



Arab American University

Faculty of Graduate Studies

**Startups adopting CSR in parallel with effective PR strategies to
compete with strategic competitors – with specific focus on fashion
industry**

By

Raghda Imad Younis Beshawi

Supervisor

Dr. Ahmad Ghazawneh

**This thesis was submitted in partial fulfillment of the requirements
for the Master`s degree in**

Public Relations and Communication

June / 2022

© Arab American University – 2022 . All rights reserved.

Thesis Approval

Startups adopting CSR in parallel with effective PR strategies to compete with strategic competitors – with specific focus on fashion industry

By

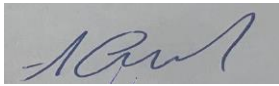
Raghad Imad Younes Beshawi

This thesis was defended successfully on 2/6/ 2022 and approved by:

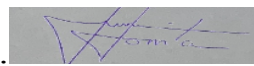
Committee members

Signature

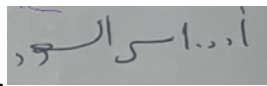
1. Dr. Ahmad Ghazawneh : Supervisor

...  ...

2. Dr. Hussein Al Ahmad : Internal Examiner

...  ...

3. Prof. Dr. Anas Ratib Al Soud : External Examiner

...  ...

Declaration

I dedicate this letter to my family, especially my father Imad Bishawi and mother Majeda Bishawi, who spent their lives raising me and ensuring my comfort, to my future life partner, and to my distinguished teachers, from whom I learned etiquette, was taught how to pronounce words, formulate phrases, and follow instructions in the field of public relations.

Student name: Raghda Beshawi

Student ID: 201812769

Signature: Raghda Beshawi

Date: 03 / 04 / 2024

Dedication

I dedicate this letter to my home land , Palestine . I would to appreciate my family , especially my father and mother, Magda and Imad Bishawi who spent their lives raising me and ensuring my comfort, and to my distinguished teachers, from whom I learned etiquette, was taught how to pronounce words, formulate phrases, and follow instructions in the field of public relations.

I am grateful to everyone.

Thank you all

Acknowledgment

I am the undersigned, submitted thesis titled:

Startups adopting CSR in parallel with effective PR strategies to compete with strategic competitors – with specific focus on fashion industry

I acknowledge that the content of this thesis is the product of my own efforts, except for what is noted wherever stated, and that this thesis as a whole or any part of it has not been submitted by others to obtain a scientific or research degree or title at any other educational or research institution.

Abstract

This qualitative study examined the role of social responsibility activities of public relations on startups, especially the fashion sector in Sweden, and its application in the Palestinian market. By providing theoretical frameworks and clear standards that must be followed to help startups develop their work so that they do not fail, and to increase awareness of the brand that the company seeks to build. The study tested the impact of these activities on citizens in Sweden and Palestine through the use of the theoretical model and the use of an online survey that included 1080 citizens. The study found that there is a greater awareness of CSR activities in Sweden than in Palestine. Also, companies in Palestine should implement more practices and activities related to corporate social responsibility in order to reach greater awareness and success, both at the economic and social levels. Through the implementation of charitable activities or through events and awareness campaigns, Retail business owners must also use environmentally friendly products and find solutions to dispose of their waste without any harm to the environment and society.

Thesis Approve.....	I
Declaration.....	II
Dedication.....	III
Acknowledgement.....	IV
Abstract.....	V
Table of contents.....	VI
Table of Figures & Graphs.....	VII
Chapter One: The General Framework for the Study:	
1.1 Introduction.....	1
1.2 Research Problem.....	5
1.3 Research significance.....	6
1.4 Research objectives.....	7
1.5 Research Questions.....	7
1.6 Limitations of the study.....	8
Chapter two: the theoretical framework and previous studies:	
2.1 Corporate Social Responsibility concept.....	10
2.2 Startups sectors.....	15
2.3 Theories.....	17
Chapter Three: Methodology:	
3.1 Research Questions.....	23
3.2 Population and sample.....	23
3.3 Research Methodology.....	24
3.4 Findings.....	25
Chapter four: Analyses and results:	
4.1 Analysis.....	27
4.2 Results.....	33
Chapter five: Conclusion and recommendation:	
5.1 Conclusions.....	36
5.2 Recommendations.....	38
5.3 Limitations and future research.....	38
References.....	39

Table of figures and graphs

Figure 1: Evaluate the knowledge level on CSR initiatives and activitie.....	27
Figure 2: The CSR activities that should be involved in by consumers.....	28
Figure 3: The important products for the consumers	29
Figure 4: How people understand the practices that are most engaged in CSR.....	30
Figure 5: Brands Ranking.....	31
Figure 6: Analysis the alternatives by consumers.....	32
Figure 7: Analysis the number of consumers who support a good cause	32
Figure 8: The most important responsibilities of the fashion retailers / startups.....	33
Figure 9: The CSR activities that should realize in the future	34
Figure 10: The benefits for CSR in fashion retails / startups	35

Chapter One: The General Framework for the Study

1.1 Introduction

Startups nowadays are a global phenomenon. Entrepreneurs are widely starting businesses on their own covering a wide range of fields from fashion, marketing, e-commerce shops and many more. Those startups are mainly aimed at resolving emerging needs or issues by providing innovative products and services (Vione et al., 2019). Small businesses are the very essential to the world's economy. The entrepreneurship and the creation of new businesses has been an essential part of the growth states all over the world. In fact, small businesses account for the majority of net new job creation in the new markets in the globe (Chaffee, 2017). In our regional market, entrepreneurs are trying to distinguish their businesses from other large businesses by keeping up with SMEs and staying ahead of early market adopters.

Over the past decades until as of late, Corporate Social Responsibility (CSR) has been a standard trade hone drift that has been received by organizations. A part of significance has been given by organizations of all sizes to the back of all-inclusive social great fair as much as the common objective of giving shareholder esteem and productivity (Prowly, 2020). Bowen (1953) and his work of Corporate Social Responsibility (CSR), where he expressed that business visionaries must execute procedures, make choices, and take after the lines of activity that are suitable for the objectives and values of our society's. More definitions of CSR have amassed since at that point with diverse definitions having diverse explanations, approaches, and needs (Wolter et al., 2019). Be that as it may, this term paper embraces the definition by the European Commission (2016) where CSR is characterized as where businesses readily go over what is required by law to realize social and natural goals during their regular business activities.

All things considered; a firm's execution is emphatically affected by CSR (Margolis & Walsh, 2003). Undoubtedly, firms don't as it were do great because it is the most excellent thing to do

but too since they get to harvest certain sorts of advertise preferences that help them accomplish a competitive edge (Panwar, Nybakk, Hansen, & Pinkse, 2016). Through this, firms also make strides their company picture whereas getting awesome returns in their speculations and fortifying their connections with their clients (Wae Yee, 2012; Van Haastrecht & Amiabel, 2010). In any case, faultfinders have found a drift of “greenwashing” which can be defined universally as “willful deception of consumers with respect to ecological activities of an organization or the environmental benefits of a product” (Gräuler and Teuteberg, 2014) where a few companies are utilizing CSR to communicate and showcase their items which cheats the customers on their supportability practices (Delmas & Burbano, 2011, p. 64; Parguel et al., 2011, p. 15).

With thought given to the exceptional pull towards CSR, the inquiry for businesses isn't whether to take part in CSR, but the proper way for them to approach CSR which ought to be in a way that speaks to the commerce values of an organization whereas tending to the social issues (Rangan, 2012). With this in intellect, this brings forward key CSR which is characterized by Werther and Chandler (2006) as the belief system where CSR is consolidated into the strategic context and activities of the organization. Vital CSR has been demonstrated to assist within the achievement of a commerce objective, the creation of both genuine shareholder esteem as well as the change of 10 organizational execution (Bruch, 2005; Carroll, 2001). Organizations regularly don't have a CSR technique or maybe diverse programs and activities due to concentration on sales and marketing and business core activities that mainly generates profit which has demonstrated to be a center issue with the CSR hone (Bradley, 2011). It is contended that leveraging CSR as a strategic edge to attain showcase development is vital to the survival of companies and by adjusting CSR activities with their trade objectives, companies are likely to create more viable utilize of their restricted capital and in this manner increment their execution (Stoian & Gilman, 2017). More so, these recognitions are of pertinence to startup companies.

With this in intellect, startups make up to 95% of privately-owned businesses around the world (Wymenga et.al., 2012). Analysts have proposed exploring startup companies to assess their commerce activity procedures in put when managing with CSR issues (Lefebvre & Lefebvre, 2014).

Outstandingly, Start-up companies can be characterized as entrepreneurial wanders in their early arrange of operations that are regularly pointed at settling a real-life issue with an inventive item or benefit (Vione et al., 2019). They are critical for money related improvement, especially when the around the world economy is melancholic, and the unemployment rate is big (Du & Kadyova, 2016). These recently made wanders have been regarded to be a key component of financial advancement other than their development and advancement (Audretsch and Thurik 2001, 2014). Too, as clarified by Carland et al. (1984, pp. 358), start-ups as well have high rates of productivity and development, subsequently they tend to receive imaginative tendencies.

All through the final decades, it has been seen how startups flourish with as it were some cash in their pockets, a thought, and an assurance to do great (Lawrence, 2014). And their execution has appeared that now not fair one foot line, but a triple foot line, or the three P's – people, planet, profit (Lawrence, 2014). That "...are vital pieces to executing CSR into a scaling, high-growth company, but the greatest and most vital thing I have learned is that it pays off. This work isn't fair cushion or something pleasant to have. It may be a true-blue source of income, engagement, and ability attraction", Allen (2018).

