



Regular article

# The Effect of Country of Origin Image and Corporate Social Responsibility on Customer Loyalty Toward Shiseido Products, with Brand Image as a Mediating Variable in Medan City

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## ABSTRACT

This study aims to analyze the influence of country-of-origin image and corporate social responsibility on consumer loyalty toward Shiseido products in Medan. Additionally, this study examines the role of brand image as a mediating variable in the relationship between country-of-origin image and corporate social responsibility on loyalty. The research sample was selected from Shiseido product users in Medan, resulting in a sample of 140 respondents. The analysis method used in this study is Partial Least Squares-based Structural Equation Modeling (PLS-SEM) using SmartPLS 4 software. The results indicate that country of origin image has a direct, positive, and significant effect on brand image, and corporate social responsibility has a direct, positive, and significant effect on brand image. However, country of origin image has a direct negative but insignificant effect on loyalty, while corporate social responsibility has a positive but insignificant effect on loyalty. Furthermore, brand image has a positive and significant effect on consumer loyalty. Furthermore, the country-of-origin image has a positive and significant indirect effect on loyalty through brand image, and corporate social responsibility has a positive and significant effect on loyalty through brand image. These findings suggest that consumer loyalty toward Shiseido products in Medan can be more effectively built by strengthening the brand image. Therefore, the company needs to strengthen its brand image by highlighting the advantages of its Japanese origin, premium product quality, technological innovation, and a relevant and transparent commitment to corporate social responsibility. An integrated approach between country-of-origin image, corporate social responsibility, and brand image can help Shiseido increase consumer loyalty and strengthen its competitiveness in the beauty industry.

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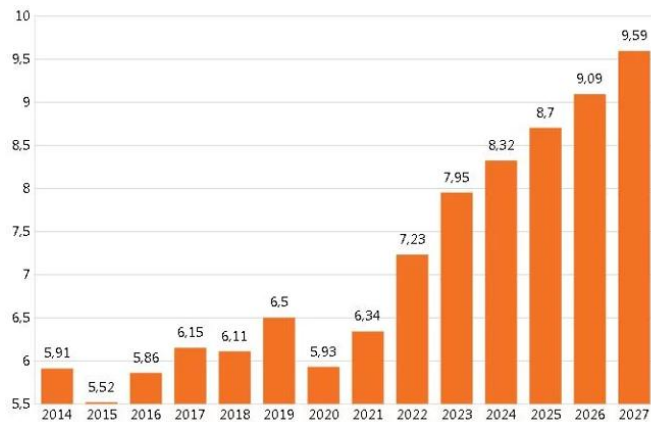
## Introduction

The beauty industry is one of the fastest-growing sectors, making it important to understand the global context before examining national conditions. The beauty industry has been among the fastest-growing sectors over the past two decades. According to Euromonitor (2023), the global beauty industry market value has exceeded USD 571 billion, with

an average annual growth rate of 7%. This growth has been driven by increasing public awareness of self-care, changes in modern lifestyles, and the strong influence of social media and digital culture. These developments indicate that beauty products have shifted from being considered secondary needs to becoming an essential part of the global lifestyle.

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Source: Cisas, Beautypreneurs Trusted Partner (2022)

Figure 1 Beauty Industry Revenue Trends in Indonesia

Based on Figure 1, the graph illustrates that Indonesia's beauty industry is experiencing rapid expansion and has the potential to become one of the largest markets in Southeast Asia by 2027, with a stable and promising annual growth trend. This growth phenomenon is also clearly reflected in Indonesia, demonstrating a close relationship between global dynamics and the development of the domestic market. The Ministry of Industry (2022) reported that the national cosmetics sector grew by 9.61%, surpassing the average growth rate of the non-oil and gas manufacturing industry. Increased consumer purchasing power, the expansion of the middle class, and the widespread use of digital media have further driven the consumption of skincare, body care, and makeup products. The beauty sector's revenue in Indonesia reached USD 7.23 billion in 2022 and is projected to continue increasing through 2027.

