Sustainable Innovation as the driving force in the formation of corporate image

Degree Project in Business Administration

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Abstract

The purpose of this research is to discover and examine the impact of sustainable innovation on corporate image. This paper aims to check the influence of eco-friendly innovations on the reputation of the business and then how consumers perceive and think about the business and to discover the level of this influence on small and large businesses in Pakistan we collected data from 65 employees of diverse organization through a survey questionnaire, and the results are obtained through different tests performed on SPSS. The research findings showed a strong positive influence of sustainable innovation on corporate image. It will be helpful for the management of organizations, policymakers, academics, and experts to contemplate the connection between sustainable innovation and corporate image.

Keywords: Sustainable Innovation and Corporate image
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1. Introduction

1.1 Background

In simple words, sustainable innovation can be defined as transformation, alteration, or revolution that a business undergoes and positively impacts the environment, and its implementation is regarded as worthwhile for customers and the organization. Undesirable environmental and social consequences along with strong scientific proof of the detrimental effects compel businesses to adopt climate-friendly products (Bacinello et al., 2020). The conception of sustainable innovation has spread immensely in recent years among organizational experts and academic researchers. Numerous researchers declared sustainable innovation a major innovation driver. The various terminologies that are being used by organizational experts and academic researchers for sustainable innovation are eco-friendly innovations, eco-innovations, and sustainability-centric innovations (Cillo et al., 2019).

The other driving factors that push organizations and businesses to implement sustainable practices are tech solutions, globalization, and the rise in competition. All the pressuring forces have converged to enhance the emphasis on sustainable and green value creation among businesses. Many businesses consider sustainability innovation as something that incurs too much price, so they continue following traditional methods to operate and run business (Van et al., 2019). Sustainable innovation demands lofty initial investments and takes a long time to pay back business and delivers little environmental advantages (Mousavi et al., 2017). Recent research shows that the competitiveness of the business is positively related to sustainable innovation. For instance, different countries and businesses are promoting the notion of sustainability to attain economic growth, this approach drives more profit, competitiveness, and efficiency.

Sustainable innovation requires businesses to adopt processes and design products that ameliorate environmental burden and positively serve the community. Sustainable innovation in the corporate sector drives changes at the institutional level by creating unexplored fields and altering organizational dynamics (Abbas et al., 2020). It is quite challenging for a business to implement sustainable innovation when compared with other kinds of innovations because it strives to attain both social mission and profits. The relationship between sustainable innovation with a competitive advantage is uncertain, this is because it delivers the best public interest by lessening adverse environmental externalities (Delmas et al., 2018). According to some scholars, this feature has ushered in a substantial and sustained custom of under-funding in sustainable innovation.
Businesses can opt for sustainable innovation at the initial level of launching their product, but it can also be implemented when the business is quite established. Businesses are now changing their consumption and production patterns keeping in mind the level of consumer understanding to improve their prestige among the common public (Ch’ng et al., 2021). Besides that, organizations always try to make investments which can deliver them long-term benefits. From a marketing perspective, sustainable innovation is something that adds value to the overall image of the business and allows businesses to stay ahead of their competitors. Such efforts of the brand allow them to strongly connect and engage customers by building a favorable image in the minds of the targeted audiences (de Medeiros et al., 2017).

Sustainability includes all the social issues and environmental innovations that can contribute thoroughly, but it requires an in-depth analysis of external and internal business aspects that can impact its outcomes (Franceschelli et al., 2018). The accustomedness of innovations is envisioned to confine the generation, evolution, and enactment of new beliefs or behaviors. Organizations implement changes in response to modifications in their external or internal environment or as a preventive measure carried out to impact the corporate environment.

Corporate image is defined as the sum of perception a client holds about a business as contemplated by the corporate affinities in their memory. Corporate image can aid clients in identifying their needs and happiness with a brand (Gürlek et al., 2017). Similarly, the corporate image can assist clients in information gathering, differentiate brands, create favorable sentiments, and create a reason to buy or opt for their service. As the corporate image is the client’s perception of the organization, the purpose of businesses is to form a strong and positive image of the business in the client's mind (Bataineh et al., 2015). This can be attained by launching effective marketing campaigns and using appropriate marketing platforms to spread integrated and unified message.

The organizations are striving to maintain a stable and robust internal environment while sustaining the path of growth and beating competitors. Sharma (2017) argued that businesses are scanning for approaches to enhance their productivity and achieve a contentious edge over opponents. Corporate image plays a significant role in determining the success of the organization as it encourages and motivates employees to fulfil their responsibilities with courage and focus. Corporate image is built not just with an efficient workforce but also by examining the performance of the business and its strategies to present itself in a better manner in front of the public (Chung et al., 2015).

Corporate image compels businesses to adopt the effective practice and improve outcomes produced by the strategies they are following (Ismail et al., 2021). This also enhances the productivity of the business as they make an effort to present their brand favorably. Businesses endeavor to adopt a fair and justified approach to balance their internal working environment to build a positive corporate image, while they make the external image good by contributing to
eco-innovation projects related to their business (Ismail et al., 2021). These days consumers possess a high level of understanding and the audience have built evaluation criteria to critically analyze the activities of businesses. If some businesses fall behind their set generic criteria, then it attains poor corporate or brand image which significantly impacts their revenue generation.

The evaluation of the businesses by the public compels businesses to perform better; it also increases their focus on social responsibilities, so it has a positive impact on corporate performance (Lee et al., 2019). The corporate image gets destroyed when the business sells and offers discriminatory products or services or something that does not match with the overall culture of the country where it is being operated. Corporate productivity is contingent on varied internal and external factors, and it is perceived as the capability of the organization to execute activities rationally and efficiently (Abubakar et al., 2019). The organizations which achieve their objectives using the appropriate number of financial resources are acknowledged as intelligent organizations. The reputation of the organization is also analyzed by identifying whether the business adequately attained the desired path or not (George et al., 2019).

Substantially, people consider that the major goal of any business is to make their performance and productivity better which aids them in attaining a good reputation (Heinberg et al., 2019). For this purpose, organizations spend plenty of time intensifying their productivity along with the performance of employees to ensure integrity, accountability, employee participation, transparency, efficient consumption of organizational resources, employee and customer satisfaction and enhanced training outcomes (Borowski et al., 2020).

It is becoming compulsory for businesses to implement innovative solutions along with improvements and changes to succeed and get a step ahead of competitors (Malega et al., 2017). Organizations make their image better by accomplishing the path guided by strategic direction and by the implementation of policies that make their survival easy in the dynamic business atmosphere (Mukonza et al., 2020). Organizations lose their good image when they don't upgrade and fall behind in marketing and technological capabilities. Corporate image is an indispensable element of a company’s business plan and its victory. Businesses having a positive corporate image possess loyal clients or customers which further helps businesses in building a strong relationship with clients (Akhmetshin et al., 2018).

