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The Complexity of Communicating Social Responsibility

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Abstract

It is recognised that organisations, consumers and businesses are increasingly more concerned with how business activities affect society. While research has explored specific types of techniques for communicating corporate social responsibility (CSR), there has not been a more general discussion of the considerations that organisations should make when determining the type of communications that should be used. This paper takes a managerial approach, discussing four broad issues associated with the communication of CSR: 1) intensity of action/positioning; 2) communicating action; 3) types of programs utilised and 4) integration issues. It is proposed that by understanding these issues organisations will be in a better position to ensure that the information is clearly communicated and understood by their various stakeholders. The benefits to be achieved will, however, be dependent on the objectives of the communication and thus it is suggested there is not one single appropriate approach to managing these issues.

Introduction

There is general agreement that organisations’ impact on society is important and needs to be managed in such a way that negative consequences are minimised. A range of perspectives relating to the outcomes of firms communicating their good deeds has been described and analysed in the literature. For example, there has been extensive literature identifying the benefits to organisations of promoting themselves as socially responsible (e.g., Schlegelmilch and Pollach 2005). Research within the marketing literature has clearly demonstrated that corporate social responsibility (henceforth CSR), contributes to market value (Luo and Bhattacharya 2006) and has also explored the implications of changing the way in which social responsibility is communicated (Bhattacharya, Smith and Vogel 2004). Some questions that have been addressed include: what are the benefits of using one type of social related program to another (McAlister and Ferrell 2002)?; does using a positive appeal have a greater impact than a negative appeal (Mayer, Scammon and Zick 1993)?, and is there a benefit from having a cause that is related to the product as compared to one that is unrelated to the product (Menon, S and B.E. Kahn 2003)? The literature focuses on the attributable benefits to the firm of behaving responsibly; however, there is also an argument that doing the right thing is valuable in its own right (Sacconi 2006). That is, organisations might see corporate social responsibility as valuable, simply because it is an obligation that they have to society, rather than something to be leveraged (McAlister and Ferrell 2002).

On one extreme it could be suggested that the promotion of CSR is by its very nature an attempt to create value for the organisation by affecting how consumers view it (Bhattacharya, Smith and Vogel 2004). Yet it could also be argued that such information is essential to enable consumers to be able to make better decisions by incorporating information about firms’ responsibility into their decision making, if such information is important to the segments concerned (Ginsberg and Bloom 2004). In this way CSR
information is simply another aspect of the overall brand (Werther and Chandler 2005) and should be considered as such.

Of course, some firms may not find it helpful to communicate a socially responsible position, or may have difficulty in doing so effectively, simply because the communication model is complex (Polonsky and Hyman 2007). Firms involved in controversial industries, for example tobacco or fossil fuels, might face more and possibly insurmountable difficulties in communicating the positive activities they undertake because of the nature of the businesses themselves (Palazzo and Richter 2005), but in other cases it remains possible to both appear and be responsible (or at least less irresponsible than competitors).

The broader question of how organisations might consider the way they incorporate information about their social impact into their overall communication strategy has generally has not been discussed in the literature, although some works do exist (Schlegelmilch and Pollach 2005). Whether organisations see responsible action (i.e. CSR) as a positioning tool or an obligation to society, the question that strategists need to answer is - how do they communicate their behaviour in a meaningful way? To answer this question requires that the firm not only clearly understands its brand identity and positioning, but that it understands how the brand and the wider organisation are related to CSR. It also relates to the specific approach used to communicate CSR information, which is the focus of this paper.

Within this paper we focus on managerial issues, as distinct to theory development. We propose that there are four broad issues that need to be considered when considering how to communicate CSR activities; 1) intensity of action/positioning; 2) communicating action; 3) types of programs utilised and 4) integration issues. The following sections will overview each of these issues.

**Intensity of Positioning**

How strongly is CSR integrated into the brand? This is a core question that needs to be considered when developing promotional strategy and will direct all other action. It is clear that first and foremost brands have to have some values worthy of being promoted (Kitchen 2003, Lewis 2003). Some suggest that CSR must be integrated systematically throughout the organisation (Knox and Maklan 2004, Werther and Chandler 2005).