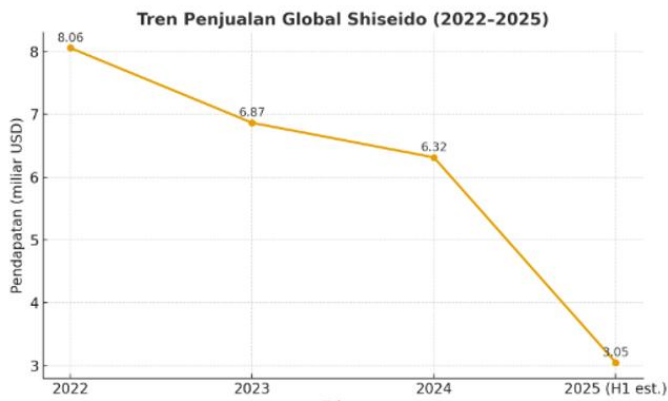
In this increasingly dynamic competitive landscape, it is important to examine how strategic factors influence consumer behavior. Within this context, Shiseido, one of Japan's leading premium cosmetics companies, faces significant challenges. Although Shiseido possesses a strong global reputation, a long-standing history, and a positive country-of-origin image, the growing penetration of Korean beauty brands has intensified competition. These brands offer rapid innovation, attractive product designs, aggressive marketing strategies, and more affordable prices, making Indonesian consumers particularly the younger generation more inclined toward K-Beauty products.

To gain a deeper understanding of the factors influencing consumer loyalty toward Shiseido's premium beauty products in Indonesia, this study focuses on three key variables: country of origin image, corporate social responsibility (CSR), and brand image. These variables are highly relevant in explaining modern consumer behavior, which is increasingly shaped by symbolic values, consumer perceptions, and sustainability-related issues that contribute to brand loyalty (Esmaeilpur & Abdolvand, 2016; Kim et al., 2024; Tahir et al., 2024).

On the other hand, corporate social responsibility (CSR) has become

increasingly relevant as public concern over environmental, social, and business ethics issues continues to grow. Shiseido has implemented various CSR initiatives at the global level, including efforts to reduce plastic waste and promote women's empowerment. A notable phenomenon is that consumers, particularly Millennials and Generation Z, are placing greater emphasis on corporate social responsibility. According to a Nielsen report (2021), 68% of global consumers stated that they are willing to pay more for products that support communities and vulnerable groups. Furthermore, 73% of global consumers are willing to pay a premium for products from companies committed to environmental and social causes. The report also found that 72% of respondents are willing to pay a premium for products labeled as "sustainable," with 52% willing to pay slightly more and 20% willing to pay significantly more. These findings indicate that consumers are no longer interested solely in products that benefit individual well-being but also in those that align with environmental, ethical, and social values. However, the effectiveness of corporate social responsibility in influencing purchasing decisions is not always consistent. This inconsistency presents challenges for companies seeking to strengthen consumer loyalty. In some cases, consumers may appreciate CSR initiatives yet still make purchasing decisions based primarily on price considerations or prevailing market trends. Moreover, CSR does not automatically generate economic benefits for a company; rather, such benefits depend on how consumers perceive and evaluate the company's CSR initiatives (Okafor et al., 2021).

Furthermore, another variable that plays a crucial role is brand image, which refers to consumers' perceptions of a brand's identity and characteristics. A strong brand image is generally associated with higher levels of consumer trust, preference, and loyalty. Globally, Shiseido is recognized for its elegant, premium, and high-quality image. However, in Indonesia, Shiseido's brand image faces several challenges. The brand is often perceived as expensive and less accessible to younger consumers. At the same time, the increasing popularity of more affordable and trend-driven beauty brands has intensified competition within the market. Over the past three to four years, Shiseido has experienced a significant decline in its financial performance. This trend suggests that maintaining a strong premium image alone may not be sufficient to sustain consumer loyalty and market competitiveness in an increasingly dynamic beauty industry. The decline in performance can be observed in the following figure:



Source: Shiseido Integrated Report (2022-2025)

Figure 2 Shiseido Global Sales Trends (2022-2025)

