Corporate Social Responsibility and Its Influence on the Positioning of Financial Institutions in Arequipa, Peru 2021

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Abstract: - In recent years, due to the concern for the preservation of the environment, companies must take action to ensure sustainability during their economic processes from an environmental and social aspect. It is for this reason that Corporate Social Responsibility (CSR) has taken an essential role in the Image and Positioning of companies in recent years. Despite this fact, in Peru, only some entities implement it. This article aimed to determine how the Positioning of financial institutions in the city of Arequipa, Peru, in 2021 is influenced by corporate social responsibility. To this end, a methodology of mixed approach of basic type, explanatory level, and non-experimental design was developed. The sample consisted of a total of 382 clients from 4 different financial institutions in the city of Arequipa: Caja Arequipa, Banco BCP, Banco Scotiabank, and Mibanco, which allowed the quantitative analysis of the study. Among the main results, it was obtained that the variation in a unit of economic, social, and environmental responsibility generates a variation in the Communication of 0.208, 0.301, and 0.182 units to the Identity in 0.271, 0.296, and 0.271 units and to the image in 0.362, 0.130, and 0.174 units, respectively.

Key-Words: - Corporate Social Responsibility, Economic Responsibility, Financial Institutions, Environmental, Responsibility, Positioning, Identity, Communication, Image, Peru.

1 Introduction

The capitalist economic system, whose productive process always seeks the maximization of profits, has generated an accelerated degradation of nature, which is why many countries have committed themselves, through agreements and protocols, to mitigate the negative impact on the environment and thus ensure sustainable development, where future generations can enjoy the same natural resources that we currently want. In this context, corporate social responsibility has emerged to ensure sustainability in economic processes in harmony with the environment and society.

Corporate Social Responsibility (CSR) acquired greater visibility at the beginning of the 21st century, especially in Europe. According to the European Commission, CSR is the interest that companies have in fundamental matters, where all aspects are considered to explore options for enhancement and to be recognized as socially responsible entities, [1]. CSR is the commitment that companies have to sustainable economic development and thereby improve the quality of life of workers, their families, and society, [2]. Also, other authors, [3], add that CSR does not seek that individuals belonging to a

corporate organization act ethically but that such an organization promotes that value and is inherent in its organizational culture. CSR is a vast concept, so to know it entirely, it is necessary to highlight its three dimensions, which are divided into two sub-dimensions. [4], these dimensions are a) internal and external economic dimensions, b) internal and external social dimensions, and c) internal and external ecological dimensions. Analyzing each dimension leads to defining specific action strategies so that each company acts according to its context, making commitments either individually or collectively with other actors and sectors that share similar goals. It is essential to understand CSR as a shared responsibility, given that individual or business acts and their consequences affect not only the individuals involved in the process but also the social whole, [5], which is why it must be a commitment that involves the whole society. In the last two decades, CSR has experienced continuous growth since more and more companies are committed to change, and this is demonstrated by the statistics provided by the survey conducted by KPMG, [6], indicating that by 2017, 75% of the 100 largest

companies in each country made social responsibility reports, while by 1993 only 12% did. Although all companies know about social responsibility (CSR) in Peru, only a few practice it. In a study by ESAN University, 100% of Peruvian companies know about CSR. However, a small percentage (15%) recognizes that it must be implemented, and only 5% effectively apply it, [7]. For his part, this situation requires the central government's participation to face the country's environmental, social, and economic problems [8]. Of the above, recent studies indicate that CSR is not only aimed at improving environmental and social sustainability but also positively impacts corporate development, for example, [1], [7], [8], [9], and, [10], argue that CSR influences the Positioning of banks, brand value, corporate image, sustainable socio-economic development, and microfinance development, respectively.

However, the term "positioning," is defined as the place a product or service brand occupies in the consumer's mind, [11]. Also, the authors argue that a more recent definition of Positioning is the way to differentiate in the sense of your prospective customer. It refers to companies' actions to occupy a place in the consumer's mind, [11], [12]. For his part, [12], argue that Positioning is a component of great value for companies, as this strategy generates competitive advantages. Therefore, it must always be present in business management. Likewise, [13], affirm that Positioning is based mainly on marketing and will depend on the investment aimed at it so that a company can excel and become the preferred market. Positioning should be focused on covering a specific niche market, [8], which is why several types allow differentiating a company from its competitors, among which the following can be mentioned: according to attributes, according to competition, by use, and by lifestyle. On the other hand, [14], argues that there are three basic principles to understanding the phenomenon of Positioning. If a company needs to carry out this strategy, it needs to take into account the following aspects: a) Identity, which consists of making an internal diagnosis to know how the company is; b) Communication, which refers to what the company intends to convey, aimed primarily at customers and even competitors; and c) Perceived Image, which refers to how consumers perceive the company, being outside the scope and corporate control. Also, [8], affirms that the positioning process consists of three stages, which are: a) Analytical Positioning, where the current Positioning of the entity must be fixed, for which the mission, vision, culture, and corporate objectives must be analyzed internally,

