

CSR, Corporate Social Responsibility from a consumer viewpoint

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In March 2009, InSites Consulting organised the 'The Longest Day – Responsible brands around the world' – event in Living Tomorrow, Brussels. The qualitative InSites Consulting research team conducted worldwide 12 online group discussions over a 24 hour period. 12 stand for the time zones around the world. The group discussions focused on CSR. More than 80 consumers in 63 countries took part in this project. All consumers were recruited via TalkToChange.com, the InSites research community.

It turned into a project with several missions.

There were 3 objectives per **theme**. Do consumers and companies speak the same language in terms of CSR? Are there any cultural and sectorial differences? And how can we give CSR efforts more value?

In terms of **methodology**, we took on the following challenges: Is TalkToChange.com powerful enough for worldwide recruitment? Does Textmining provide an added value to the analysis of qualitative data? And finally, how do participants experience and evaluate online qualitative research.¹

All group discussions were conducted via the Internet. InSites Consulting has a powerful and specialised platform at its disposal to organise interactive, efficient and innovative group discussions.

The project participants are a cross-section of the average consumer. There were no specific demands in terms of Internet affinity, age, social class, sex... To maximise the level of comprehension between the participants, all discussions were held in English (all respondents were screened for their ability to express themselves in English).

¹ This paper goes into these objectives in more detail. The methodological aspect will be explained in September 2009 at the ESOMAR Congress in Montreux. Niels Schillewaert, Managing Partner InSites Consulting will present 'The Longest Day – Cultural differences in CSR' on 16 September 2009.

Results

We came across a consumer who characterised himself by a certain level of selfishness and self-reliance. Putting oneself in the spotlight, directing everything from oneself and to oneself were much observed phenomena. The research was conducted at a time when the effects of the global crisis could already be very much felt. This situation may therefore have certainly influenced this attitude. A question that certainly needs to be asked is whether this is a temporary mind-set and whether the consumer becomes more receptive again when confidence has been restored, or will this be the basic attitude for times to come?

1. Good products and reliable brands are important

According to the consumer, a company has three areas of responsibility: product responsibility, brand-related responsibility and social responsibility. The first two are very dominant. In his opinion about the company, the consumer first and foremost applies the performance on product and brand level. The social dimension comes much later and is much less present in the consumer's spontaneous perception. (These three responsibilities, as well as the emphasis on product and brand qualities are observed over the different countries and cultures)

2. CSR is not a given

Very few sectors are spontaneously linked to CSR by the consumer. Education and Healthcare come out positively, but also happen to be sectors in which responsibility is practically the core business. Sectors which have difficulties within this context (read: have little credibility) are Media, Advertising, Government and Banking.

It's important to remember that none of the sectors are spontaneously linked with a big CSR perception. This was also confirmed by another recent study (US, 7/7/9, PSB in conjunction with Burson-Marsteller and Landor) which shows that "Consumer perception on CSR doesn't match rankings, the Consumer perception of corporate responsibility is uncorrelated with measured rankings like the CRO 100".

3. Consumer and companies speak the same language

In its definition of what CSR is or should be, the consumer uses the same values as companies do. Respect, Care, Sustainability can be found in both parties. And on a more detailed level, both consumers and companies link the same challenges and objectives to CSR.

However, when it comes to who the involved party is and who the main stakeholders are, the consumer puts himself first, followed by 'his society'. The 'environment' comes in third place followed by the 'employees'. The consumer puts government, shareholders... in last place.

This implies that the consumer approaches and fills these CSR values from his own point of view (and taking into account the crisis context, affected by crisis, afraid and uncertain about the future).

4. Localising global initiatives is necessary

Differences exist between cultures but there are a number of universal themes. For instance, within the Care and Respect section, care for children, educational projects and care for the environment can be found in all time zones and are considered to be very important by all consumers. On a more detailed level, values receive different accents. The wealth of the country, the level of development, current working conditions, future opportunities... are important determining factors. The more preconditions (e.g. housing, education...) are filled, the easier people will focus on more ecological, less primary themes.

5. And what with the different sectors?

Earlier, we already mentioned that consumers spontaneously and directly link CSR to very few companies. If you dig deeper, you challenge people to think about certain sectors, interesting nuances and opportunities can be heard. Three sectors were discussed in the research: Food, Telecom and Banking.

Food can certainly be very inspiring as a sector. After specific discussions, consumers can sense a logical link between this sector and CSR: on the one hand, food and health as more conceptual themes, on the other hand product development and production, distribution and packaging as more practical fields of action within the supply chain management.