Based on Figure 1.5, Shiseido's annual revenue declined by approximately 8% year-over-year (YoY) in 2024, decreasing from USD 6.867 billion in 2023 to USD 6.316 billion in 2024. This decline was not an isolated occurrence; in 2023, Shiseido had already recorded a 15% YoY decrease compared to 2022. Furthermore, during the first half of 2025, net sales showed an additional decline of 8% compared to the previous period. This decrease in sales was largely influenced by weak performance in the travel retail segment and the underperformance of Drunk Elephant, a brand within Shiseido's portfolio. This phenomenon raises an important question within the context of strategic marketing: Is this decline solely attributable to external factors, or does it also reflect a weakening of consumer perceptions regarding the strength of the Shiseido brand itself? Understanding this issue is essential, as consumer perceptions of a brand can significantly influence purchasing decisions and long-term brand loyalty. Therefore, it is important to examine whether factors such as country of origin image, corporate social responsibility, and brand image continue to shape consumer loyalty toward Shiseido amid increasingly intense competition in the beauty industry.

Based on the discussion of the general phenomena within the beauty industry that form the fundamental context of this study, the specific characteristics of Indonesian consumer behavior, and the inconsistencies found in previous research findings, it can be concluded that the relationships among country-of-origin image, corporate social responsibility (CSR), brand image, and consumer loyalty remain inconclusive. Therefore, this study seeks to re-examine the effects of country-of-origin image and corporate social responsibility on consumer loyalty toward Shiseido products in Indonesia, with brand image serving as an intervening variable. This research is expected to contribute theoretically to the development of strategic marketing literature by providing a deeper understanding of the factors that influence consumer loyalty in the premium beauty industry. In addition, the findings are expected to offer practical recommendations for

companies in formulating more adaptive and effective marketing strategies to enhance brand competitiveness and strengthen long-term consumer relationships.

## Literature Review

### Basic Marketing Theory

Consumer Behavior Theory is one of the fundamental foundations of marketing science that explains how individuals and groups make decisions regarding the selection, purchase, use, and evaluation of products and services. According to Kotler and Keller (2016), consumer behavior encompasses the entire process consumers undergo when making choices to satisfy their needs and wants, which are influenced by both internal factors (psychological factors) and external factors (environmental influences and marketing stimuli).

From an academic perspective, this theory is important because it provides a conceptual framework for understanding how consumers process information before deciding to purchase a product or develop loyalty toward a particular brand. Consumer behavior does not occur spontaneously; rather, it involves several stages, including perception, attitude formation, and the evaluation of the benefits received. Schiffman and Wisenblit (2019) emphasize that consumers act based on their subjective interpretation of the information they receive, making perception a central factor in shaping consumer responses. Therefore, consumer decisions are influenced not only by the functional attributes of a product but also by psychological and symbolic factors that affect how consumers perceive and evaluate a brand. These perceptions subsequently shape consumer attitudes, purchase intentions, and long-term loyalty toward a product or company.

### Loyalty

Consumer loyalty is a fundamental concept in marketing that reflects a consumer's commitment to a particular brand or product. According to Kotler and Keller (2022), loyalty is a deeply held commitment to repurchase or subscribe to preferred products or services consistently in the future, despite situational influences and marketing efforts that may encourage brand-switching behavior.

Oliver (2023) defines consumer loyalty as a deeply held commitment to repurchase or subscribe to a preferred product or service consistently in the future, leading to repeated purchases of the same brand or a set of brands, even though situational influences and marketing efforts may have the potential to cause switching behavior. This definition emphasizes that consumer loyalty is not only about repeat purchasing behavior but also involves a deep psychological attachment to a brand. Thus, consumer loyalty reflects both behavioral and attitudinal dimensions, where consumers not only repeatedly purchase a product but also develop a strong emotional and cognitive commitment toward the brand over time.

### Brand Image

According to Firmansyah (2019), brand image is defined as the perception that arises in consumers' minds when they recall a particular brand within a product category. This perception is formed through previous experiences and associations with the brand, which ultimately shape whether the brand image is positive or negative depending on accumulated experiences and prior impressions.