and the Image perceived by target consumers should be analyzed externally; b) Strategic Positioning, where based on the results obtained from analytical Positioning, objectives, and strategies must be defined to implement such Positioning. That is, the actual Image to transmit or the ideal you want to reach is launched; and c) Positioning Control, which involves measuring communication efficiency through Identity and perceived Image in the target consumer. Finally, [15], argues that Positioning encompasses four very relevant dimensions, which are: a) Differentiation, which is the degree of differentiation that a brand has with its competitors in the market; b) Relevance, which will depend on brand differentiation, and this influences the level of sales that the company will have in the target market; c) Esteem towards the brand, which represents the desire that the customer presents regarding a brand in the market; and d) Brand knowledge, which is when the brand is part of the customer's knowledge and is strengthened in the market.

Different authors have analyzed the relationship between CSR and Positioning. [16], concluded that customers perceive CSR activities as a significant element in dealing with banks. In addition, [17], clients perceive CSR in dimensions such as social and economic concerning their collaboration with the regional community; however, they still need a significant change in the environmental dimension. Meanwhile, [18], showed that it would not always be positive when analyzing the financial return of CSR programs; however, they help in the cooperative's position. When banks have social responsibility programs that affect the attitude of consumers, [19], they consider that the bank is reliable, thus increasing the likelihood that the consumer will refer it to others. In addition, [20], it found that CSR significantly influences the bank's competitiveness by 72%. [21], Showed a significant relationship between business management and CSR with a correlation coefficient of Spearman's Rho of 0.5313, while the significance level was 0.029, indicating a positive relationship between the study variables. There is a significant influence of CSR on the Positioning of Tecna's banks; similarly, in each of the dimensions of the variable "Corporate Social Responsibility" concerning the variable "Positioning", [8]. [22], Found that corporate social responsibility influences the institutional Image perceived by customers ($p = 0.010$); the economic balance does not affect the institutional Image perceived by customers ($p = 0.209$); the social

balance influences the institutional Image perceived by clients (p= 0.048); and the environmental balance does not affect the institutional Image perceived by clients (p = 0.749).

Based on these authors and others, there are arguments that CSR influences companies' Positioning. Therefore, this research seeks to answer how corporate social responsibility affects the Positioning of financial institutions in the city of Arequipa, Peru, in 2021.

This article investigated how corporate social responsibility influences the Positioning of financial institutions in Arequipa, Peru, in 2021. The study employed a mixed-methods approach, collecting qualitative and quantitative data. The researchers aimed to understand the relationship between financial institutions' Positioning and their corporate social responsibility. The study design was non-experimental, meaning variables were not manipulated.

The sample included 382 clients from four financial institutions: Caja Arequipa, Banco BCP, Banco Scotiabank, and Mibanco. This sample size allowed for quantitative analysis. The findings revealed a connection between the level of economic, social, and environmental responsibility and Communication, Identity, and Image. Economic responsibility showed a 0.208 increase in Communication, social responsibility had a 0.301 increase, and environmental responsibility had a 0.182 increase. Similarly, economic responsibility had a 0.271 increase in Identity, social responsibility had a 0.296 increase, and environmental responsibility had a 0.271 increase. Lastly, economic responsibility had a 0.362 increase in Image, social responsibility had a 0.130 increase, and environmental responsibility had a 0.174 increase. In conclusion, financial institutions can enhance their Positioning by demonstrating higher levels of corporate social responsibility.

2 Methodology

The research was of basic type, explanatory level, and non-experimental design. Concerning the objective and problem raised, the study's approach is quantitative.

For the research, a survey was used, which has five types of responses: MF = very frequent, F = frequently, O = occasionally, R = rarely, and N = never; for the processing of the surveys, each response was transformed giving a numerical value, so that each hierarchy corresponds to MF = 5, F = 4, O = 3, R = 2 and N = 1. The data collection instrument was the questionnaire, which was applied to the clients of the entities under study. It should be noted that the questionnaire used in this research was one already validated by, [8], who analyzes CSR and the Positioning of financial institutions in the city of Tacna, Peru. Because the research is quantitative, the criteria for managing results were statistical data processing techniques, which were processed using the RStudio program.

