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KEYWORDS	ABSTRACT
Corporate Social Responsibility, Environmental CSR, Social CSR, Brand Loyalty, Brand Identification, Textile Industry, PLS-SEM.	In the era of increasing global focus on sustainable industrial practices, Corporate Social Responsibility (CSR) has evolved from a philanthropic obligation to a strategic imperative. This study empirically investigates the impact of Environmental CSR and Social CSR on Brand Loyalty within the Pakistani textile sector. Grounded in Social Identity Theory and Signaling Theory, the research further examines the moderating role of Brand Identification to determine the boundary conditions under which these ethical signals are most effective. A quantitative research design was employed, utilizing a self-administered questionnaire to collect data from 300 consumers of major fashion and textile brands in Pakistan. The proposed structural model was tested using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4. The statistical analysis reveals that both Environmental CSR and Social CSR are significant positive predictors of Brand Loyalty, with Environmental CSR demonstrating a slightly stronger effect size, reflecting a shift in consumer priorities towards ecological sustainability. The moderation analysis confirms that Brand Identification significantly amplifies these relationships. The findings suggest that CSR initiatives do not operate in a vacuum; they generate maximal loyalty only when consumers psychologically align their self-concept with the brand's ethical persona. This research contributes to the literature by decomposing CSR into distinct "Planet" and "People" dimensions and validating a "Dual-Path" loyalty model in a non-Western context. It empirically proves that in the modern textile landscape, Brand Identification acts as a catalytic psychological mechanism that transforms ethical approval into deep-seated behavioral loyalty.
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Introduction

The environment of the business world has gradually evolved over the past decade. Now, business is aimed numerous audiences rather than making their owners rich. Corporate Social Responsibility (CSR) is no longer an instrument of PR, but one of the key elements of business. The value of a company is generated today as its profits and its attitude towards people and environment (Carroll, 2016; Aguinis & Glavas, 2012). The shift has been accelerated by digital technology and supply chains have now become more transparent to customers. Buyers are going beyond demonstrating the support of socially responsible companies by using the power of their purchasing preferences (Strizhakova & Coulter, 2013). This moral change is not just a western phenomenon. Experiments performed by the authors indicate that individuals living in the developing world tend to be more concerned with ethical concerns, as they observe climate change and social issues directly (Jamali and Karam, 2018). Therefore, companies should demonstrate that they are good citizens, particularly in the areas where social and environmental concerns are of the highest priority. Companies take the risk of ruining their reputations or even shutting down the company when the demands are not adhered to. The United Nations Sustainable Development Goals (SDGs) also stimulate this trend since companies strive to tackle the presence of global issues like poverty and climate change (Rosati and Faria, 2019).

Global Textile and Fashion Industry

The world of textile and fashion industry is one of the most important aspects of the sustainability debate. The industry is dubbed as the second most polluting in the globe, after the oil and gas (Niinimäki et al., 2020). Quick production, low prices, and consummative use have been a disaster to the environment and the working conditions due to Fast Fashion. Research indicates that the bunch of textile supply chain requires a great deal of water, creates chemical smoke, and releases greenhouse gases (Palacios-Mateo et al., 2021). In 2013, the Rana Plaza tragedy in Bangladesh brought to light the social cost of cheap clothes which created increasing pressure to open the supply chain and treat workers fairly (Reza & Rashid, 2017). To address these issues, a new concept known as Sustainable Fashion is expanding. This is facilitated by the best brands which carry out Environmental CSR programs like use of organic cotton, recycled polyester, and better waste management. These programs possess Social CSR, as fair-paying and supporting females, to retain buyers. Research indicates that contemporary consumers, particularly the youth, are now more concerned with the environmentally friendly and responsible nature of garments rather than fashion and cost-effectiveness (Javed et al., 2020). Brands need to demonstrate that they are more concerned about such attempts to earn people's confidence and not be described as fake.

The textile industry is the economy driver in Pakistan. It represents approximately 60 percent of the total exports, 40 percent of the industrial labor force (Pakistan Economic Survey, 2021). This is a very vital sector that is connected to national prosperity. Nevertheless, the textile industry in the country of Pakistan must struggle with challenging factors. There are also global compliance regulations, including severe human rights and environmental conditions, which include GSP++ of the European Union (Kamran et al., 2020). In the case of the textile brands of Pakistan, CSR is the

survival mechanism rather than the luxury. It has seen an expansion in the domestic retail fashion industry where brands such as Khaadi, Sapphire, Gul Ahmed, and J. have changed their sales of commodities to high-valued brands. These domestic companies do not only compete in designs, inhaling corporate narratives as well. An aware consumer population is a result of Urbanization and digital connectivity. Gilal et al. (2019) claim that a brand choice allows consumers in Pakistan to demonstrate their social awareness and modernity. Local brands invest in wastewater treatment plants and solar energy regarding Environmental CSR. They are also providing educational and medical opportunities to workers in Social CSR, to stand out in an already saturated market (Sharif & Rashid, 2014). Not much knowledge is available about the impact of these activities on the recreational business, including Brand Loyalty, of developing markets. Though it is thought that doing good improves the relationship, the linkage of the environmental and social CSR-focus and loyalty is hardly researched in Pakistan (Ali et al., 2020).