1.2 Problematization

The growth of sustainable innovation is widely spread, and it is also practiced greatly by businesses and organizations. There are a lot of hindering factors that interfere with its implementation. The contradictory research findings related to sustainable innovation indicate the need for more research in this field to establish and explore the driving and hindering forces and to know its impact and consequences on the overall business (York et al., 2010). There is no research on how sustainable innovation can lead to a better corporate image so this research will
be a valuable addition to academic literature. This research is essential to identify hindering and driving forces and to know which organizational aspects can be improved through sustainable implementation.

So, the theoretically firm should follow the environment production process which are beneficial for both companies and as well as for society. This research tried to explore the factor which are more beneficial for production process. The factors which can provide more and more benefits for producer as well as to society. This study also tried explored the different approaches of production that make production under sustainable innovation.

Organizations spend a hefty sum of money on advertising and other related things to promote their business and to gain praised corporate image because a negative corporate image complicates their survival (Love et al., 2015). Corporate image is recognized as a fundamental determinant in impacting brand loyalty. There is no research examining how the corporate image gets impacted by sustainable innovation. So, this study highlighted and gathered unique variables to understand and explore this conception. We will prove the extent of the relationship between variables by conducting quantitative analysis. Businesses can use various approaches to change negative perceptions of people about them into positive ones. Though this is quite challenging but requires rational judgment making. A strong brand loyalty scenario can be attained if the business holds an established corporate personality and corporate image which can also help in defeating competitors (Twum et al., 2022).

1.3 Purpose

This study is going to address how sustainable innovation impacts corporate image and why and how the independent variable influences the dependent variable. Afeltra (2021) highlighted the need to examine the impact of sustainable innovation on organizational traits and features to know the quality of relationships among them. Therefore, in this study, we chose unique variables i.e., IV (sustainable innovation) and DV (corporate image). Prior research does not shed light on the corporate image as something that can be influenced by sustainable innovation or analyzed its consequences. Consequently, the chosen research model will uncover valuable insights beneficial for academia and also for organizations.

1.4 Research Questions

1. What effect does sustainable innovation have on the corporate image?
2. Theory

The idea of sustainable innovation leads to make changes to a firm products and services that could generate long-term environment and social benefits to society but also generate the economic benefits for a company or firm. The production under sustainable innovation should also economically good for companies and also provide long-term benefits to society. The sustainable innovation theory is a simple concept, production should be environment friendly but also beneficial for manufacture and society. Manufacture get benefit from products and services and society enjoy healthy environment and get benefit by using of this product (Young Li, 2021).

2.1 Sustainable Innovation

Innovations acquainted with sustainability incorporate economic, social and environmental carefulness into the consumption and production patterns of society and the business. Research has indicated that the emphasis on sustainability is removing or reducing the unfavorable effects of manufacturing or operation activities to generate comprehensive changes that are suitable and beneficial to society and the environment (Xie et al., 2019). Sustainable innovation requires intense cooperation of R&D and organizations aiming to pursue sustainable innovation get benefitted by engaging groups and external stakeholders who can influence the objectives of the company. Traditional innovations have become a thing of the past and companies aiming to extend their businesses and attract more consumers opt for sustainable innovations. Usually, sustainable innovations are inherent, intricate, and have a multistakeholder emphasis and therefore mandate a specific extent of acute cooperation and exterior process. The relationships of the stakeholders assist in dilating the coverage of the firm's external search for innovation while decreasing its search expenditures (Chen et al., 2021).

Research on sustainable innovation revealed that famous brands like BMW moved from regulators, infrastructure planners and mayors of one country to another to monitor future-oriented and sustainable concepts (Juntunen et al., 2019). This means that all the efforts to come up with sustainable solutions are made to satisfy the consumers, the core asset of any business. The ability of businesses to adopt sustainability depends on their internal capabilities and the approaches they adopt to make their products functional. To make the innovation process it is essential for a business to incorporate the knowledge and expert power of stakeholders. In the past, social and environmental issues were considered factors that pressurized firms to make their operations better but now social and ecological problems are regarded as the source of motivation for transforming the business models, services and products (Rosca et al., 2017). This latest perspective of businesses is showing sustainability challenges as opportunities paving the path to success for them.
Sustainable innovation conceptualizations vary from philosophies concentrating on ecological progress, marked as green innovation concerning the product or eco-innovation, regarding sustainability as the sum of all three essential and bottom-line entities—economic, social, and ecological—throughout the life-cycle of the product (He et al., 2018). All these three entities are crucial to attaining a win-win situation which from a business perspective is scalability and that aids sustainable products to pull market share out from orthodox products and to generate favorable societal impact. Simply, sustainable innovation is an effort through which firms reduce the negative influence of their operations on the natural environment (Hazarika et al., 2019). This does not just help in spreading a positive message to competitors of the same sector but it also preserves the environment and coming generations.

Some innovations aim to make improvements in the territory of the renewable resources, others alleviate unsustainability in the empire of the nonrenewable resource and yet other innovations play the role of both unsustainability and sustainability in the nonrenewable and renewable resource domains (Adam et al., 2016). The conception of sustainable innovation has greatly modified the consumer preferences which compelled businesses to utilize their major marketing capabilities and connect them with sustainable innovation and produce a product that captures immense profit and customers. For designing such offerings, companies surely need environmental experts in their product team so that they follow the right process to generate meaningful and eco-friendly products. Businesses for quite a long period were of the view that the implication of sustainable innovation is expensive, has a long restitution time and benefits the environment at a smaller level (Kalkanci et al., 2019).

Despite negative and unfavorable suppositions in the past, recent research disclosed that sustainable innovation improves the ability of the firm to compete with its rivals, enhances organizational efficiency and draws intensified profit (Naqshbandi et al., 2017). Organizational experts believe that innovation transforms the organization and that usually happens as a reaction to the external or internal environment or as a preemptive measure to exploit an atmosphere. When the term sustainability is placed with innovation then the meaning accumulates in scope and merges present and future generations and the eco-friendly approaches through which both will meet their necessities (Zifkos et al., 2015). Companies in this current era try to execute activities that intend to solve social and environmental issues in a profitable and strategic manner.

Usually, past researchers limited the scope of sustainable innovation by only associating it with innovation aimed to improve the environment which made it a one-dimensional phenomenon (Jolink et al., 2015). However, modern research embedded economical and social concepts in sustainable innovation and made it a broader notion. Sustainable innovation is nothing when the social pillar or economical pillar is not considered in it. It does not mean that businesses can consider social aspects in one process and another they will consider the economic aspect, an
organization must regard and consider all three aspects simultaneously and profitable to retain and sustain their business (Skordoulis et al., 2020). To ensure their survival in the market and to develop positive perceptions in the consumer mind, businesses innovate their products or processes.

2.1.1 Pushing facets of sustainable innovation

Traditional formats of innovation might seem captivating and profitable to organizations but they can also over-exploit environmental resources and harm employees (Smith et al., 2015). Sustainable innovation is typically pushed by stakeholders or governments which are regarded as pressure being transmitted through external sources. The other driver of sustainable innovation is the firm itself when businesses want to level up and gain a competitive edge in the market and this is regarded as internal motivation.