The population studied were the clients and collaborators of the leading financial institutions of Arequipa. In addition, the study population considered leading financial institutions that provide their service in the city of Arequipa. Therefore, the latest Financial System Stability Report published by the Superintendence of Banking and Insurance and AFP, [23], was taken into account in calculating the client population, which points out that, given the various economic support provided by the Peruvian State to counteract the effects of COVID - 19, demand for financial services increased, given that the proportion of Peruvians of legal age with a financial account risen from 44.1% in the third quarter of 2020 to 49.8% in the third quarter of 2021. Based on the above, according to information provided by the Regional Government of Arequipa, [24], in 2021, the region of Arequipa had a total population of 1,156,490 people over 18. Therefore, considering the proportion of 49.8%, approximately 575,933 people demand financial services in the Arequipa region. On the other hand, taking as reference a study on the evaluation of banking and financial agencies in Arequipa prepared by MBS Consult, [25], indicates that the Caja Arequipa is the most preferred, representing 26% of the market, followed by the BCP with 22.67%, Scotiabank with 11%, and MiBanco with 5%. Based on this, the approximate population of clients of the leading financial institutions of Arequipa was calculated, which is summarized in Table 1.

Table 1. Approximate population of clients of the leading financial institutions of the city of Arequipa, 2021.

Banking and financial institution	Approximate customer population	Percentage
Caja Arequipa	136,743	38%
Credit Bank of Peru (BCP)	130,565	36%
Scotiabank	63,353	18%
MiBanco	28,797	8%
Total	359,461	100%

Note. SBS and MBS Consult

In Table 2 the sample size was determined to be 382 customers. Distributing proportionally according to the participation of each entity has:

Table 2. Sample size of clients of the leading financial institutions of Arequipa, 2021.

Banking and/or financial institution	Sample size	Percentage
Caja Arequipa	146	38%
Credit Bank of Peru (BCP)	138	36%
Scotiabank	69	18%
MiBanco	29	8%
Total	382	100%

Note. SBS and MBS Consult

On the other hand, according to information from the SBS, [26], the total number of offices and the total number of workers per entity as of December 2021 at the national level are summarized in Table 3.

Table 3. Total number of offices and employees of leading financial institutions at the national level as of December 2021.

Banking and/or financial institution	Number of offices at the national level	Number of workers at the national level	Average workers per-office
Caja Arequipa	184	4,489	25
Credit Bank of Peru (BCP)	331	22,934	70
Scotiabank	194	5,390	28
MiBanco	305	9,953	33

Note. SBS

Based on the above, and following with SBS, [26], in the department of Arequipa, the number of offices of each entity is presented in Table 4 below:

Table 4. Total number of offices and workers of the leading financial institutions in the department of Arequipa as of December 2021.

Banking and/or financial institution	Number of offices in the department of Arequipa	Number of workers at the regional level
Caja Arequipa	39	975
Credit Bank of Peru (BCP)	17	1,190
Scotiabank	8	224
MiBanco	23	759
Total	87	3,148

Note. SBS

The sample size was determined to be 334 workers. Therefore, according to each institution's participation in the Arequipa market, the sample size of workers by each entity was obtained, which is presented in Table 5.

Table 5. Sample size of workers of the leading financial institutions of the Arequipa region as of December 2021.

Banking and/or financial institution	Sample size	Percentage
Caja Arequipa	127	38%
Credit Bank of Peru (BCP)	121	36%
Scotiabank	60	18%
MiBanco	26	8%
Total	334	100%

Note. SBS.

The following hypotheses are presented:
H1: Economic Responsibility positively affects Communication.
H2: Social Responsibility positively affects Communication.
H3: Environmental Responsibility positively affects Communication.
H4: Economic Responsibility positively affects Identity.
H5: Social responsibility positively affects Identity.
H6: Environmental responsibility positively affects Identity.
H7: Economic Responsibility positively affects the Image.
H8: Social Responsibility positively affects the Image.
H9: Environmental Responsibility positively affects the Image.

3 Results

For the analysis of results, a questionnaire and interview guide were applied. The questionnaire consisted of 29 questions and was used for a sample of 382 clients of the leading financial institutions of Arequipa. In this sense, the sum of the first 15 questions of the questionnaire resulted in the variable corporate social responsibility, whose main findings are shown below.

31.7% of the sample stated that Corporate Social Responsibility in the financial institutions studied is rated low. For their part, 29.3% rated it as high, and 39% rated it as average, the latter being the level with the highest percentage of the others. These results are explained by the fact that

a considerable proportion of the sample indicated that the entities of their choice carry out activities of responsibility, especially in social, economic, and environmental issues, the dimensions that makeup CSR.

Regarding the social dimension, this comprised five questions, whose answers are shown in Table 6, where VF = very frequent, F = frequently, O = occasionally, R = rarely, and N = never.

Table 6. Answers to questions on the social dimension (in percentage %).