A major weakness in the existing academic literature is the idea of treating CSR as a unit, aggregate concept. Scholars have tended to confound the impacts of various ethical signals by integrating the environmental, social, and economic responsibilities into one variable (Meinhold et al., 2026). According to more recent findings, a multidimensional approach should be taken. The consumers perceive social signals as opposed to environmental ones (equity and fairness), which are interpreted differently (Meinhold et al., 2026). This fact is important in the textile sector. The aspects of Cadmium regarding the environment manifest themselves in the product qualities like fabric touch and packaging, which provide indicators of quality and innovation (Chen and Chang, 2013). The social CSR is more a process and intangible-related issue, with attention concentrated on the working conditions as the indicators of moral legitimacy (Iglesias et al., 2020). This understanding of the dimension that creates more loyalty will allow managers to put resources into the right area. This paper recognizes between the Environmental and Social CSR as independent variables to study the preferences of consumers in detail. CSR is an initiator but the impact on loyalty lies in the psychological process referred to brand identification. The current paper contends that brand identification has been ignited most times by CSR-loyalty models has been omitted to mediate. Brand identification happens when the consumers believe that their values are close to the values of a brand (Bhattacharya & Sen, 2003; He and Lai, 2014). The symbols are the brands in the modern age of expressive consumption. Responsible activities internalized by customers result in insensitivity of price as a factor in loyalty growth (Lam et al., 2010). The core point is that CSR boosts loyalty not only on its own, but also by driving consumer-brand identification, especially when purpose comes before profit. However, the literature on developing economies often overlooks the moderating effect of Brand Identification, treating consumers into either transactional or price-sensitive categories. This proposed research aims to challenge that stereotype and present the idea that Pakistani consumers feel motivated by self-congruence and symbolic fit (Raza et al., 2020).

CSR has become strategically important, but gaps remain in literature. Most CSR-loyalty studies come from Western, advanced economies (WEIRD populations). Applying these to South Asian markets is difficult, as local ethics are shaped by culture and religion (Jamali et al., 2017). Another

gap is the unclear effects of Environmental versus Social CSR. Managers often do not know which investment helps retention most. Finally, while many studies show a direct link between CSR and loyalty, the moderating effect of Brand Identification—especially in textiles—remains underexplored. In Pakistan's textile market, counterfeiting and price wars are common, brands struggle to keep customers. Consumers now prioritize fundamental factors like satisfaction, but these alone do not stop switching. Only if consumers truly connect with ethical brands force CSR shift from a cost center to a valuable strategic asset in brand equity.

Objectives

1. To empirically examine the impact of Environmental CSR on Brand Loyalty within the Pakistani textile sector.
2. To evaluate the influence of Social CSR on Brand Loyalty among textile consumers.
3. To determine the moderating role of Brand Identification on the relationship between Environmental CSR and Brand Loyalty.
4. To assess the moderating role of Brand Identification on the relationship between Social CSR and Brand Loyalty.

In general, the global sustainability tendencies, the environmental and social susceptibility of the textile industry and building the psychology of the Pakistani consumer provide promising research. The fact that the industry intersects on both the blistering growth and social accountability means that the implied connection between certain aspects of CSR, customer awareness, and brand loyalty is not only an academic issue but also a critical practical one. This is the gap of the theoretical and contextual literature that will be covered by this paper, which can present a solid framework of what makes ethical corporate behavior and subsequently converting it into sustainable customer relations in one of the most vibrant emerging markets in the world.

Literature Review

The modern marketing environment has been undergoing radical change, moving away from a transactional paradigm focused on product features and price to a relational one based on shared values and corporate identity. In such a hyper-competitive, radically transparent, and more vocal environment of stakeholder activism, formerly powerful instruments of competitive advantage, such as product quality or distribution efficiency, have been commoditized into hygiene factors. They are needed to penetrate the market, but not to maintain long-term market leadership. As a result, academic and business attention has shifted to intangible resources, where Corporate Social Responsibility (CSR) has become a key component of the brand equity framework.

Theoretical Framework

This study integrates three mutually supportive theoretical models to offer a strong explanation of the proposed relationships. Through the interaction of these theories, a consumer-brand may be seen through the prism of each theory separately. However, together they present the complete picture (understanding consumer motivation to associate with the brand (Social Identity Theory),

information processing (Signaling Theory), and relational dynamics (why consumers will pay back with loyalty).

The initial social identity theory was proposed by Tajfel and Turner (1979), who assumed that the individual self-concept consists of personal and social identity. The need for self-esteem is the fundamental principle of social claiming; people strive to attain high-status groups and preserve their positive social identity. Bhattacharya and Sen (2003) suggested, in a classic use of SIT in the corporate world, that corporations and brands serve as important social categories. According to SIT, consumers employ self-categorization, evaluating a brand's identity and contrasting it with their self-concept. The consumer obtains the brand's reflected glory through its moral status by purchasing a brand known to be environmentally responsible or to uphold high labor standards (Licata et al., 2021). It is critical to the present study because this perspective explains the source of heterogeneity in consumer reactions and the fact that CSR is not an input-output process but rather depends on the Self-Congruity mechanism.

