

THE CORPORATE SOCIAL RESPONSIBILITY – A MODERN MARKETING CONCEPT

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Abstract:

The social responsibility of the companies presumes the strategies for the community life involving and the partnerships development. The benefits belong rather to the “emotional and durable” category than the “material and on short term” category. There are benefits from the second category like customers’ fidelity growth, new customers’ attraction and sales growth. In the actual context the companies are evaluated not only in function of the products quality, but of the social life contribution of the community that taking part.

1. FOREWORD

The start point was those not ample and punctual actions that were not taking part from the corporate strategy. In our days some corporations began to integrate The Corporation Social Responsibility (CSR) into the companies’ politics. This requires long term programmes in order to solve social causes. As a consequence of the companies’ implication awareness of the customers, in actual context, the companies are evaluated not only according the products quality, but in function of the community social life, too. The social responsibility is important for the corporative reputation and for the company identity management. The social responsibility programmes are related to the company values and support the communicating direction.

2. THE CSR CONCEPT

The CSR is a concept that offers to the companies the opportunity to treat the environmental and social problems as a part of them business operations. The CSR is a sustainable development modality, which help the companies to respond in a positive manner to the present needs without compromising the ability of future generations to meet their own needs [4]. The CSR turn the environmental protection that was considered a costs and vulnerabilities source for the companies, into a new competitiveness growth opportunity.

The international institutions like UNO, EU and CEDO, are involved in a framework elaborating for the CSR definition [6]. This framework must be companioned by the recommendations and principles to guide the local authorities for the public policies formulations in order to ensure the transparency, to promote and to sustain the CSR initiatives (fig.1).

The EC offers a definition for the CSR: “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” [5].

It’s important to understand that the CSR offers opportunities, not imposes new rules or obligations.

3. BENEFITS RESULTING FROM THE CSR PROGRAMMES

The CSR activities offer benefits at two levels: for the society and for the companies. The society's benefits are related to the public interests.

The companies' benefits are related to:

- a) Companies' reputation improving
- b) Sells' and sharemarket growth
- c) Competitors differentiating
- d) Brand loyalty getting
- e) The valuable employees' attractiveness and keeping.

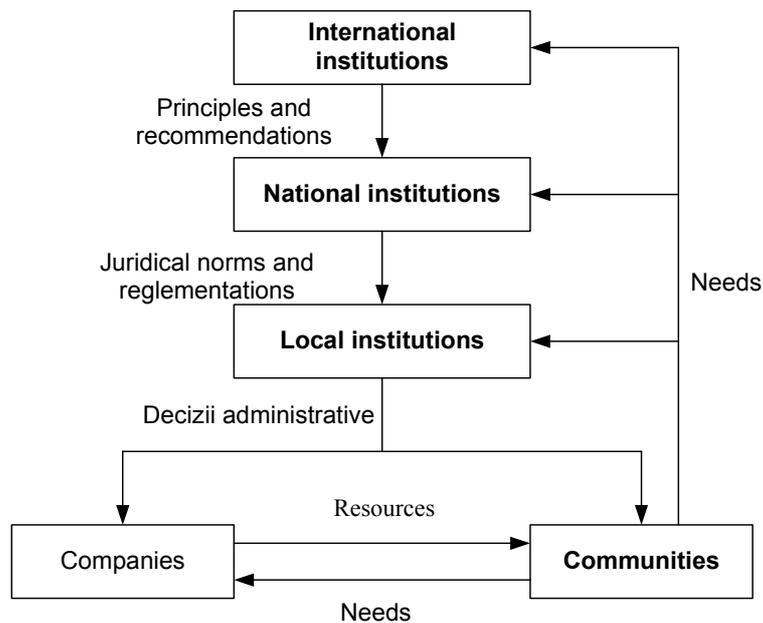


Fig.1 - The CSR framework

(Source: Green Paper Promoting a European Framework for Corporate Social Responsibility of the European Commission)

a) Companies' reputation improving

A company success depends on the community, authorities, mass-media or partners' trust. A good reputation, obtained from the demonstrated responsibility for the community, involve immediate consequences. International polling by organizations such as Globescan indicates the public has heightened expectations of companies in the area of corporate responsibility, but that there is a growing "cynicism gap" [7] in how companies are actually perceived to be performing.

b) Sells' and share market growth

These aspects are relevant especially in case of the Cause related Marketing Campaigns, but also in case of the long term pledge. For example, in 2000, the CSR activities had a 25% contribution to the positive impact on the British Telecom customers' satisfaction (Source: www.csreurope.org).

c) Competitors differentiating

In our days, the consumers became more informed, more able to express their opinions and more preoccupied regarding the environment, health and social problems and the markets became more and more crowded.

d) Brand loyalty getting

These pushed brands to find new methods in order to built emotional links with the public. Responding to the emotional needs, the CSR programmes are good opportunities to

communicate to the public the brand's values.

e) *The valuable employees' attractiveness and keeping*

The brand attachment can be obtained not only by wages, but by the brands' values. The employees feel the need to be proud of them company. For example, for 81% from the Americans, a company's responsibility is an important decision factor in job choosing [7].