Social Dimension	N	R	O	F	VF
How often the financial institution of your choice sponsors various educational and health activities	7.3	28.3	33.5	23.0	7.9
The financial institution of your choice makes monetary donations to social causes	7.6	20.9	29.1	40.1	2.4
How often the financial institution of your choice manages to sponsor cultural activities	8.4	18.1	30.9	39.5	3.1
The institution of your preference has a staff that is characterized by ethical behavior	3.4	11.0	19.6	58.4	7.6
The financial institution of your choice makes the contracts of their staff indiscriminately	17.3	15.4	16.8	42.7	5.8

Note. Questionnaire information is processed through SPSS.

It is evident that 24.9% of the sample stated that the social dimension is high in the financial institutions studied, this being the lowest percentage. However, in the majority (43.5%), the sample indicated that the social dimension is rated at a medium level because the majority of the sample stated that often the financial institutions studied sponsor educational, cultural, and health activities, monetary donations are made for social causes, personnel behaves ethically, and there is no discrimination in these entities. On the other hand, however, a significant proportion of the sample (31.7%) rated the social dimension low.

The economic dimension consisted of 5 questions, whose answers are shown in Table 7 below.

Table 7. Answers to questions on the economic dimension (in percentage %).

Economic Dimension	N	RV	O	F	VF
The interest rate charged by the financial institution of its preference for loans is characterized by being competitive in the regional market	7.3	13.1	30.1	42.1	7.3
The financial institution of your preference is characterized by giving more loan repayment facilities when one shows to have unexpected economic problems	9.4	17.0	27.5	41.6	4.5
How often the entity of your choice seeks to invest in providing better customer service	3.7	16.0	30.9	44.5	5.0
The default rates used by the financial institution of your preference are reasonable compared to the others	8.6	17.8	29.3	40.1	4.2
The financial institution often carries out financial campaigns to favor the client	5.5	21.7	30.4	38.2	4.2

Note. Questionnaire information is processed through SPSS.

After summing up the questions shown in Table 7, the economic dimension of CSR was obtained, the results of which are presented below.

It is evident that in the majority (43.5%), the sample rated the economic dimension as a low level because more than 50% responded that never, rarely,

and occasionally, the entities studied charge competitive rates, provide payment facilities, in addition, default rates are not reasonable, so only 23.6% rated it high.

The environmental dimension also comprised 5 questions, whose answers are shown in Table 8 below.

Table 8. Answers to questions on the environmental dimension (in percentage %).

Environmental Dimension	N	RV	O	F	VF
The financial institution of your choice encourages the regional population to make rational use of water resources	12.6	22.3	22.0	39.3	3.9
The financial institution of your choice leads environmental activities	14.7	23.6	21.7	36.1	3.9
The financial institution of your choice prioritizes activities to reduce pollution	3.9	16.8	27.0	46.3	3.9
The financial institution of preference encourages the regional population to use renewable energy	15.2	21.7	22.3	38.5	2.4
The financial institution of your choice promotes the culture of recycling in the Arequipa region	14.4	26.2	20.9	35.3	3.1

Note. Questionnaire information is processed through SPSS.

After summing up the questions shown in Table 8, the environmental dimension of CSR was obtained, the results of which are presented below.

It is evidenced that in its majority (48.2%), the sample qualified the environmental dimension as an average level; this is because the more significant proportion of the model indicated that the entities studied activities to promote the rational use of water resources to reduce pollution, take care of the environment, use renewable energy, and encourage recycling. In contrast, 30.6% indicated that entities never or rarely carry out the above activities, which is why the environmental dimension is rated low.

On the other hand, regarding the positioning variable, this resulted from adding the last 14 questions of the questionnaire, whose main findings are shown below.

41.4% of respondents rated the Positioning of the leading financial institutions of the city of Arequipa on a medium level. On the other hand, only 27.2% rated it as high, and 31.4% rated it as low. These results are explained because a considerable proportion of the sample indicated that the entities of their choice carry out activities to achieve better Positioning in the market, focused on issues of Identity, Communication, and perceived Image; these three dimensions comprise Positioning.

In this sense, the identity dimension was formed by five questions, the answers of which are shown in Table 9 below.

Table 9. Answers to questions on the identity dimension (in percentage %).

Identity Dimension	N	RV	O	F	VF
The vision of the financial institution is focused on the welfare of society	5.2	17.5	25.1	46.1	6.0
Bank values how often they are oriented to achieve the welfare of society	4.2	23.6	27.0	40.8	4.5
Considers that the mission of the financial institution is aimed at the benefit of society	3.9	18.8	27.0	46.3	3.9
The staff is friendly without distinction	5.0	16.8	23.0	46.1	9.2
The financial institution of your choice has programs oriented to benefit society	3.7	19.6	23.0	47.9	5.8

Note. Questionnaire information is processed through SPSS.