Banks can also score well. Despite the very harsh judgement of banks by participants, research participants can also list several examples of possible CSR opportunities. Following their concrete ties with money, banks are able to profile themselves strongly as investors in the future of people. Out of the three, **telecom** is the least inspiring sector and people are unable to give any specific examples. Vis-à-vis consumers, this sector gives little to no explicit signs of responsibility (even though behind the scenes this sector takes its responsibility).

6. Profitability and Social Responsibility go hand in hand

Companies should, must make a profit. Within the CSR definition, Profitability is a key dimension. Across the different countries, people clearly indicated that a company needs to make profit to play any kind of relevant role in the CSR story. However, profit is the 'Means'. Profit as a means to achieve things other than big bonuses. Profit needs to be linked to innovation, investing in the future...

The crisis has brought about a new awareness, a realisation and acceptance that money is important and that it is essential for companies (and therefore the consumer as well) to grow and be profitable. The time that CSR was the playing field of mainly non-profit organisations is definitely a thing of the past.

Whereas in the past values, such as ecology, respect, recycling, etc., were often as a function of improving the operating result (more sales), we have now arrived at a reversal in which the operating result (more profit) needs to be as a function of the values. Another mind-set which will demand courage.

7. Although company and consumer speak the same language, they don't understand and reach one another.

When consumers zoom into CSR and the specific actions in more detail, it quickly becomes clear they give it little credibility. Many consumers (worldwide) often have the feeling it's all pure sales and commercial marketing. This negative opinion is low mainly because CSR activities are often perceived as not relevant, nothing to do with me and not plausible. The consumer does not recognise them or has great difficulties identifying with them.

In addition we also noticed (see the beginning of this paper and other studies) that people do not spontaneously relate CSR to companies much. In other words, apart from a lack of credibility in general, companies also face the problem that few consumers in fact know what their CSR actions are.

8. Relevance and communication are crucial connectors

If companies want to improve their consumer contact, if companies want to ensure their CSR efforts and investments have a positive impact, their projects need to become relevant. Relevant for the consumer. The typical characteristics are: **Recognisability** (I feel involved, I can recognise myself in this), **Closeness** (it is one of ours), **Credibility** (it comes across as credible), **Benefit** (there is an advantage and (in)directly I will benefit), and **Transparency** (I see and understand what it's about, how it works). In themselves these are bite size and clear characteristics but translating them into a concrete project is the challenge.

Naturally there can't be any relevance without communication. Companies could and should be aware that CSR communication is necessary. On the one hand it serves transparency, on the other hand communication stimulates the growing awareness of the role the company has within a more social discourse.

9. Variables that make your CSR relevant

The relevance of a CSR project, strategy, etc. is achieved when the following variables are sufficiently taken into account.

- Everything starts with the **consumer**. The consumer needs to be an active player within the CSR story (the research shows he sees himself as the main stakeholder). Listen to him/her, find out what his concerns are, what occupies him. Look for the responsibility dimensions that can make things click between yourself and the consumer. But be yourself!
- Use and maximise your own **sector** competence and expertise, do what you're good at (<http://www.asimpleswitch.com/global/>).
- Also take into account **cultural** differences and speak the language of the community (your target group) to whom you want to show your responsibility.
- Make sure that the CSR mission and/or strategy are also recognisable in the **brand**. Anchor the CSR objectives in the brand strategy. Involve CSR in product and brand management.

10. CSR is a verb

The route of a 'brand' to becoming a 'responsible brand' requires an effort. It's not possible to suddenly claim or demand total responsibility. By way of illustration we refer to the Unilever OMO/Persil case 'Dirt is good, every child has the right.' Listen to your consumer, what his concerns are, what worries him. Then, meticulously let it be known via PR, small promotions, communication... that you have taken note of this, you're involved and committed. To ensure a maximum connection, responsibility not only needs to be communicated functionally/technically (through studies, sector research... often the themes within PR), an emotional bridge is also necessary (e.g. Roboboy of OMO/Persil <http://www.youtube.com/watch?v=VndRdVjOjRU> or Quick <http://www.quick-restaurants.com/consumer/fr-fr/institut/default.html>). An emotional buy-in certainly has a strengthening effect. Involving responsibility within the brand is the crucial click moment to become truly relevant. Afterwards, be consistent in everything you do, explicitly or implicitly.

11. Don't forget to communicate

When working out a relevant CSR strategy, communication is key. With limited resources, be sure that the CSR section on the website receives more visibility. Don't hide it behind the company button or in the PR corner.

To maximise the effect and the return of the communication, two aspects are important which are often violated or simply forgotten. Take into account the aforementioned variables, use recognisable language, usable symbols,... And don't forget to say how you approach it, when you approach it, what you are going to do and what the consumer's final benefit is. The latter provides the transparency CSR very much needs. It makes the relevance concrete and tangible.

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