Signaling Theory refers to rational, cognitive evaluation of the brand. Spence (1973) suggested, and Erdem and Swait (1998) modified it to address the most widespread issue of information asymmetry. Products in the textile and fashion business often carry credibility attributes; a mass customer cannot easily determine whether a shirt was made with child labor, toxic dyes, or sustainable cotton just by looking at it when buying. A company investing in a wastewater treatment facility, receiving worldwide environmental certifications (e.g., OEKO-TEX), or certifying its supply chain is very expensive. Consumers perceive such expensive investments as indicators of the firm's financial stability, long-term perspective, and managerial competence (Zerbini, 2017). Corporate signals are vital in a developing economy such as Pakistan's, where enforcement institutions may be feeble. Customers use voluntary CSR activities as a proxy for product safety and reliability and thus become loyal due to a perception of competence rather than a moral duty.

Blau (1964) developed Social Exchange Theory as an explanatory theory of reciprocity in behavioral loyalty. Unlike a contractual economic exchange, social exchange is voluntary, unspecified, and trust based. Whenever one party benefits the other, the receiving party's obligated to repay the benefactor, as the norm of reciprocity dictates (Gouldner, 1960). When a corporation engages in CSR or Social CSR activities, such as improving the lives of the less privileged, empowering female workers, or sponsoring education, it is, in effect, giving a gift to society. The consumers may not benefit directly, but they feel that the brand is a well-wishing partner that helps advance the common good in the community. To restore equity, consumers respond by practicing supportive behavior repeat purchasing (loyalty), resisting negative information (resilience), and positive word of mouth (advocacy). This theory holds that loyalty is a moral requirement, which explains why relationships with socially responsible brands are sticky.

Corporate Social Responsibility (CSR)

The idea of CSR has changed significantly over the last 50 years. An example taken from Carroll's (1979) pyramid regarded CSR as a pyramid of economic, legal, ethical, and philanthropic

responsibilities. Although pioneering, this model has been reproached for not being sufficiently granular to explain consumer behavior. Scholars in the contemporary world suggest that CSR is a monolithic, aggregate variable that creates a mist around the effects of its sub-dimensions (Fatma & Khan, 2023). Consumers fail to process responsibility, and abstractly, they make a distinction between the objects of that responsibility. To be more exact, the flip on the opposites between the Planet (Environmental) and People (Social) dimensions has become the defining fault line in contemporary ethical branding.

Environmental CSR (The Human Imperative)

Environmental CSR is a firm's interest in reducing its ecological footprint through sustainable sourcing, energy use, waste reduction, and eco-innovation (Rahman et al., 2015). The environmental stakes in the international textile industry are incredibly high, as it contributes approximately 20% of industrial water pollution and 10% of global greenhouse gas emissions (Niinimäki et al., 2020). This has shifted Environmental CSR from a niche differentiator to a strategic imperative. The emergence of Eco-Fashion is an indication of a paradigm shift in consumer values, often referred to as the Green Shift. Proposing the idea of the so-called Green Trust, Chen & Chang (2013) state that consumers are becoming increasingly suspicious in the era of so-called Greenwashing. Nevertheless, when environmental assertions are confirmed and physical or observable, e.g., the placement of eco-labels or the implementation of actual recycling initiatives, they go a long way toward augmenting brand equity. Javed et al. (2020) found in Pakistan that launching environmental efforts is increasingly associated with perceived modernity, with consumers linking the concept of green brands to innovations and universal standards. However, a gap in the critical literature is present most of the studies presume that Environmental CSR triggers loyalty due to ethically satisfying reasons (altruism), totally disregarding the so-called Competence Signal that was introduced by the Signaling Theory, which states that consumers purchase green products because they think that they are better or safer to use. This is what this research seeks to describe.

Social CSR (The Human Imperative)

The concept of social CSR encompasses discretionary activities and events that enhance the well-being of human stakeholders, such as employees, suppliers, and local communities (Alvarado-Herrera et al., 2017). This dimension requires legitimacy and warmth. In the manufacturing sector, such as the textile sector, historically dominated by human rights scandals, Social CSR functions via the legitimacy-warmth process. Malik et al. (2019) state that in collectivistic societies such as that of Pakistan, companies become obliged to act like the elder members of the community – taking care of the weak. This aligns with the Islamic concept of Sadaqah (voluntary charity), and it is projected that Social CSR will be consistent with consumers' religious and cultural values (Ali et al., 2020). Companies that do not consider this aspect will tend to have a so-called Legitimacy Gap, as they will be perceived as exploitative. According to comparative studies (Grimer & Bingham, 2013), there may be a so-called Social CSR invisible to consumers (e.g., fair wages in distant factories), whereas Environmental CSR is represented in the product (e.g., recycled packaging). This

research aims to establish whether a loyalty or emotional connection gap exists and whether Social CSR results in greater long-term retention despite decreased visibility.

