Marketing Practices of Socially Responsible and Sustainable Businesses

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ABSTRACT

The focus of this thesis is marketing practices of socially responsible and sustainable businesses. It examines the strategies companies and brands use to represent themselves to the public through products, advertising, and philanthropy. The question that this research will answer is as follows: How can new or existing companies embrace and integrate social responsibility or sustainability in a way that is authentic and contributes to a positive public reputation? Younger generations are increasingly willing to switch to and, in some cases, pay more for products and brands that contribute positively to society and the environment. An increasing number of businesses are leveraging this trend and working to create a positive image that resonates, particularly with Millennials and Gen Z, as one that integrates social and environmental concerns into business operations. The culmination of this research is a set of guidelines that will assist businesses in reconsidering their public image in a way that consumers perceive as clear, compelling, and authentic. As consumers’ priorities continue to shift, businesses are being pushed to reconsider what values and causes, if any, they represent.
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TABLE OF CONTENTS

INTRODUCTION .................................................................................................................. 7

BACKGROUND .................................................................................................................... 9

Millennials and Gen Z ....................................................................................................... 10
Definitions of Key Terms .................................................................................................. 12
Existing Frameworks ......................................................................................................... 15
Case Studies ..................................................................................................................... 21

METHODOLOGY ................................................................................................................. 31

Interview Analysis ........................................................................................................... 33
Sample Frame .................................................................................................................. 34
Content Categories ......................................................................................................... 35

RESULTS AND DISCUSSION ............................................................................................ 36

Secondary Data Results .................................................................................................. 36
Interview Results ............................................................................................................ 40
Guideline ......................................................................................................................... 44
Further Research ............................................................................................................ 46
Conclusion ....................................................................................................................... 48

APPENDIX A ..................................................................................................................... 50
APPENDIX B ..................................................................................................................... 54
REFERENCES .................................................................................................................... 85
LIST OF FIGURES

Figure 1: Codes and Coding Categories................................................................. 40
Figure 2: Guideline............................................................................................... 44
INTRODUCTION

This thesis seeks to examine marketing practices of socially responsible and sustainable businesses to create a framework for firms to capitalize on this trend. The basis of this discussion will be secondary data, case studies, and consumer research. Sustainability and corporate social responsibility (CSR) have become increasingly important to consumers and, in turn, to businesses. Many companies, particularly for-profit organizations, previously have forgone social considerations in favor of strategies and organizational cultures that focus on maximizing financial performance. However, as consumers across all age groups begin to weigh the importance of a company or brand’s values when they make buying decisions, the pressure has increased on businesses to select and champion values and efforts that improve society. Some companies have worked ahead of the curve, and have reaped benefits like improved financial performance, and improved performance of employees who share advocacy goals with the company (Korschun, Bhattacharya, & Swain, 2014). While there is expansive literature discussing these efforts in general, this research will be focusing solely on the promotion and marketing perspective of CSR and sustainability.

A business’ social considerations can take many forms. Products and brands may have an inherent sustainable or social benefit, such as a Toyota Prius, drivers of which say that their primary motivation for purchase was to make a statement about being environmentally conscious (Maynard, 2007). Other organizations’ efforts may be less related, or entirely unrelated, to their business operations and goals. As part of their expansive volunteerism program, Warner Bros. Entertainment works with the local
Humane Society and the Los Angeles LGBT Center (Warner Bros., 2017). Many other organizations fall somewhere in between – where social goals and efforts are present, but not fully integrated into their operations, advertising, and business practices.

These programs can take extensive effort and capital to implement. Oracle, a top CSR spender in the United States, spent 32 million dollars on its corporate citizenship program, with 2.5 million dollars being spent on grants to nonprofit organizations in the U.S. (Oracle, 2017). Similarly, PricewaterhouseCoopers donated over 100,000 hours of pro bono work for nonprofits and non-governmental organizations in 2016 (PwC, 2017).

Companies need to put careful thought into selecting a cause. First, they must consider their own goals and motives, whether they are financial or altruistic (Graafland & Mazereeuw, 2012). How integrated will these efforts be into the products and services that a company offers? How would employees prefer to be involved, if at all? What issues are customers receptive to? As an organization looks to discover how these can intersect, the focus must be on authenticity. In terms of marketing, any efforts must be represented in a way that at least appears to be organic and reflective of the brand voice. In the words of School Advertising Agency CEO Max Lenderman, “Brands often want to randomly pick a cause even if they don’t truly believe in it. Millennials will see right through that.” (Richards, 2015).
BACKGROUND

To develop context for the discussion, demographics will be examined to narrow the focus to the most relevant – for the purposes of this discussion – segments of customers. Key terms will be defined to establish the scope and boundaries of the topic. Several frameworks and current examples will be studied to assess the current state of sustainability and social responsibility efforts. It should be noted that while many areas of business will be covered, the focus of this research on the marketing, branding, and communication aspects.
Millennials and Gen Z

There is not a full consensus among secondary data on the exact age ranges of Millennials and Gen Z. For this research, Millennials will be defined as the group born between 1980 and 1997; Gen Z will be defined as being born in 1998 or later (Fry, 2016) (Omnicom Group, 2017). What is clear is that younger generations are pushing businesses to align themselves with and support different social missions. 94% of Millennials and 87% of Gen Z believe that companies are obligated to address social and environmental issues (Omnicom Group, 2017). While people of all age groups are, at minimum, sympathetic to this idea, the two youngest generations are willing to put their money behind it. 70% of Millennials will spend more money on brands that support causes that are meaningful to them. They are willing to support these companies through engagement and social media, with Millennials and Gen Z being more likely than others to praise a company’s pro-social actions online, as well as use social media as a tool to assess what companies are doing to help society and the environment. For those reasons, businesses need not only to participate, but to integrate their actions and values into their communications to engage younger consumers. For companies that believe CSR is not worth the money or effort, particularly when there is not a clear or obvious mission for the company to align themselves with, nonparticipation is becoming less of an easy choice. 89% of Gen Z would choose to buy from a company supporting social and environmental issues over one that does not.

It should be noted that these concerns are not exclusive to younger generations. 89% of Baby Boomers and 83% of Gen X believe that companies have a
responsibility to address social and environmental issues. However, as these two generations age, their influence wanes. While their beliefs are valuable due to their size and buying power, the younger generations will be the ones who continue to push businesses to change in the future.

Millennials currently have $2.45 trillion in buying power and are the largest living generation in the U.S. (Fry, 2016) (Richards, 2015). Gen Z, in comparison, has $44 billion in buying power. While this is a meager amount compared to Millennials, Gen Z is young – capping out at 19 years old – so their buying power will continue to grow. Additionally, Gen Z is still expanding; by 2020 they will account for 40% of global consumers (Finch, 2015). While many consumer studies focus on exclusively on Millennials, the voice of Gen Z will continue to become increasingly valuable.
Definitions of Key Terms

To frame this discussion, several terms will be defined based on existing frameworks for sustainability and CSR. Corporate sustainability is defined as a company’s voluntary inclusion of social and environmental concerns in business operations (Van Marrewijk & Werre, 2003). While sustainability and environmentalism are often used interchangeably, sustainability is an umbrella term that includes environmental sustainability, human sustainability, and social responsibility. Human sustainability refers to health and well-being (Diesendorf, 2001). PepsiCo, for example, works toward this by offering healthier options and clear nutrition information, as well as committing to marketing healthy lifestyles, such as Aquafina’s partnership with First Lady Michelle Obama’s “Drink Up” initiative (PepsiCo, 2015).