Nevertheless, from when the CSR term was established by Bowen in 1953, a lot of relevance of CSR has been given to bigger corporations, making a lot of CSR empirical research on them while only some research has been conducted on startup companies (Murillo and Lozano, 2009; Thompson & Smith, 1991). This has also been contributed to the assumption that small firms have time and resource constraints that hinder them from implementing CSR (Lepoutre &

Heene, 2006). Even so, critics have argued that startup companies may be better suited and better prepared for socially responsible actions than big companies, because of their versatility and their dedication to local community values and concerns (European Commission, 2002).

From this time forward, this includes more to the need of why research is to be done on CSR in start-ups. Comparing to Stinchcombe (1985), CSR empowers firms to have a competitive advantage that might work as a potential source of authenticity which is regularly one of the things that start-ups tend to need since consumers would prefer purchasing from and not from early adopters, and with which are adapting at the starting of their operations. In any case, for comes about to be reflected in the long run, it is profitable for CSR to be drawn closer deliberately (Tang, 2012). New businesses are disrupting norms and making other ways to fathom issues which within the long run is profitable, hence, they have a reason (Cunningham, 2006). It is subsequently imperative for start-ups to recommend straightforward and practical proposition for their frameworks and arranged advance results where they ought to be educated of the genuine state of their areas in doing so (Kwon, 2020). This can be imperative to their survival and including to that in case their understanding isn't certain their plans might be worthless. Regardless of this, most research leans on CSR strategies and approaches in SMEs but only a small number regarding the stage of start-ups (Zbucnea & Pinzaru, 2018).

By theories and methods that are lacking for guidance for start-ups, it has created a barrier for some start-up companies implementing CSR in their companies from the beginning (Retolaza et.al, 2009). Even as companies continue to increasingly imply CSR strategic importance, there is the need for reasoning CSR actions in startup companies which include their degree of CSR incorporation into their businesses. Therefore, this research will focus on identifying CSR's best practices adopted by the Swedish fashion startups and how can we adopt and implement the applicable ones to support the Palestinian startups in gaining the competitive edge.

1.2 Research Problem

Startups have emerged during the late twentieth century driven by the need for more agile, innovative and smaller scale companies to serve the rising demand for goods and services (Chesborough, 2003).

Since that time, startups have gained a huge role of the economic development of many countries both the developed and developing countries. That role became even more prevalent in the COVID-19 era, when a lot of startups emerged to resolve the unprecedented challenges which arose from the pandemic and its implications on the societal, economic and business norms (Euronews, 2021).

The economic impact of startups is very evident in the MENA region. As per Mckinsey & company (2018), every ten successful ventures in the MENA region result in \$1.5 billion in valuations in addition to 2,500 newly created jobs. With that said and also taking in mind the exponential growth in MENA region's GDP, the region is a very fertile environment for numerous startups to grow and flourish.

Due to emergent issues ascending in the world alike poverty, global warming and increasing pollution (Chen 2009), an urgent call was made by the United Nations (UN) for action to be taken by member countries to save the planet, ending poverty and other deprivations must work together with strategies that will improve health, education and enhance economic growth (United Nations SDGs, 2015). Philanthropy is one of the tactics being used in order to adhere with United Nation's plan by countries and corporates to join the saving of the planet (Porter & Kramer, 2002).

It is seen that big companies already have strategies implemented to cover CSR and is already published by them, for example, Ford Motor developed a huge commitment in reducing its environmental impact while at the same time it was lobbying against the increase in federal fuel.

Enron, was making a huge donation to charities while simultaneously committing fraud against its investors (commission of the European Communities, 2011).

However, startups and SMEs can distinguish themselves in pursuing these subjects by investing in CSR and understand the importance of it, which allows them to build a positive brand perception that will for sure allow them to prepare for expansions and even deeper penetration in the market (Soderblom & Samuelsson, 2014). Also, it can be published through public relations channels and pays back to the company itself and for the community they operate in. This may provide huge value for entrepreneurs and associated businesses as it could increase the chances of maintaining finances and increase their opportunity to survive. With the aim of exploring awareness of several factors that affect Swedish startups capital of choices, so these forces can be addressed in advance when investment deals are to be carried out. Based on this information, we will analyze and compare best tactics and theoretical frameworks of CSR to be used by Palestinian startups and even to be worked with in Palestinian accelerators and business incubators mainly in fashion industry.

1.3 Research significance

Corporate Social Responsibility has been an important topic since the 1950s and has been progressing since then. There has not been a unified definition of CSR according to Dahlsrud (2008), who made a content analysis of a total of 37 different definitions of corporate social responsibility. The conclusion made by Dahlsrud (2008) is that the definitions always refer to the similar dimensions of CSR which are social, environmental, economic, stakeholder, and voluntariness dimensions.

One of the ways of understanding CSR practice or defining it is through the use of Carroll's framework, since Carroll has the deepest investigations in CSR through different eras and times. In 1979, a four-part definition of CSR was introduced by Carroll where there were four types of

CSR: economic, legal, ethical, and philanthropic (Carroll, 1979). This collection of four responsibilities provides a framework or structure that helps to describe in some detail and to portray or represent the essence of the company's responsibilities to the community of which it is a member (Carroll, 2016).

Startups in Europe especially Sweden used CSR methodologies effectively to excel and gain competitive advantage along with their contribution to saving the planet (Gupta & Sharma, 2009). Those Tactics can be used in the MENA region, this research will focus on Palestinian markets by providing benchmarks and goals along with clear theoretical frameworks to be followed to help startups to enhance their flow of work in order not to fail.

1.4 Research objectives

The research objectives include:

1. To fill a knowledge gap in the literature about CSR tactics, rather than relying on the dominant practical advice and work plans in the literature.
2. To identify how Palestinian startups can gain a competitive advantage in a market dominated by large corporations by implementing successful CSR strategies.
3. To identify the main challenges that startups face when adopting and implementing CSR initiatives, as well as how they can be addressed in a practical and cost-effective manner.
4. Identify key findings from this case study that can be applied more broadly across Palestinian startups in all sectors.

1.5 Research Questions

Bryman (2008) pointed out that research questions can be derived from many sources, including personal interests, theories and research literature. The significance of exploration questions, he expounds, is that they guide the writing search, information assortment and examination, as well

as composing the examination discoveries. He featured that such inquiries should be clear, comprehensible, researchable and lay out association among hypothesis and practice. He prompted, subjective exploration will in general have an additional open-questions approach yet, since those dangers losing the internal compass, he suggested that this chance be tried not to be touchy to the worries of the objective gathering in light of their age, orientation, social class and instruction. The principal research question which this study will attempt to answer is: How could Palestinian new companies at any point take on CSR best practices from European new businesses?

This study will also address the following research sub-questions:

- How does CSR affect startups in a way that allows them to gain competitive advantage?
- What are the best theoretical frameworks and tactics to be used in Palestinian fashion markets?
- How Palestinian startups can excel through aligning their operational strategies with their CSR counterparts?

These inquiries are questionable in nature and their responses are probably going to rely upon the analyst's investigation reasoning and the point from which she/he moves toward the theme. This study will attempt to respond to these inquiries by locating an assessment of cross-area encounters, evaluating the applicable writing, speculations and structures and basically breaking down the prevailing patterns in the Swedish and Palestinian new businesses area.

1.6 Limitations of the study

There may be some potential challenges in this study: First, the lack of fashion startups in the Palestinian ecosystem (Tahhan N., 2018) would make it complicated to collect needed info. Second, the huge gap in business environment maturity between Sweden and Palestine which will make the conclusion of what CSR frameworks to be adopted so hard to be conceived. Third,

lack of legislation, regulations and standards in CSR field in the MENA region since for now only UAE, KSA, Egypt and Jordan are adopting CSR regulations (Cicerco & Bernay 2021). Finally, the lack of Palestinian startups social, economic and financial enablers that will help in the maturity cycle.

Chapter two: the theoretical framework and Literature Review

This chapter will provide an overview of literature and theories which is relevant to the study. Firstly, a brief discussion of CSR will be provided followed by explaining what the drivers of CSR in Startups are. This will be followed by a description of CSR approaches based on the level of commitment by companies. Lastly, this chapter will cover CSR implementation.

2.1 Corporate Social Responsibility concept

The notion of CSR refers to operating a business in a way that accounts for the social and environmental effect created by the business (Brammer, 2012). The common idea of CSR emerged through the ruin of additional regulated designs of social fortitude in all liberal market economies. In the interim, CSR is all the more rigorously connected to formal organizations of partner association or state obstruction in other exceptionally evolved economies. The tensions between business-driven and multi-stakeholder types of CSR extend to the multinational level, where the form and definition of CSR remain highly disputed (Brammer et al., 2012).

The history of CSR goes back to very early stages. The first perspective on CSR was presented by Bowen (1953) in his social responsibilities of the businessman. Bowen described CSR as a commitment to pursue proper policies, to make proper decisions, and to go along with those lines of action which are desired in terms of the objectives and values of our society. In addition, Frederick (1960) points out that CSR in the final analysis implies a public posture to the society's economic and human resources, and readiness to see that those resources are used for wide social ends and not simply for narrowly restricted interests of private individuals and firms. Moreover, Friedman (1962) claims that CSR as a problem has been existing since commerce started in the nineteenth century.

Historically speaking, CSR's beginnings can be traced back to the 1930s to 1940s, but it was recognized as a field of research various years later. Specialized literature recognizes four phases

of publication in the field as; (1) gestation and innovation in the 1960's, (2) development and expansion in 1972 to 1979, (3) institutionalization, in 1980 to 1987, and (4) maturation in 1988 to 1996 (Masuku et al., 2013).

In literature reviews and prior studies, there is no universal acceptable definition of the term CSR, the most reasonable definition which this research will be adopting is by Carroll, she contended that corporate social responsibility includes the lead of a business so it is financially beneficial, reputable, moral and socially strong. Spectrum Consultants (2009) defined CSR as the proceeding with commitment by business to act morally and add to financial turn of events, while improving the personal satisfaction of the specialists, their families, the general public and the humankind at large. It is how companies run the business processes to create an overall positive impact on the society (Srivastava et al., 2012).

