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Corporate social responsibility in shaping the media image of the company

Abstract

Enterprises frequently employ Corporate Social Responsibility (CSR) to create a positive brand image in the media. To further good relations with stakeholders, companies create an image before their customers by their participation in public campaigns and information in advertisements employing elements of CSR. Discussing this practice, I will highlight aspects of this phenomenon in the context of consumer opinion about advertisements.

Some examples of companies show that Cause Related Marketing (CRM) and public campaigns are becoming more significant in the strategies of cause related companies. Enterprises at all costs want to buy their way into the favour of stakeholders, and through various marketing actions they try to build a strong brand and position in this way. In spite of the low evaluation of advertisements and the decline in confidence in them, enterprises aim to convince everyone that they are socially responsible companies.

Key words: corporate social responsibility, cause related marketing, stakeholder, brand, advertising, social campaigns, media image.

If something is not present in the media, it does not exist at all. This statement, which is becoming more and more popular, is also embraced by enterprises, whose presence in the media is equal to being a part of their consumers' awareness. Companies' tactics in shaping the opinion on their product took the form of a triple bottom line lately, i.e. agreement between business employees and society, the natural environment, and "maximization of profit".

Corporate Social Responsibility (CSR) is a solution that is commonly used by enterprises as an element in building up their media image. The purpose of this paper is to demonstrate a correlation between CSR, marketing and public relations (PR) in contemporary business in the context of research as to how consumers perceive advertising.

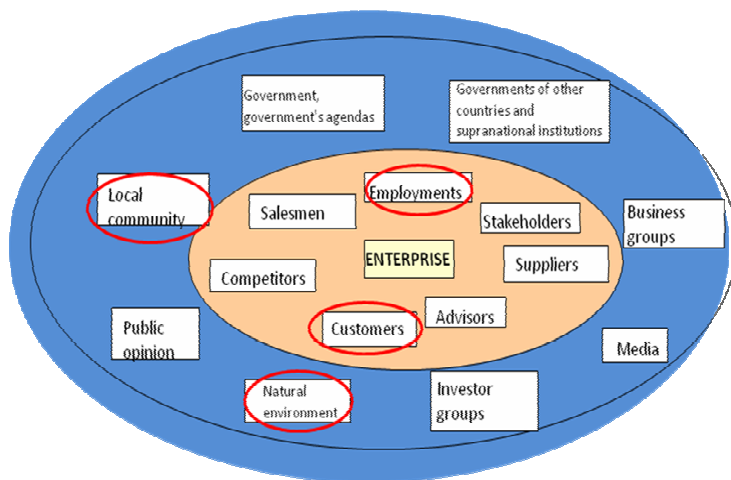
More and more frequent monitoring related to obeying laws and requirements that try to eliminate the negative actions of these enterprises is connected with a requirement of CSR. Companies are outdistancing one another in exploiting this field in various arenas of their activities.

“In the global economy it is possible to notice distinct changes in the way the proportions between economics and ethics are made in order to harmonize these notions, and by formulating appropriate rules and directions in relation to creating and developing the quality of management opposing the decline of man and the natural environment, and serving general well-being” (Malara 2006, p. 262).

There is a need to systematize the term “Corporate Social Responsibility” and to categorize CSR within the appropriate sphere of the enterprise’s function. There is no point in forming a Weber-like ideal type of CSR and precise defining of the term in this paper, however, it is legitimate to put CSR in the context of the external and internal environment of a company.

Figure 1

Environment of the company and the areas of corporate social responsibility



Source: www.odpowiedzialnybiznes.pl

Among the internal components of a company’s environment, CSR manifests itself in relations with stakeholders in the form of employees and customers, however, in external surroundings it takes the form of the local community and the natural environment (fig. 1). While analysing surroundings of the enterprise one should also notice elements of public opinion and media – i.e. indirect links joining the company with stakeholders.

A business’ relations with each of the following determine its status as responsible:

- the labour market,
- the market,

- society,
- the natural environment.