After summing up the questions shown in Table 9, the identity dimension of the Positioning was obtained, the results of which are presented below. The most significant proportion of the sample (38.2%) qualified that the identity dimension is at a low level because the actions of the entities do not always focus on generating social welfare, mostly following their interests. In contrast, 29.8% rated this dimension at a high level because most of the staff is friendly when offering their service.

The communication dimension consisted of 4 questions, whose answers are shown in Table 10 below.

Table 10. Answers to questions on the communication dimension (in percentage %).

Communication Dimension	N	RV	O	F	VF
How often through the media the financial institution publishes interest notes	6.0	13.4	25.1	48.2	7.3
The information in the notes published by the entity is of quality and helps to solve your questions	3.4	17.5	24.9	48.2	6.0
How often do you see and hear advertisements from the financial institution in the media	2.6	10.2	24.1	51.0	12.0
Unlike traditional media, you also find information published on social networks referring to the entity	3.4	12.8	22.5	47.4	13.9

Note. Questionnaire information is processed through SPSS

After summing up the questions shown in Table 10, the communication dimension of Positioning was obtained, the results of which are presented below.

The most significant proportion of the sample (56.8%) rated the communication dimension as average because financial institutions of their choice frequently publish financial information of interest, which helps to solve their leading questions. Also, 13.4% of the sample indicated that the entity of their preference often publishes information of interest, so they rated the communication dimension high.

Finally, regarding the perceived image dimension, it comprised five questions, whose answers are shown in Table 11 below.

Table 11. Answers to questions on the perceived image dimension (in percentage %).

Perceived Image Dimension	N	RV	O	F	VF
The financial institution offers you a high level of service	4.7	11.0	26.2	50.5	7.6
The interest offered by the financial institution is adequate	3.7	17.0	27.0	47.6	4.7
The staff is amiable	2.9	6.5	27.5	53.1	9.9
Feels comfortable to be attended at the financial institution	2.1	8.1	26.4	54.2	9.2
Consider it the right place to entrust your money	3.7	11.3	24.1	50.8	10.2

Note. Questionnaire information is processed through SPSS

After summing up the questions shown in Table 11, the perceived image dimension of the Positioning was obtained, the results of which are presented below.

36.1% of the sample studied rated the perceived Image at a low level, the highest percentage compared to the other levels. These results are explained by the dissatisfaction shown by customers with the quality of service and the interest charged. However, 28.5% rated the perceived Image at a high level because the staff of the entities is amiable and consider such an entity a suitable place to entrust their money.

3.1 Structural Analysis

The diagram shown in Figure 1 faithfully shows an estimate using a model of structural equations of partial least squares, which uses a formative measurement model for the measurement of each latent variable, the same that are combined in a structural model that relates each of these. The results show that the effect of each exogenous latent variable is positive and significant at 95% confidence on each endogenous latent variable.
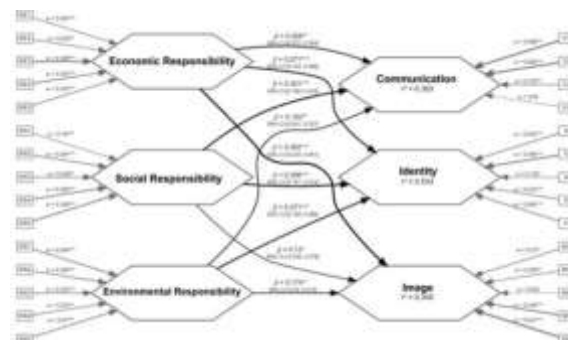

Fig. 1: Structural Analysis.

The structural equations model involves the dimensions of corporate social responsibility, which are Economic Responsibility (ER), Social Responsibility (SR) and Environmental Responsibility (AR), and Positioning, whose dimensions are Communication, Identity and Image.

The diagram represented in Figure 1 shows an estimation using a partial least squares structural equation model, which uses a measurement model with a formative approach for the measurement of each latent variable, which is combined in a structural model that relates each of these, this implies that for the structural analysis, each latent variable is constructed based on observations that were collected through a questionnaire, and evaluated in such a way that a convenient measurement model for regression results, which is

why in Section 3.1.1 shows each stage and test that validates the measurement model used; On the same line, each test that validates the structural model that involves each construct generated from the measurement model is shown. The results corresponding to the structural model are found in section 3.1.2.