Moreover, Holmes and Watts (1999) identified CSR as the ongoing commitment by business to act ethically and support economic development while enhancing the quality of life of the workers, their families, the society and the humanity at large. Some researchers argue that corporations make more long-term profits by managing with a CSR perspective, while others contend that CSR confuses from the economic role of businesses. Although, Ruggie (2002) looks at CSR as a strategy for showing good faith, social fairness, and a commitment that goes past the financial outcome. Carroll and Bocholt, (2003) considered CSR as an economic, legal, ethical, and discretionary expectations that society has on organizations at some point in time. Additionally, the European Commission (EU) green paper (2001) describes CSR as a concept whereby companies decide willingly to contribute to a better society and a fresher environment. CSR was also defined as a model whereby companies integrate social and environmental fears in their business operations and in their communication with their stakeholders on a voluntary basis. McWilliams & Siegel (2001) describes it as actions that appear to promote some social good, beyond the interests of the firm and that which is required by law.

Furthermore, CSR is the dedication of business to be a part of sustainable economic development, this is to enhance the quality of life, in ways that are both good for business and good for development (World Bank, 2003). The World Business Council for Sustainable Development- WBCSD (2004) claimed that CSR is the pledge of a business to promote supportable monetary turn of events, working with representatives, their families, the neighborhood local area and the general public on the loose to work on their personal satisfaction. This definition incorporates the parts that are generally remembered for experimental work on CSR, like the local area, the climate, basic liberties, and the treatment of faculty. Out of this, Baker (2004) contends that CSR is about how companies run the business processes to produce an overall positive influence on the society.

Newly, Carroll (1979) suggested a four-dimension model of CSR that is more commonly accepted in the literature. This model contains: economic, legal, ethical, and discretionary. According to Carroll dimensions model, financial is the business being of a monetary element. Its primary obligation is to satisfy the financial necessities of the general public and the age of surplus for satisfying the financial backers and further turn of events and broadening. The legitimate liability is the subsequent part, and it suggests assumptions for lawful consistence and playing by the guidelines of the game. Moral obligations are principles which the general public anticipates that the business should follow, for instance, not turning to accumulating and different misbehaviors. The last type of responsibility is where firms have the largest scope of discretionary judgment and selection. In addition, Abbott and Monsen (1979) developed a corporate social involvement disclosure scale, based on the assessment of annual reports of the Fortune 500 companies. They have utilized six areas under analysis as: environment, products, equal opportunities, personnel, community involvement, and other disclosures.

In the words of Srivastava et al. (2012), in Sweden, an organization is obliged to spend no less than 2% of its typical net benefits made during the three promptly prior monetary years. This is

in order of its CSR strategy for a few purposes, which are generally useful in human asset advancement, and helpful in risk the executives, an apparatus for brand separation. Additionally, it is useful in creating altruism, advancement, reducing expense, long haul manageability, client responsibility, and partner meanings. In this regards, Robbins & Coulter (2007) clarified that the management's social responsibility goes further than making profit to include caring about and enhancing the social wellbeing of its stakeholders and the environment in which the firm does its operations (Sharma & Mani, 2013). Moreover, Srivastava et al. (2012) shown that CSR needs an appropriate and step by step application and strategy. In the meantime, Andrews (1971) has built an approach in regard to the strategic selection. His four key questions indicate the approach that companies might follow in deciding their level of CSR activity. The four questions were as follows: determining organizational competencies, looking at Industry threats and opportunities, examining the values of key implementers, and determining the social responsibility. Also, Lee & Logsdon (1996) proposed a five-dimension strategy of CSR which is vital to the success of CSR process in terms of value formation by the firm. They contain centrality, and that CSR plan activities should be near the firm's mission and objectives. Based on a webinar by Voluntary principles organization, strategic CSR initiatives should particularly benefit the firm. Proactively, CSR initiatives must focus on the dynamics of stakeholder hopes i.e., to catch the changes in socio-environmental, political and technological aspects. Voluntarism, CSR decisions should be flexible and thus they should be taken up by the firm voluntarily. Visibility, strategic CSR initiative should develop firm's image and add up to the willingness by creating positive media awareness (Bickham, 2020). It can also mitigate the negative image of the firm. In this regard, Uddin et al. (2008) stated that CSR is an important business strategy because, wherever possible, consumers want to buy products from companies they trust; suppliers want to do business partnerships with companies they can depend on; employees want to work for businesses they

respect; and NGOs, progressively want to work together with corporations seeking feasible solutions and innovations in areas of mutual concerns.

Literature of CSR includes several useful conceptualizations; various scholars and researchers worldwide have started to focus on studying CSR. In a new study, Cheng et al. (2014) discovers that firms with improved CSR performance face substantially lower capital constraints. Furthermore, the estimated instruments, unrivaled partner commitment and straightforwardness all around CSR execution, are essential in lessening capital limitations. By the by, the still up in the air by both the social and the natural part of CSR. The research of Krutika & Himanshu (2014) determined that CSR is positively associated with sustainable development (SD).

Moreover, the analysis of CSR actions at Indian commercial banks by Sharma & Mani (2013) demonstrated that the Indian banks are making attempts in the CSR fields, but still there is a requirement of further emphasis on CSR. The research of Servaes & Tamayo (2013) showed that CSR and firm value are positively associated for firms with high consumer awareness, as proxied by advertisement expenditures. Similarly, the impact of awareness on the CSR–value relation is inverted for firms with an inadequate prior reputation as corporate citizens. Furthermore, Shehu (2013) found a fragile positive relationship between CSR and revenue after tax. He advised the banking sector to take CSR dedication as an essential driver of boosting the profitability of an organization.

Moreover, Masuku & Moyo (2013) claimed that there is a huge need, to locate public relation activities in CSR. These activities start from the initial development stage, to decide whether these activities count well with the business goals and objectivities, in providing the public. Nevertheless, this is in a bid to establish mutual understanding with the business. In the meantime, the study of Khan et al. (2012) assumed that CSR has turn out to be so important that many businesses have re-branded their core values to involve social responsibility. Additionally,

they have significant effects on environmental problems, abolition of poverty, employment making and labor procedures, environmental safety, education, and human development.

In brief, the practice of CSR is not new at all, as it could be tracked back to such examples as the Quakers in 17th and 18th centuries. Their business philosophy was not mainly driven by profit enlargement, but by the necessity to add value to the society at large – business was framed as being part of the society and was not divided from it (Moon, 2002).

Despite of extensive studies on CSR globally, literature and empirical findings of CSR in the Palestinian society is rare. In this regard, the study of Abu Samra (2009) assumed that the disclosure of CSR was weak in most of the financial reporting. Hence, it is almost non-existent in other companies listed in Palestine Exchange which have a direct effect in the Palestinian society.

2.2 Startups sectors

While researchers often recommended several CSR drivers, two viewpoints have been apparent in literature namely moral and strategic perception of CSR drivers (Lenssen et.al, 2011). This paper will research is the startup company's CSR drive in Sweden based on these perspectives and show how to implement in Palestine. They are; the moral motivation implies that businesses participate in socially responsible activities because it is "the right thing to do" and that businesses are or have to be driven by intrinsic thoughts such as ethical principles and moral management (Heugens, Kaptein, & Van Oosterhout, 2008).

This view suggests that the CSR attempts are views as a moral obligation towards society (Van de Ven & Graafland, 2006). Most organizations have a corporate culture that is dedicated to such business values, as moral obligations. Moral motives follow 4 characteristics: they represent an acknowledgment and stability when applied to others they are globally applicable, and they are intrinsically intuitive (Van de Ven & Graafland, 2006).

Etzioni (1988) argues and illustrates a lot of empirical conclusions that show that moral commitments impact behavior. In startups, the start-up owner, due to the vision and dedication for contribution to society, is the most important key driver in participating in CSR (Rangan, Chase & Karim, 2012). It has been seen that the more recognized and competent the entrepreneur, the more they show that they succeed in the 5 dimensions of flourishing (innovativeness, risk-taking, self-government, proactivity, and fifteen strategic aggression) the more they manage to behave to take part in CSR (Freeman & Dmytriyev, 2017). Likewise, individual factors, beliefs, ethics, personality, mentality, vision, projection of core capital, control position may influence Startups to follow CSR practices (Malpani, & Ghosh, 2020). In difference, the strategic intention implies that first pursue CSR for the purpose of achieving profitability (Lenssen et.al, 2011).

This indicates that corporations participate in CSR for the reason of external motivators such as market and institutional requirements (Lenssen et.al, 2011). These motivations frequently occur in practice (Wolter et.al, 2019). This also contains the need to distinguish from other firms is an additional driver for CSR in startups (Tilley, 2003; Sharman & Kiran, 2011). In this study, other strategic motivations are Industry standards and practices have been debated to make a strong influence on the conclusions of entrepreneurs' CSR decisions (Vyakarnam et.al, 1997: 1633) also national culture (Worthington et. al, 2006).

Competition is also included, Startup innovativeness (Jenkins, 2004; Avram et.al, 2018), demands from stakeholders are also drivers for Startups to be socially responsible. This might be both internal (Jenkins, 2004; Pedesern, 2009) and external stakeholders (government, auditors, larger corporations, financial institutions) (Sharman & Kiran, 2011; Murillo & Lozan, 2006; Hudson & Wehrell, 2005; Arman & Nejati, 2014). In certain occurrences, the moral aspect of CSR reveals itself in the form of codified standards, rules, and (unwritten) laws. It is hardly specifically defined as CSR or changed to certifications, records, etc. In other words, the

concerns for the social roles of the industry are embedded, while the social beliefs, networks, businesses, and laws may be clear (Matten and Moon, 2008).

