Unveiling The Drivers of Corporate Social Responsibility: The Roles of Profitability, Consumer Proximity, Media Influence, Environmental Awareness, and Tax Aggressiveness

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Introduction: Global economic transparency has driven a shift toward "triple bottom line" Corporate Social Responsibility (CSR), yet implementation remains inconsistent, particularly within the Indonesian manufacturing sector where violations persist. Since previous research regarding the influence of profitability, media exposure, and tax aggressiveness on CSR disclosures remains inconclusive, this study examines how these factors impacted CSR practices among Indonesian manufacturing companies listed on the IDX from 2022 to 2024.

Methodology: This study investigates the influence of profitability, consumer proximity, media exposure, environmental sensitivity, and tax aggressiveness on Corporate Social Responsibility (CSR) disclosure among manufacturing firms listed on the Indonesia Stock Exchange from 2022 to 2024. Analyzing 297 observations from 99 companies using multiple linear regression, the research utilizes secondary data from annual reports to identify the key factors driving CSR practices within the sector.

Results: The study reveals that media exposure and tax aggressiveness significantly increase Corporate Social Responsibility (CSR) disclosure, suggesting companies utilize CSR to bolster their reputation and build goodwill when facing high visibility or employing aggressive tax strategies. Conversely, profitability, consumer proximity, and environmental sensitivity showed no significant impact. This indicates that financial performance, customer closeness, and industry-specific environmental concerns were not primary drivers of CSR activities among the Indonesian companies observed during this period.

Conclusion: In conclusion, this study of manufacturing companies on the Indonesia Stock Exchange (2022–2024) reveals that media exposure and tax aggressiveness significantly drive CSR disclosures, whereas profitability, consumer proximity, and environmental sensitivity do not. These findings suggest that disclosure practices are shaped primarily by public visibility and strategic tax planning rather than financial performance or environmental concerns. Consequently, firms subject to higher media attention and aggressive tax policies are more likely to report CSR activities, highlighting the strategic rather than financial motivation behind these disclosures.

Practical Value: This study provides practical guidance for manufacturing firms listed on the Indonesia Stock Exchange (2022–2024) by demonstrating how media exposure and tax aggressiveness influence CSR disclosures. Rather than relying solely on profitability or environmental factors, companies can enhance their public image and meet societal expectations by leveraging media visibility and optimizing tax strategies. Ultimately, these insights assist corporate decision-makers in adopting a holistic approach to CSR that fosters responsible business practices and strengthens stakeholder relationships.

Direction for Future Research: Future CSR research should expand its analysis to include additional determinants, such as internal governance structures and external regulatory or public pressures. Scholars should broaden the geographical and sectoral scope to facilitate cross-industry comparisons and clarify the influence of environmental sensitivity. Additionally, adopting longitudinal approaches is essential to capture evolving market dynamics, while further inquiry is needed into how digital transformation enhances reporting and stakeholder engagement.

Keywords: corporate social responsibility, environmental sensitivity, profitability, consumer proximity, media exposure, tax aggressiveness

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