These are the components that show the presence of CSR practices in an enterprise. They are involved with the broadly defined social policy of companies.

“The social policy defines duties of the enterprise going beyond the ones which are required by the law. It helps with the centralization and the coordination of diverse, voluntarily taken liabilities or taking social initiatives. Ethical programs are a specification of social policy formed in the process of the strategic management. (...) The social policy and companies’ ethical programs perform the internal and external function” (Rybak 2007, p. 138- 139).

The company’s internal function concerns the consciousness of employees. On the other hand, the external function is to create a positive corporate image in outside surroundings, particularly amongst stakeholders. Thanks to a positive public image, customers and consumers have greater trust in the company.

Malara also points out the significance of a company’s reputation. In our times enterprises are using this asset in critical moments connected with change. This reputation—or in other words, the position of customers, suppliers and the rest of company’s environment—is connected with many conditions of functioning in a risk society.

Among the instruments that indicate CSR usage, there is an element of social marketing expressed in the form of social campaigns. It can be both information about actions on important matters, as well as advertising about the company’s involvement in social issues. In both cases it concerns the positive image that the enterprise wants to show to the stakeholders.

“A social campaign is an action designed to change the attitudes or behaviour of a determined group of people with the help of media. It most often involves a lot of entities in the process of realization, such as business, media, social organizations, and state institutions, which enable different forms of participation for them: financial assistance, material assistance, services” (Rok 2004, p. 34).

According to the above definition it is possible to cite such social campaigns as:

1. „Drink milk - you will be great”(Pij mleko – będziesz wielki) Ferrero Poland (information on products of Kinder series).
2. „Great Campaign of Life – Avon versus breast cancer ” (Wielka Kampania Życia – Avon Kontra Rak Piersi).
3. „PKN Orlen. Safe Roads” (PKN Orlen. Bezpieczne drogi) together with the „Safe Driver” Foundation and „Experiment Life” films.

Making use of marketing experiences companies pay attention to social issues, which require a broader type of information to be distributed amongst society. Apart from social campaigns they also promote themselves as taking an active part in actions of this kind. Ferrero Poland is an example here, which through its Kinder-series products reminds consumers about its participation in this undertaking.

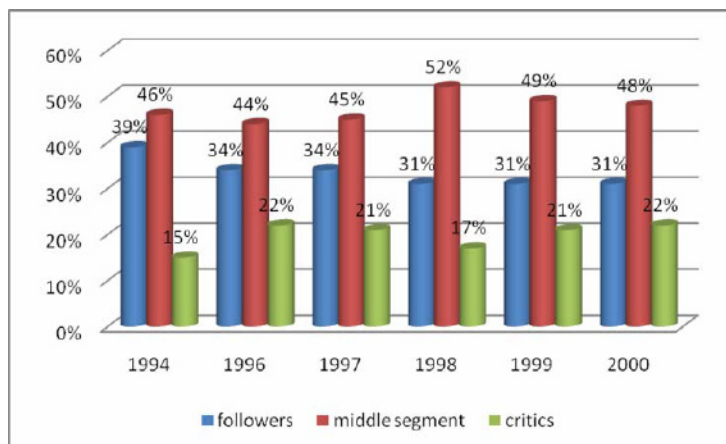
In a second part of the campaign there are actions of companies that through advertising spots declare their commitment to receivers of the advertising:

1. "Tesco for schools" ("Tesco dla szkół").
2. Danone's – „Share your meal” („Podziel się posiłkiem” – Danona).
3. Polish Telecom's „A phonecall to mum” („Telefon do mamy” Telekomunikacji Polskiej SA).
4. Polsat's and Procter & Gamble's "Give sun to the children"(„Podaruj Dzieciom Słońce” Fundacji Polsat i firmy Procter & Gamble).
5. Barlinek's „1 for 1 Rule” (“Zasada 1 za 1” Barlinka).