Some authors have also contended that the moral motive is more vital within CSR than the economic viewpoint (Etzioni, 1988). Investigating the motives that drive CSR activities in startups is essential as it is seen that the social responsibility of a firm is dependent on the people who in charge of making decisions on a daily basis (Wood, 1991). Thus, this aspect will help to answer the research question in the study seeking to understand what drives these startups to be socially responsible in order to imply that in the Palestinian market. These two aspects will be able to show explain where the CSR drivers in startups lie, are more moral or strategic motives.

2.3 Theories

In this gathering of hypotheses CSR is seen exclusively as an essential apparatus to achieve financial goals and, in the long run, abundance creation. Agent of this strategy is the notable Friedman, view that 'the only one obligation of business towards society is the amplification of profits to the investors inside the legitimate system and the moral custom of the country' Friedman (1970).

As Windsor (2001) has pointed out lately, “a leitmotiv of wealth creation progressively dominates the managerial conception of responsibility” (Windsor, 2001, p. 226). Worry for profits does not exclude considering the benefits of all who have a stake in the business (stakeholders). It has been claimed that in certain conditions the approval of these interests can subsidize to maximizing the shareholder value (Mitchell et al., 1997; Odgen and Watson, 1999). An acceptable level of investment in philanthropy and social actions is also acceptable for the sake of revenues (McWilliams and Siegel, 2001). In practice, several studies have been carried out to control the correlation between CSR and corporate financial performance. Of these, a growing number shows a positive connection between the social responsibility and financial

performance of corporations in utmost cases (Frooman,1997; Griffin and Mahon, 1997; Key and Popkin,1998; Roman et al., 1999; Waddock and Graves,1997) Nevertheless, these findings must be read with care since such correlation is hard to measure (Griffin, 2000; Rowley and Berman, 2000). Depending on the predicted economic goal, three broad types of instrumental theories can be recognized. The first group's goal is to increase shareholder value as indicated by the stock price. This frequently leads to a focus on short-term profits. The second set of ideas focuses on the strategic goal of achieving competitive advantages that will result in long-term profits. CSR is merely a matter of rational self-interest in both circumstances. (Keim, 1978) since CSRs are a simple instrument for profits. The third is related to cause related marketing and is very adjacent to the second. Let us inspect briefly the philosophy and some variants of these groups.

A well-known approach is to use straightforward involvement in maximizing shareholder value as the ultimate standard to evaluate specific corporate social activity. Any investment in social demands that will increase shareholder value should be completed without dishonesty or fraud. In contrast, if the social demands only enforce a cost on the company, they should be excluded. Friedman (1970) is unblemished, giving an example about investment in the local community: “it will be in the long run interest of a corporation that is a major employer in a small community to devote resources to providing amenities to that community or to improving its government. This makes it easier to attract desirable employees, reduces wage costs, reduces losses from pilferage and sabotage, and has other beneficial effects. "As a result, the socioeconomic objectives are distinct from the economic objectives.. At present, this approach usually takes the shareholder value enlargement as the supreme reference for corporate decision-making.

The Agency Theory (Jensen and Meckling, 1976; Ross, 1973) is the most widespread way to articulate this reference. Nevertheless, today it is quite readily accepted that shareholder value

maximization is not mismatched with satisfying certain interests of people with a stake in the firm (stakeholders).

In this respect, Jensen (2000) has anticipated what he calls 'enlightened value maximization'. This concept specifies long-term value enlargement or value seeking as the firm's objective. At the same time, this objective is active as the norm for making the requisite trade-offs among its stakeholders.

A second group of theories are focused on how to allocate resources in order to achieve long-term social objectives and create a competitive advantage (Husted and Allen, 2000). Three approaches can be included in this group: (a) social investments in a competitive context, (b) a natural resource-based view of the firm and its dynamic capabilities, and (c) bottom-of-the-economic-pyramid strategies.

a) Social investments in a competitive context.

Porter and Kramer (2002) have recently used the well-known Porter model on competitive advantage (Porter, 1980) to deliberate investment in areas of what they call competitive context.

According to the authors, investing in philanthropic activities may be the only way to broaden a company's context of competitive advantage and usually creates more social value than individual donors or the government can. The reason given (contrary to Friedman's position) is that the firm has the familiarity and resources to better understand how to solve some mission-related problems. As Burke and Lodgson (1996) pointed out, when philanthropic activities are more closely aligned with the company's mission, they generate more wealth than other types of donations. That is what happens, for example, when a telecommunications company teaches computer network administration to local community students.

Porter and Kramer settle, “philanthropic investments by members of group, either individually or collectively, can have an influential effect on the group competitiveness and the performance of all its constituent companies” (2002, pp. 60–61).

b) Natural resource-based view of the firm and dynamic capabilities.

The resource-based view of the firm (Barney, 1991; Wernerfelt, 1984) maintains that the capability of a firm to perform better than its competitors depend on the inimitable interplay of human, organizational and physical resources over time. Conventionally, resources that are most likely to lead to a competitive advantage meet four criteria: they must be valuable, rare, and unique, and the organization must be organized to effectively arrange these resources.

The “dynamic capabilities” approach offers the dynamic aspect of the resources; It is focused on the drivers behind the creation, evolution and re-combination of the resources into new sources of competitive advantage (Teece et al., 1997). So, active capabilities are organizational and strategic routines that enable directors to acquire resources, modify them, use them, and recombine them to create new value-creating strategies. Based on this perception, some authors have identified social and moral resources and capabilities which can be a source of competitive advantage, such as the process of ethical decision making (Petrick and Quinn, 2001), the process of perception, deliberation and responsiveness or volume of adaptation (Litz, 1996) and the development of right relationships with the primary stakeholders: employees, customers, suppliers, and communities (Harrison and St. John, 1996; Hillman and Keim, 2001).

A more complete model of the ‘Resource Based View of the Firm’ has been presented by Hart (1995). It includes aspects of dynamic abilities as well as a connection to the external environment. Hart contends that the ordinary biophysical environment's constraints and challenges will be the most significant drivers of new resource and capability development. Hart's conceptual framework is built around three interconnected strategic capabilities: pollution

prevention, product stewardship, and sustainable development. He considers continuous improvement, stakeholder integration, and shared vision to be critical resources.

c) Strategies for the bottom of the economic pyramid.

Conventionally, most business strategies are aimed at upper and middle-class people, but the majority of the world's population is poor or lower middle-class. There could be 4000 million people at the bottom of the economic pyramid. On the other hand, certain strategies can assist the poor and simultaneously make profits. Prahalad (2002), after studying the India experience, some mindset changes have been recommended for transforming the poor into dynamic consumers. The first is to see the poor as an opportunity to innovate rather than a problem.

A specific means for attending to the end of the economic pyramid is unsettling innovation. Unsettling innovations (Christensen and Overdorf, 2000; Christensen et al., 2001) are products or services that do not have the same capabilities and settings as those being used by customers in the conventional markets; as a result, they can be introduced only for innovative or less demanding applications among non-traditional consumers, with a low-cost production and adapted to the necessities of the people. For example, a telecommunications company may develop a low-cost but limited-service cellular telephone system aimed at the bottom of the economic pyramid.

Disruptive innovations can improve the social and economic circumstances at the “end of the pyramid” and at the same time they create a competitive advantage for the firms in fashion, consumer electronics and energy production and many other industries, especially in developing countries (Hart and Christensen, 2002; Prahalad and Hammond, 2002).

Cause-related marketing has been defined as “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified

amount to a designated cause when customers engage in a revenue providing exchanges that satisfy organizational and individual objectives” (Varadarajan and Menon, 1988, p. 60). Its goal then is to improve company revenues and sales or customer relationship by building the brand through the attainment of, and association with the ethical dimension or social responsibility dimension (Murray and Montanari, 1986; Varadarajan and Menon, 1988). In a way, it seeks product diversity by creating socially responsible attributes that affect company reputation (Smith and Higgins, 2000). As McWilliams and Siegel (2001, p. 120) have pointed out: “support of cause related marketing creates a reputation that a firm is reliable and honest. Consumers typically expect high-quality products from a trustworthy and honest company. A pesticide-free or non-animal tested ingredient, for example, may be perceived as preferable by some buyers over other attributes of competitors' products.

Classical musical concerts, art exhibitions, golf tournaments, and literacy campaigns are examples of actions that typically use cause-related marketing. All of these are examples of enlightened self-interest and a win-win situation in which both the company and the charitable cause benefit: “the brand manager uses consumer concern for business responsibility as a means for obtaining competitive advantage. At the same time a charitable cause receives substantial financial benefits” (Smith and Higgins, 2000, p. 309)

Chapter three: Methodology

The theoretical model, which was proposed in Chapter 2, will be tested using a survey. When surveys are poorly designed, they can have validity issues. As a result, an extensive validation methodology is used to establish instrument validity. Threats to internal validity are also assessed, and the survey procedure is outlined.

3.1 Research Questions

The main question to be asked in this research is about Startups adopting CSR in parallel with effective PR strategies to compete with strategic competitors – with specific focus on fashion industry, a questionnaire was distributed that has 14 questions, to be found in appendix (1)

3.2 Population and sample

The sampling survey was designed to ascertain the perceptions of CSR in the Palestinian and Swedish society for fashion industries, in order to see the differences in the understanding and know how we can implement more awareness in Palestinian society based on Swedish society.

This questionnaire was developed by the researcher, based on (Carroll, 1979) CSR model. Participants of the research were approached online and were asked to complete the questionnaire.

The dependent variable CSR was measured using a 14-question scale and was divided into two groups: fashion companies' perceptions of CSR and obstacles. As a result, this is in addition to the independent self-reported variables of gender, qualifications, profession, and practical experience.