A Setiadi (2016) defines brand image as the overall representation of consumers' perceptions of a brand, which is formed through the accumulation of information and past experiences related to that brand. Brand image is closely linked to consumer attitudes, which are reflected in their beliefs and preferences toward products. The more positive the consumer's perception of a brand, the greater the likelihood that consumers will make purchasing decisions in favor of that brand.

### Country of Origin Image

According to Achabou, Akli, and Hamdoun (2021), country of origin is described as an extrinsic cue of a product that influences consumer preferences. Country of origin is considered one of the external attributes that consumers use when evaluating products, particularly ecological products, alongside price and the product's environmental characteristics.

Furthermore, Magnusson, Zdravkovic, and Westjohn (2022) define country of origin as an association attached to a country image, which is then processed by consumers as part of brand evaluation. This definition includes the recognition of the association between a brand and its country of origin, as well as how this relationship may evolve over time.

### Corporate Social Responsibility

According to Ma et al. (2021), corporate social responsibility (CSR) is defined as all social practices carried out by an organization to align public expectations of the company with the behavior of its stakeholders. CSR in this context includes efforts by companies not only to achieve economic benefits but also to fulfill their social and environmental responsibilities.

Hussainey et al. (2021) describe corporate social responsibility as a marketing investment strategy that goes beyond legal obligations, involving a voluntary commitment by companies to implement programs aimed at improving societal well-being, supporting communities, and maintaining transparency and business ethics. CSR is considered a way for companies to allocate resources toward positive social impact while simultaneously building reputation and ensuring long-term performance.

Drawing from the literature review and prior studies, a conceptual framework can be developed. Sugiyono (2019) defines the conceptual framework as a representation of the research variables and how theories connect to the variables being investigated, specifically the independent and dependent variables. The conceptual relationships

between these variables will be described as follows:

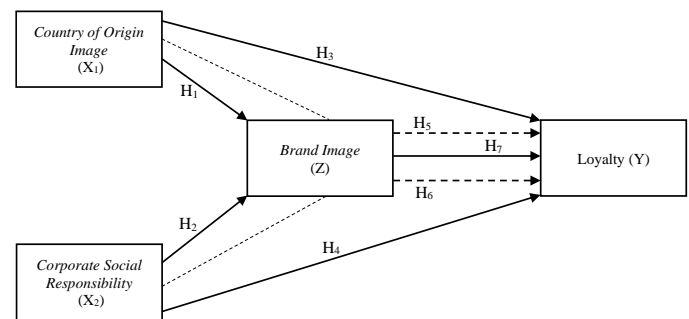


Figure 3 Conceptual Framework

### Methodology

According to Hardani et al. (2020), research methodology is a scientific approach used to obtain data or information as it is (not as it should be), with specific objectives and purposes. The type of research used in this study is quantitative research. Hair et al. (2021) define quantitative research as a type of study that strongly emphasizes the use of standardized formal questions and predetermined answer choices in questionnaires or surveys administered to a large number of respondents.

The research method used in this study is an associative method, which is a type of research that examines the relationship between two or more variables to determine the association among them through hypothesis testing based on the research title. The variables examined in this study include the independent variables, namely country of origin image (X1) and corporate social responsibility (X2), the mediating variable, namely brand image (Z), and the dependent variable, namely consumer loyalty (Y).

### Research Population and Sample

According to Sugiyono (2019), population refers to a generalization area consisting of objects or subjects with certain qualities and characteristics determined by the researcher to be studied and from which conclusions are drawn. The population in this study consists of all consumers who use Shiseido products in Medan City, the exact number of whom is unknown. The determination of the sample size in this study used the Slovin formula because the population size is known with certainty. The population in this study includes beauty product consumers who made purchases during the research period, totaling 225 consumers. The sample in this study consists of consumers in Medan City who use Shiseido Company products with a minimum of two purchase transactions, with a total sample of 140 respondents.