2.1.1.1 Regulations as a sustainable innovation driver

Research has proclaimed that regulation is the crucial driver of sustainable innovation, businesses put through regulations are more likely to implement and execute sustainability-oriented innovation than businesses that are not (Varadarajan et al., 2017). The strictness in environmental regulation and policies surely compels businesses of all sectors to refine and modify their business processes and make their products eco-efficient. Through such regulations imposed by the state, industries not only achieve efficient utilization of resources but also attain intensified economic efficiency. Besides that, inflexible regulations can cause rudimentary technological modifications in organizations. In response to environmental regulations, businesses start producing eco-friendly products (undergoes product innovation) like the conception of disposable packaging, recycles belts (plastic), phone cases (eco-friendly) and many more such products became highly popular in the last 5 to 6 years (Ketata et al., 2015).

Furthermore, businesses invest money in the development of products that integrate environmental safety when regulations are foisted on them and then they avoid consumption of dangerous substances and pay attention to the generation of products that involve noise emission, reduce water usage, air reduction, less energy usage, biodegradability, recyclability and energy efficiency (Kusi-Sarpong et al., 2019). Regulations also drive businesses to experience process-integrated innovation that considers environmental protection and refines the quality and revolves around rationalism. Eventually, regulations regarding sustainable innovation enable the evolution of new services which are aspired at educating enterprises on environmental problems
2.1.1.2 Urge to compete effectively act as a sustainable innovation driver

Every business regardless of its association with any sector of the economy wants to be the best of its rivals offering similar products and services. This urge truly compels organizations to add novel features, integrate eco-friendly processes, use technologies that reduce resource wastage and things like that to leave an impact on the public and the business ecosystem. Industries adopt smart production methods while consuming less energy and natural resources and come up with unique and useful products (Saunila et al., 2018). Research has confirmed that typically industries use sustainable practices or incorporate sustainable product innovation following ethical and ecological approaches at every phase.

Organizations not just gain a competitive edge but also deliver value to their targeted customers by tackling their concerns related to the quality of products and procurement of raw materials. The organization is said to successfully have an ecological competitive advantage when its offering is expensive to imitate or cannot be replicated (Brem et al., 2016). The ability of any firm to innovate sustainably renders a competitive edge. Firms chase sustainable innovation when they are armed with the necessary potential and resources; thriving sustainable innovation attainment not just leads to product progress but also glorifies the market performance of the firm (Weidner et al., 2021).

2.1.1.3 Social responsibility as the driver of sustainability

Research elaborated that it’s hard for firms to grow and gain profit while ignoring the CSR (corporate social responsibility) aspect. As there are plenty of businesses around the world that ignore the environment and stick to old and harmful business practices. Bacinello et al. (2020) claim that modification in actions and alteration of perceptions regarding environmental protection can adjust the entire society. Information flows, political attitudes, geographical coordinates, market structure and reform style differ in every country and impact the kind of social responsibility firms feel themselves. Sometimes businesses instead of regarding sustainable innovation as an obligation use it as a business strategy that takes them close to progression and makes them efficient (Holiday et al., 2016).

Consumers and organizational experts assume that their business activities, actions and their policies directly or indirectly impact common citizens so they must formulate and assemble all these things responsibly (Mazzei et al., 2016). Therefore, the firms must consider the interests of all stakeholders and adopt sustainable business courses. This is the reason which pushes firms to
concentrate on their working patterns, pollution, resource depletion and effect on local communities. Companies investing in CSR capture more customers as people like to use products and services, they feel have no contaminated impact on the environment (Akbari et al., 2019).

2.1.2 Sustainable innovation as a cost reduction source

The notion that sustainable innovation reduces costs and boosts revenue is indeed confirmed. Firms rationally utilize capital, labor, energy and material without wasting any of their resources. Opting for sustainable innovation is cost-effective because businesses pick low-impact raw material, minimize the usage of materials, use optimized production procedures, distribute system optimization, and increase the initial and end-life of the scheme (Sabet et al., 2021). Firms use recyclable, renewable and cleaner materials which mean that the firm is using sustainable design techniques. Furthermore, sustainable innovation not just reduces packaging costs but also reduces the emission of tainted by-products, encourages safe disposal and promotes recycling of water and use of solar energy (Little et al., 2018).

The easiest way to reduce business expenses is to save energy and in this way businesses comfortably lower their carbon footprint (Meyers et al., 2016). This can be done by altering the behavior of employees, giving them avant-garde equipment and developing effective techniques are some tactics that reduce the bills. Simply, sustainable innovation easily aids businesses in cutting their extra costs related to natural resources, energy and equipment. Reduction in operational costs is something that attracts firms to implement sustainable innovation solutions. Besides that, firms make use of their capacities to get benefits from cost-effective technologies to generate solutions consumers desire to obtain from them (Rejeb et al., 2020).

A firm's characteristics, research and development policies and environmental policies shape sustainable innovation. The implementation of sustainable innovation allows companies to save natural resources and maintain them in proper order for coming generations. Research shows that plenty of businesses pursue sustainable innovation because they consider it their social obligation (Yarlagadda et al., 2019). The rise in literacy rate around the world impacts the extent of social values that further drive companies to seek sustainable innovation. Firms enhance their abilities to regenerate materials, consumers also become loyal to brands that sell sustainable and environmentally friendly products. Companies capture the idea to innovate either from culture, environment, technology or nature (Edwards-Schachter et al., 2018).

Firms performance is contingent on what steps the business takes to strengthen its position in the market. In the past, businesses were consuming excessive resources and were generating minimum concentration of required output which means the resources were poorly consumed (D'Amato et al., 2020). Therefore, now almost every business tries to come up with innovative and sustainable solutions to reduce every kind of resource wastage. Varied social practices of
inhabitants impact the environment therefore governments put strict regulations so that businesses and individuals keep their consumption patterns ecological (Chang et al., 2015). The scarcity of a firm's resources damages its performance and financial ability, therefore a sensible approach is needed to pursue innovation based on sustainability.

2.2 Corporate Image

Firms need a unified and coherent approach to handle their corporate image. According to Ismail (2021), organizations can only preserve the trust of the public through better management of their corporate image. Perkiss (2021) stated that organizations must focus on clear and conscious communication to attain their purposes and requirements to frame their position more distinctly to state agencies, lawmakers, shareholders, workers, consumers, financial establishments and other necessary audiences. Past research forged a relationship between behavior and image and suggested that when any person considers something to be right, that is in fact right for him. Then the concept was associated with consumers and it was said that a flawless corporate image concept exists in the minds of consumers. The functional intention of the "corporate image" incorporates subjective feeling and emotive meaning of price, service, reliability, quality and tangible assets (Tran et al., 2015). However, varied organizational traits and attributes contribute toward the formation of a corporate image.

Organizational researchers articulate that the firm presents itself not to the only single public, but to seven different and diverse publics. Polinkevych (2018) recognised six types of images that the company maintains — customer demand, diffused, brand, product, institutional and corporate image. Different researchers discoursed the process utilized to describe a corporate image and indicated that industry ideals and competitors play a vital role in profiling the corporate image. Consequently, the evaluation of corporate image is done by seeing the wants of the firm by management and the reputation of the competitors and businesses regarded as industry ideals (Mohammed et al., 2018).