In terms of validity and reliability, the instrument was validated through the use of an N=12 pilot study that used exploratory factor analysis to validate the survey. All items had factor loadings greater than 0.65 (0.67 to 0.98), indicating that they are appropriate for measuring every aspect

of CSR in Palestinian and Swedish society. This is consistent with the theoretical framework upon which the scale of study is based. Cronbach's Alpha and Guttman split-half coefficients were used to determine the reliability and consistency of the sampling survey. The survey instrument's Cronbach's Alpha and Guttman split half were (0.83 and 0.78, respectively), indicating excellent reliability and consistency.

Contextual variables distribution includes gender, age, country of residence, education, income, disposable income and frequency of related shopping. There was a total of one hundred and eight (1080) completed questionnaires. There were more female (56.5%) than male (43.5%) respondents. Respondents' age was between 18 and 65+ years, with most answers of age between 18-29 years (53.7%). People answered resided mainly in Palestine (40%) followed by 40% people living in Sweden and other places of less than 10% but has interest or previously lived in either Palestine or Sweden. Most (41.7%) of the participants completed master's degrees or more compared to (24.1%) undergraduate degree holders; and the rest (34.3%) had a college or less degree. In relation to their monthly incomes, 33.3% gets between 500-1000 USD per month, 28.7% between 1000-1500 USD, 19.4% has income of more than 1500 USD and 18.5% with incomes less than 500 USD per month. Disposable income was between less than 100 USD and more than 1000 USD, majority (41.7%) was between 100-500 USD, compared to 24.1% between 500-1000 USD, 17.6% answered less than 100 USD and the least was 16.7% with more than 1000 USD to spend on luxuries not necessities. Majority of people answered 27.8% shops for fashion items 1 to 4 times per month, 24.1% shops 5 or more times per month, 20.4% answered once every 2 months, 14.8% once a year and 13% once every 4 months.

3.3 Research Methodology

A survey, which is an excellent tool for measuring attitudes and orientations of large populations, will be used to test the theoretical model. One of the most important areas of measurement in applied social research is survey research. The broad field of survey research includes any

measurement procedures that involve asking respondents questions. Surveys are classified into two types: questionnaires and interviews. Questionnaires are typically paper-and-pencil instruments that respondents fill out. The interviewer completes interviews based on what the respondent says. Surveys are also available in a variety of formats and can be distributed via a variety of media, including written surveys, oral surveys, and electronic surveys. The method for this study will be a web-based electronic questionnaire.

According to (Straub, 1989), instrument validation, internal validity (validity to the design of the research itself) and statistical conclusion validity (assessment of the mathematical relationships between variables in the research) strengthen the empirical research. It is critical for researchers to understand that a valid statistical conclusion does not guarantee the existence of a causal relationship between variables. It is also critical to understand that, despite the need to guarantee internal validity, this validation does not test whether the research instrument is measuring what the researcher intended. Measurement problems can only be resolved through instrument validation (Straub, 1989).

3.4 Findings

Based on the questions asked in the questionnaire (Appendix 1), and the answers provided by all 1080 people that has answered mainly from Sweden and Palestine, we could find out that there is bigger maturity on CSR initiatives and concepts in Sweden than it is in Palestine. Although, answers from people residing in Palestine showed quite huge maturity on this subject, more important practices and activities related to CSR should be implemented in Palestine in order to reach higher maturity on this subject and effectively impact on the social atmosphere around us, either by philanthropy or by being an active member in helping the society around us since all our consumers are from this society as well. Another aspect is being good to the environment, since all our resources are from the environment itself and we are living in it, fashion retailers

and startups should aim to use environmentally friendly materials and find better ways to get rid of their waste along with providing recyclable materials as much as possible.

Chapter four: Analyses and results

1.1 Analysis

This chapter presents the results from the questionnaire answers analysis. An overview of the statistical technique is presented.

Looking at the results showed that large number of people were enthusiast about environmentally friendly products and practices (79%), as well as companies that are socially responsible and a great amount of people 73% of the sample answered 3 or higher (out of 5) on their evaluation of knowledge regarding CSR as shown in figure 1.1 below.

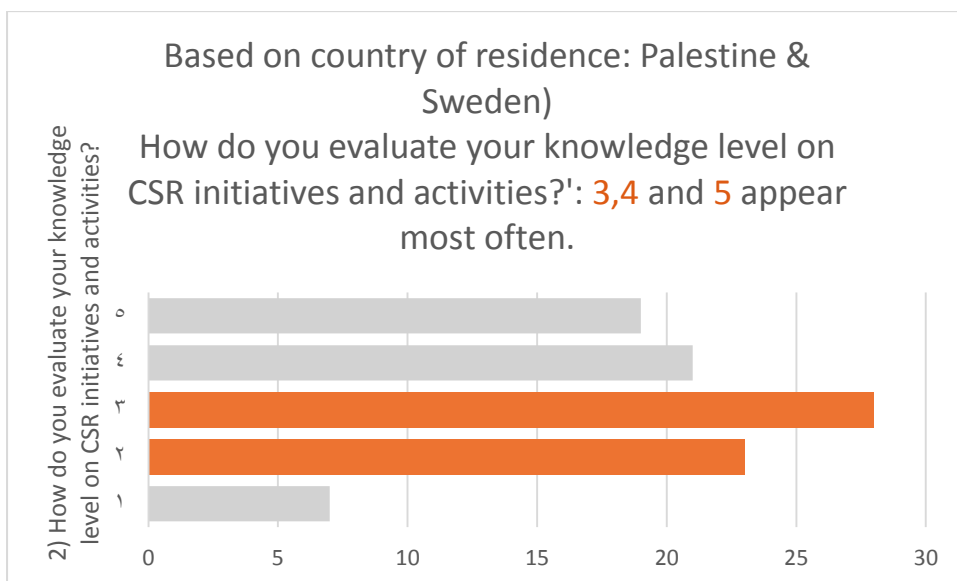


Figure 1: Evaluate the knowledge level on CSR initiatives and activities

More than 74% of the sample were aware of fashion retailers in their country that were engaging in CSR activities. Also, regarding other fashion retailers or startups, sample showed that 70% of those retailers or startups should adopt CSR activities and sustainable business practices with 15% answered (maybe) it shows that people are all looking forward to enlarging CSR in our community.

When asked about most important CSR activities that fashion retailers and startups should engage in, answers were ranked from 1 to 6, 1 being most important and 6 being least important as an activity, we could see that in the first rank, most of the answers implied that fashion retailers and startups should do donations as CSR activities along with producing safe products, after that, community work and environmental protection comes next as an important act to be followed. In the last 2 ranks, answers showed that there lies wild-life protection and education sponsorship. To clarify, all six activities were important, but the sample answers showed which is more important to be adopted by fashion retailers and startups especially. Figure 2 below shows how votes were:

6) Kindly rank the following CSR activities that you as a consumer feel that fashion retailers / startups should be involved in. (Rank 1 means the highest rank - Rank 6 means the lowest rank)

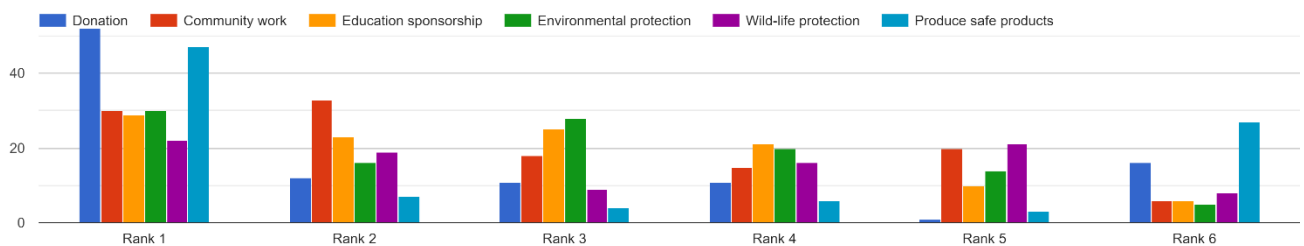


Figure 2: The CSR activities that should be involved in by consumer

Another answered question, what is more important to a consumer while buying a product, this question should show the importance of activities that fashion retailers and startups should focus more on, as expected, product quality was the most voted answer by the sample, since people are always looking for the best value of the money they are investing while choosing a product, quality was followed by brand reputation which is one of the factors that are always effected positively when the brand or the company itself are enrolled in CSR activities, this shows great results in people understanding of CSR as a whole and in their interest in this subject as well. On the other hand, price got the place to follow, which does make sense because it is one of the most

important aspects when any consumer is getting any good, whether it was an essential or a luxury product, they always try to bargain or at least find the best price for their purchase, last but not least, ethical practices and corporate giving had 450 votes as an important act after the previously mentioned. Figure 3 below shall demonstrate answers:

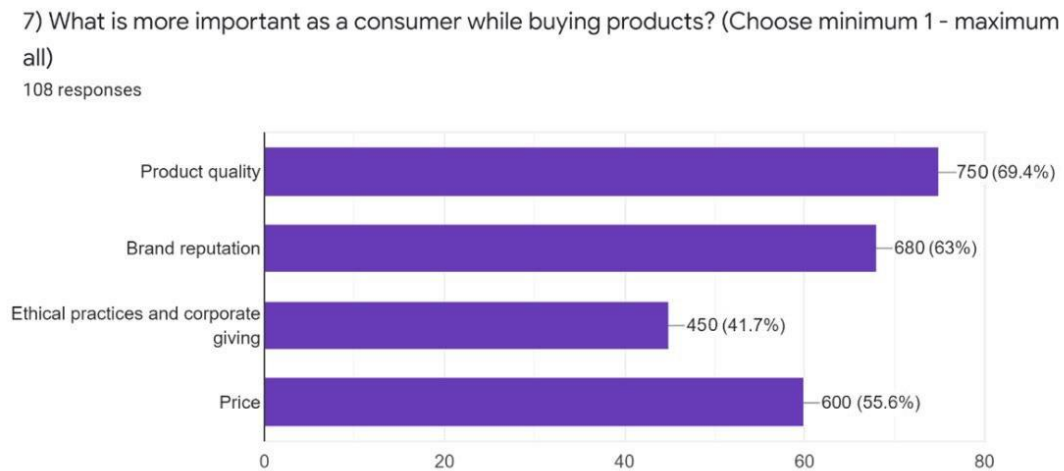


Figure 3: The important products for the consumers

On the other hand, when the sample were asked about the importance of buying from fashion retailers or startups that are socially responsible or engaged in CSR activities, amazingly, most of the answers were positive with 54.6% answers stated Yes and 24.1% answers stated maybe, which gives a great indication on the society's thinking as figure 4 below:

8) Is it important for a consumer to consume products from fashion retailers / startups that are engaged in CSR activities?