Brand Identification as a Moderator

Brand Identification (BI) is a state of consciousness in which a consumer believes that there is a sameness between the self-concept and brand identity (Stockburger-Sauer et al., 2012). It is a mental understanding (This brand can be like me, or this brand can be who I aspire to be). The cognitive and emotional elements are not separate; the level of identification is deeper than that of satisfaction, as it entails cognitive categorization (I belong to this group) and emotional connection (I feel good about this group). According to Bhattacharya and Sen (2003), deep loyalty is primarily dependent on identification as the underlying psychological background. In the study, the role of Brand Identification has been placed on a moderator-boundary condition but not as a mediator. Most studies treat BI because of CSR, but this paper argues that BI dictates the circumstances in which CSR is relevant. Self-Congruity Theory facilitates this practice contingency motivates people. When a consumer perceives himself as being an environmentalist, he becomes hypersensitive to Environmental CSR cues. To this type of individual, green brand loyalty confirms individual identity. On the other hand, when a consumer has a concept of frugality or status and their identity is central to their self-concept, CSR cues can be discarded or considered irrelevant. Based on their view that knowing who responds to CSR is no less important than knowing what CSR does, Martinez and Nishiyama (2022) call for further research on identification as a moderator. By doing this as a moderator, this study will address the inconsistency in which CSR failed to deliver ROI, which could be attributed to the target audience lacking the necessary identification to process the signal.

Brand Loyalty as a Behavioral Result

Brand Loyalty is the holy grail of the marketing strategy. It is described as an innate tendency to repeatedly buy a favorite product, regardless of circumstances or advertising campaigns aimed at shifting behavior (Oliver, 1999). The literature distinguishes between attitudinal loyalty (a favorable attitude toward the brand) and behavioral loyalty (the actual frequency of repeat purchases). The behavioral loyalty secured is notoriously hard in the textile industry, where switching costs are low, fragmentation is high, and fashion is so varied that consumers seek variety. A consumer can have an attitudinal preference for a sustainable brand but still purchase fast fashion because of the price (behavioral). Positioning is ethical, which causes psychological barriers to switching. He and Lai (2014) argue that a consumer who is loyal to a particular brand (CSR) because of its values will experience cognitive dissonance or moral guilt when switching to a cheaper competitor. Accordingly, it is theorized that CSR-induced loyalty will be stronger (stickier) than the loyalty created by sales promotion or trend dynamics. This paper dwells on this long-term, enduring type of loyalty as the last fruit of an effective CSR-identification fit.

Hypothesis Development

According to the theoretical amalgamation of Signaling Theory, Social Exchange Theory, and Social Identity Theory, the following hypotheses are as follows.

Environmental CSR and the effect on brand loyalty

Signaling Theory further postulates that Environmental CSR is a proxy of corporate quality, innovation, and integrity. As the market evolves and people face risks related to product safety (toxic dyes, low durability, etc.), an environmental certification serves as a competitive advantage guarantee. The international climate change discussion has made eco-friendliness an attractive social status symbol for the aspirational Pakistani middle class. The study by Islam et al. (2021) showed that the association between green practices and customer retention in the hospitality industry is positive; this is likely to hold in textiles as well. As such, it is theorized that:

H1: There is a strong positive correlation between Environmental CSR and Brand Loyalty.

Social CSR Effects on Brand Loyalty

Based on the Social Exchange Theory and the norm of reciprocity, consumers have a normative need to reward firms that engage in social welfare. Reza and Rashid (2017) showed that when textile brands in Pakistan invest in improving workers' welfare, they are viewed as ethical heroes, gain the most trust, and minimize switching costs. Whereas Environmental CSR targets cognition (quality/future), Social CSR targets emotions (compassion/fairness/religious duty). By showing concern for individuals, brands build an emotional debt that is repaid through loyalty. Hence, the hypothesis is the following:

H2: There is a strong positive relationship between Social CSR and Brand Loyalty.

The Moderating Role of Brand Identification (Environmental)

Self-Congruity Theory holds that the actions of one brand influence consumers through a positive relationship with their self-image. To a high identifier, Environmental CSR does not just appear as a personal identification in corporate news. The brand conveys the consumer's values at the corporate level. For the low identifier, the green-colored signal is received but does not become an internal part; it remains an external part. In this regard, the impact of Environmental CSR on consumers' brand loyalty should be considerably greater. Hence, the hypothesis is that:

H3: There is a positive relationship between Environmental CSR and Brand Loyalty with Brand Identification.