Traditionally, businesses only practiced sustainability as far the law required. However, in the twenty-first century, businesses have been pushed to reconceptualize their obligations to society (DesJardins, 2007). 76% of global companies say that sustainability is an important item on top management’s agenda (Kiron, et al., 2014). More importantly, 82% of companies believe that adopting a sustainability strategy is and will continue to be necessary to be competitive.

Social marketing seeks to influence positive behavior and awareness. It can be progressive in encouraging positive behavior, such as NFL’s PLAY60, or preventative, such as Red Ribbon’s “Just Say No To Drugs” campaign (Kotler & Lee, 2007). Social marketing is based on the exchange principle which offers benefits in exchange for altering behavior. Green marketing refers to marketing to environmentally-conscious
consumers, as well as marketing environmentally-minded products and services (Simpson & Radford, 2014) (Gupta, 2014).

Corporate citizenship, like sustainability and corporate social responsibility, is differentiated by typically being ingrained in a company’s values and business activities, and may focus more on ethics, compliance and public relations through actions that are mutually beneficial to the company and society (Valor, 2005) (Nelson, 2004). It often also incorporates elements of diversity and employee wellness.

Responsible business conduct (RBC) is a less-used term used mainly by the Organisation for Economic Cooperation and Development (OECD), which is an intergovernmental organization facilitating economic growth and trade (OECD, 2011). This organization provides guidelines on business practices to governments and to multinational organizations. RBC is defined as the idea of “doing well while doing no harm” and it focuses on how businesses can both make a positive contribution and avoid or address negative impacts (OECD, 2014).

Corporate social responsibility (CSR) is the concept of making business decisions and policies that align with desirable objectives and values of society (Bowen, 1953). CSR integrates a moral obligation to society into company behavior and decision-making. It includes organizational considerations like social equity, community relations, charitable partnerships, workplace ethics, and employee rights (Simpson & Radford, 2014). While the CSR has been practiced for decades, it has only recently created major pressure to change business practices. In the past, consumers were thought to choose brands based on functionality and emotion; today, many consumers
have added a third dimension of social responsibility to their brand decision criteria (Kotler, 2011).

These definitions will be used to understand current frameworks and to analyze secondary data and interview results.
Existing Frameworks

The goal of businesses to connect with customers is as old as business itself; for that reason, researchers have aimed to measure and understand company performance in the area of social responsibility for decades. These frameworks focus primarily on measuring and reporting CSR efforts. Because the United States has no laws governing reporting of CSR or sustainability initiatives, these frameworks are key to gauging how businesses, historically and currently, record and report their performance in this category.

The triple bottom line measures company performance across economic prosperity, social equity, and environment – commonly referred to as “profits, people, and planet” (Elkington, 1998). It requires the involvement of company stakeholders and corporate governance.

Wiebe’s Analysis looks at the effectiveness of social campaigns based on how the audience experience five factors:

1. Force, or motivation, toward the goal;
2. Direction of how to consummate the motivation;
3. Mechanism, or agency, to translate motivation into action;
4. Adequacy and Compatibility of the agency;
5. Distance, or cost to the audience, to consummate the motivation

(Kotler & Zaltman, 1971)

In the context of this research, the most important points are that any requests made of consumers to accomplish social objectives need to be clear and minimize effort.
required, as well as minimize psychological distance to accomplish those objectives. In short, any efforts between the business and the consumer need to be as simple and easy to accomplish as possible to be successful.

The Net Positive Model, fans of which include Ikea and Coca-Cola, views CSR as a way to balance out the negative impacts of operating a business through positive actions (Balch, 2013). With environmentalism, this often takes the form of zero waste or carbon neutral initiatives, such as Nestlé USA working toward its goal of reducing its emissions through landfill-free factories that contribute zero waste for disposal (Nestlé USA, 2015).

The balanced scorecard examines company performance from four perspectives: financial, customer, internal process, and organizational capacity (Kaplan & Norton, 1993). In terms of sustainability, consistency in strategy is key to communicating and implementing sustainability plans. Sustainability is part of each perspective (Balanced Scorecard Institute, 2008). Financially, sustainability means generating sustainable financial returns. To customers, this translates to satisfying their expectations for safe and sustainable products. In terms of internal processes, this is managing energy and resources to minimize waste. From an organizational capacity standpoint, this means integrating sustainability into company culture and business decisions.

The three theatres of CSR are used to classify activities and integrate them into a comprehensive CSR strategy (Rangan, Chase, & Karim, 2012). Theatre 1 is philanthropic giving, such as funding non-profits, or engaging in volunteer service with employees. The goal of this theatre is to contribute to society and potentially improve a company’s
reputation. Theatre 2 involves altering the value chain for the benefit of the business and society. It consists of symbiotic activities that benefit the bottom line, as well as the environmental or social impacts of a member of their value chain, like their production or a distribution partner. Theatre 3 is more wide-ranging and involves disrupting the ecosystem in which a business operates, with the goal of solving societal or environmental problems, which could result in long-term financial returns but may not immediately create profit.

Another way of categorizing these stages, pertaining to sustainability, is considered across a continuum in five stages: 1. Pre-compliance, where the company’s sole focus is minimizing costs and resisting regulations; 2. Compliance, where the business follows regulations as needed to manage liabilities; 3. Beyond Compliance, a company reducing cost and risk through sustainable causes that benefit the company; 4. Integrated Strategy, where a firm re-brands itself to commit to sustainable initiatives; 5. Purpose and Passion, a company driven by its commitment to improving the world (Willard, 2005). The key takeaway from these is to categorize different levels of CSR and to select actions based on the ultimate goals of the business.

How social responsibility is advertised or reported by a company can be just as important as the actions being taken from a marketing perspective. Communications allow a company to market themselves and their CSR or sustainability efforts to both internal and external stakeholders. According to a Journal of Marketing Communications study, communications is key to generate organizational support and motivation (Morsing, Schultz, & Ulf Nielsen, 2008). Advertising is another avenue
through which companies can advocate for a cause, or share their current efforts. An American Academy of Advertising study examines if advertising with cause-related elements causes consumers to view a company or brand more favorably (Nan & Heo, 2007). Another study examines the current state of reporting across industries and provides guidance how to appeal to stakeholders in CSR reporting (Sweeney & Coughlan, 2011). Because there are no reporting laws in the United States, it is often used as a key marketing tool for internal and external customers. Reporting is one of the primary ways that businesses can share their engagement in meaningful causes and work.