108 responses

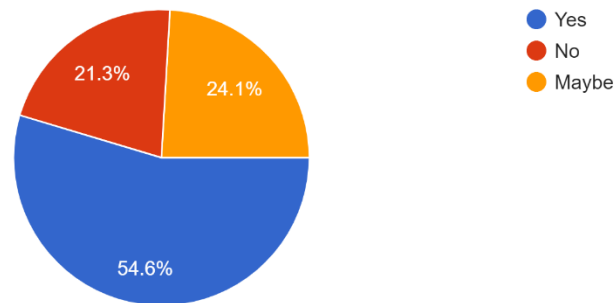


Figure 4: How people understand the practices that are most engaged in CSR

Another question was to understand how people understood the practices made by global fashion companies and whether they could identify companies that are most engaged in CSR, company names were investigated, and the answers were astonishingly close to the investigation, 12 companies were listed which are: Adidas, Gap, H&M, Louis Vuitton, Mango, Marks and Spencer, Nike, Calvin Klein, Tommy Hilfiger, Gucci, Puma and Zara, which had results as below:

First most well-known company for their CSR activities was Adidas since they always use PR to show how engaged they are in helping the society and environment, followed by lots of companies, all engaging in CSR and people were well educated about the subject which in our opinion helped reach the place where they are now, rest of the result to be seen in figure 5 below:

9) Kindly rank the following fashion retailers from 1 to 12 according to your knowledge of their social responsibility commitment. (Rank 1 means the highest rank - Rank 12 means the lowest rank)

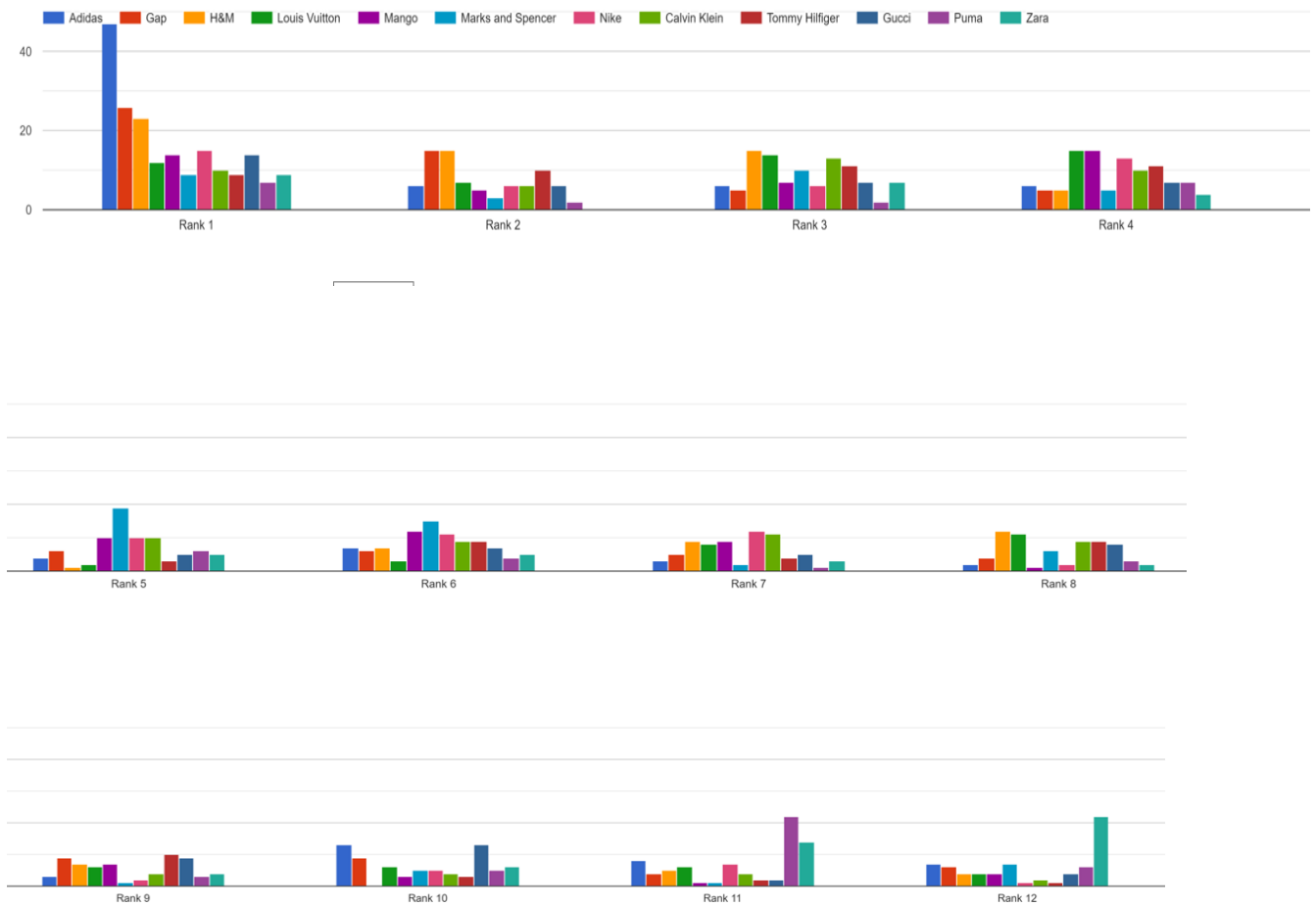


Figure 5: Brands Ranking

Moreover, maturity about CSR is well seen in the answers analyzed of another question that asked whether to choose socially responsible fashion retailers or startups products or non-socially responsible fashion retailers or startups if they were presented with those two alternatives, fortunately, 88% of the answers chose socially responsible companies' products along with 12% only that decided to go with non-socially responsible. Also, another part was about the willingness to pay more for a product that was from a company or an organization that supports a good cause, Good cause was defined in this part of the question as anything worth doing or giving to because it will help other people or the environment without gaining profit,

answers stated positively that 57.9% of people might consider doing so, along with 23.4% of the answers that stated that they are surely willing to do so, least part if the answers with 18.7% stated that they would never do so. In our opinion, more fashion retailers or startups engaging better in CSR activities would help spread more awareness and would have enhanced the answers even though they were satisfying and proved the point needed. Figure 6 and figure 7 below shall demonstrate answers:

10) When presented with the two alternatives, which option would you choose?

108 responses

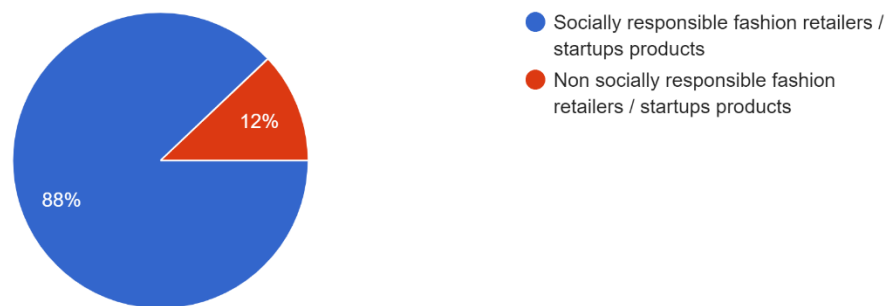


Figure 6: Analysis the alternatives by consumers

12) How often do you choose to pay more to the company/brand that supports a good cause*?
Good cause is anything worth doing or giving to b...people or the environment without gaining profit.

107 responses

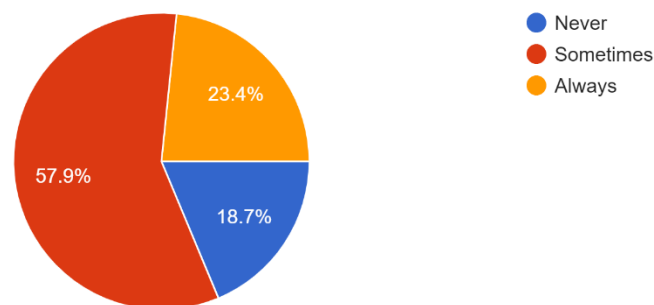


Figure 7: Analysis the number of consumers who support a good cause

4.2 Results

Another thing was asked to help our research, about the most important responsibilities that fashion retailers or startups should make sure to follow in order to gain competitive advantage and excel, in the eyes of the people answered, most important act was to provide quality products or services to the audience with 750 votes, next was fairly paid employment and providing safe, pleasant work atmospheres for their staff since they are for sure the main reason for their success with 700 votes, not harming the community while conducting business had 620 votes, followed by minimizing risks to environment and public service initiatives which had 560 and 550 votes in same order, abiding by laws and paying their taxes had 490 votes and finally, educational scholarships came out with 410 votes, figure 80 below to show percentages and answers:

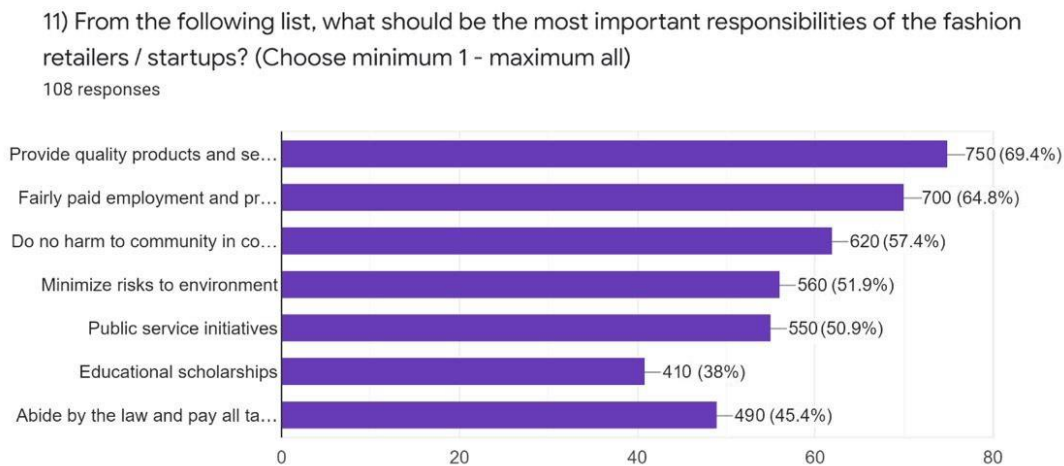


Figure 8: The most important responsibilities of the fashion retailers / startups

Another question in the same context to suggest more practices to be realized by fashion retailers and startups in the future were as below in figure 9:

Another question in the same context to suggest more practices to be realized by fashion retailers and startups in the future were as below in figure 9:

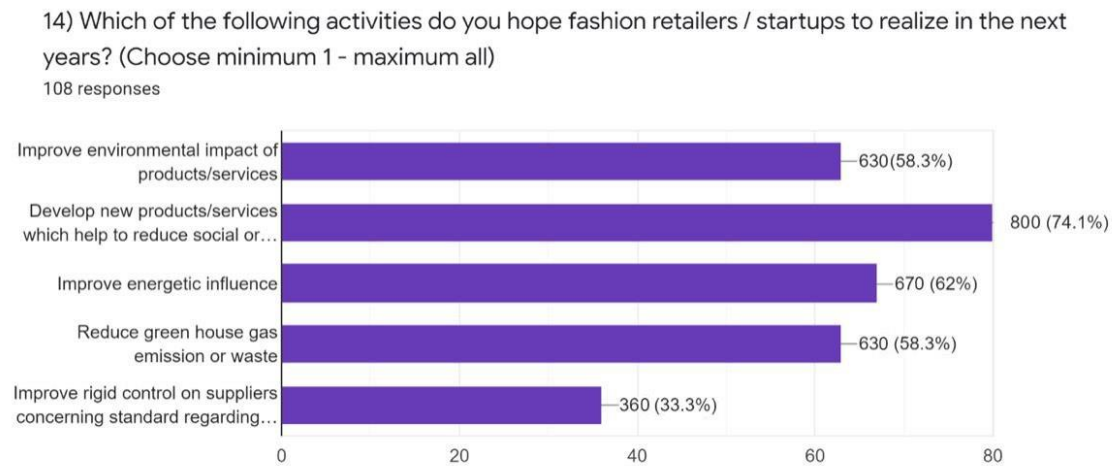


Figure 9: The CSR activities that should realize in the future

Finally, last question's answers came in advantage to this research and in parallel with our studies to all the researches that made us reach our conclusion which will follow about the main benefits that fashion retailers or startups will gain when they adopt measures of CSR, most voted answer with 720 votes was the benefit of improving relations with all stakeholders and that is eventually one of the most important aspects of doing a business, enhancing corporate reputation and acquisition of commercial benefits for the company came in second with equal 700 votes to each, after that, helping the community which a company operates in came with 630 votes and aiding in preserving the world for new generations that will follow to continue had 520 votes. Results can be seen below in figure 100.

13) What do you think could be the main benefit for fashion retailers / startups of the adoption of measures for social responsibility? (Choose minimum 1 - maximum all)

108 responses

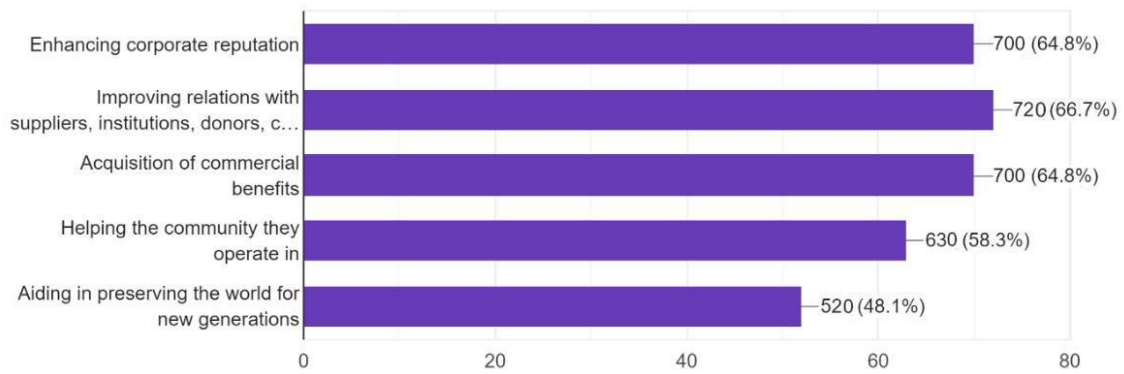


Figure 10: The benefits for CSR in fashion retails / startups

Chapter Five: Discussions and Conclusions

This chapter summarizes the findings of the analysis and draws conclusions. The contribution to theory, implications for practice, limitations, and future research are all addressed.

5.1 Conclusions

In today's world, the significance of CSR has received significant attention in academic research. This emphasis is for the reason that the investigation of the corporation's innate responsibilities toward social commitments. Therefore, currently, corporate performance maybe not only financial but also non-financial so that both aspects match each other as an indication of successful corporate citizenship (Khan et al., 2013). The relationship with various stakeholders is an important concern in modern business studies; therefore, relying solely on financial performance is insufficient to please the diverse group of stakeholders. As a result, non-financial performance, including the CSR obligation, has increased., has become a main part of the business landscape (Maon et al., 2017).

Corporations are revitalized by societal elements such as the value systems of the society in which they work by increasing corporate social performance and reducing legitimacy threats and information asymmetry. Previous researchers have defined corporate CSR engagement in terms of multiple dimensions such as ethical duties, moral obligations, social contract, social culture, philanthropic CSR, and public welfare. (Lantos, 2001). All ideologies represent the social value system, which is developed by the components of the various theories (Garriga and Melé, 2004).

The fundamental principle of these ideologies states that corporations ought to maintain a level of relationship with society to reduce their legitimacy catastrophe. Therefore, businesses should be more ethically responsible for their sustainable practices (Joyner and Payne, 2002). Good ethics in business has a positive part in achieving financial and non-financial performance.

Moreover, corporate social values in the decision-making process influence the strategizing and employment of CSR (Srisuphaolarn, 2013).

An effective CSR rating system helps recover ethical decision-making by the corporations for aiming to build a good society (Scalet and Kelly, 2010). Corporate ethical thoughts about the social value system or social intervention kindle corporations to respect social needs (Kroeger and Weber, 2014). Corporate ethical responsibility is socially expected (Jamali and Mirshak, 2007), so the social value system affects CSR (Srisuphaolarn, 2013), and by taking CSR as a part of business strategy, businesses honor the existing value system and create their good image in the society (Gazzola and Colombo, 2014).

However, if the context of the endogenous variable and corporate attributes does not support chosen theories for a particular study, theorizing to explore both endogenous variables such as corporate CSR engagement and exogenous variables would be partial, half-hearted, and meaningless. As a result, before selecting theories to investigate both endogenous and exogenous variables of a specific topic, researchers should have a thorough understanding of the study context and organizational factor characteristics. People in different countries think in different ways, so the social value system varies depending on the context. Swedish people, for example, prioritize environmental issues, whereas Palestinians prioritize local community issues. Again, various CSR patterns have been observed in Sweden and Europe. (Srisuphaolarn, 2013).

The research contributes to a better understanding of the theories' nature and background, how they motivate fashion retailers and startups to engage in CSR activities, and how they are applicable in a specific context and to corporate attributes. This increases knowledge of the CSR literature in general, as well as the motivational instruments of various theories that are investigated to characterize CSR promotion in particular. Furthermore, this study investigated what draws the attention of the Palestinian community to a specific study. According to the

submission of theories in contexts including developed and developing economies, this study is very early in the literature and will aid in the selection of an opposing theory for a specific study.

5.2 Recommendations

There is still little research done on CSR in fashion retailers and startups and in this case, none has covered the aspects of Strategic CSR. The research on fashion retailers and startup companies have been limited in the literature and therefore little is known about the effect, methodologies of these firms. Therefore, this paper contributes by first adding to the literature, research on fashion retailers and startups in Palestine based on knowledge about same subject in Sweden. This research, also, impacts in giving practical and managerial insights to fashion retailers and startup company founders based on strategic CSR and which direction to follow while they structure their businesses. This study could be beneficial for them to understand the importance of having CSR in their company to gain competitive advantage as well as gaining profits.

5.3 Limitations and future research

Our study also has some limitations. First of all, many scholars have noticed that CSR types, are different from each other in many ways, including characteristics, hoarding, distribution, and so on (Wae Yee, 2012; Van Haastreht & Amiabel, 2010), (Panwar, Nybakk, Hansen, & Pinkse, 2016). However, due to a lack of complete knowledge about this subject in our country, we did not consider CSR type when asking our questions in this study. This is an area for future research, i.e., how CSR interventions affect fashion retailers and startups in the Middle East as a whole. Second, in our study, we chose several Swedish residents as the sample, but we did not consider all of the Swedish culture factors, which may have important implications for the propensity to increased knowledge in the Swedish CSR context. Future research could delve deeper into the interaction of Palestinian and Middle Eastern cultural factors and CSR knowledge. Third, our sample populations are small Palestinian residents.