The Moderating Role of Brand Identification (Social)

In the same vein, Social CSR activities are very effective identity signifiers. Moral prestige is obtained by associating with a socially good brand in a culture such as Pakistan's. Gilal et al. (2020) argue that high identifiers use a central route (high involvement) of information processing, leading to long-lasting changes in attitudes. They see the brand's philanthropy as a PR move to meet their personal philanthropy requirements. On the other hand, low identifiers, which do not possess such a connection of feelings, might view Social CSR as an unrelated affair or a marketing fad. Brand Identification, therefore, transforms Social CSR into a generic property into a powerful loyalty. Thus, the hypothesis is as follows:

H4: Brand Identification positively moderates the relationship between Social CSR and Brand Loyalty.

Overall, the literature states that although CSR is likely to become a loyalty driver, this process is multidimensional and complex with a psychologically contingent mechanism. The research paper will be based on these grounds to the extent that a holistic model can be tested that incorporates the signaling power of CSR and the identity-affirming strength of the brand.

Methodology

The study follows a quantitative research framework, with a cross-sectional survey as the primary data-gathering tool. It tests the impact of Environmental and Social Corporate Social Responsibility (CSR) on Brand Loyalty, and it is proposed that Brand Identification moderate the effects. The sample of 300 customers of dominant textile brands in Pakistan was gathered through self-administered questionnaires. Measurement scales were derived from robust, peer-reviewed materials to ensure content validity. Environmental CSR was operationalised by items modified by Turker (2009) to represent ecological commitments of firms; Social CSR adopted the scale developed by Alvarado-Herrera et al. (2017) to reflect community and employee welfare; Brand Identification used the scale which is widely recognised that is the ratio of Mael and Ashforth (1992); and Brand Loyalty adopted items used by Oliver (1999). The responses were gathered on a 5-point Likert scale, where 1 would be Strongly Disagree, and 5 would be Strongly Agree. The obtained data were transformed into a dataset and analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS 4, which enabled us to assess measurement reliability and test hypotheses about the structural model.

Results:

Table 1: Demographic Profile of Respondents (N = 300)

Variable	Category	Frequency (f)	Percentage (%)
Gender	Male	135	45.0
	Female	165	55.0
Age Group	18 – 25 Years	120	40.0

Profession	26 – 35 Years	105	35.0
	36 – 45 Years	50	16.7
	Above 45 Years	25	8.3
	Student	120	40.0
	Private Sector Employee	90	30.0
	Government Employee	30	10.0
	Business / Entrepreneur	30	10.0
	Housewife / Others	30	10.0

Table 2: *Factor Loadings, Reliability, and Convergent Validity*

Construct	Item	Outer Loading	Cronbach's Alpha	Composite Reliability (CR)	AVE
Environmental CSR	ECSR1	0.842	0.815	0.887	0.664
	ECSR2	0.819			
	ECSR3	0.785			
Social CSR	SCSR1	0.795	0.792	0.865	0.628
	SCSR2	0.833			
	SCSR3	0.761			
Brand Identification	BI1	0.881	0.844	0.901	0.725
	BI2	0.812			
	BI3	0.855			
Brand Loyalty	BL1	0.864	0.859	0.912	0.751
	BL2	0.823			
	BL3	0.898			

All indicator loadings exceed the recommended threshold of 0.70, indicating strong item reliability. Cronbach's Alpha and Composite Reliability values are above 0.70 for all constructs, confirming internal consistency reliability. Additionally, AVE values exceed 0.50, establishing satisfactory convergent validity. Hence, the measurement model demonstrates strong reliability and validity.

Table 3: *Discriminant Validity – Fornell-Larcker Criterion*

Construct	Brand ID	Brand Loyalty	Environmental CSR	Social CSR
Brand ID	0.851			
Brand Loyalty	0.712	0.866		
Environmental CSR	0.455	0.523	0.815	
Social CSR	0.489	0.567	0.412	0.792

Discriminator validity is confirmed as the square root of AVE (diagonal values) for each construct is higher than its corresponding inter-construct correlations. This indicates that all constructs are empirically distinct from one another.

Table 4: Discriminant Validity – HTMT Ratio

Construct	Brand ID	Brand Loyalty	Environmental CSR	Social CSR
Brand ID	—			
Brand Loyalty	0.782	—		
Environmental CSR	0.512	0.598	—	
Social CSR	0.544	0.631	0.482	—

All HTMT ratios are below the conservative threshold of 0.85, confirming discriminant validity using the modern and more robust criterion. This further strengthens confidence in the measurement model.

Structural Model Assessment

The structural model was assessed to evaluate explanatory power and test the proposed hypotheses.

Table 5: Collinearity Statistics (VIF Values)

Construct	VIF	Interpretation
Environmental CSR	1.452	No Multicollinearity
Social CSR	1.678	No Multicollinearity
Brand Identification	1.521	No Multicollinearity
Brand Loyalty	N/A	Dependent Variable

All VIF values are well below the threshold of 3.0, indicating that multicollinearity is not a concern in this study. Therefore, the structural model estimates are stable and reliable.

Table 5: Coefficient of Determination (R^2)

Dependent Variable	R^2	Adjusted R^2	Interpretation
Brand Loyalty	0.612	0.608	Substantial

The R^2 value of 0.612 indicates that Environmental CSR, Social CSR, and Brand Identification collectively explain 61.2% of the variance in Brand Loyalty. This reflects strong explanatory power according to PLS-SEM guidelines.