It is unclear if a firm can be (or should only be) a little responsible. Promoting a fleeting interest in social responsibility would possibly imply that the firm might be exploiting stakeholders’ interest in CSR, rather than develop a brand and corporate philosophy which is truly responsible. In their discussion of environmental issues Menon and Menon (1997) proposed that the greening of activities could be tactical, quasi-strategic or strategic. This same sort of question was also raised by Ginsberg and Bloom (2004), when they suggested that the degree of segmentation of green marketing issues and the firm’s focus depended on the segments it targeted. This also raises the broader question of whether a firm or industry not previously noted for social responsibility should be rewarded for taking the first small steps towards becoming more responsible, even if they are much less responsible than businesses in other industries; this is also an implementation issue, discussed later in this paper.
If the promotion of responsibility is seen as merely a tactical activity, then stakeholder
cynicism might be exacerbated. If there is strategic positioning of social responsibility, an
organisation would embrace issues in a way that reshapes all its operational activities. Such
significant action would potentially warrant the promotion of responsibility as a core value
and there would be have to be substantial action to support and provide evidence for the CSR
claims made.

Communicating Actions

Stakeholders want to know what firms are doing about CSR (Drumwright and Murphy 2000,
Ginsberg and Bloom 2004). Lewis (2003) reported that in the UK 87% of consumers
indicated that they wanted companies to spend some money to communicate their CSR to
stakeholders, with 15% of all consumers being happy for the firm to spend significant
amounts to inform consumers. Only 7% of consumers felt that firms should allocate no funds
to communicate CSR activities with consumers. Thus, there is some empirical support for
firms proactively communicating their CSR values through brands and this may even mean
having focused CSR communications.

Given that the idea of branding is to communicate the values of the product or firm some type
of communication is of course needed (Lewis 2003). This can be difficult if the firm were to
adopt a segmented approach to CSR branding, as suggested by Ginsberg and Bloom (2005),
as social issues would be communicated to some consumers but not others. Would such
mixed messages confuse the market generally, as those that are not targeted would criticise
the firm for undertaking inconsistent activities (Harrison 2003)? Thus, segmented
communication could be used to identify hypocritical actions of marketers, at least in this
case. Too much of a CSR focus might alienate some consumer segments who are not oriented
towards CSR, although any alienation could be minimised in targeted communication where
other more salient brand attributes are communicated.

Types of programs to use

There are many different approaches to integrating social responsibility into actions and it is
certainly more complex than simple public relations (Frankental 2001, Schlegelmilch and
Pollach 2005). There is of course widespread agreement in the academic and practitioner
literature that any programs should be integrated throughout the organisation and across
activities (Lewis 2003, Knox and Maklay 2004, Middlemiss 2003, Polonsky and Rosenberg
2001, Sirgy 2002, Werther and Chandler 2005). Recent research suggested that the type of
CSR program would indeed have different impacts. For example, Menon and Kahn (2004)
found that consumers were more positive to brands undertaking philanthropy where there was
not a perceived self interest by the firm. Such non-congruent types of behaviours might be
seen positively, as they could be perceived to be altruistic. However, they also found that
cause-related marketing programs and the like were seen to have a greater benefit on how the
firm was seen when there was a direct link to the firm’s activities, thus some connection
needs to be made between the CSR action and the firm. Ginsburg and Bloom (2005)
suggested that the type of activities should vary based on the consumer segment being
targeted.
It is very unclear how a business should demonstrate CSR behaviour in promotions. Some would strongly suggest that it needs to be a core issue across all activities; that is, social responsibility fits into everything and thus is a core plank of promotion as well as all other activities of the business. Others might see that CSR should be applied tactically to only one or two of the firm’s activities, for example having a cause related marketing campaign for one product or developing one brand that is promoted as “green” to be targeted at a narrowly defined set of consumers. As Menon and Kahn (2004) found, the type of activity undertaken will matter in terms of how it is perceived in the market place. Firms seeking to leverage CSR should not be seen to be the least bit exploitative. Activities that are perceived to be opportunistic, such as some of the charitable activities associated with the 2004 Indian Ocean tsunami or Hurricane Katrina, can possibly result in no positive benefit accruing to those involved.

Implementation issues

Any implementation of CSR in promotion needs to be undertaken in an integrated fashion throughout the organisation in a meaningful way (Bluementhal and Bergstorm 2003, Dawkins and Lewis 2003, Middlemiss 2003, Werther and Chandler 2005). It has been suggested that there is a fine line between what is acceptable and not acceptable (Lewis 2003) and it is certainly clear that balancing the needs of all stakeholders is not easy (Maio 2003, Zyglidopoulos 2002).