References:

- Abbott, W.F. and Monsen, R. (1979) On the Measurement of Corporate Social Responsibility: Self-Reported Disclosure as Method of Measuring of Corporate Social Involvement, Academy of Management Review*
- Abu Samra, H. (2009). Obstacles disclosure of social responsibility in reports of public shareholding companies listed on the Palestine Exchange, from the perspective of auditors and corporate management. Master Thesis, Gaza: The Islamic University*
- Amali, D., and Mirshak, M. (2007), "Corporate governance and corporate social responsibility synergies and interrelationships", Corporate Governance: An International Review, Vol. 16 No. 5, pp. 443-459*
- Andrews, K. (1971). The Concept of Corporate Strategy. Homewood, IL: Dow Jones-Irwin.*
- Audretsch, D. B. and Mahmood, T., 2001, 'New Firm Survival: New Results Using A Hazard Function', Review of Economics and Statistics, 76, pp. 97-103*
- Baker, M. (2004). First published corporate social responsibility: what does it mean?*
- Bowen, H. (1953). Social responsibilities of the businessman. New York: Harper & Row*
- Brammer, S., Jackson, G. & Matten, D. (2012). Corporate social Responsibility and institutional theory: new perspectives on private Governance. Socio-Economic Review*
- Carroll, A. & Bocholt, A. (2003). Business and society: ethics and stakeholder management, 5th (Ed.). Cincinnati, Ohio South Western College Publishing, Australia*

Carroll, A. (1979). *A three dimensional model of corporate social performance*. *Academy of Management Review*

Cheng, B., Ioannou, I. & Serafeim, G. (2014). *Corporate social responsibility and access to finance*. *Strategic Management Journal*

Chesbrough, H. (2003) 'Business model innovation it's not just about technology anymore', *Strategy & Leadership*, Vol. 35, No. 6, pp.12–17.

Commission of the European Communities (2011) *in its Green paper*.

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/03/344&format=HTML&aged=0&language=EN&guiLanguage=en>. Accessed 10 October 2021

Etzioni, A. (1988). *The moral dimension: Toward a new economics*. Free Press.

European Commission-EU (2001). *Green paper: promoting a European framework for corporate social responsibility*, Brussels: 32.

Frederick, W. (1960). *The growing concern over business responsibility*. *California Management Review*, 2(4), 54-61.

Freeman, I. & Dmytriiev, A. (2017) 'the meaning of corporate social responsibility: the vision of four nations', *Journal of Business Ethics*, 100: 419–443.

Friedman, M. (1962). *Capitalism and Freedom*. Chicago: University of Chicago Press.

Friedman, Milton, 1970, *the social responsibility of business is to increase its profitability*, *The New York Times Magazine*, September 13, 1970.

Gräuler, M. and Teuteberg, F. (2014). *Greenwashing in Online Marketing – Investigating Trust-Building Factors Influencing Greenwashing Detection*.

Gupte, P., 2009. *Arthur Laffer: Corporate social responsibility detrimental to stockholders*, *TheSun New York*, January 19.

Heugens, Pursey P.M.A.R. and Kaptein, Muel and Oosterhout, J. van, *Contracts to Communities: A Processual Model of Organizational Virtue* (April 4, 2008).

Holme, R. & Watts, P. (2002). *Corporate social responsibility: making good business sense*. *World Business Council for Sustainable Development*, 1-31.

Hudson, Richard & Wehrell, Roger. (2005). *Socially Responsible Investors and the Microentrepreneur: A Canadian Case*. *Journal of Business Ethics*. 60.

Husted, B. W. & Allen, D. B. (2000) 'corporate social responsibility in the multinational enterprise: strategic and institutional approaches', *Journal of International Business Studies*, 37(6): 838–849.

Jenkins H. *A Critique of Conventional CSR Theory: An SME Perspective*. *Journal of General Management*. 2004; 29(4):37-57.

Khan, M., Khan, N., Ahmed, S. & Ali, M. (2012). *Corporate social responsibility (CSR): definition, concepts and scope (a review)*. *Universal Journal of Management and Social Sciences*, 2(7), 41-52.

Krutika, R. & Himanshu, R. (2014). *Corporate social responsibility and Sustainable development: a study of most valuable companies*. *Indian Streams Research Journal*, 4(2), 1-11.

Lee, B. & Logsdon, J. (1996). *Corporate social responsibility pays off*. *Long Range Planning*, 29(4), 437-596.

Lepoutre, Jan & Heene, A.. (2016). *Investigating the Impact of Firm Size on Small Business Social Responsibility: A Critical Review*. *Journal of Business Ethics*

Margolis, J.D. and Walsh, J.P. (2003) 'Misery Loves Companies. Rethinking Social Initiatives by Business', Administrative Science Quarterly, Vol. 48, pp.268–305.

Masuku, C. & Moyo, P. (2013). Corporate social responsibility as an invention of public relation: a case of Econet and National Railways of Zimbabwe (NRZ). Journal of Media and Communication Studies, 5(8), 113- 122.

Matten D, Moon J (2008) Implicit” and “Explicit” CSR: a conceptual framework for a comparative understanding of corporate social responsibility. Acad Manag Rev 33(2):404-424

McKinsey on Valuation, 2018, Measuring and Managing the Value of Companies, 6th Edition, John Wiley & Sons.

McWilliams, A. & Siegel, D. (2001). Corporate social responsibility: a theory of the firm perspective. Academy of Management Review, 26(1), 117-127

Mitchell, D. and Coles, C. (1997) 'The ultimate competitive advantage of continuing business model innovation', Journal of Business Strategy, Vol. 24, No. 5, pp.15–21.

Moon, J. (2002). Corporate social responsibility: an overview. International Directory of Corporate Philanthropy. London: Europe, 3-14

NEJATI, M., AMRAN, A., and AHMAD, N.H. (2014) Examining stakeholders' influence on environmental responsibility of micro, small and medium-sized enterprises and its outcomes. Management Decision, 52 (10), pp. 2021-2043.

Patrizia GAZZOLA & Gianluca COLOMBO, 2014. "Csr Integration Into The Corporate Strategy," CrossCultural Management Journal, Fundația Română pentru Inteligența Afacerii, Editorial Department, issue 2, pages 331-338, November.

Pedersen, L.H., S. Fitzgibbons and K. Pomorski, Responsible investing, The ESG-efficient frontier, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3466417.

Popkin BM. Key Economic Issues. Food and Nutrition Bulletin. 1998; 19(2):117-121

Porter, M.E. and Kramer, M.R. (2002) 'Creating Shared Value', Harvard Business Review, Vol. 89, No. 1/2, pp.62–77.

Ruggie, J. (2002). The theory and practice of learning networks: corporate social responsibility and global compact. Journal of Corporate Citizenship, Greenleaf Publishing, 27-36.

Servaes, H. & Tamayo, A. (2013). The impact of corporate social responsibility on firm value: the role of customer awareness. Management Science, 59(5), 1045–1061

Sharma, E. & Mani, M. (2013). Corporate social responsibility: an analysis of Indian commercial banks. AIMA Journal of Management & Research, 7(1), 1-12

Shehu, A. (2013). The influence of corporate social responsibility on profit

Srisuphaolarn, P. (2013), "From altruistic to strategic CSR: how social value affected CSR development—a case study of Thailand", Social Responsibility Journal, Vol. 9 No. 1, pp. 56-77

Stuart Ogden and Robert Watson, 1999: Corporate Performance and Stakeholder Management: Balancing Shareholder and Customer Interests in The U.K. Privatized Water Industry.

Take a look at Dubai's successful start-ups born in the pandemic 2020, <https://www.euronews.com/next/2021/07/19/take-a-look-at-dubai-s-successful-start-ups-born-in-the-pandemic>

Teece, D. (1997) 'Business models, business strategy and innovation', Long Range Planning, Vol.43, No. 2/3, Sp. Iss. SI, pp.172–194.

Uddin, M., Hassan, M. & Tarique, K. (2008). Three dimensional aspects of corporate social responsibility. Journal of Business and Economics, 3(1), 199-212.

Voluntary Principles on Security and Human Rights, 2000,

<https://www.voluntaryprinciples.org/20th-anniversary/>

Woodward, D., Edwards, P. and Birkin, F. (1991), "Some evidence on executives 'views of corporate social responsibility", The British Accounting Review, Vol. 33 No. 3, pp. 357-397

World Bank (2003).<http://ebookbrowse.com/2004csr-umeda-pdf-d98085323>. Accessed 20 November 2021

الملخص

يساهم البحث في فهم أفضل لطبيعة النظريات وخلفيتها، وكيفية تحفيز تجار التجزئة للأزياء والشركات الناشئة على الانخراط في أنشطة المسؤولية الاجتماعية للشركات، وكيفية تطبيقها في سياق معين وعلى سمات الشركات. يؤدي هذا إلى زيادة المعرفة بأدبيات المسؤولية الاجتماعية للشركات بشكل عام، بالإضافة إلى الأدوات التحفيزية لمختلف النظريات التي يتم بحثها لوصف الترويج للمسؤولية الاجتماعية للشركات بشكل خاص. كما تناولت هذه الدراسة ما يلفت انتباه المجتمع الفلسطيني إلى دراسة معينة. وفقاً لتقديم النظريات في سياقات تشمل الاقتصادات المتقدمة والنامية، فإن هذه الدراسة مبكرة جداً في الأدبيات وستساعد في اختيار نظرية معارضة لدراسة معينة.