There are varied compositions, techniques and tools that form the corporate image. Corporate image can create havoc and also benefit the organization (Pongsakornrungsilp et al., 2021). Organizations having a stable image grow enormously and never lose their position in the market and among their audiences while the organizational personality proportions differ from one sector to another which means image stability is not an easy thing to attain. Maruf (2013) revealed that various firms maintain stereotypical images which impact their financial status negatively.

Firms utilize differentiation strategies to build their corporate image and deliver unique products and services to their consumers (Zameer et al., 2020). Periodically locational factors, service and merchandise also form the corporate image. Various researches focused on attributes that form
 corporate image and added organizational culture, environment, behavior, attitudes, actions and policies but Cian (2014) smashed the typical consideration by concentrating on employees of the firm as the crucial source who aids in the development of the corporate image. The author further extended the consideration by declaring that the corporate image is developed based on the policies which an organization follows rather than what is displayed in press campaigns and advertising.

Well communicated and implemented alluring policies train salespeople and employees to capture advantageous responses from people with whom they interact (Good et al., 2022). However, the corporate notion cannot be separated from the reality because the reputation is an articulation of the organizational personality. Besides that, the better handling of the corporate image requires communication consistency and coordination with internal and external audiences. Many times it is observed that people show no confidence in business firms, certainly, that means such businesses possess an unfavorable corporate image (Agmeka et al., 2019).

Corporate identity is quite a different phenomenon and it can't be interchangeably used with corporate image (Melewar et al., 2018). Corporate identity is something planned which becomes the source of recognition among consumers like logo, tagline, slogan and factors like that while the corporate image is unplanned and involves the perceptions, viewpoints, opinions and beliefs the consumers maintain about any brand or company. However, the company can intentionally try to transform their image in the minds of individuals.

The development of corporate image in the consumer's mind starts when they buy the products, interact with companies employees, and monitor the product quality, packaging, pricing and related factors (Do et al., 2019). All these aspects create customer experiences and customers analyze the value after paying the price and then the image gets developed based on the customer's actual experience. Sometimes people also picture and perceive brands based on what they hear about them from their family members or anyone they know or admire. Companies promote their offerings through bloggers, and vloggers and use word of mouth technique (Eratne et al., 2022).

2.2.1 Origination of corporate image

Numerous elements unite and form a corporate image; it is a comprehensive footprint, a checker combined with countless impressions originating from the indirect or direct results of diverse informal and formal signals stemming from the organization (Polinkevych et al., 2018). The receiver of those signals joins together the pieces of activities of the corporation and forms an idea. This is something that later gets the status of corporate image. The belief of the company about itself cannot be regarded as a corporate image, it is actually beliefs and feelings about the organization in the consumer's mind that stems from their observation or experiences (Ramesh et al., 2019).
Not every impression coming from a company bestows equally to corporate image - a person may intentionally or unintentionally pick the views and beliefs upon which a depiction of an image is established. Alam (2021) claims that the concept of corporate image is not just the splendor or product of the group mentality and does not stem from a single philosophy maintained by the populace at large, but from a mosaic of perspectives which institute in the minds of people having a close connection with the company. He thinks that corporate image begins with a company's interior stakeholders, its workers, and the way they think about the organization. Foroudi (2019) thinks that corporate image is formed from a coalition of perspectives or attitudes maintained by different stakeholders toward the organization.

2.2.2 Linking human characteristics with companies

People take companies as humans and associate varied traits with them like friendly, honest, dishonest, bold, liberal and mature (Yuan et al., 2019). This enables them to form attitudes toward the companies and perceive them to possess some features which they appreciate or admire. Other people may view the same company from a different perspective and have negative opinions. In both manners, people intentionally or unintentionally humanize companies and then ascribe personality traits to them which further shapes their judgments. The combination of their perceptions about the personality of the company is something that is then regarded as corporate image (Chen et al., 2019). However, the same characteristic may be perceived by two different people but that does not mean that their experiences will also be the same. For instance, the two different consumers may label the company as a conservative, the first person thinks like this because of the packaging design while the other feels like this because of the company's sales practices. This indicates that the diverse experiences of varied individuals can lead to similar conclusions.

2.2.3 Corporate image and revenue generation capacity

Businesses try to attain a favorable image in the eyes of the target audience and make them familiar with the offerings of the company. Research has revealed that firms spend hefty financial resources to appear themselves best in the eyes of the consumer (Jacobson et al., 2019). All this happens to stick their target audience to themselves so that they don't consider alternate firms offering similar services or products. The image in the eyes of the target audience impacts the willingness to withhold and provide support (Juanamasta et al., 2019). Hence, if the consumers possess negative perceptions about the business or their offering, their profit and sales will undoubtedly drop. The other factors that impact the image of the business and revenue generation are the meaning of the business name and its diversification strategies. Besides that, unethical practices of the company develop negative perceptions among the general public and cause financial instability. Therefore, it is essential to maintain a positive corporate image to gain stable financial health (Jin et al., 2018).
2.3 Sustainable innovation and corporate image

The aim behind the rise of corporate image conception comprises organizational effort to attain its objectives and link the company to the social environment. Social actions of the firm can intensify and boost their corporate image while making economic results favorable (Kneipp et al., 2019). Every organization offers their audience or general public a chance to develop a perception about itself which is significant from a strategic perspective. Businesses progress when they integrate the efforts of all their units and maintain a positive image that is developed when the public thinks high of the brand. Numerous factors impact the corporate image but considering the current business environment, the most crucial factor is sustainable innovation. Sustainable innovation drives the corporate image and the public then labels brands as good, medium and bad brands. Businesses run to pursue sustainable innovation when they feel they are capable of opting for such solutions and advancements which give them a competitive edge in the market (Rauter et al., 2019).

The internal potential of the business enables it to respond rationally to changes that happen in the environment around us, that changes demand rational utilization of resources and when companies react sensibly people catch such measures and develop negative or positive perception (Zameer et al., 2015). Then companies strive to generate sustainable and innovative solutions to typical problems and tell their audience that they presented better solutions which in return upgrade their image in consumer's minds. Research has proved that when consumers see that companies are producing ecological products and considering sustainability in every phase of their business operation they get attracted to such offerings (Zura et al., 2016). If some poorly reputed business pursues sustainable innovation people will forget the past bad image and will make purchases from such firms which means sustainable innovation truly alters people's perceptions.

3. Conceptual Framework

3.1 Hypothesis

**Ho:** Sustainable innovation positively affects corporate image

**H1:** Sustainable innovation negatively affects corporate image
3.2 Proposed Model

After studying the different literature on sustainable innovation research, we proposed this model which explain the sustainable innovation as independent variable and corporate image as dependent model. So, with the help of this proposed model we include different factors in our questioner, our questioner is finalized after checking the validity of questioner. All mentioned below variables will help out in finding and explaining the objectives of our study.

