. Survey

Master Thesis Survey CSA/CSR

Start of Block: Introduction to Survey

1. Dear participant, Thank you for your interest in this study! We are inviting individuals from 18 years and over to participate in this research, which aims to explore opinions about the Indian Start-up culture. This research is a part of a master's thesis for the Master Media and Business program at the Erasmus University Rotterdam. The survey takes approximately 7-10 minutes to complete. Your participation is voluntary, and you are free to discontinue your participation at any time. At Erasmus University Rotterdam, we process your personal data based on public interest. The data retrieved will be treated anonymously and your personal information will be kept strictly confidential. Your privacy will be protected to the maximum extent. No personally identifiable information will be reported in any research product. If you have any questions about the study or your privacy rights, please contact Awanti Chakane (727479ac@.eur.nl).

End of Block: Introduction to Survey

Start of Block: Informed Consent

2. To proceed with the survey, please click on all boxes below. After reading this form, I:

☐ Consent to participate in this research. (1)

☐ Confirm that I am at least 18 years old; (2)

☐ Consent to the collection and use of my personal data; (3)

☐ Confirm that I understand that my data will be anonymized for publication, educational purposes and further research; (4)

☐ Confirm that I understand that participating in this research is completely voluntary and that I can stop at any time; (5)

☐ Give permission for my answers to be used in papers, such as an article in a journal or a book. (6)

☐ Hereby consent to having my anonymized personal data stored and used for educational purposes and for future research; (7)

End of Block: Informed Consent

Start of Block: Condition 1: No involvement in CSA/CSR

3. We would like to ask you to please read the following information, and observe the image carefully. We will ask you for your opinion about this information afterwards. Noorani is a Pune based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home décor using traditional methods like weaving. Noorani's communication focuses entirely on product quality, design, and craftsmanship.

Figure 1.

End of Block: Condition 1: No involvement in CSA/CSR

Start of Block: Condition 2 : Low controversy/enagagement in CSA/CSR

4. We would like to ask you to please read the following information, and observe the image carefully. We will ask you for your opinion about this information afterwards.   Noorani is a Pune-based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home décor using traditional methods like weaving. Alongside its artisan-based business model, Noorani supports mental health awareness through its campaign #Mindfulmakers, promoting emotional well-being among artisans and customers alike. The brand also shares wellness content and hosts stress-relief workshops for its craft communities and team.

Figure 2

End of Block: Condition 2 : Low controversy/enagagement in CSA/CSR

Start of Block: Condition 3: High CSA/CSR engagement

5. We would like to ask you to please read the following information, and observe the image carefully. We will ask you for your opinion about this information afterwards. Noorani is a Pune based start-up focused on creating premium lifestyle products that reflect India's cultural heritage. The company works with local artisans to design heritage clothing, accessories, and home décor using traditional methods like weaving. Noorani is more than a premium lifestyle brand—it's a voice for India's farmers. Beyond craftsmanship, Noorani supports cotton farmers in rural regions of India addressing issues like debt, low crop prices, and farmer suicides. Through the #FarmersRights movement, the brand promotes awareness, mental health support, fair pricing and buying the local goods from them.

Figure 3

End of Block: Condition 3: High CSA/CSR engagement

Start of Block: Manipulation check

6. Based on the description and image you read and observed- How much do you agree or disagree with the following statements?- "Noorani actively tries to make a positive impact on society."

◯ Strongly Disagree (1)

◯ Disagree (2)

○ Neither disagree nor agree (3)

○ Agree (4)

○ Strongly Agree (5)

7. "Noorani's business practices are socially responsible."

○ Strongly Disagree (1)

○ Disagree (2)

○ Nether disagree nor agree (3)

○ Agree (4)

○ Strongly Agree (5)

8. "I believe that Noorani's actions might be seen as controversial."

○ Strongly Disagree (1)

○ Disagree (2)

○ Neither agree nor disagree (3)

○ Agree (4)

○ Strongly agree (5)

9. "Noorani might be using social issues to improve its public image rather than addressing the issues sincerely."