The Global Reporting Initiative establishes standards for reporting and disclosures (Global Reporting Initiative, 2015). These reporting principles include identifying stakeholders, reporting positive and negative aspects of performance, and integrating disclosure guidelines from the OECD Guidelines and UN Global Compact. These disclosures cover areas such as water use, indigenous rights, gender equality, and consumer privacy. The Social Accountability International SA8000 standard focuses on human rights and labor rights and is used primarily in industrial sectors (Social Accountability International, 2013). Its nine core elements include child labor, collective bargaining, and discrimination. This standard is recognized through certification and has a goal of ensuring social accountability and ethical working conditions without sacrificing business interests. The International Organization for Standardization (ISO), which develops international standards for productions, services, and manufacturing, provides standards and guidelines for implementation of social responsibility through
its ISO 26000 standards (International Organization for Standardization, 2008). Its purpose is to help organizations, for-profit and non-profit, assess which principles and issues that are most relevant to a business’ mission, operations, and stakeholders (American Society for Quality, 2015).

United Nations Global Compact principles are a more well-rounded set of guidelines for business strategy and procedures in the areas of human rights, labor, environment, and anti-corruption (United Nations, 2015). The ten principles are derived from the Universal Declaration of Human Rights, the International Labor Organization’s Declaration on Fundamental Principles and Rights at work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

One framework classifies CSR options into six ways to participate: 1. Increase awareness of social causes; 2. Making contributions to causes based on product sales; 3. Supporting behavior change campaigns; 4. Making a direct contribution to a cause; 5. Employees donating their time or skills; 6. Business practices and investments to support causes. This framework provides directives and options for businesses, as well as a guide to best practices and recommendations (Kotler & Lee, 2005).

While the United States does not have any laws regarding CSR, both in actions and reporting, in 2014 President Obama announced a National Action Plan to encourage responsible business conduct (White House, 2016). The basis of the plan is UN Guiding Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises. The plan is categorized into four actions to be taken:
1. Continue to refine the ways in which the United States government purchases and finances responsibly;
2. Work with companies, civil society, and foreign governments to share best practices and support high standards;
3. Highlight the success stories of leading companies;
4. Seek to provide effective mechanisms to address negative impacts where they may occur.

In addition, the NAP defines five categories of action as follows:

1. Leading by Example
2. Collaborating with Stakeholders
3. Facilitating RBC by Companies
4. Recognizing Positive Performance
5. Providing Access to Remedy (U.S. Department of State, 2016)

This framework not only provides guidelines and support to businesses looking to identify best practices and opportunities for CSR, but details how the United States government leads by example. It also highlights the importance of cohesion and collaboration in defining goals and standards for reporting in the United States.
Case Studies

Several examples will be used to examine current efforts. From a public relations perspective, some are forward thinking and seek to progress the company’s mission, while others are reactive and look to undo damage or strengthen a brand. While CSR fits into Walmart’s mission statement – “Save people money so they can live better” – the company has struggled with consumer perceptions as one of the least liked brands in America and being a scapegoat for anti-corporate critics (Izzo, 2011) (ACSI, 2016). And while today they are recognized as a global leader in social and environmental initiatives, many of their major initiatives have come in response to controversy or legal action taken against the company (BBMG, 2009) (Gunther, 2011). For example, with their Women’s Economic Empowerment Initiative, Walmart has worked to promote women-owned businesses through product sourcing, to train hundreds of thousands of women for jobs, and to improve equal gender representation among management and executives (Kanani, 2014). However, this positive change was a response to what would have been the largest class-action lawsuit in U.S. history and is still being litigated, where Walmart’s female employees alleged gender discrimination in pay and promotion (Cedillo Torres, Garcia-French, Hordijk, Nguyen, & Olup, 2012). This example provides the opportunity to understand to what extent a negative brand image can be altered through positive actions.

U.S. Bank shows the value of structure in a CSR strategy. As an organization that invests heavily in volunteer and philanthropy programs, they have found success in a structured strategy that allows employees to be involved in decision-making and to
contribute to causes that are meaningful to them, but with a streamlined framework to maximize impact which balances individual and corporate interests (Taylor, 2017).

Unilever has been unique in the consumer goods industry in its bold steps toward CSR and sustainable goals. Its 10-year Sustainable Living Plan, released in 2010, listed its goals to improve customers’ health and well-being and to reduce Unilever’s environmental impact (Unilever, 2017). However, Unilever and its CEO Paul Polman have drawn criticism for boasting of its successes and hiding ongoing issues like poor working conditions and worker exploitation (Clarke, 2011) (Rana, 2016). Polman recently stated in an interview, “The question is, ‘do you run this for society or not?’ The real purpose of business has always been to come up with solutions.” (Walt, 2017). Unilever exhibits how CSR efforts can be prominent in an organization and use significant money and effort but can be easily mired by poor management and public relations.

Patagonia, an outdoor clothing brand, is recognized for its focus on sustainability, and environmentalism is deeply ingrained in the company’s products and mission. One unique offering of Patagonia is their employee volunteer program, which gives employees up to two months of paid time off to volunteer with environmental groups (Patagonia, 2015). Patagonia is an example of a business that has radically redefined corporate responsibility and has undertaken tremendous costs to implement their goals but has ultimately benefitted by being able to integrate their efforts into their brand in a way that is authentic to the brand and the product. They have worked not only to
operate a responsible business but to successfully shape the industry landscape to be more sustainable and environmentally conscious (Giva, 2016).

As the leader in athletic footwear and apparel Nike has been able to leverage its influence to create a more sustainable supply chain (Porteous & Rammohan, 2013). After criticism arose in the 1990s about Nike’s working conditions and employee rights, Nike reacted by initially claiming it had no control over third party factories’ working conditions. After an uproar from consumers, Nike realized its error and committed itself to improving business practices and being more open to consumers (Abnett, 2016). Since then, Nike has transformed its reputation, being ranked the most sustainable apparel or footwear company in North America in 2015 (Duggan, 2015). The lesson to be learned from Nike is the value of transparency, and the ability of major organizations to incentivize others to improve their operations, as well as the value of listening to consumers and responding through action.

The H&M Group is working to counter critics who paint the “fast fashion” industry as being harmful to the environment. Fast fashion – clothing production focusing on speed and low costs to deliver new collections more often – has been criticized for increasing pollution and textile and clothing waste compared to other forms of clothing production (Perry, 2018) (Wicker, 2016). H&M successfully weaves in its chosen cause of sustainability with its existing brand and mission statement, making “affordable, good-quality and sustainable fashion available for many people, regardless of their income or where they live” (H&M Group, 2017). The H&M group states “We want to make fashion sustainable and sustainability fashionable” (H&M Group, 2016)
Additionally, they incorporate other initiatives into their CSR campaigns. They support gender equality, with 75% female employees and 61% female managers. They practice their sustainability goals through renewable energy, using 96% energy from renewable sources. They demonstrate the value of transparency through their annual sustainability report. Separate from their general annual report, the Sustainability Report details their work (H&M Group, 2017). The report demonstrates their transparency regarding workplace rights and policies. In an industry that is plagued with low workplace conditions, such as Nike, H&M stands out not only with their business practices but in their willingness to provide information. While H&M is not immune to a PR crisis, the advantage they have over another brand is their ability to leverage their transparency when they need it. When H&M faced backlash over a black child modeling a sweatshirt reading “coolest monkey in the jungle,” the company was able to use existing modes of communication to issue their apology (West, 2018). Because of H&M’s long history of transparency, they are more well-prepared to respond to inevitable crises.