### Data analysis

Data analysis is an activity carried out after data from all samples has been collected and processed based on the characteristics of the variables

and the research objectives, as well as the type of respondents. This process involves tabulating data according to the variables from all samples, presenting data for each variable under study, and conducting tabulation and data testing to answer the research questions and test the formulated hypotheses. The data analysis method used in this study is Structural Equation Modeling (SEM).

## Results And Discussion

### Descriptive Analysis Results

#### Respondent Characteristics Based on Gender

The following are the characteristics of respondents based on gender, which can be seen below:

Table 1. Respondent Characteristics Based on Gender

Gender	Number of Respondents	Percentage (%)
Male	30	21,4%
Female	110	78,6%
<b>Total</b>	<b>140</b>	<b>100%</b>

Source: Data processed (2026)

Based on Table 1, the characteristics of respondents by gender show that there are 30 male respondents (21.4%) and 110 female respondents (78.6%). This indicates that female respondents are more dominant compared to male respondents. This is reasonable considering that Shiseido beauty products are more widely used by female consumers, which is consistent with the general characteristics of the beauty industry, where the majority of users are women.

#### Respondent Characteristics Based on Age

Table 2. Respondent Characteristics Based on Age

Age	Number of Respondents	Percentage (%)
< 20 Year	4	2,9%
21-30 Year	88	62,9%
31-40 Year	32	22,9%
41-50 Year	14	10,0%
> 50 Year	2	1,4%
<b>Total</b>	<b>140</b>	<b>100%</b>

Source: Data processed (2026)

Based on Table 2, the characteristics of respondents by age indicate that there are 4 respondents (2.9%) aged under 20 years, 88 respondents (62.9%) aged 21–30 years, 32 respondents (22.9%) aged 31–40 years, 14 respondents (10.0%) aged 41–50 years, and 2 respondents (1.4%) aged over 50 years. Based on this data, the largest group of respondents in this study is in the 21–30 years age range. This age group represents young consumers who are actively seeking high-quality beauty products and are highly influenced by brand image and the country of origin of a product.

#### Respondent Characteristics Based on Education Level

Table 3. Respondent Characteristics Based on Education Level

Last education	Number of Respondents	Percentage (%)
Diploma	39	27,9%
Bachelor's Degree	82	58,6%
Master's Degree	19	13,6%
<b>Total</b>	<b>140</b>	<b>100%</b>

Source: Data processed (2026)

Based on Table 3, the characteristics of respondents by education level show that there are 39 respondents (27.9%) with a diploma degree, 82 respondents (58.6%) with a bachelor's degree, and 19 respondents (13.6%) with a master's degree. Respondents with a bachelor's degree dominate this study, indicating that consumers of Shiseido products in Medan City generally have a good educational background and are capable of critically evaluating product quality, including aspects such as country of origin image and corporate social responsibility programs.

### Hypothesis Test Results

#### Direct Influence

Table 4. Path Coefficient Results of Direct Influence

Direct Hypothesis	Original Sample (O)	T Statistics ( O/STDEV )	P Values	Hypothesis Category
Country of Origin (X <sub>1</sub> ) -> Brand Image (Z)	0,544	8,784	0,000	Accepted
CSR (X <sub>2</sub> ) -> Brand Image (Z)	0,391	6,730	0,000	Accepted
Country of Origin (X <sub>1</sub> ) -> Loyalty (Y)	-0,006	0,100	0,921	Rejected
CSR (X <sub>2</sub> ) -> Loyalty (Y)	0,070	1,307	0,192	Rejected
Brand Image (Z) -> Loyalty (Y)	0,798	17,237	0,000	Accepted

Source: Data processed, SmartPLS 4 (2026)

#### 1. Country of Origin Image (X<sub>1</sub>) → Brand Image (Z).

The coefficient value is 0.544, with a t-statistic of 8.784 and a p-value of 0.000. These results indicate that the t-statistic (8.784) > t-table (1.96) or p-value (0.000) < alpha (0.05). Therefore, the proposed hypothesis is accepted, meaning that country of origin image has a positive and significant effect on brand image. This implies that when country of origin image increases, brand image will also increase significantly, and vice versa.