Subsequently, given the validity of the results shown in section 3.1, it can be said from the results in general that the effect of each exogenous latent variable is positive and significant, at 95% confidence, on each dependent latent variable. Additionally, it can be said that if Economic Responsibility (ER) varies by one unit, then Communication does so by 0.208 units; If Social Responsibility (SR) varies by one unit, then Communication varies by 0.301 units; and if Environmental Responsibility (AR) varies by one unit, Communication varies by 0.182 units. This result reflects a positive causal effect by the exogenous latent variables on Communication, being mostly affected by the level of SR, and this result is significant because it is found in the results that the level of Social Responsibility is more critical in improving Communication levels, followed by RE and RA variables that have a minor effect on Communication. Furthermore, it is observed that the goodness-of-fit R^2 is 36.3%, this result reflects that the regression model explains a substantial part of the Communication, but it also reflects that the regression model does not consider the presence of other factors that could significantly affect Communication.

On the other hand, it can be interpreted from the results that if RE varies by one unit, the Identity varies by 0.271 units; If RS varies by one unit, the Identity varies by 0.296 and if RA varies by one unit, the Identity varies by 0.271 units. Like Communication, it is observed that the effect of the latent variables is positive and significant, at 95% confidence, to explain Identity. Likewise, it turns out that SR is the most critical variable due to the greater effect that this variable has on Identity, unlike RE and RA, which affect Identity in equal magnitude. Additionally, it is observed that the goodness-of-fit-fit R^2 is 53.3%, which means that the exogenous variables explain more than half of the variation in Identity but that there is a remaining 46.7% of the variability in Identity, which cannot be described in the model.

Likewise, it is observed that if RE varies by one unit, the Image varies by 0.362 units; if RS varies by one unit the Image varies by 0.130 units. Finally, if RA varies by one unit, the Image varies by 0.174 units. The difference concerning the other results is

that according to the results, the Image variable is affected to a greater extent by RE and to a much lesser extent by RA and RS, which is essential because good levels of Economic Responsibility can significantly improve the Image levels. Furthermore, regarding the goodness-of-fit R^2 is 34.9%, it reflects that there is a specific capacity to predict or explain the level variations in the Image because there is a substantial explanation by the exogenous latent variables, this result reflects that the model does not consider other factors that could significantly explain the Image variable.

3.1.1 Assessment of the Measurement Model

3.1.1.1 Convergent Validity
It is suggested that the correlation between the constructed formative measure of each latent variable and the alternative measure of each latent variable should be greater than 0.7 to consider that there is an adequate convergence of the latent variables towards reality; this being said, the correlation indicator is greater than 0.7 in all cases, as shown in Table 12; therefore, the degree of convergence of the formative construction for each latent variable is highly correlated with the alternative measure of each latent variable.

Table 12. Convergence indicator by variable.

Variable	Indicator
Social Responsibility	
	0.959
Economic Responsibility	
	0.959
Environmental Responsibility	
	0.974
Identity	
	0.972
Communication	0.968
Image	0.962

3.1.1.2 Collinearity
Table 13 shows the indicator "Variance Inflation Factors" (VIF) as an indicator of collinearity between the formative variables of each of the latent variables; the results show that the VIF indicator of each of the observations is less than 3 and 5; therefore, collinearity is not a problem in the formative measurement of each latent variable using each observed variable.

Table 13. Convergence indicator by variable.

Social Responsibility (RS)				
RS1	RS2	RS3	RS4	RS5
1.254	1.75	1.754	1.378	1.401
Economic Responsibility (RE)				
RE1	RE2	RE3	RE4	RE5
1.353	1.492	1.461	1.508	1.535
Environmental Responsibility (RA)				
RA1	RA2	RA3	RA4	RA5
1.9	1.632	1.702	1.812	1.688
Identity (I)				
I1	I2	I3	I4	I5
1.759	1.819	1.75	1.45	1.714
Communication (C)				
C1	C2	C3	C4	
1.546	1.282	1.423	1.464	
Image (IM)				
IM1	IM2	IM3	IM4	IM5
1.457	1.247	1.582	1.448	1.213

3.1.1.3 Collinearity

To evaluate the significance of the measurement model, the values of the statistical T at 95% significance are shown in Table 14; from this table, it can be said that the corresponding observations to measure each latent variable are primarily significant, except for the significance of C4 and IM5 to estimate the latent variables of Communication and Image, respectively, since they have a T Stat lower than "1.96".