Chobani demonstrates the benefits that can be reaped from thoughtful CSR campaigns. Their campaigns can be categorized as internal, relating to business operations, and external, supporting causes outside of the company. Externally, the Chobani Foundation supports a wide variety of causes such as the Special Olympics, disaster relief, and fitness programs through volunteer work, product donations, and financial support (Chobani, 2018). Internally, their beliefs of “better food for more people” is manifested in ethical product sourcing, where they source milk for their yogurt only from local farms adhering to high industry standards (Chobani, 2018). One
of Chobani’s most well-known initiatives is their partnership with refugee centers to provide jobs for refugees. Chobani’s belief in prizing employee welfare entered the public eye when CEO Hamdi Ulukaya announced that each employee would be given “Chobani Shares” eligible to be converted to cash or shares if the company goes public or is sold (McCambridge, 2016). According to Max Lenderman, CEO of School, a nonprofit creative agency, "When the Chobani piece came out, it seemed like every single news outlet carried that for 24 hours. It’s very hard to buy that kind of exposure. And when Chobani goes into CSR mode or creates a cause campaign around a new product launch, they have that much more credibility now because they have this bedrock of consumer perception that this is a company that strives to do good” (Birkner, 2016). The marketing and publicity benefits of work like Chobani’s go beyond face value; in addition to gaining exposure and building a positive brand image each time they engage in CSR, they pull these benefits back to their for-profit organization and leverage the trust built with consumers and the media to grow the business.

Procter & Gamble is one of the largest consumer packaged goods companies in the United States, with $67.1 billion in net sales in 2017 (Procter & Gamble, 2017). While all companies can benefit from incorporating elements of CSR and sustainability, as a consumer packaged goods company Procter & Gamble can reap additional benefits from advertising its efforts. Procter & Gamble demonstrates the value of clearly communicating CSR efforts through its products, especially through its packaging. This is more important in the consumer packaged goods area than, for example, with a service-based company. When packaging is used as the communication channel for CSR
efforts, it has the opportunity to reach consumers in the aisles of stores and browsing online. For products that are often purchased directly off the shelf, this is a key communication channel for reaching the highest number of consumers. Packaging also provides a natural opportunity to integrate sustainability and ethical sourcing into business operations, and could serve as an easily accessible way to connect with environmentally-minded consumers (Grocery Manufacturers Association, 2014). In terms of utilizing CSR efforts to sway new customers away from brands they are already loyal to, packaging can be an effective means to reach these groups.

Another benefit of a consumer packaged goods company focusing on CSR is the opportunity to build trust and goodwill among consumers. The products they sell, including baby products and personal hygiene products, are often highly scrutinized by consumers more so than other products. Five of the 10 most trusted brands in America are consumer packaged goods brands, with Procter & Gamble owning three of those five brands (Wong, AdWeek, 2010). According to research executive Eileen Campbell, consumer packaged goods require such a high level of trust because individuals and parents trust these products to be safe and effective for themselves, their families, and most importantly their children (Wong, AdWeek, 2010). Large brands often struggle to gain consumer trust, so companies like Procter & Gamble stand to gain significantly from investing in CSR (Pollack, 2017) (Yao, 2018).

Tide laundry detergent, a Procter & Gamble product, uses their own products to make an impact. Through the Loads of Hope program, Tide sends a mobile Laundromat to provide free washing, dying, and folding of clothes to those affected by disasters like
Hurricane Harvey, including first responders and aid workers (Jones, 2017). The program also includes advertising via packaging and social media, and gives consumers the opportunity to get involved by entering a code from each purchase online to donate $1 from Tide to the program (Tide, 2016). The benefit of this type of CSR versus another is the authenticity it demonstrates; consumers see that the business is willing to spend its own money to help those in need, and for Tide, providing laundry is a natural response that fits well with the product. This sort of natural response minimizes, but does not eliminate, criticisms of attempting to profit off CSR with little sacrifice being made by the company.

Dawn, a dishwashing liquid brand owned by Proctor & Gamble, demonstrates the advantages of using a long-term, thoughtful strategy and the value of authenticity. Dawn has solidified itself as a leader in corporate responsibility, as one of the most prominent brands mentioned in related literature. Since 1978, the International Bird Rescue Center has used Dawn dish soap to clean wildlife affected by oil spills (Dawn, 2015). Dawn first began sending product to the site of oil spills in the 1989 Exxon Valdez oil spill. More recently, the 2010 BP gulf coast oil spill provided an opportunity for Dawn to leverage its long history with the International Bird Rescue center to donate 2,000 bottles of Dawn and continue growing its ad campaign, showing oil-covered birds being cleaned with Dawn (Neff, 2010). According to Dawn spokeswoman Susan O. Baba, “An oil spill is exactly the situation where Dawn is able to help and exactly what we want communicated about the product: tough on grease, yet gentle” (Kaufman, 2010). The Dawn Saves Wildlife campaign includes packaging and growing social media pages
dedicated to the cause. Dawn’s existing partnership with both the International Bird Rescue Center and Marine Mammal Center provides a shield from criticisms of CSR efforts being cheap publicity; David Reis of DEI Worldwide marketing agency says it enables Dawn to “selflessly self-promote” (Wong, 2009). Dawn has continued to grow the campaign through celebrity ads featuring Rob Lowe and its Junior Wildlife Champions education program (CNN, 2013) (Stein, 2012). They have sought to balance generating publicity with maintaining authenticity through a video series highlighting individual wildlife volunteers (Procter & Gamble, 2015).

Companies may sell a product that is inherently environmentally friendly, making marketing sustainability more natural to the product, but often raising consumer expectations. Burt’s Bees, which sells products made with beeswax, has strengthened its reputation of contributing positively to the environment through sustainable packaging and waste-free initiatives (Greer, 2013). Others sell products that appear to conflict with sustainability or environmentalism. Because driving a gasoline-powered car is not traditionally supportive of the environment, BMW has worked against this by integrating sustainability in its philanthropic efforts, including Schools Environment Education Development Project in South Africa (BMW, 2017). SEED works to educate schools and students on sustainability through the operation of community gardens, including selling what participants grow (BMW, 2015). This shows that, for products that may be unrelated to, or even work, against social and environmental goals, philanthropy is an option for pursuing these goals outside of the scope of business operations.
General Electric applies a different approach through their EcoImagination program, which seeks to make profit by solving social and environmental problems. (Gupta, 2014) Their social and environmental goals, such reducing environmental impact, are being accomplished through an extension of their business (GE, 2017). This shows that reshaping priorities can directly improve the bottom line and that efforts that are more integrated into business operations can be even more effective than philanthropic giving.