Table 6: *Path Coefficients and Hypothesis Testing (Direct Effects)*

Hypothesis	Path	β	T-Statistic	P-Value	Decision
H1	Environmental CSR $\rightarrow$ Brand Loyalty	0.298	4.512	0.000	Supported
H2	Social CSR $\rightarrow$ Brand Loyalty	0.245	3.891	0.000	Supported

Environmental CSR and Social CSR both have a positive and statistically significant impact on Brand Loyalty. Brand Identification also shows a strong direct effect, confirming its importance as a key predictor.

Table 7: *Effect Size (f^2)*

Path Relationship	f^2 Value	Effect Size
Environmental CSR $\rightarrow$ Brand Loyalty	0.145	Small to Medium
Social CSR $\rightarrow$ Brand Loyalty	0.112	Small to Medium
Brand Identification $\rightarrow$ Brand Loyalty	0.315	Large

Effect size analysis reveals that Brand Identification has a large effect on Brand Loyalty, while Environmental CSR and Social CSR exhibit moderate practical relevance. This highlights Brand Identification as the most influential predictor.

Table 8: *Moderation Effects*

Hypothesis	Interaction Path	β	T-Statistic	P-Value	Decision
H3	Environmental CSR $\times$ Brand ID $\rightarrow$ Brand Loyalty	0.185	2.540	0.011	Supported
H4	Social CSR $\times$ Brand ID $\rightarrow$ Brand Loyalty	0.162	2.315	0.021	Supported

The interaction effects are positive and significant, confirming that Brand Identification strengthens the impact of both Environmental and Social CSR on Brand Loyalty. Consumers with strong brand identification respond more positively to CSR initiatives.

Table 9: *Model Fit and Predictive Relevance*

Metric	Value	Threshold	Result
SRMR	0.064	< 0.08	Good Fit
NFI	0.912	> 0.90	Acceptable
Q^2 (Brand Loyalty)	0.384	> 0	High Predictive Relevance

The SRMR and NFI values indicate a well-fitting model. Furthermore, the Q^2 value exceeds zero, confirming strong predictive relevance and demonstrating that the model can effectively predict future observations.

Discussion

The main aim of the study was to examine the antecedents of Brand Loyalty in the Pakistani textile industry by systematically breaking Corporate Social Responsibility into two orthogonal, multi-dimensional variables: Environmental CSR and Social CSR. Besides, the research made efforts to outline boundary conditions by incorporating Brand Identification as a psychological moderator. The hypothesizing background assumes that although CSR activity serves as an instrumental message of ethical behavior, the manipulation of these messages into long-term loyalty is determined by the level of consumer-brand congruence. The study is a response to a gap in the extant marketing literature, namely, the necessity to go beyond the simplistic question of whether CSR pays to the sophisticated discussion of the interactional mechanisms and to whom CSR generates value, which, in the case of emerging economies where institutional voids are prevalent, corporate ethics is a crucial competitive advantage factor (Jamali & Karam, 2018).

The SmartPLS analysis supported the internal consistency and predictive validity of the conceptual model. The predictive power, as shown by an R^2 of 0.612, indicates that the exogenous constructs (Environmental CSR, Social CSR, Brand Identification) together explain 61.2 percent of Brand Loyalty. In consumer behaviour research, where thousands of latent variables can exist, an average-to-strong effect is considered present when R^2 exceeds 0.50 (Hair et al., 2019). The results suggest that, in Pakistan's textile industry, moral and identity-based factors have shifted from the margins to the core, becoming retention forces. This has meant that the so-called canonical 4Ps of the marketing mix are no longer good enough; with the emergence of a "Fifth P" focused on Purpose and operationalised via CSRs, the latter has become an indispensable element of the consumer decision model.

The measurement model satisfied the set standards of reliability and validity (Cronbach's Alpha near 0.70; AVE near 0.50), confirming the empirical uniqueness of the constructs and reducing standard method error. The support of all the hypotheses was strong in the structural model (H1-H4). These findings disprove the notion of a lack of faith in CSR effectiveness in price-sensitive developing markets, showing, on the contrary, that consumers in Pakistan use corporate ethics as a quality and trust heuristic. The following paragraphs critically evaluate all statistical findings, placing them in the context of the theoretical discussion and industry-specific socio-economic factors.

Environmental CSR and Loyalty

The initial hypothesis (H1) was that the positive effect of Environmental CSR on Brand Loyalty is significant. The empirical evidence is unanimous: the path coefficient $\beta = 0.298$ ($t = 4.512$, $p < 0.001$). This implies that an increase in the perceived environmental responsibility of one unit will

increase brand loyalty by one unit, all else equal. The statistic confirms the Green Shift hypothesis for a developing economy and refutes prior descriptions of a value-action gap among consumers in South Asia (Eckhardt et al., 2010). The large t -value disproves the hypothesis that environmental issues remain marginal, indicating that urban, educated customers incorporate eco-responsibility during upfront brand evaluations. This is consistent with offline research by Javed et al. (2020) in the fashion sector, which found that environmental stewardship has moved beyond a niche differentiator to a hygiene factor.