#### 2. Corporate Social Responsibility (X<sub>2</sub>) → Brand Image (Z).

The coefficient value is 0.391, with a t-statistic of 6.730 and a p-value of 0.000. These results indicate that the t-statistic (6.730) > t-table (1.96) or p-value (0.000) < alpha (0.05). Therefore, the proposed hypothesis is accepted, meaning that corporate social responsibility has a positive and significant effect on brand image. This indicates that an improvement in CSR will significantly enhance brand image.

#### 3. Country of Origin Image (X<sub>1</sub>) → Loyalty (Y).

The coefficient value is -0.006, with a t-statistic of 0.100 and a p-value of 0.921. These results show that the t-statistic (0.100) < t-table (1.96) or p-value (0.921) > alpha (0.05). Therefore, the proposed hypothesis is rejected, meaning that country of origin image has a negative and insignificant direct effect on loyalty. This finding indicates that the influence of country of origin image on loyalty is indirect and requires mediation through brand image.

#### 4. Corporate Social Responsibility (X<sub>2</sub>) → Loyalty (Y).

The coefficient value is 0.070, with a t-statistic of 1.307 and a p-

value of 0.192. These results show that the t-statistic (1.307) < t-table (1.96) or p-value (0.192) > alpha (0.05). Therefore, the proposed hypothesis is rejected, meaning that corporate social responsibility has a positive but insignificant direct effect on loyalty. This suggests that the effect of CSR on loyalty is more effective when mediated by brand image.

5. Brand Image (Z) → Loyalty (Y).

The coefficient value is 0.798, with a t-statistic of 17.237 and a p-value of 0.000. These results indicate that the t-statistic (17.237) > t-table (1.96) or p-value (0.000) < alpha (0.05). Therefore, the proposed hypothesis is accepted, meaning that brand image has a positive and significant effect on loyalty. This implies that when brand image improves, consumer loyalty also increases significantly.

Indirect Influence

Table 5. Path Coefficient Results of Indirect Influence

Indirect Hypothesis	Original Sample (O)	T Statistics ( O/STDEV )	P Values	Hypothesis Category
Country of Origin (X <sub>1</sub> ) -> Brand Image (Z) -> Loyalty (Y)	0,434	7,889	0,000	Accepted
CSR (X <sub>2</sub> ) -> Brand Image (Z) -> Loyalty (Y)	0,312	6,324	0,000	Accepted

Source: Data processed, SmartPLS 4 (2026)

1. Country of Origin Image (X<sub>1</sub>) → Brand Image (Z) → Loyalty (Y).

The coefficient value is 0.434, with a t-statistic of 7.889 and a p-value of 0.000. These results indicate that the t-statistic (7.889) > t-table (1.96) or p-value (0.000) < alpha (0.05). Therefore, the proposed hypothesis is accepted, meaning that brand image mediates the effect of country of origin image on loyalty. This implies that when country of origin image improves through brand image, consumer loyalty will also increase significantly.

2. Corporate Social Responsibility (X<sub>2</sub>) → Brand Image (Z) → Loyalty (Y).

The coefficient value is 0.312, with a t-statistic of 6.324 and a p-value of 0.000. These results indicate that the t-statistic (6.324) > t-table (1.96) or p-value (0.000) < alpha (0.05). Therefore, the proposed hypothesis is accepted, meaning that brand image mediates the effect of corporate social responsibility on loyalty. This suggests that when CSR improves through brand image, consumer loyalty will also increase significantly.

Effect of Country of Origin Image on Brand Image

Based on the results of the data analysis, country of origin image has a positive and significant effect on the brand image of Shiseido products, with a coefficient value of 0.544, a t-statistic of 8.784, and a p-value of 0.000 < 0.05. These results indicate that the first hypothesis (H1) is accepted, meaning that the higher consumers' perception of the country

of origin image (Japan) of Shiseido products, the stronger the brand image formed in consumers' minds.