Companies donate a part of their profits to support specific activities, which are most often charity actions or other funds that provide aid to the needy. The company's brand will profit from its association with these undertakings. This cause-related marketing (CRM) is a win-win strategy since foundations that represent society's interest and enterprises that represent their own interest can benefit. Therefore companies more and more frequently choose to organize such actions.

“CRM improves the corporate image in environment, and contributes to the growth of customers\ confidence, which results in a growth in sales or in increased consumer loyalty to the company or brand” (Rok 2004, p. 35).

According to Fraser Consultancy, McDonald's was a company which had the worst reputation in 2006 (35% respondents of research voted on McDonald's). After McDonald's learned the results of The Ethical Reputation Index 2006, the corporation began a campaign that discussed good working conditions in their fast food chain (http://www.reklamaspoleczna.pl/artykuly.php?artykul_id=66&action=szczegoly&PHPSESSID=a9d7ff8f067a9). This action confirms that it is of great importance in running an enterprise, to take into account customers' opinions and to respond quickly to negative opinions by conducting a marketing campaign. All of this is a part of corporate image.

Figure 2**Segments of attitude towards advertising**

Source: Kośmider-Cichomska 2000, p. 16

“The corporate image is created on the basis of individual assessments and experience of consumers. It informs how people think about a company. It positions a company in its outside surroundings and is a part of public relations strategy. It stays in direct relation with the organizational culture and corporate identity” (Rok 2004, s. 71).

A favourable opinion about a brand, product or corporation is the key to success because, it results in appreciation among customers. It creates a possibility of consolidating the position on the market or expanding market penetration.

In light of the considerations about corporate image it is worthwhile to address how advertisements are perceived, for they are one of the most important markers of the company’s social responsibility and CRM. Despite its omnipresence, society’s confidence in advertising decreases every year. Research conducted in 2005 shows that advertisements annoy as many as 73% of respondents and misinform 61% of them (CBOS 2005).

An advertisement is the only possibility to reach current and future consumers with information about the product, company, or venture. However, are such attempts effective, given that there is a growing number of people who are prejudiced against advertisements? (fig. 2). Research concerning opinions on forms of promotion clearly classify advertisements in the eyes of society as unwanted, unnecessary and boring. However, companies can also decide on social campaigns in which they stress their CSR actions. Through these actions they can avoid respondents’ negative opinions about advertisements. Social advertising compared

to the advertising of a product in the context of higher purposes is perceived far more positively. However, danger exists.

“CRM may threaten companies – their reputation will suffer if the program is perceived as being only aimed at improving their image, or generating larger income, more importantly without revealing amounts handed over to partner organisations. Therefore, it is important, in order to use CRM in a deliberate and responsible way, to obey the realization of detailed principles” (Rok 2004, p. 71).

Table 1

Benefits for companies and society out of CSR

Benefits for a company	Benefits for society
1. Improvement in relations with employees and of internal image	1. Exposure and resolution of social problems
2. Increased competitiveness	2. Education of society
3. Improvement of investor interest	3. Respect for human rights
4. Increased loyalty of consumers and stakeholders	4. Promotion of good practices
5. Improvement in relations with the local community and authorities	5. Improvement in the state of natural environment
6. Increase business efficiency	6. Transparent image of the business
7. Establishment of a positive corporate image	

Source: <http://www.fob.org.pl>

In the long run mutual benefits to society and the company (table 1) outweigh the expenditure on CSR. Advertisements, particularly of an educational character, raise the awareness of society and cannot be regarded as unimportant. Companies must find the border that separates honest information from pure promotion.

Conclusion

Corporate social responsibility is, on the one hand, a „moral” program applied by enterprises in their activities, and on the other, involves solving many dilemmas concerning how to run a business in a risk-based? society. Using CSR, CRM and engagement in social campaigns can have only one result: distinct media image that forms a relationship with the good brand and the company that acts for society as a whole. Taking all the above into consideration we should watch not only the development of marketing and PR, but also the turn to solutions of the ethical business.

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