From a theoretical perspective, Signalling Theory (Spence, 1973) offers a parsimonious explanation in an industry dominated by observable pollution and supply-chain opacities: in such a sector, managers of genuinely competent companies signal their competence to observers by visibly investing in a sustainable package or organic source (high-fidelity). Consumers conclude that organisational quality, innovation, and product safety are general factors in addressing complex environmental issues. Therefore, the loyalty value that is represented by the value of 0.298 is both the repentance to the moral- the planet can get better- and the reduction in risk shedding -the impression that a cleaner supply chain produces better products. According to Chen and Chang (2020), the relationship is mediated by green trust, which reduces perceived product risk and thereby strengthens loyalty. The comparatively high coefficient indicates that Pakistani consumers tend to vote with their wallets, patronizing brands they see as helping reduce environmental degradation within the parameters of their daily lives.

Social CSR and Loyalty

Hypothesis 2 was assumed that Social CSR had a significant influence on Brand Loyalty. This is supported by the analysis, which indicates a beta value of $\beta = 0.245$ ($t = 3.891$, $p < 0.001$). The effect, though statistically strong, is marginally lower than that of Environmental CSR. The desirable effect is linked to Social Exchange Theory (Blau, 1964), a relevant concept in Pakistani collectivist culture, which is salient to the notions of reciprocity and religious philanthropy. The textile companies that invest in their employees, empower them, and enhance their health thereby create a pool of goodwill (Bhattacharya & Sen, 2004). The significant p -value highlights that consumers feel a moral responsibility to repay such generosity with continued patronage, in line with Ali et al. (2020)'s findings on Muslim-majority markets, where CSR confronts normative moral responsibility. The dilution of Social CSR effect could result from the sector's tangibility bias: environmental qualities are tangible at the point of consumption, whereas social promises are intangible and not visible to buyers (e.g., fair wages in distant factories). According to Grimmer and Bingham (2013), tangible ethics are more readily consumed, providing instant satisfaction in contrast to abstract, process-related ethics. In turn, despite being part of legitimacy, Social CSR is a weaker source of loyalty now than the more visible environmental signaling.

Interaction of Brand Identification

The moderation analysis of this research, which inquires the extent to which Brand Identification moderates the CSR and loyalty relationship. These results establish that Brand Identification

moderates significantly the Effects of Environmental and Social CSRs. This suggests a contingent, rather than universalist, view of CSR.

Environmental CSR $\times$ Brand Identification: we observed an interaction; Environmental CSR $\times$ Brand Identification $\beta = 0.185$ ($t = 2.540$, $p = 0.011$). The positive value shows that high measures of identification reinforce the association between environmental efforts and loyalty. Environmental action is a personal affirmation that provides an appropriate perspective. For consumers who regard a brand as a factual extension of their self-concept, the Self-Congruity Theory (Sirgy, 1982) offers one. A high identifier, therefore, purchases a green product because it is a form of identity signalling to support belonging. On the other hand, low identifiers have a weaker relationship as there is no psychological attachment. This dynamic is why generic green marketing tends to be ineffective, as it lacks identification.

Interaction with Social CSR (H 4): Likewise, the interaction between Social CSR and Brand Identification has a beta of 0.162 ($t = 2.315$, $p = 0.021$). This is an important impact, namely Consumer-Company Identification (C-C-I) (Bhattacharya & Sen, 2003). Brands that capture social CSR through cultural or national narratives (e.g., Independence campaigns) are the ones that bring high identifiers in Pakistan's textile market together around a shared value. The interaction effect shows that social CSR transforms the brand into a potential social partner, thereby creating affective commitment beyond a calculative one. High identifiers, therefore, face a psychological penalty in the form of identity loss if they change brands, which strengthens loyalty.

Comparative Analysis and Theoretical Synthesis

Generalizing the statistical findings, the research confirms a Dual-Path model, a functional path facilitated by direct CSR effects (DPE-0.298, DPE-0.245, DPE-DB-0.18), a symbol path (T-0.18). The first one is rational, the cognitive evaluation; the second one is emotional, the affective assessment. The results challenge the one-size-fits-all tenet of the initial CSR literature, as Pakistani consumers do not distinguish between environmental and social cues. The more substantial influence of Environmental CSR represents a re-prioritization of the ethical priorities, as environmental sustainability is becoming another key distinguishing attribute in an ever-changing list of ethical priorities. Such a trend echoes the pandemic-driven trend toward eco-innovation and the attractiveness of a cosmopolitan image among younger shoppers. Although necessary for legitimacy, social CSR is less differentiating and is merely a baseline requirement.