From the perspective of Consumer Behavior Theory, this process occurs because consumers interpret external information through mechanisms of perception and attitude formation (Schiffman & Wisenblit, 2019). This finding is consistent with the study by Susanto & Wijanarko (2020), which found that country of origin image has a positive and significant effect on the brand image of Japanese products in Indonesia. Their study shows that Japan's reputation as a producer of high-quality and technologically advanced products directly enhances consumers' perceptions of brands originating from that country. Furthermore, research by Ahmed & D'Astous (2019) also supports this finding by explaining that country of origin serves as a strong quality signal for consumers, particularly for products from developed countries such as Japan, which are known for strict production standards and high technological innovation.

Effect of Corporate Social Responsibility on Brand Image

The results of the analysis show that corporate social responsibility (CSR) has a positive and significant effect on brand image, with a coefficient value of 0.391, a t-statistic of 6.730, and a p-value of 0.000 < 0.05. These findings indicate that the second hypothesis (H2) is accepted, meaning that the higher consumers' perception of Shiseido's CSR commitment, the more positive the brand image formed in consumers' minds.

From the perspective of Consumer Behavior Theory, positive responses toward CSR arise from consumers' cognitive and affective processes in evaluating information about corporate behavior (Schiffman & Wisenblit, 2019). This result is consistent with the study by Luo & Bhattacharya (2020), which found that CSR activities consistently contribute to the formation of a positive brand image. Their study explains that consumers today do not only evaluate products based on functional attributes, but also consider social and environmental dimensions that reflect a company's values. This finding is also supported by Kotler & Lee (2019), who state that companies actively engaged in CSR activities tend to have a stronger brand image because consumers perceive them as responsible entities that care about broader societal interests.

Effect of Country of Origin Image on Loyalty

The results of the analysis show that country of origin image has a negative and insignificant direct effect on loyalty, with a coefficient value of -0.006, a t-statistic of 0.100, and a p-value of 0.921 > 0.05. These findings indicate that the third hypothesis (H3) is rejected, meaning that country of origin image does not have a significant direct effect on consumer loyalty toward Shiseido products in Medan City.

From the perspective of Consumer Behavior Theory, the formation of loyalty through country of origin occurs through mechanisms of

perception, attitude formation, and repeated evaluation (Schiffman & Wisenblit, 2019). This result is consistent with the study by Diamantopoulos et al. (2020), which found that country of origin tends to influence loyalty indirectly through mediating variables such as brand image or consumer satisfaction, rather than exerting a direct effect. Their study explains that country of origin serves as an extrinsic cue that influences consumers' evaluation of product attributes, which gradually builds trust and loyalty over time. This finding suggests that in the context of premium beauty products such as Shiseido, consumers do not become loyal solely because the product originates from Japan. Instead, loyalty is formed through a more comprehensive brand evaluation process involving other key factors such as brand image.

#### Effect of Corporate Social Responsibility on Loyalty

The results of the analysis show that corporate social responsibility (CSR) has a positive but insignificant direct effect on loyalty, with a coefficient value of 0.070, a t-statistic of 1.307, and a p-value of 0.192 > 0.05. These findings indicate that the fourth hypothesis (H4) is rejected, meaning that CSR does not have a significant direct effect on consumer loyalty toward Shiseido products in Medan City.

According to Consumer Behavior Theory, consumer decisions are not only influenced by the functional attributes of a product, but also by emotional, symbolic, and ethical values associated with the brand (Schiffman & Wisenblit, 2019). This result is consistent with the study by Walsh & Beatty (2019), which found that the effect of CSR on consumer loyalty is not always direct, but is instead mediated by consumer perceptions of the company, including brand image. Their study shows that although consumers may appreciate a company's CSR initiatives, this appreciation does not automatically lead to loyal behavior. Loyalty is formed through an accumulation of positive experiences built from multiple consumer-brand touchpoints, including product quality, brand image, and after-sales service.

#### Effect of Brand Image on Loyalty

The results of the analysis show that brand image has a positive and significant effect on loyalty, with a coefficient value of 0.798, a t-statistic of 17.237, and a p-value of 0.000 < 0.05. These findings indicate that the fifth hypothesis (H5) is accepted with a very strong effect, meaning that the more positive Shiseido's brand image in consumers' minds, the higher their loyalty toward Shiseido products.