Might it be the case that an organisation undertaking CSR branding is in fact holding itself up to a higher standard (Harrison 2003), or at least perceived to be doing this by stakeholders? If CSR is a core part of the brand then it is part of the underlying set of attributes that consumers expect (Klein and Dawar 2004) and as such the firm is asking stakeholders to raise their expectations of the firm’s performance.

This is possibly a double edged sword, as any gaps (i.e. situations where expectations are not satisfied) will almost certainly result in higher levels of dissatisfaction and criticism (Harrison 2003). There would be few who would suggest that any brand positioned as responsible does not deserved to be exposed when inconsistencies arise. On the other hand, might it be suggested that brands making an honest effort to integrate socially responsible values should potentially be given more leeway in regards to problems that might arise, than brands that do not integrate socially responsible values at all? This is to some extent what research suggests happens (Klein and Dawar 2004, Williams and Barrett 2000). Unfortunately, while recognising and rewarding those who make an effort to address CSR issues of substance sounds nice in theory, in practice stakeholders, concerned about social issues, would be unlikely to give offending organisations the benefit of the doubt. For stakeholders, exposing brand inconsistencies will be more newsworthy and thus generate more publicity for their issues. The tobacco industry and the arms trade are some extreme examples here, and some less clear debates could be held about automotive manufacturers, with manufacturers of hybrid cars also producing huge four-wheel drives for suburban use under the same brand name. One approach is to confront potential accusations of inconsistency head-on, for example Shell (2007) asserts that the world needs more energy, energy that is secure and responsible, and describes how it is trying to become a sustainable fossil fuel company by mitigating carbon dioxide emissions. While some might argue about this definition of sustainability, some responsibility for Shell’s actions is placed where it rightfully belongs – on the consumers of its fossil fuel products.
The specific implementation of CSR promotion is something that needs to be balanced with the necessary support should questions over the veracity of claims arise. In addition, organisations should be cognisant that there will be those seeking to catch out organisations that mislead the public. One outcome could be that CSR activities are then downplayed, limiting the benefit of such claims, but also limiting any risk of negative consequences.

**Implications and Conclusions**

The managerial implications of the complexity of communicating social responsibility are significant. First and foremost, in an environment of global communication it is vital that brand managers do not attempt to deceive the public and risk allegations such as greenwash – pretending to be green without foundation, as have been targeted at the Bush administration in the USA, major car manufacturers such as GM, and Nike (www.corpwatch.org), for example. The communication power enabled by new technology imposes a practical as well as a moral burden of truth on brand owners (Jevons and Gabbott, 2000). There is a further problem to be considered; that is what truly constitutes genuine social responsibility. In the case of environmental impact, the environmental costs of manufacturing a new car are enormous and it may be that a well-meaning investment in a fleet of new hybrid cars might be seen as foolish by the experts and expose the brand to unexpected criticism.

Purists would argue that CSR should be systematically integrated throughout the organisation, but that can be difficult in practical terms, especially in the case of businesses in transition towards a more responsible future, or those with different divisions such as Altria, which owns the Philip Morris tobacco brand as well as, until recently, the less controversial Kraft Foods. That said, there are examples of large businesses that are capable of doing this, for example the forward-looking General Robert Wood Johnson who built the Johnson and Johnson brand from representing a small family outfit into what is now an over $50 billion business and in doing so wrote a socially responsible credo in 1943 which has guided the organisation ever since, to good effect in the Tylenol crises of the 1980s.

There is an opportunity for further research in communication expense; consumers are reportedly very keen for organisations to spend some money communicating their CSR practices (Lewis 2003) but it could be speculated that resistance would set in if product prices were to rise as a consequence. Further, while Menon and Khan (2004) found that consumers were more positive towards philanthropic brands when there was no perceived self-interest, shareholders owning the brand might have a different opinion. Again, the suggestion that social responsibility apply to all aspects of the organisation’s activities is appealing, but may have practical difficulties in implementation. Managers should be very aware of these risks and position their communication campaigns with great care, as any credibility gaps will possibly cause more negative brand sentiment than if the brand were not to have attempted socially responsible positioning in the first place.

Each firm will therefore need to consider its use of CSR in communication in regards to the four issues identified in this paper. They will also need to consider their own organisational circumstances, including clearly understanding how their activities impact on society. While most firms will have activities that they can promote as responsible, they may at the same time have issues that some stakeholders will see as irresponsible. Thus the communication of CSR is a fine balancing act that does not raise stakeholder expectations, either intentionally or unintentionally.
References