Ben & Jerry’s, owned by Unilever, has been a hallmark of progressive leadership in sustainability and corporate responsibility for years. While Ben & Jerry’s is owned by Unilever, it operates with substantial independence in terms of the causes they choose to advocate for (Gelles, 2015). Their founders refer to their double bottom line – profits and people – as the “double dip” (Cohen & Greenfield, 1998). Its products and causes are tied together, such as their use of fair trade products, or their Empower Mint flavor supporting NAACP voting rights efforts during the 2016 election (Leber, 2016). They frequently engage in forms of public protest, famously bringing ice cream to Occupy Wall Street participants in 2011 (Ben & Jerry’s, 2014). Ben & Jerry’s has proudly supported causes like justice for refugees, gay marriage equality and Black Lives Matter. Ben & Jerry’s represents authenticity and successfully integrating a deep, genuine dedication to social and environmental causes throughout the company. These causes may be considered alienating to some consumers. Ben & Jerry’s acknowledges and accepts this risk in order to stand up for what they believe in, as well as to cater to consumers who align with these causes. Adam Kleinberg, CEO of Traction Advertising
Agency put it this way: “By Ben & Jerry’s taking a stand with something like immigrants’ rights, they may do it with the understanding that 50% of people will never buy their ice cream. If it makes the other 50% three times as likely, then they’re coming out ahead.” (Steimer, 2017).

Companies pursue CSR and sustainability initiatives at varying stages and with differing commitment levels. Large corporations provide a look into the costs and benefits of CSR. They demonstrate both the value of conducting responsible business and the consequences of negative or
METHODOLOGY

The methodology of this thesis begins with a review of secondary data sources to interpret the current state of literature in this field. The secondary data includes a comprehensive interpretation of existing frameworks for implementing and reporting sustainability and CSR. Additionally, examples of current efforts of major companies will be used to examine instances of successful implementation of sustainability and CSR strategy. Because the United States has no formal regulations for CSR reporting, this examination of current efforts will be relevant and necessary to assess what expectations are being set and what actions are being taken among businesses.

In-depth interviews have been conducted to gain further consumer insights. Many existing frameworks have been established for decades; interviews allow for the evaluation of their relevance in the current business landscape. The analysis of in-depth interviews is based on grounded theory and is detailed in the Interviews subsection. The interviews targeted both men and women who are in the millennial and Gen Z age range, that is, born after 1980. Many, but not all, of the participants were current undergraduate students. As previously stated, increasing expectations of businesses’ social movement efforts hold true across all age groups. However, the increasing influence and buying power of Millennials and Gen Z is the reason that their voice is of the most prominent importance. Additionally, because of these groups’ relatively young age range, their beliefs can help not only to understand their present expectations but help to forecast how these expectations could impact businesses in the future.
The gap in research is clear: what are consumers’ expectations for corporate behavior as it pertains to social issues (Marketing Science Institute, 2010)? What is the best way to meet these expectations? The state of existing research on this topic is primarily theoretical; the goal of this research is to re-conceptualize it in a way that is applicable in a business landscape with increasing expectations.
Interview Analysis

Content analysis is used to analyze “both the substance and meaning of texts” (Beck & Manuel, 2008). According to advertising and communications research guidelines, the steps of content analysis are as follows:

1. Formulate the research question.
2. Define the universe.
3. Select an appropriate sample.
4. Define the unit of analysis.
5. Construct categories of content to be analyzed.
6. Establish a quantification system.
7. Train coders and conduct a pilot study.
8. Code the content according to the established definitions.
9. Analyze the collected data.

This method has been adapted to the constraints of the research. Steps 1 and 2 and discussed in the Introduction. This section of the report focuses on the methodology for steps 3 and 5. The following discussion explains the methodology for the sample frame and coding categories.
Sample Frame

12 individuals, born after 1980, participated in an unstructured interview to explore their attitudes toward and knowledge of corporate social responsibility. Interview participants were 6 women and 6 men from different areas in the state of Florida. The average age is 21.5 years old. 7 of the participants are current college students. The colleges attended by the interview respondents include Florida Atlantic University, Florida International University, University of Central Florida, University of Florida, and University of Miami.

The unstructured interview consisted of 13 pre-determined questions to learn about their experiences. The full questionnaire can be found in Appendix A. The basis of the sample and analysis is an adaptation of grounded theory, which has been adjusted due to limited time and resources. The number of interviews was determined based on the limited characteristics of the group. According to grounded theory, the sample size should depend on when saturation is reached; that is, a sufficient number has been reached when data becomes redundant (Glaser & Strauss, 1967). In homogenous groups, 12 is considered to be a sufficient sample size for undergraduate research (Baker & Edwards, 2012). This is based on the theory of saturation. The theory states that in homogenous groups, saturation, or the point at which themes become repetitive, can occur in as few as six interviews (Guest, Bruce, & Johnson, 2006). The homogeneity of the group is based on the limited age and geographic range of the participants.
Content Categories

Content categories were established based on the emerging category system in order to ensure exhaustivity, where each unit of analysis can be logically placed. The emerging category system involves setting categories prior to coding. Based on a review of the questions and interview transcripts, code categories were constructed. Figure 1 in the Results and Discussion section contains a full list of content categories and the codes that each contains.
RESULTS AND DISCUSSION

Secondary Data Results

A review of the secondary data includes existing frameworks for measuring CSR initiatives and case studies. First, existing frameworks will be examined.

Because the United States has no reporting laws, frameworks are especially useful here. Their main use is for reporting and comparison of initiatives with competitors. In terms of reporting, the United Nations is the most widely used set of standards for reporting. For companies that are not engaged in CSR, or who do not report their initiatives, the UN encourages the issuance of an annual Communication on Progress to update stakeholders on current actions (United Nations, 2015). Their website contains over 47,000 from a variety of industries and countries.

Additionally, the Obama Administration’s National Action Plan for Responsible Business Conduct is the best source of information for creating and structuring CSR initiatives. In addition to providing an example through the U.S. Government’s CSR plans, the guidelines are rooted in internationally recognized frameworks like the OECD guidelines and the UN Guiding Principles.

There are a vast number of frameworks that can be used to assess the current state of CSR initiatives, determine best practices for new and current initiatives, and establish or improve reporting standards. These largely focus on internal responsibility and business operations. Although smaller, lesser-known frameworks (particularly those with a greater focus on external or philanthropic efforts) may ultimately be the
best fit for many companies, the larger international frameworks are the most effective starting point.

Case studies revealed several categories of businesses, which can be used to understand how to develop best practices for CSR initiatives and reporting. One group is companies that operate in a way that is seen by the public as unethical and uses CSR to counteract their negative history or reputation. Walmart, for example, battles its reputation as an unethical company through specific initiatives focusing on ethical sourcing and equal pay among other causes. Businesses like these illustrate that communicating CSR often must overcome barriers, including public distrust. This creates a net-positive effect in terms of the perception of the brand.

As companies damage their reputation through PR blunders or illegal business operations, they counter the effects of any CSR efforts they undertake and communicate. However, the issue should not be considered as a balancing effect. CSR cannot exclusively be used as a vehicle for mitigating a bad reputation. That practice results in a reputation of being duplicitous and willing to deceive customers for a profit. This limits the impact of future CSR marketing efforts, because any communication will be seen through the lens of a deceptive, greedy company. CSR initiatives will be seen as publicity-seeking and not genuine. For that reason, impacts of negative attitudes on public reputation are compounded.