**Sustainable Innovation**
- Companies spend heavy budget on sustainable innovation
- Companies develop and promote environment friendly products
- Companies value products offering that incorporate social benefits
- Has the best interest of people in mind
- Companies altered its manufacture processes
- Environment friendly raw materials is encouraged and used
- Product manufactured, use less energy concentration
- Release of hazardous substance during manufacturing phase is zero

**Corporate image**
- Corporate with other organizations, your organization holds good reputation
- Organization value customers, and their concerns
- Organization strives to maintain talent at work place
- Customers hold positive perceptions about your organization
- Organization makes continuous effort to improve their impression in the market and among customers
- Organization leaders allow implementation of new ideas
- Organization environment is supportive

4. Methodology

This chapter will shed light on the method that is utilized to conduct this research and gather the information to form a systematic and organized thesis.
4.1 Research Approach

Current research utilized a quantitative research approach to know what impact sustainable innovation has on corporate image. Quantitative research allows the researcher to gather, examine and interpret the numerical data (Basias et al., 2018). It can be utilized to explore practices and averages, examine the relationship, construct predictions and extend results to broad populations. We used this approach to examine the attitudes and behaviors of businesses based on statistical proof and numerical data. We tested the concepts of this research on a large number of individuals through a survey and acquired fair, honest and measurable data about businesses operating in Pakistan.

4.2 Research design

The research design used in this research is descriptive; primary data is used, collected from employees of diverse organizations. Data collection took place in May 2022 using a survey questionnaire approach designed on the google form. The research model is unique, so data for this topic has not been collected before.

4.3 Data Collection Method

The current research utilized the snowball sampling technique, which is a kind of non-probability sampling, and respondents receive links to questionnaires through emails or text messages that reached them through floatation. Sampling aimed to collect valuable information from respondents. The questionnaire included defining the purpose of the research and mentioned the average time it would consume to fill it. We ensured respondents that their responses would never be exposed to any third party in the future for any other purpose, which guaranteed confidentiality and integrity of the data collected. Respondents could submit one response to complete the survey; no reattempts were part of an online survey.

4.3.1 Operationalization table

Operationalization converts abstract notions into quantifiable observations. With the help of operationalization, researchers systematically gather data on techniques and phenomena that usually are not observable directly. Therefore, in this research, we specifically described sustainable innovation (IV) and corporate image (DV). Without translucent and explicit functional meanings, researchers may estimate unrelated notions or inconsistently use techniques. Operationalization increases the trustworthiness of the study and decreases subjectivity. According to Buchmeier (2020), the researcher's selection of operational meaning can periodically influence their results. Normally, abstract notions can be operationalized in multiple distinct patterns. These disparities indicate that you may estimate negligibly distinct facets of a notion, so it’s essential to be clear regarding what you are estimating.
<table>
<thead>
<tr>
<th>Concept</th>
<th>Sub-concept</th>
<th>Measure</th>
<th>Indicator</th>
<th>Questions</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Innovation</td>
<td>Economical innovation</td>
<td>10-point likert scale</td>
<td>Average budget companies spend on sustainable innovation</td>
<td>Companies spend a heavy budget on sustainable innovation&quot;. Products manufactured use less energy concentration. Remanufacture and reuse is the policy</td>
<td>Calik, E., &amp; Bardudeen, F. (2016). A measurement scale to evaluate sustainable innovation performance in manufacturin g organizations. <em>Procedia Cirp</em>, 40, 449-454.</td>
</tr>
</tbody>
</table>
Environmental innovation

Approach of the business in designing a product.

Products qualify environmental criteria.

Release of hazardous substances during the manufacturing phase is zero.

Products qualify environmental criteria.

Environment-friendly raw material is encouraged and used.

Companies develop and promote environment-friendly products.
<p>| Societal innovation | Welfare of people and entire society | Has the best interest of people in mind. Companies’ value product offering that incorporates social benefits. |</p>
<table>
<thead>
<tr>
<th>Corporate Image</th>
<th>Position in the market</th>
<th>7-point Likert scale</th>
<th>Attractiveness of the business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Compared to other organizations, your organization holds a good reputation in the entire sector.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organization values customer and their concerns.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organization strives to maintain talent at the workplace.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Consumers hold a positive perception about your organization.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organizations continuously make an effort to improve their impression in the market and among consumers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organizational leaders allow implementation of new ideas.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organizational environment is supportive.</td>
</tr>
</tbody>
</table>
4.4 Conducting the questionnaire

The questionnaire was designed on "google form" and starts with the explanation and purpose of the study. Then four generic questions were added in it to collect information related to gender, education, marital status and the kind of organization where the respondents work. Such questions aid researchers in knowing whether these aspects impact participant's responses or not and is also essential to know the demographic details. Though the variables are simple to understand before inserting questions relating to each variable, sustainable innovation and corporate image were defined clearly so that respondents face no kind of confusion or ambiguities. The structure of the questionnaire was simple, after four generic questions the ten questions related to sustainable innovation and then seven questions on the corporate image were positioned separately so that responses can be interpreted in a better manner. Every question has five options: strongly disagree, disagree, neutral, agree and strongly agree so that researchers can know to what extent the respondents agree or disagree with the statement mentioned. The ten-point Likert scale related to sustainable innovation was extracted from the research of (Calik et al., 2016) while the seven-point Likert scale was taken out from (Jha et al., 2013). As the participants submit their responses, the researcher was able to see their responses in graphical form in option "Responses".

4.5 Pre-test

A pretest is a phrase used in survey research in which the researcher tests the accuracy and functionality of the designed questionnaire on chosen members to examine the trustworthiness and accuracy of the tool being used before exposing it to respondents for final data gathering (Bloomfield et al., 2019). This is the only method through which the researcher can know that there are no ambiguities or errors in the questionnaire; a small selected group points out if something seems inappropriate or if some errors emerge. It is essential for the researcher to know the mistakes in the questionnaire to ensure the rightness and dependability of the data (Mattila et al., 2020). We picked 10 participants to perform a pretest who was the sample of the targeted population and they highlighted a few typing errors and told us how they understood the questions. Besides that, participants were accessible by the researcher, reached through phone calls and a link to the questionnaire was sent to them. The questions were rewritten in simple English and aimed to be understood and perceived similarly by every respondent. Consciously, respondents were made aware of the actuality that they must look for loopholes or mistakes in the questionnaire and provide feedback on the structure of the questionnaire and the nature of questions whether they are appropriate or not. Initially, spelling mistakes were revealed, then the description written after the title in the survey was rewritten and then the level of education was increased in response to the pre-test evaluation. All mistakes were corrected immediately after they were disclosed. The pre-test truly refined the survey and helped researchers in the better formulation of the questionnaire.
4.6 Sample

4.6.1 Data collection

Data was gathered by flowing the link of the survey using various social channels like Whatsapp messenger, Instagram messenger, direct message (Instagram) and email. This is basically non-probability sampling and is regarded as a smooth and fast method to acquire the information. Non-probability is a sampling technique that aims to select a sample found on the personal assessment of the researcher instead of using random selection (Pace et al., 2021). The convenience sampling approach is helpful as it quickly delivers results and is cheap to use, which means it is truly helpful when a researcher faces a shortage of time and money (Pandey et al., 2021). While the weakness of this approach is that researchers need to send reminders again and again to individuals to make them respond to the survey. Besides that, the responses may also deviate sometimes and the researcher gets fewer responses than predicted.