From the perspective of Consumer Behavior Theory, consumers form evaluations, attitudes, and preferences toward a brand through processes of perception and learning influenced by experiences, information, and associations they receive (Schiffman & Wisenblit, 2019). This result is consistent with Keller (2021), who found that brand image is one of the strongest predictors of consumer loyalty in the premium beauty industry. His study explains that a strong brand image creates emotional attachment between consumers and the brand, which

ultimately drives repeat purchasing behavior, resistance to competing brand offers, and willingness to recommend the brand to others.

This finding is also supported by Aaker (2020), who argues that brands with high equity reflected in a strong brand image tend to have a more loyal customer base and are less vulnerable to price-based competition.

#### Effect of Country of Origin Image on Loyalty Through Brand Image

The results of the analysis show that brand image mediates the effect of country of origin image on loyalty, with a coefficient value of 0.434, a t-statistic of 7.889, and a p-value of 0.000 < 0.05. These findings indicate that the sixth hypothesis (H6) is accepted, meaning that brand image plays a significant mediating role in the relationship between country of origin image and consumer loyalty toward Shiseido products.

From the perspective of Consumer Behavior Theory, consumers form perceptions, attitudes, and evaluations of a product based on the external stimuli they receive (Schiffman & Wisenblit, 2019). This result is consistent with Gurhan-Canli & Maheswaran (2020), who found that the effect of country of origin on consumer loyalty is significantly mediated by brand image.

Their study explains that country of origin does not directly drive loyalty; instead, it first shapes a positive perception of the brand, which then gradually builds loyalty over time. This mechanism indicates that country of origin functions as a building block in constructing a strong brand image.

#### Effect of Corporate Social Responsibility on Loyalty Through Brand Image

The results of the analysis show that brand image mediates the effect of corporate social responsibility (CSR) on loyalty, with a coefficient value of 0.312, a t-statistic of 6.324, and a p-value of 0.000 < 0.05. These findings indicate that the seventh hypothesis (H7) is accepted, meaning that brand image plays a significant mediating role in the relationship between CSR and consumer loyalty toward Shiseido products.

From the perspective of Consumer Behavior Theory, consumers evaluate a brand not only based on functional product quality, but also through emotional, social, and ethical values associated with the brand (Schiffman & Wisenblit, 2019). This result is consistent with Bhattacharya & Sen (2020), who found that the effect of CSR on consumer loyalty is mediated by consumers' perceptions of corporate identity and image, including brand image. Their study shows that consumers who are aware of and appreciate a company's CSR activities tend to develop a more positive brand image, which in turn strengthens loyalty. This finding is also supported by Pérez & Rodríguez-del Bosque (2019), who demonstrate that in the beauty industry, effective CSR contributes to the formation of an authentic and trustworthy brand image, which serves as the foundation for consumer loyalty.

## Conclusions

Based on the results of this study, the following conclusions can be drawn:

1. Country of origin image has a positive and significant effect on the brand image of Shiseido products in Medan City.
2. Corporate social responsibility has a positive and significant effect on the brand image of Shiseido products in Medan City.
3. Country of origin image has a negative and insignificant direct effect on consumer loyalty toward Shiseido products in Medan City.
4. Corporate social responsibility has a positive but insignificant direct effect on consumer loyalty toward Shiseido products in Medan City.
5. Brand image has a positive and significant effect on consumer loyalty toward Shiseido products in Medan City.
6. Country of origin image has a positive and significant effect on consumer loyalty through brand image as an intervening variable.
7. Corporate social responsibility has a positive and significant effect on consumer loyalty through brand image as an intervening variable.

For future researchers, this study can be further developed by adding other variables that were not examined in this research, such as customer satisfaction, brand trust, product quality, price, and promotion. These variables are believed to provide a more comprehensive understanding of the factors influencing consumer loyalty toward Shiseido products. In addition, future research could expand the research location to other cities in Indonesia or increase the sample size, so that the results obtained can be more representative and more generalizable to a broader context.

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