4. THE CSR PROGRAMMES

Philip Kotler and Nancy Lee divided the CSR Programmes from a communicator perspective [2]:

- a) Cause Promotion
- b) Cause Related Marketing
- c) Corporate Social Marketing
- d) Corporate Phyla trophy
- e) Community Volunteering
- f) Socially Responsible Business Practices.

a) Cause Promotion

This kind of programme requires money or other kind of contribution from the companies in order to increase the public's notoriety and preoccupation for a good cause or to mobilize it to donate, participate or voluntaries for a cause support.

The principal technique consists of the persuasive communicating so that the principal investment consists of the communicating campaign financing.

This kind of programme is useful when the brand positioning is indented. For example, The Body Shop Company engaged in 1990 to convince the public that the animal testing is inhuman and useless from the scientific point of view. This company was the first cosmetics producer which says: "No" for the animals' suffering using an inscription: "Against Animal Testing". This campaign convinced in 1996 4 millions people to sign a petition. As a result, The UK forbade the animal testing; then, in 2003 The European Parliament adopted a decision that imposed the animal testing forbidding in cosmetic industry until 2009.

Another opportunity for this kind of programmes is for more visibility obtaining. For these the, opinion leaders' participation is important.

b) *Cause related Marketing*

This kind of programmes requires the donation. A such campaign involve an offer which is available for a period, is referring to specific product of the company and it is realised for a non governmental organization (or other partner) benefit. The company's benefits consist of the sells impulsion and a profound link between the brand and the customers.

These campaigns are adequate for those companies having producers address to an important customer's base, extended distribution Channels and needing the product differentiation from the competitors. (Financial services companies; transport services companies and telecommunication services companies).

It is necessary to establish a mechanism for the money donation:

- A fix quantum for each product acquisition
- A percent from the price of a sold product
- A percent from the net benefit resulting from the sold product etc.

An example is the "Avon Breast Cancer Crusade" programme, whose business objectives are:

- To create an opportunity for Representatives to create relationships to their customers
- To improve consumer perceptions and to differentiate Avon from its competitors

- To make a real and sustainable difference to a cause their customer care about.

c) Corporate Social Marketing

Using this kind of programmes, companies intend to change a negative behaviour or to convince the publics to adopt a positive behaviour. The main focus is the behaviour change. In order to justify a Social Marketing Campaign, it is necessary that the approached problem affecting a significant number of people and it's solving being urgently (traffic safety, family violence, natural disaster preparing for, health, environment – air pollution, recycling etc).

A Social Marketing Campaign is adequate when the company's profile is related to the social problem or a sells increasing is intended.

d) Corporate Philanthropy

A company contributes directly with money or products in order to support a cause. This is the oldest kind of CSR initiative.

There is a waste typology of philanthropy actions:

- Money or products or services donations
- Financings
- Scholarships
- Distribution channels or locations or equipments access.

A philanthropy programme is useful when the brand positioning enhancement is intended or the company intends to enter on a new market.

e) *Community Volunteering*

It's a kind of initiative that encourages the employees to voluntary for the community supporting. In the latest period, the new is the companies' trend to use the voluntary in order to give more impact to the social initiatives and the business objectives and company's values communication.

Among the actions which a company can do in order to stimulate the employees' volunteering, are:

- Volunteering promotion as an organizational value
- Some causes recommendation through the internal communicating;
- Volunteering equips recruitment and organization
- Grants for those NGO what succeed to convince the company's employees to volunteer etc.

For example, the volunteer programme "You for the community", supported by Orange. Through this project the company intends to offer to its employees as many volunteering opportunities as possible, because it's important to contribute not only with financial resources but also with them time and experience.

Such programme is adequate when the company intends to enhance the employees' loyalty for the company and them team' spirit or to improve the company's reputation or to support other social programmes of the company.

f) *Socially Responsible Business Practices*

These practices are adequate initiatives to voluntarily improve the operating mode in order to contribute to the community's general good and to the environmental protection.

These initiatives are adequate when public could consider that some company's practices contribute to an important social problem (for example, the "Youth Smoking Prevention" programmes, initiated by Philip Morris. Another direction of these practices is the employees' health care, safety and goodness protection (The "Coca-Cola Africa" Foundation, what intend to protect the company's employees against HIV/AIDS).

5. INSTEAD OF CONCLUSIONS

The CSR is a communicating and PR related concept.

The social responsive companies are often accused by using the social action like an unfair PR form. Other accusations have in sight the substance absence of the interventions.

In fact, the image' benefits of a responsive company are too small comparatively with the traditional PR or advertising. The cause consists of the legal framework and the mass-media deficiencies (paid publicity grasping being and, also, attentively to not encroach some norms related to a big company).

The Responsibility vs. Liability contest made a discussion object for The JOHANNESBURG SUMMIT [1].

The expectations for the new created business in the East EU Countries must find modern and innovating approaches of the CSR. They must themselves adapt through their social implicating strategies, to the historical context and to the evolution of the communities in which they operate, by taking care the needs of the involved groups into the companies' activities.

In the context of the Romanian integration into UE, the number of the CSR programmes is increasing, because the corporative level's outlooks are changing. The customers expectations are increasing and the companies' awareness for them social are increasing, too.

The CSR programmes must be upon concrete actions based in order to be credible and for trust generating.

There isn't a unique solution for all over the world circumstances. The unique circumstances request unique solutions.

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