4.6.2 Sample selection

Sampling aimed to collect valuable information from respondents. The questionnaire included defining the purpose of the research and mentioned the average time it would consume to fill it. We ensured respondents that their responses would never be exposed to any third party in the future for any other purpose, which guaranteed confidentiality and integrity of the data collected. Respondents could submit one response to complete the survey; no reattempts were part of an online survey. The sample size of the study is essential in deducing the findings of the research, but no specified size can be regarded as perfect. It is because the size varies from one study to another based on the purpose and scope of the research.

Besides that, various factors impact the sample size like significance level, research power, standard deviation, effect size, outcome measures, sampling method and design of the study (Kerkhoff et al, 2019). As the current study is purely business-centric and involves a marketing perspective, therefore for this research it was good to collect as many responses as possible. We sent the survey link to 100 individuals working in varied small and large business corporations in Pakistan, 65 respondents provided their responses and the survey was closed for more responses after three days of waiting. The sample was picked from Pakistan instead of Sweden because Pakistan is slowly moving toward sustainable innovation while Sweden is a fully sustainable country.

4.7 Data Analysis Method

Data analysis means that the researcher converts raw data into a meaningful and understandable format using the appropriate technique or software (Cooksey et al., 2020). It is significant to pick the right technique that matches your research, therefore we chose SPSS to run varied tests.
to get the results. For analysis, we imported the excel sheet containing raw data and then SPSS to analyze the data depending on commands it receives from the researcher. The obtained results then pave the way for critical discussion and support or reject the formulated hypothesis. We used SPSS to analyze the gathered data because it aids researchers in easy data interpretation and is user-friendly. According to Denis (2018) it becomes easy to know whether a positive or negative relationship exists between the chosen variables or not.

4.8 Descriptive statistics

The current study analyzed the data using descriptive analysis; it is the easiest approach to summarizing and describing the gathered data. The measure of dispersion and central tendency are two modes to represent the gathered data (Cleff et al., 2019). This study used both ways to measure dispersion and the central tendency. Descriptive statistics aid in smooth deciphering and manipulation of the data, it helps researchers in quantifying basic traits of the information set and make it uncomplicated to describe. Clear and understandable frequency tables were made to summarize and conclude the study effectively. Through dispersion, the data was presented in percentage form and the differences were made more visible. Besides that standard deviation was also displayed. While the mean, median and modes were also calculated using the central tendency.

4.9 Correlation and regression analysis

The current study used correlation and regression analysis to know the relationship between sustainable innovation and corporate image. Through correlation, we quantified the potency of the relationship between independent and dependent variables while regression helped us in expressing this connection in an equation form. After the analysis, the alpha and beta values are obtained which further helps in generating the conclusive answer.

4.10 Research Quality

4.10.1 Reliability

Reliability directs to how unfailingly a specific mode measures or estimates something (Deepak et al., 2019). If the same outcomes are achieved under the same conditions consistently then the measurement will be regarded as dependable. The results of the current study are reliable and can be used by future researchers. Moreover, the results will pave the way for quality-oriented research and organizational knowledge. To gain reliable estimation, we depended on articles and books to formulate a theoretical portion and aligned it with the questionnaire to get unbiased and fair results based on actual responses.
4.10.2 Validity

Validity means the accuracy and extent to which the chosen method estimates or calculates intended variables (Deepak et al., 2019). We evaluated whether the designed questionnaire truly estimates or calculates the picked concepts or not. Moreover, through validation, we can also know the relevancy of the questions utilized to express the concept of the research. We aligned the research question, purpose and hypothesis to deduce valid and reliable results.

4.11 Ethical and Societal Considerations

This research obeyed moral and ethical research standards, the research principles and code were kept in mind while collecting needed information. Our purpose was to understand two different organizational phenomena, study their related aspects, investigate behaviors that impact them and present our findings in a better way.

4.11.1 Importance of ethics

Ethics are essential to consider while conducting research to collaborate smoothly between society and science, maintain the dignity of human rights and defend scientific virtue (Sobočan et al., 2019). These codes ensure that the respondents of the research study participated voluntarily, they were well-informed about the research purpose and the research title is safe to be explored. This study doesn't intend to harm any participant and it did not rebel with any research ethic as that reduces the credibility of the entire research.

4.11.2 Ethical issues

This research thoroughly paid attention to certain factors like:

- No respondent was forced to become part of our study, they received no coercion or pressure.
- No participant was obliged to continue, they were free to depart and withdraw without explaining the reason for their exit from the study.
- Participants were informed that this research does not contain any repercussions or negative outcomes that can result in refusal to become part of the study.
- Research objectives were conveyed to participants clearly.
- Participants were informed that the information they provided will be only used for research purposes and will not be exposed to any other party without their permission.
4.11.3 Extent of harm

The current study does not intend to harm participants in any matter legal, physical, social or psychological. We tried to ask to keep our research free from sensitive questions that might trigger anxiety, shame, or any negative emotion. Besides that, the participation of respondents will be confidential so they cannot be stigmatized, embarrassed and cannot be put at social risk.

4.11.4 Social carefulness

The societal norms vary from one country to another, as the responses were collected from Pakistani employees working in varied organizations we ensured no kind of discrimination or biases on our part influenced their response. Our questionnaire was distributed among individuals of diverse religious and ethnic groups and no respondent knows the information about another respondent. Moreover, we promised that their responses won't be disclosed to anyone so our research cannot generate employment discrimination and ensures the privacy of the respondents.

5. RESULTS

In the results section all the results from the questionnaire will be presented again explained.

5.1 Demographics

The questionnaire starts with four questions about gender, occupation and qualification. The number of participants ended at 66. The effects of sex are evenly divided between male and female. There were only a few female participants, who were 31 (47.7%). Male they were 34 (52.3%)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>male</td>
<td>34</td>
<td>52.3</td>
<td>52.3</td>
<td>52.3</td>
</tr>
<tr>
<td>female</td>
<td>31</td>
<td>47.7</td>
<td>47.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Considering the full sample of the various organizations and it was found that the participation of bachelor and masters level respondents was higher than the PHD and intermediate level. The Bachelors and master’s level respondent were 51 and the PHD level respondents were 2 and the
intermediate level responders were 11 and the only 1 person who is not mentioned their qualification.

### Qualification

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blank</td>
<td>1</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Intermediate</td>
<td>11</td>
<td>16.9</td>
<td>16.9</td>
<td>18.5</td>
</tr>
<tr>
<td>MS/BS</td>
<td>51</td>
<td>78.5</td>
<td>78.5</td>
<td>96.9</td>
</tr>
<tr>
<td>PHD</td>
<td>2</td>
<td>3.1</td>
<td>3.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Looking at the full sample of the various organizations and it was found that the participation of private sector respondents was higher than for public servants. There were 52 independent respondents and government respondents were 8 and semi government were 4 and the only 1 person who is not mentioned their organization.