Therefore, it is crucial for organizations to begin with business operations, employee treatment, and the company mission as a solid foundation for CSR or philanthropic efforts in order to maximize the marketing benefits.
In contrast, when organizations make social responsibility a priority in their business operations, they can reap the full benefits of marketing corporate social responsibility. Although mistakes and incidents are often unavoidable, building up a solid reputation creates a shielding effect and builds a level of trust with the public that is key to overcoming these incidents.

Additionally, through their varying commitment levels and initiatives, companies demonstrate the different methods that CSR can be executed. One dimension is the proximity of initiatives to customers. On one end of CSR initiatives is external efforts, generally unrelated to the company’s mission. Examples of this would be charitable donations or company leaders attending a nonprofit’s annual fundraiser. On the other end is customer-facing activities meant to actively build the brand and engage with customers. Examples include purchase-linked actions (for example, purchasing a special edition package of a product and $1 will be donated to cancer research) or highly-publicized community events.

Similarly, businesses must establish the proximity to business operations. Close to business operations could be demonstrated through ethical sourcing, minimizing a company’s carbon footprint, increasing employee welfare, or rethinking fair hiring practices. Far from business operations would be external efforts like volunteerism or philanthropic donations that do not affect the company’s day-to-day operations. Proximity to business operations and to customers are not mutually exclusive categories. Business operations pertains only to a business’ willingness to alter its own operations for a cause, and customers’ proximity speaks to the way that CSR is
demonstrated, such as through packaging or fundraising. It is important for a business to decide the proximity to customers and to business operations before selecting a marketing strategy because it helps to determine the most effective channels of communication to customers, if any are necessary at all.
Interview Results

The interviews were analyzed via content analysis, as detailed in the Methodology chapter. The transcripts were broken down into codes, each within a coded category, to provide context to the discussion. The codes and categories are detailed below in Figure 1. The categories are based on the questions, categorized and listed on the Coding Sheet with each of the category’s respective codes below.

Figure 1: Codes and Coding Categories

![Coding Sheet](image-url)
Based on word frequency, the most common codes for each category were as follows. “Don’t want to research” had the highest frequency among consumer attitudes. This demonstrates that, as much as Millennials may favor CSR and sustainability initiatives and be swayed by advertising that communicates these initiatives, they are largely unwilling and unlikely to seek out the information themselves. In terms of marketing strategy, this tells businesses that if they want younger consumers to receive the message, they should focus advertising efforts in places that this group is already using as an information source.

“Companies need to be responsible” had the highest frequency among consumer reactions. Looking at this through a “net-positive” perspective, larger companies are seen as damaging to the environment and to small, local businesses so their CSR efforts need to balance out that perception. Additionally, companies need to tread carefully when beginning CSR for the first time. Unless an organization has a history of CSR, such as Patagonia, when first beginning CSR efforts, groundwork needs to be laid in terms of making an impact and measuring results before reporting and publicity can begin.

“Small businesses” had the highest frequency among causes, closely followed by “ethical product sourcing.” The first speaks to consumers’ connections with their community and willingness to support local businesses, particularly in the age of mega-corporations like Walmart and Amazon threatening many small businesses. The second speaks to the important of business operations. Additionally, one respondent stated that they had higher expectations for products that they consume or put on their body because of potential health effects. This ties into product sourcing, and the potential
value of packaging to demonstrate product sourcing initiatives. For large businesses, it can be difficult to overcome the negative persona of shutting down small businesses. This can be remedied by connecting on a more local level. For example, a large retailer like Target could sell products from local businesses (as one respondent noted that Target currently does), or move CSR initiatives down to a local or store-based level so that initiatives can be tailored to the community in the way that a small business would, but with the financial backing and expertise of a larger corporation.

“Internal/reforming business operations” had the highest frequency among CSR actions. This supports previous analyses of case studies, which states that beginning with business operations is key to avoiding PR crises like the exposure of poor working conditions in Nike factories.

“Local impact” had the highest frequency among CSR initiative qualities. Like “small businesses” as a cause, local impacts are valuable to consumers because they feel more connected to the cause and feel that they will see more tangible impacts. “I think that’s more meaningful when it’s happening in your own city,” one respondent said.

“Honest/translucent” had the highest frequency among business qualities. On the marketing side of CSR, transparency in advertising and reporting is key to gaining consumer trust and, in turn, reaping the full benefits of CSR. Most respondents mentioned that companies need to be genuine in order for their work to be meaningful to consumers.

Lastly, among communication strategies, “advertising by company” had the highest frequency followed closely by “news outlets.” Advertising is what the
respondents generally believed to be the most effective way of reaching consumers and the channel most often used by companies. However, a common theme was that consumers often distrust businesses, and for that reason prefer to receive information about CSR initiatives from unbiased sources like news media. For a business that struggles with trust and developing positive relationships with customers, it is key for their work to be advertised through channels that are seen as unbiased, or less biased than direct company sources.

Three prominent trends emerged from the interviews. First, when initiatives and impacts are localized, they can be more meaningful to consumers. Second, business operations are the best starting point for CSR efforts. If a company is already engaged in CSR, maintaining high-quality business operations, such as product sourcing and fair wages. Third, marketing needs to balance transparency with publicity. In some cases, transparency can be accomplished through reporting. Specific reporting standards, as stated previously, are best found in international reporting standards and through competitors. Overall, the most effective channel is where customers will see it and believe it, whether that means an unbiased source like a news site or a company’s social media platforms.
Guideline

The following guidelines are the culmination of secondary research and interviews. This guideline expands on existing understands of marketing CSR, adapted based on new research in a useful, accessible way for today’s businesses. This guideline is geared toward marketers and business owners seeking to create new CSR plans or evaluate existing initiatives.

Figure 2: Guideline

Below is an evaluation and planning tool for marketers and businesses. These steps serve as a guide through the process of determining the most effective way to make a positive impact.

**A FIND A CAUSE**
Identify driving forces and aim for consistency.
1. Consult senior staff.
2. Analyze current and target customers.
3. Assess mission, vision and values.

**B SELECT A METHOD**
Based on the cause, determine the best strategy.
1. Evaluate commitment level and resources.
2. Establish proximity to the customer.
3. Integrate method into business operations.

**C SHARE RESULTS**
Balance publicity, authenticity, and transparency.
1. Examine international reporting standards.
2. Analyze competitors’ strategies
3. Understand customer preferences.
4. Consider existing communication channels.
Through this process, businesses need to take into consideration several aspects of the research. When selecting a cause, it can be tempting to follow trends to attract younger consumers. While considerations of customers are important, specifically their personal values and what causes are popular, any CSR initiative needs to be genuine. This can be accomplished by starting with the company, including senior staff and consulting the company’s mission, vision, and values. Determining which cause to support is a crucial first step, so commitment must be established from company leaders at the onset.