Table 14. The values of the statistical

	T Stat.		T Stat.
RS1 -> Social Responsibility	2.616	I1 -> Identity	4.023
RS2 -> Social Responsibility	3.094	I2 -> Identity	4.146
RS3 -> Social Responsibility	2.915	I3 -> Identity	6.124
RS4 -> Social Responsibility	4.69	I4 -> Identity	2.312
RS5 -> Social Responsibility	5.047	I5 -> Identity	3.782
RE1 -> Economic Responsibility	3.142	C1 -> Communication	5.63
RE2 -> Economic Responsibility	3.103	C2 -> Communication	7.023
RE3 -> Economic Responsibility	6.138	C3 -> Communication	2.632
RE4 -> Economic Responsibility	4.586	C4 -> Communication	1.024
RE5 -> Economic Responsibility	3.713	IM1 -> Image	5.106
RA1 -> Environmental Responsibility	3.202	IM2 -> Image	6.549
RA2 -> Environmental Responsibility	3.386	IM3 -> Image	2.842
RA3 -> Environmental Responsibility	3.208	IM4 -> Image	2.887
RA4 -> Environmental Responsibility	3.089	IM5 -> Image	0.738
RA5 -> Environmental Responsibility	3.483		

To rule out the consideration of C4 and IM5 in the measurement model, the results of the "Formative Indicators Loadings" (FIL) are shown in the following table; the decision criterion corresponding to the consideration or not of C4 and IM5 starts by considering in the first instance that the FIL Indicator has to be greater than 0.5 not to rule out its review, as is the case of C4 which is 0.59 and that is also significant to 95% (T Stat. > 1.96), according to Table 15; on the other hand, it is observed that IM5 has a FIL lower than 0.5 but is significant at 95%, according to Table 15. Therefore, the decision criterion does not oblige to eliminate IM5. In this sense, although C4 and IM5 are nonsignificant observable items for their respective latent variables, there are not enough statistical criteria to justify not considering the C4 and IM5 measurement models for forming latent variables.

Table 15. Indicator FIL.

	Indicator FIL	T Stat.		Indicator FIL	T Stat.
RS1 -> Social Responsibility	0.556	9.063	I1 -> Identity	0.789	21.102
RS2 -> Social Responsibility	0.743	14.407	I2 -> Identity	0.75	17.005
RS3 -> Social Responsibility	0.744	14.096	I3 -> Identity	0.851	26.124
RS4 -> Social Responsibility	0.755	14.352	I4 -> Identity	0.626	12.88
RS5 -> Social Responsibility	0.76	15.146	I5 -> Identity	0.774	19.15
RE1 -> Economic Responsibility	0.641	12.242	C1 -> Communication	0.844	18.587
RE2 -> Economic Responsibility	0.862	13.549	C2 -> Communication	0.808	17.097
RE3 -> Economic Responsibility	0.798	20.058	C3 -> Communication	0.818	9.814
RE4 -> Economic Responsibility	0.737	17.254	C4 -> Communication	0.59	9.275
RE5 -> Economic Responsibility	0.727	16.712	IM1 -> Image	0.714	12.809
RA1 -> Environmental Responsibility	0.819	19.264	IM2 -> Image	0.796	15.209
RA2 -> Environmental Responsibility	0.758	17.452	IM3 -> Image	0.71	11.978
RA3 -> Environmental Responsibility	0.777	19.623	IM4 -> Image	0.673	10.488
RA4 -> Environmental Responsibility	0.783	19.073	IM5 -> Image	0.444	6.036
RA5 -> Environmental Responsibility	0.782	18.154			

3.1.2 Evaluation of the Structural Model

3.1.2.1 Collinearity

The latent variables of Social, Economic, and Environmental Responsibility do not have an important degree of collinearity since the VIF is less than 3 and 5 in all cases, according to Table 16; therefore, it can be guaranteed that no specification errors are generated by the existence of collinear in the explanatory structure of the latent variables of Identity, Communication, and Image.

Table 16. VIF indicator of explanatory latent variables.

Exogenous Latent Variable	VIF
Social Responsibility	1.901
Economic Responsibility	2.008
Environmental Responsibility	2.049

3.1.2.2 Significance and Relevance

As for the significance of the explanation between latent variables, it is identified that all, except RS > Image, are significant at 95% confidence because the T stat. is more significant than 1.96; on the part of RS > Image, it is observed that the effect of RS is significant at 90% confidence because the T Stat is greater than 1.645. This is expressed in Table 17, latent variables of Social, Economic, and Environmental Responsibility have a positive effect on Identity, Communication, and Image, according to the sign of the estimated coefficient; as for the relevance of each effect, it is observed that the impact with lesser relevance are those of RS -> Image, RA -> Image and RA-> Communication. Having said the above, it can be said that to explain Identity, the RS, RE, and RA are equally relevant; to explain Communication, the RS is more relevant than RE, and this is more than RA; meanwhile, to explain Image, the RE is the most pertinent variable followed by RA and RS.

Table 17. Significance and relevance between latent variables.