### Types

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blank</td>
<td>1</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Government</td>
<td>8</td>
<td>12.3</td>
<td>12.3</td>
<td>13.8</td>
</tr>
<tr>
<td>semi- government</td>
<td>4</td>
<td>6.2</td>
<td>6.2</td>
<td>20.0</td>
</tr>
<tr>
<td>Private</td>
<td>52</td>
<td>80.0</td>
<td>80.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

5.2 Descriptive statistics

The data collected during this study must be carefully described and subsequently analyzed. The questionnaire conducted during this research was constructed on a scale, which was delineated between 0 to 5 (0=blank, 1=strongly agree, 2=agree, 3=neutral, 4=disagree, 5=strongly disagree) and gender scale denoted by (1=male, 2=female) in addition education represent by (1=intermediate, 2=O/A level&Bachelors , 3=MSC, 4 = PHD, 5=Other) further more organization type indicate by (1= government, 2=private, 3=semi government, 4 = other) . This statistical test was set up in order to find a mean, a median, a mode and the standard deviation of all the elements present in this questionnaire and thus see the tendency of each element. Afterward, the central tendency, the mean, the median and the mode will be analyzed that u can be show in the table.
5.3 Spearman correlation

Spearman correlation is often used to identify relationships between ordinal measurement variables and ranges from -1 and 1 where a positive outcome means a positive relationship and so on way round (Hair et. al 2016). However, the authors decided to make the relationship of the spearman to ensure that the independent variables are not too high the same as actually measuring what they were supposed to do rate.

In Table it can be seen that the independent variables (sustainable innovation) is = .642, p<.001 which indicate the positive relationship between sustainable innovation and corporate image.

### Correlations

<table>
<thead>
<tr>
<th></th>
<th>Sustainable Innovation</th>
<th>Corporate image</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spearman's rho</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable Innovation</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>65</td>
</tr>
<tr>
<td>Corporate image</td>
<td>Correlation Coefficient</td>
<td>.642**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>65</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
5.4 CORRELATION

Correlations

<table>
<thead>
<tr>
<th></th>
<th>Sustainable Innovation</th>
<th>Corporate image</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Innovation</td>
<td>Pearson Correlation 1</td>
<td>.711**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>65</td>
</tr>
<tr>
<td>Corporate image</td>
<td>Pearson Correlation .711**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) .000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N 65</td>
<td>65</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

I made a connection to see how our variables are related. In our case \( r = .711 \), so our dependent and independent variations are positively correlated. Correlation is significant at the 0.01 level.

5.5 REGRESSION

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.711*</td>
<td>.505</td>
<td>.497</td>
<td>.42015</td>
</tr>
<tr>
<td>a.</td>
<td>Predictors: (Constant), Sustainable innovation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I made the back of the line. This table gives the square root of R and R. R stands for our correlation of 0.711 this value indicates the positive correlation between our variance. The square of R represents the variance of dependent variables (Corporate image) can be defined by independent variables (Sustainable innovation). In our case 50.5% can be described as the biggest.
5.6 ANOVA\textsuperscript{a}

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>11.358</td>
<td>64.342</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>63</td>
<td>.177</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>64</td>
<td>22.480</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: corporate image
b. Predictors: (Constant), sustainable innovation

The level of freedom is 63-64. The absolute difference has \( N = 1 \) degree of freedom. In this study there were \( N = 65 \) observations, so the total freedom level is 64. The P value is less than 0.01 which means that the independent variation of the sustainable innovation is the dependent variable of the corporate image. The variable "sustainable innovation" can be used to predict the reliability of "corporate image" in a private organization regarding quality of product and environmentally friendly.

5.6 Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.463</td>
<td>.230</td>
<td>2.010</td>
</tr>
<tr>
<td></td>
<td>Sustainable innovation</td>
<td>.696</td>
<td>.087</td>
<td>.711</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Corporate image

The constant value is 0.463 and this is the predicted value when the “SI” variable is 0.049. The Beta power level is 0.711. The value of \( t = 2.010 \) The value entered in the table \( t \) helps to evaluate each value that contributes to the prediction of the dependency variation. Here assisted treatment \( (t = 2.010 > .000 < 0.01) \) has a positive relationship with independent variance. When \( t \) is greater than the calculated value there is a significant correlation between the dependent and independent variables of \( 0.01 > .00 \) indicating that a single unit change in the Sustainable innovation leads to a change of 7 units in corporate image.
5.7 Cronbach alpha

5.7.1 Sustainable innovation

Case Processing Summary

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td>Excluded</td>
<td>0</td>
<td>.0</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
</tbody>
</table>

a. List wise deletion based on all variables in the procedure.

According to above table the Cronbach’s Alpha for Sustainable innovation is 75.3% which includes 6 items. 75.3 % is highly acceptable.

5.7.2 Corporate image

Case Processing Summary

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td>Excluded</td>
<td>0</td>
<td>.0</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
</tbody>
</table>

a. List wise deletion based on all variables in the procedure.

According to above table the Cronbach’s Alpha for Corporate image is 78.9% which includes 9 items. 78.9 % is highly acceptable.
6. Discussion and Conclusion

6.1 Discussion

Pakistan is a developing country of South Asia region, due to political instability from last many years, natural disasters instability in form of floods, earth quicks and other natural disasters. These all factors disturbing Pakistan economy on time to time. But country progress is ongoing and trying to make progress economically as well as socially. Pakistan Government tries to lunch different policies in country that for the welfare of public and also beneficial for investors because only good investment policies can attract foreign direct investment in country. That investment will play significant role in enhancing the country GDP. Now a days, environmental instability is burning topic for all over the world. Our research is related to sustainable innovation on corporate image. Basically, this idea also came from environment stability, companies or firms innovate new ideas which good for environment as well as for society and producers, economically beneficial for everyone.

The focus of this study was to investigate the impact of sustainable innovation on the corporate image. The study has developed the questioner by adding different types of questions that help in achieving the study goals. The questioner questions have been developed by study studying different literature and get help for development of questioner. The questioner has filled by 65 respondents and get results empirical results by using of SPSS. The targeted population was Pakistan, because due to lack of sustainability in country from different aspects. The graphical representation of empirical results explained that sustainable innovation has a positive impact on corporate image. Sustainable innovation can helpful in reshaping the behaviors of organizations and alter their actions to design, form and consume resources and sell products in the market. In the highly sustainable organizational setting, employees tend to execute their tasks following appropriate methods and practices and avoid immoral practices that can harm the reputation of the organization. Sustainable leadership guides employees to follow ethical standards and take employee's suggestions and ideas while making decisions. This research was conducted in Pakistan where people highly value the sustainable practices displayed by organizations.