The establishment of the moderation hypotheses resolves past inconsistencies. Prior research (Maignan & Ferrell, 2004) yielded inconsistent findings on the relationship between CSR and financial returns. In this case, the contact makes it clear that CSR is just a latent fuel, and it is only after the orientation with consumer identity. Like a spark-fuel system, the high score of CSR investment will not give it much value in form of loyalty without identification. It is a delicate point to the extent that it causes a shift in the scholarly interest of whether CSR pays into whether it pays under what conditions.

Findings context in terms of Pakistani Textile Sector

Such numbers force the viewer to put the situation of textile in Pakistan in perspective. Chronic issues of legitimacy crisis are in the rights over labour, safety and environmental pollution. Old relationships within this milieu drive home this point of view; CSR forms a critical risk-management tool. The value of $R^2 = 0.612$ means that the consumers are utilizing CSR signals to enforce bad actors out of business and in place of that, they grow up to support an ethically produced firm, thereby acting as an informal regulatory structure (Christmann & Taylor, 2006). The virtual ecosystem just serves to create a heavier load on this phenomenon: viral social-media coverage of CSR malpractices or awards comes fast, increasing consumer scrutiny and empowering consumers. Hence, CSR is more likely to be an effective distinction tool, as well as a safeguarding tool even in a social and political environment whereby governments are not always on the high alert regarding regulation.

Overall, Brand Loyalty in the textile business in Pakistan is the result of empirical studies with Corporate Social Responsibility impetus and not a by-product. The value of Environmental versus Social CSR (0.298 as compared to 0.245) represents a growing degree of eco-consciousness among the consumers since they consider sustainability as a virtue and a measure of modernity. More important is the mediating effect of Brand Identification: the coefficients of interaction (0.185 and 0.162) demonstrate that nothing causes deep loyalty provided that ethical approval before the consumer relates to the brand. Thus, CSR will give someone a reason to believe, and Brand Identification will give a person a reason to belong. The study bridges the gap between macro-ethical policy and micro-psychology, which means that, when it comes to textile brands functioning on the developing economy, sustainable competitive advantage cannot be attained through purely underlying environmental and social reforms, as well as brand personality, which addresses to self-concepts of consumers. It is a following loyalty not simply transactional except in the case of highly emotional and long lasting, under the protection of a dual shield of moral trust and identification.

Theoretical Implications

This research would fit to the body of research already in CSR, consumer behavior and brand management, particularly where the context is underdeveloped. It continues the Signalling Theory by demonstrating how in the high-risk areas environmental projects are an economic indicator of quality and modern products. The article hypothesizes a Dual-Pathing, which means that brand recognition mediates the impact of CSR on loyalty to lead dealing with contradictory information on financial pay-off of CSR. It therefore applies Self-Congruence Theory to ethical branding that states ethical firms as symbolic resources used by consumers to establish and indicate their identities. In addition, using the systematic separation of CSR into spatial areas within the environment and social, the research question explores the monolithic disposition of CSR, where different ethical cues are determined in the Global South in a dysconnectivity manner, thus offering nuanced limits to the ethical dominion.

Managerial Implications

Its results make useful suggestions to managers and policy makers of the textile and fashion industry brands. Make a commitment to value that CSR is not a compliance since it is a strategic asset. The strong effect of environmental CSR implies that visible, physical sustainability projects, organic materials, and zero-waste efforts should be part of front-end marketing resources, rather than back-end expenses. A clear signal can be effectively used in product labeling and in digital stories that depict quality and modernity. Since Brand Identification has an amplifying effect, companies need to develop a unique brand personality that resonates with local values and creates a sense of belonging among consumers. The tangibility gap (especially in social CSR) can be bridged through digital transparency, as evidenced by shared experiences. Finally, treating ethical branding as risk management also provides a reputational cushion to address price wars and competitor entry.

Conclusion

Contemporary marketplace competition in loyalty has shifted from price and quality to the emotional and ethical fronts of consumers. This study demonstrates that Corporate Social Responsibility is a powerful strategic tool for gaining loyalty. As the investigation shows, a model of Environmental and Social CSR that stimulates loyalty, enhanced through Brand Identification, results in strong brands that combine corporate mission and consumer identity. In the case of the Pakistani textile industry, the advocacy is unambiguous; silent CSR is a thing of the past; the brands need to be loud and real with their respective commitments to ethical practices because they have to demonstrate that they have a mutual quest to preserve the environment and that they are working together to improve society. Nonetheless, acting in good faith when it comes to identity is the surest way towards sustainable success.

Limitations and Future Research Direction

The study design is cross-sectional and thus does not permit direct inference of causal relationships or temporal behavioural dependence. Future work should use longitudinal designs to test the effects of CSR evolution on loyalty succession. It is narrowed because the textile sector is the focus, and generalising could be crucial; applying the model to other high-involvement industries (e.g., automotive, banking) would challenge the applicability of the Dual-Path mechanism. Self-reported data can be biased by social desirability; experimental or neuromarketing methods would help measure responses to CSR cues that might be unconscious. Lastly, it would be interesting to add a measure of greenwashing scepticism. This issue recently emerged in the era of performative activism, to the model, and thus, how cynicism can mitigate the positive impact of CSR.

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