	Coef. Estimated	T Stat.
Social Responsibility -> Identity	0.296	5.06
Social Responsibility -> Communication	0.301	4.479
Social Responsibility -> Image	0.13	1.785
Economic Responsibility -> Identity	0.271	4.37
Economic Responsibility -> Communication	0.208	2.913
Economic Responsibility -> Image	0.362	5.526
Environmental Responsibility -> Identity	0.271	4.668
Environmental Responsibility -> Communication	0.182	2.501
Environmental Responsibility -> Image	0.174	2.55

3.1.3 Hypothesis Test Results

To answer how Corporate Social Responsibility affects Positioning. It is essential to accept and reject each hypothesis raised. For these purposes, Table 18 is presented below, which reflects the decision of rejection or acceptance following the statistical results outlined in section 3.1. In fact, from the results, it can be argued that each dimension of Corporate Social Responsibility significantly and positively explains the dimensions of Positioning, which implies to a certain extent that Corporate Social Responsibility positively affects Positioning.

Table 18. Hypothesis Summary.

Null hypothesis	T statistic	Decision
H_1: Economic Responsibility positively affects Communication	5.06	Accept H1
H_2: Social Responsibility positively affects Communication	4.479	Accept H2
H_3: Environmental Responsibility positively affects Communication	1.785	Accept H3
H_4: Economic Responsibility positively affects Identity	4.37	Accept H4
H_5: Social responsibility positively affects Identity	2.913	Accept H5
H_6: Environmental responsibility positively affects Identity	5.526	Accept H6
H_7: Economic Responsibility positively affects the Image	4.668	Accept H7
H_8: Social Responsibility positively affects the Image	2.501	Accept H8
H_9: Environmental Responsibility positively affects the Image	2.55	Accept H9

4   Discussion and Conclusion

According to national and international evidence consulted in this research, they indicate that CSR is linked to business positioning; for example, [18], say that CSR helps in business positioning. Along the same line, [19], affirm that banks, by having CSR programs, generate trust in customers and thereby increase the likelihood that the consumer prefers it over other institutions. For their part, [20], point out that CSR significantly influences the competitiveness of a bank. Also, [21], states that there is a significant relationship between business management and CSR. Finally, [8], says that CSR significantly influences the Positioning of financial institutions in the city of Tacna. The above results are consistent with those obtained in the present investigation since data processing indicates that CSR significantly influences the Positioning of the leading financial institutions of the city of Arequipa.

However, these results contradict those obtained by, [27], who found that CSR, from a customer's perspective, does not influence loyalty to a particular financial institution. On the other hand, regarding the dimensions of CSR, authors such as, [16], affirm that the economic dimension of CSR has a positive and significant impact on the corporate Image of the banking sector. Similarly, [17], states that the social and economic dimensions are related to the quality of service in the Municipal Savings and Credit Fund of Tacna S.A. Finally, [8], concluded that both the economic, social, and environmental dimensions significantly influence the Positioning of the leading financial institutions of the city of Tacna. Therefore, the results relating to the dimensions of CSR coincide with those obtained in this research since CSR's economic, social, and environmental dimensions significantly influence the Positioning of the leading financial institutions of the city of Arequipa.

Likewise, [28], demonstrated that corporate social responsibility, in terms of not polluting or destroying the environment, positively affects corporate Positioning, reflected by standard deviations of 0.366 and 0.308, respectively. Likewise, [29], showed a direct and significant relationship between corporate social responsibility and brand positioning.

In the 382 respondents, it is evident that there is an influence on the Positioning of the leading financial institutions of the city of Arequipa by corporate social responsibility of moderate type R:0.679. This implies that CSR has a positive and significant influence on Positioning, thus confirming the general hypothesis. Likewise, there is an influence on the Positioning of the leading financial institutions of the city of Arequipa by the moderate economic dimension R:0.606. This implies that the economic dimension of CSR has a positive and significant influence on Positioning, thus confirming specific hypothesis number one. In addition, there is evidence of impact on the Positioning of the main financial institutions of the city of Arequipa by the moderate environmental dimension R:0.641. This implies that the environmental dimension has a positive and significant influence on Positioning, thus confirming specific hypothesis number two. Finally, there is an influence on the Positioning of the main financial institutions of the city of Arequipa by the moderate social dimension R:0.498. This implies that the social dimension has

a positive and significant influence on Positioning, thus confirming specific hypothesis number three.

Through structural analysis, it became clear that if economic responsibility varies in a unit, then Communication does in 0.208 units; if social responsibility varies in a unit, then Communication varies in 0.301 units; and if environmental responsibility varies in a unit, Communication varies by 0.182 units. On the other hand, if economic responsibility varies in one unit, Identity varies by 0.271 units; if social responsibility varies in one unit, Identity varies by 0.296; and if environmental responsibility varies in one unit, Identity varies by 0.271 units. Similarly, if economic responsibility varies in one unit, the Image varies by 0.362 units; if social responsibility varies in one unit, the Image varies by 0.130 units; finally, if environmental responsibility varies in one unit, the Image varies by 0.174 units.

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