These guidelines serve as a starting point and a checklist for a CSR marketing campaign. Further planning and input from stakeholders, as well as feedback from customers, is key to ensuring an impactful, longstanding campaign that impacts the brand image and the overall success of the organization, in addition to the positive impacts made directly by supporting a cause.
Further Research

Future research should focus on expanding this understanding across varying businesses, industries, and consumer demographics. CSR has been found to be relevant for attracting Millennials’ attention. New studies could intersect this understanding even further with a larger sample size, differentiating among income levels, education levels, and geographic locations such as urban versus rural. A study of a larger pool of Millennials could identify the causes that are most important to the group and those that will elicit the most significant purchasing response from the group. Based on the interviews, there were mixed responses about CSR’s effect on purchasing habits. While all respondents knew about CSR and could recall some instances of it, many were reluctant to say that it had any effect on their purchasing decisions.

One industry that could benefit from CSR more than others is the consumer packaged goods industry. Because these brands often have a higher level of trust with customers than other types of products, messages of CSR may be more readily accepted. Additionally, because consumer packaged goods are often consumed or worn by customers, there are often higher standards for product sourcing and environmental or health considerations. For that reasons, consumer packaged goods manufacturers have heightened expectations for their products, and would need to do more to stand out in terms of product content than other types of products that are generally under less scrutiny from consumer. Because of this, and trends encouraging organic labeling of products, there is extensive opportunity for consumer packaged goods to leverage
packaging as the primary mode of marketing CSR and sustainability campaigns, particularly those that focus on product contents.

Another area of focus could be additional case studies. While there are a vast number of case studies examining CSR initiatives, there are far fewer focusing on best practices in reporting. Although international organizations like the UN have reporting standards, they were created from the UN perspective of reporting any and all activity. By examining successful cases of reporting, businesses could gain a greater understanding of what and how to report from the perspective of having the largest impact on the brand rather than adhering to UN standards.
Conclusion

Based on the analysis of case studies, existing frameworks, and in-depth interviews, businesses need to adapt their CSR strategies to meet the growing demands of younger generations, particularly as the economic influence of Millennials and Gen Z increases. These generations have increasing expectations for businesses to minimize damage and contribute to the community. To engage these consumers, businesses need to rethink their initiatives and marketing strategy. In order to do so, a new guideline was created to provide a starting point for businesses to create or evaluate their CSR and sustainability efforts.

By selecting a cause that is meaningful to the company mission, product or service, and to the customers, businesses can leverage CSR or sustainability as a way to build trust and a positive brand image. Consistency in messaging and a genuine support of the cause from company leaders is key to minimizing a public perception of a deceitful company looking to attach itself to a charity only to increase profits. If a company selects a cause that employees are passionate about, it mitigates the damage that can be caused in the case of a public misstep or PR crisis.

Determining the best strategy to support a cause must be based on the company’s goals and level of commitment in terms of resources. A bigger corporation must overcome negative perceptions, and therefore must first balance out any damage they have caused to the environment or communities before beginning additional CSR efforts. In terms of strategy, the proximity to the customers and to business operations must be established. While all organizations should operate with a level of CSR in their
operations, the level to which a company must integrate their support of a cause into business operations is primarily based on the cause. For example, if a company claims to support equal rights for minorities through philanthropic efforts or volunteerism, but fails to pay minorities fairly, they must reform business operations. However, when a cause is largely unrelated to business operations, such as donating to support disease research, the company may be under less pressure to alter their business operations in order to fully and authentically support the cause.

Communicating CSR initiatives is the key to ensuring that consumers have the opportunity to see and respond to initiatives. Reporting should be done by all companies engaging in any level of CSR. The UN provides a database of thousands of reports from businesses to gain an understanding of best practices for reporting. Additionally, companies should work to reach consumers through channels that they frequent and that they trust. This may include unbiased sources like news websites for companies that struggle with trust from the public, such as those with a history of irresponsible conduct. Packaging is effective in particular for consumer packaged goods. Advertising is the primary tool for communicating results. By establishing a history of supporting a cause authentically, a company can limit potential criticism of bragging or touting support of a cause solely to make a profit.

By selecting a cause that is genuinely supported by the company and by communicating transparently to customers, a company can maximize the full benefits of marketing CSR to support meaningful causes while building a positive brand image.
APPENDIX A: Interview Questionnaire

This interview is part of a research study. The topic of the study is Marketing Practices of Socially Responsible and Sustainable Businesses. In short, many businesses, both non-profit and for-profit, are trying to improve their public image and make a positive impact through corporate-driven social responsibility and sustainability efforts. Your answers will be anonymized and published in final research document.

1. When you make a purchase, how do you evaluate the business behind the product or service? What criteria do you consider?

2. Have you ever researched a company’s ethics, values, or philanthropy before making a purchase? What are some sources of information you’ve used?

3. Does the influence of these criteria vary among different products or services you might purchase? How?

4. Do you consider yourself to be aware of what companies stand for and support? What causes or values do you think are popular among companies?

5. How are you typically made aware of this information (for example, through your own research, through information the company presents, etc.)?
6. Has a company’s advertising of their values ever affected your perception of the company, if so which companies? Has it ever affected your purchasing habits?

7. Would a company’s values affect your loyalty to them? Would you consider switching products / services if you were made aware of a particularly compelling corporate social responsibility initiative?

8. How would you like to be made aware of these efforts? What do you think is the most effective way for a company to communicate their values to customers?

9. What responsibility do you believe companies have to make a positive impact?

10. What attributes do you associate with a company who makes a positive impact? Would you expect a company to make higher or lower-quality products? Would you expect better service from such a company?

11. In terms of values, missions, or philanthropic work, what specific areas are important to you?

12. What advice would you give to a company looking to create social responsibility initiatives or are looking to find a way to support a cause philanthropically
13. Do you have any other thoughts or comments on corporate-driven sustainability and/or social responsibility?
APPENDIX B
APPENDIX B: Interview Excerpts

The following section contains select excerpts from all 12 interviews. These are not full transcripts, and they have been lightly edited for clarity.

Participant 1

“I only think about the business when it pertains to me, like if their history or policies or leadership will affect my ability to use their product. If it doesn’t affect me, then I don’t really consider those factors. I get my information from online reviews and recommendations of family and friends.”

“I’ve hear about different companies’ ethics but mainly through news and social media, sometimes my friends. I don’t seek it out. I just hear about really great practices or really bad ones.”

“A business’s reputation matters to me more when the stakes are higher – like if I’m using something I’ll use every day like furniture or a computer, or for something really expensive. It doesn’t matter as much when I’m, like, at the grocery store picking between two kinds of pasta. The higher the stakes, the more research I do in general, so the more I find out about the company. And what I learn is more important to me for higher-stakes purchases.”
“I know about stand-out companies like Patagonia, or bad ones like Nestle. I’m not aware of product sources, employee treatment or things like that. I really just see the cases that come to my attention in news stories. I think social justice is important to a lot of major brands – Target and Oreo come to find when I think of LBTQ support.

“I’ve seen some high-end brands do charity work recently, I think to make consumers feel better about buying them.”