○ Strongly Disagree (1)

○ Disagree (2)

○ Neither disagree nor agree (3)

○ Agree (4)

○ Strongly Agree (5)

End of Block: Manipulation check

Start of Block: Perceived Agility

10. Please indicate how well you think Noorani can respond to change in the following statements.

	Strongly Disagree (1)	Somewhat Disagree (2)	Neither agree nor disagree (3)	Somewhat Agree (4)	Strongly Agree (5)
Noorani can quickly detect changes in current trends. (1)	○	○	○	○	○
Noorani can promptly identify changes in customer needs. (2)	○	○	○	○	○
Noorani can quickly respond to changes (3)	○	○	○	○	○
Noorani can adjust the scale of its response to changes in social-political trends (4)	○	○	○	○	○

End of Block: Perceived Agility

Start of Block: Perceived Authenticity

11. Please indicate your level of agreement or disagreement with each of the following statements.

	Strongly Disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Noorani's actions demonstrate	○	○	○	○	○

what values the company truthfully holds. (1)

I can tell how well Noorani knows itself when I see its campaign. (2)

○　　○　　○　　○　　○

Noorani's actions reflect its real purpose. (3)

○　　○　　○　　○　　○

Noorani is pursuing its truthful beliefs for society, instead of following the current trends. (4)

○　　○　　○　　○　　○

Noorani advocates to solve social problems. (5)

○　　○　　○　　○　　○

Through its actions, Noorani tries to do the right thing for society. (6)

○　　○　　○　　○　　○

Noorani aims to have a positive impact on the public debates. (7)

○　　○　　○　　○　　○

Noorani's campaign intends to contribute to social change. (8)

○　　○　　○　　○　　○

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Through its campaign, Noorani tries to function as a good citizen. (9)	○	○	○	○	○

End of Block: Perceived Authenticity

Start of Block: Positive EWOM

12. Please indicate your level of agreement or disagreement with each of the following statements.

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
I would encourage my friends to buy products from this company. (1)	○	○	○	○	○
I would encourage my family members or relatives to buy products from this company. (2)	○	○	○	○	○
I would recommend this company's products to someone who asked my advice. (3)	○	○	○	○	○
I would say positive things about this start-up and its products to others. (4)	○	○	○	○	○

End of Block: Positive EWOM

Start of Block: Demographics Block

13. What is your Age?

_____

14. What is your Gender?

○ Female (1)

○ Male (2)

○ Non-binary / third gender (3)

○ Prefer not to say (4)

15. What is the highest level of education you have completed?

○ Less than a high school degree or No degree (1)

○ High School Degree or equivalent (2)

○ Bachelor's Degree or equivalent (3)

○ Master's Degree or equivalent (4)

○ Doctoral Degree (PhD) or equivalent (5)

○ Professional Degree or equivalent (6)

16. Please indicate which of the following best describes your background?

○ Indian – Living in India (1)

○ Indian – Non-Resident Indian (NRI) (2)

○ Person of Indian Origin (PIO) / Overseas Citizen of India (OCI) (3)

○ Not of Indian origin/ Other Nationality (4)

End of Block: Demographics Block

2. Use of AI/ Declaration

Declaration: Use of Generative AI Tools in Thesis

Student Information

Name: Awanti Chakane

Student ID: 727479ac@eur.nl

Course Name: Master Thesis CM5000

Supervisor Name: Dr. Anne- Marie Van Prooijen

Date: 26th June 2025

Declaration:

Acknowledgment of Generative AI Tools

I acknowledge that I am aware of the existence and functionality of generative artificial intelligence (AI) tools, which are capable of producing content such as text, images, and other creative works autonomously. I have used the AI tools to check for spellings, punctuation marks, framing of sentences through Grammarly AI.

GenAI use would include, but not limited to:

- Generated content (e.g., ChatGPT, Quillbot) limited strictly to content that is not assessed

- Writing improvements, including grammar and spelling corrections (e.g., Grammarly)

- Research task assistance (e.g., finding survey scales, qualitative coding verification, debugging code)

- Using GenAI as a search engine tool to find academic articles or books (e.g.,

☒ I declare that I have used generative AI tools,

specifically [Name of the AI Tool(s) or Framework(s) Used], in the process of creating parts or components of my thesis. The purpose of using these tools was to aid in generating content or assisting with specific aspects of thesis work.

Ethical and Academic Integrity

☒ I understand the ethical implications and academic integrity concerns related to the use of AI tools in coursework. I assure that the AI- generated content was used responsibly, and any content derived from these tools has been appropriately cited and attributed according to the guidelines provided by the instructor and the course. I have taken necessary steps to distinguish between my original work and the AI- generated contributions. Any direct quotations, paraphrased content, or other forms of AI- generated material have been properly referenced in accordance with academic conventions.

By signing this declaration, I affirm that this declaration is accurate and truthful. I take full responsibility for the integrity of my assignment and am prepared to discuss and explain the role of generative AI tools in my creative process if required by the instructor or the Examination Board. I further affirm that I have used generative AI tools in accordance with ethical standards and academic integrity expectations.

Classification: Internal Signature: A.S.C
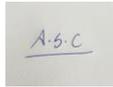
Date of Signature: 26th June 2025