In details results explained that companies are willing to spend huge amount for sustainable innovation, companies trying to develop environment friendly products that have less impact on environmental pollution during the production process. Also, social benefits are important for production because that help in developing people mind regarding the product. Now companies trying to moving on latest technology in production process that environment friendly and generate the less waste during the production process. These all factors have positive impact on corporate image by corporation between organizations. Organization has different corporation which leads to sustainable innovation such as they can corporate in maintaining the workplace, implementation of new ideas, value customers concern, improve impression, and environment supportive. Our study results found that all these corporations can lead sustainable innovation in
Pakistan that can also helpful for development of country. Also, can play role in enhancing the gross domestic product of country and capture more foreign direct investment in country.

6.2 Theoretical Implications

Our analysis efforts intend to contribute to the literature on sustainable innovation status and corporate image in the business atmosphere. Primarily, we composed a simple research model to know the direct influence of sustainable innovation on corporate image and examined this phenomenon by studying varied supporting attributes. Prior research on sustainable innovation considered factors like performance, social responsibility, and organizational legitimacy. However, the corporate image is a unique variable and will add consequential information in literature focusing on the essence of sustainable innovation. The significant underlying scheme unveiled by these considerations is that people are now attracted to products that use less or no harmful elements, value organic products and maintain positive perceptions about businesses opting for sustainable and environment-friendly innovations.

In this research work, we supplemented the literature by highlighting that the capabilities of an organization to adopt sustainable innovation can aid them in attaining competitive advantage and their sustainable traits make it easy for them to differentiate from their rivals, target market, position and allow them to smoothly create market segments. We claimed that discrepancy in corporate reputation is something that is driven by diverse factors and sustainable innovation is surely one of them. The corporate image signifies the social and personal identity of the organization, which enables organizations to evaluate their position in the market and among the public.

Organizations usually get exposed to social stigma when their products produce harmful effects and cause harm to people. They receive harsh, negative, and biased erudition regarding their uniqueness, and they are perceived as less competent organizations than their competitors in the same industry. This is because the consumer has become more intelligent, knowledgeable, and aware than they were in the past. Research has found that Gen Z consumers promoted the sustainability discussion initially and now people from Gen X and even baby boomers like to utilize sustainable products. It is also evident that people willingly pay more price to purchase from sustainable brands.

Our in-depth analysis highlighted the influence of sustainable innovation over the reputation of the firm and demonstrated the abrogating relationship among organizational aspects that contribute toward image formation. Next, this research enhances the information on irregular patterns, strategies and behaviors that collectively form the corporate image. Prior studies took the organizational environment as an entire concept and lacked corporate image analysis distinctly.
6.3 Conclusion

This research aims to permeate the deceptions and gaps left in previous research work. Current research presented a very basic but not already investigated aspect that questions how sustainable innovation influences corporate image and helps individuals at the workplace. It also contains confirmation that the leaders' behavior and actions at the workplace are conceived as ideal and employees copy the leader's behavior therefore sustainability also includes no discrimination at workplace. Sustainable innovation possesses the power to change non-supportive organizational traits. Besides that whatever efforts businesses pursue the reason is to attract profit and gain a good reputation so sustainable innovation is something that surely enhances the value and reputation of the brands.

6.4 Limitations and future directions

- The study followed a quantitative research approach whereas future researchers could conduct this research using qualitative methods.
- It could be further done by the future researchers by considering one government and one private organization, and comparative analysis of them based on the proposed model could be done.
- The research design was a descriptive one in the current study; it could be done through some other research design as well like experimental or explanatory.
- Data was collected through survey floatation whereas face to face interviews can bring more insightful information
- Current study does not include any mediator and moderator, future researchers can include variables like courage, organizational culture, organizational commitment as mediating or moderating factors.
References


Do, T., 2019. The impact of tagline on brand image: A consumer experiment with a handmade locally brand.


**Appendix**

**Questionnaire:**

We would like to thank you all the participants for giving us their valuable time to fill out this questionnaire. We are the students of Marketing in Linnaeus University, Sweden. We are conducting a study and our research objective is to find the impact of sustainable innovation on corporate image. You could help us in our research by filling out this questionnaire regarding sustainable innovation and corporate image. We would be thankful and appreciate your participation in this survey.

**Gender**

- Male
- Female

**Age**

- 18-25
- 26-30
- 31-35
- 36-40
- 41-50

**Education**
What is the name of the organization you are currently working in?

____________________________

How long have you been working with your present company?

_______________

The questions given below have 5 options so it is requested to select the most appropriate

<table>
<thead>
<tr>
<th>scale</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Sustainable innovation
<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
<tr>
<td>Companies spend heavy budget on sustainable innovation</td>
<td></td>
<td></td>
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<tr>
<td>Companies develop and promote environment-friendly products.</td>
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<tr>
<td>Companies value product offering that incorporates social benefits.</td>
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</tr>
<tr>
<td>Has the best interests of people in mind</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company altered its manufacturing processes</td>
<td></td>
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</tr>
<tr>
<td>Environment-friendly raw material is encouraged and used.</td>
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<td></td>
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<td></td>
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<tr>
<td>Products manufactured, use less energy concentration</td>
<td></td>
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<tr>
<td>Release of hazardous substances during the manufacturing phase is zero.</td>
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<tr>
<td>Remanufacture and reuse is the policy</td>
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<tr>
<td>Products qualify environmental criteria</td>
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</table>

**Corporate Image**
| Compared to other organizations, your organization holds a good reputation (in the entire sector). | 1 | 2 | 3 | 4 | 5 |
| Organization values customer and their concerns | 1 | 2 | 3 | 4 | 5 |
| Organization strives to maintain talent at workplace | 1 | 2 | 3 | 4 | 5 |
| Consumers hold a positive perception about your organization. | 1 | 2 | 3 | 4 | 5 |
| Organizations continuously make an effort to improve their impression in the market and among consumers. | 1 | 2 | 3 | 4 | 5 |
| Organizational leaders allow implementation of new ideas. | 1 | 2 | 3 | 4 | 5 |
| Organizational environment is supportive. | 1 | 2 | 3 | 4 | 5 |
Gender
65 responses

47.7%

52.3%

Male
Female
Sustainable Innovation
Companies spend heavy budget on sustainable innovation.
65 responses

- Strongly disagree: 50.8%
- Disagree: 33.8%
- Neutral: 9.2%
- Agree: 7.7%
- Strongly Agree: 13.8%

Companies develop and promote environment-friendly products.
65 responses

- Strongly disagree: 49.2%
- Disagree: 27.7%
- Neutral: 13.8%
- Agree: 7.7%
- Strongly Agree: 27.7%
Companies value product offering that incorporates social benefits.
64 responses

Has the best interests of people in mind
64 responses

Company altered its manufacturing processes
64 responses
Environment-friendly raw material is encouraged and used.
64 responses

Products manufactured, use less energy concentration
64 responses

Release of hazardous substance during manufacturing phase is zero.
63 responses

Corporate Image
Compared to other organizations, your organization holds good reputation (in entire sector).
64 responses

Organization values customer and their concerns
64 responses

Organization strives to maintain talent at workplace
64 responses
Consumer hold positive perception about your organization.
64 responses

Organization continuously make effort to improve their impression in the market and among consumers.
64 responses

Organizational leaders allow implementation of new ideas
64 responses
Organizational environment is supportive.
64 responses