“I think religious tolerance and celebration is growing value in the beauty industry, like L'Oreal models wear hijabs and Orly creating halal nail polish.”

“Whatever issue comes to the limelight or become more accepted, brands seem to follow suit in reaction to that.”

“I remember when Target first came out with its gay pride t-shirts, it caused a stir since a lot of people though they should stay out of that area. I think its decision to offer pride-themed products is bold, especially at a time when others weren’t doing it so much, so that left an impression on me that Target is a more progressive company. But that said, I don’t consciously recall its values or lack of values when I pick which store to go shop at.”
“If I really like a product, I won’t normally switch to another product that I like less because of their values. But if I was made aware of a compelling initiative in a company that offers a kind of product I don’t already have a favorite of, that could definitely make me go out of my way to buy that product. Since nothing else is competing for my attention, and it’s easy to support, why wouldn’t I?”

“Advertising on TV or social media would grab my attention but to be safe I think a product could certainly benefit from promoting its good work on its packaging when it’s possible. I’m sure there are a lot of grocery store product products from companies that do great but I just don’t know about them. If I could see those initiatives in the aisle, I would be more likely to try them. Again, I think the average person doesn’t spend time looking up this sort of information, so the company needs to be pushing the message instead of expecting people to go find out more.”

“Companies, especially large ones, have an enormous responsibility to make a positive impact. Because they require so many resources and so much labor, they can have negative consequences just by virtue of being a big company, so their outreach should be big enough to balance that out. Walmart, for example, has wiped out so many small businesses. Maybe they won’t try to support local businesses, but the least they can do is support area causes, or promote local products in stores.”
“I associate companies that make a positive impact with high-quality. I think they’re more dependable, honest, and friendlier. It shows that a company doesn’t think it’s the most important thing in the world. More crucial are the people and communities it serves. I associate it with better service and products because they’re bringing in enough money to have the means to give back.”

“Any instance of a company doing good is enough for me to notice and consider trying it. I’m personally want to support companies that help people with disabilities or people in need – so like food, water, or disaster relief. I would be more likely to want to buy from a company with a specific, tangible mission – “for every purchase we’ll donate 1 meal to a family in need” – than something vague – like “support cancer awareness”. I want it to have a more immediate impact.”

“I would advise a company to be authentic and not just do the bare minimum. It’s a bad look when a company pats itself on the back for doing something that should be a given, like paying employees a fair wage. For example, when McDonald’s flipped its ‘M’ arch to a ‘W’ for Women’s Day, they should have made a donation or do something tangible to help women. It comes across as virtue signaling for spectacle. A company looking for a cause should first look at its own talents/advantages and work with those. For a clothing store, they could find ethical manufacturers. A grocery store could commit to locally-grown foods.”
“I think corporate-driven responsibility is one of the most powerful means of outreach. There are so many causes to support that it can be daunting for the average person to do something about it. But if the place he or she stops at each does its own small part, that consumer can live ethically and philanthropically easily. It won’t hurt large companies to go an extra mile and implement sustainable, responsible practices.”
Participant 2

“I mostly only know about a company’s reputation when they have any scandals. If a company has any sort of scandal that strongly violate my beliefs then I avoid shopping with that company.”

“Sometimes I make purchases with a specific company’s ethics in mind. I actively choose not to buy from certain companies and go to their competitors if I do not like their values.”

“If I do research on a company I use mainstream news networks such as CNN or ABC.”

“I have never really gone into depth actively searching for what is wrong or right about a company, but if something, good or bad, about a company shows up in the news I am generally aware of it.”

“I think some popular stances a company can take are being committed to treating their employees well through benefits, incentives, and room for growth. I also think companies who give back to their communities, whether with money or volunteering, are also ones that are popular.”

“Two companies that I support are Ben & Jerry's and Dove. Both of their advertising send positive social messages that really resonated with me when I saw them and made
me more inclined to buy their products. With Ben & Jerry's it was support of Black Lives Matter and for Dove it was in support of women empowerment.”

“I think a company should share their platform on their website or social media. It would make it very easy for buyers who do care to look information up quickly and in a centralized place.”

“I think that it is very important for a company to consider its ethical values in creating a platform and vision for their business. If you stand for nothing you’ll fall for anything and it sets the tone of how the employees of the company are expected to hold themselves and the environment you are aiming to create during work. A positive message equals a positive company and workplace.”

“I’m not sure if it’s generational, but I think a lot of younger people care a lot about workplace conditions and how employees are treated.”

“When a company is particularly socially impactful, I associate that company with being kind-hearted. I think that the leadership at the top are very sympathetic and good natured people and they ingrain those approaches to all the employees below them to make it a positive experience for buyers and sellers they work with. This means not only providing better service for customers, but having products that are higher quality as well.”
“The issues that are important to me in a company are women's rights and empowerment, LGBTQ rights, human rights – like paying a fair a living wage, and environmental protection and awareness.”

“If a company was looking to become one known as a socially responsible one, I would suggest to them that they start at the top and figure out what causes are important to their company. People can tell when you are being disingenuous and I think that maybe consulting a marketing and advertising company with professionals who can help a company eloquently tell the public about the causes they care about would be the best approach.”
Participant 3

“How much I've heard about the company comes from friends and online forums like Reddit or a review website.”

“I like when companies donate a portion of sales to a specific cause. Even if it’s the same amount of money that they might donate from the company, I like to feel connected to what I’m giving my money to.”

“There is a higher chance I purchase a product if the company is using the money for a good cause other than for their personal gain.”

“I don't typically do too much research into company but when I do I see a lot of charity work. Sometimes companies can try too hard and look fake.”

“If I saw a new company that was competitive with one I had been previously using that reflected better values I would be compelled to use their product as long as their products had decent reviews.”

“When a company makes a positive impact, it feels like you're supporting a small business, whether or not they are a small business.”
“I like when it feels like I’m part of a movement.”

“I want to contribute directly to my community.”

“I have stopped using several companies for not seeming genuine, so make sure the cause is something they truly care about, otherwise it feels like they are putting up a facade to make a few extra bucks.”

“Being genuine is the most important thing a company can do”
Participant 4

“If I know anything about a company’s ethics it tends to be through word of mouth or social media.”

“If I know a company has ethics I like, I may purchase their product more even if I didn’t seek out that information myself.”

“I know that certain companies are more corrupt than others, but only if those are notorious for certain kinds of behavior. I think companies value profit but also value employee satisfaction, and try to find a balance.”

“I like Chobani because of their emphasis on helping to hire refugees, so when I buy yogurt I try to buy their brand.”

“If a company was particularly egregious I may switch brands, or if I found out another company was donating to a good cause, I may also switch.”

“I think companies make so much money that it’s their responsibility to use their profits ethically and give back.”
“I think a company who makes a positive impact are good to their employees and are philanthropic too. So I would expect these products to be higher quality and have better service.”

“I support equal wages, so a company that pushes for feminist causes has my support.”

“Companies need to be genuine and don’t take on an issue only to drop it later or do it half-heartedly.”
Participant 5

“I don’t spend time researching companies. I feel like I normally only hear about bad things that companies do in the news.”

“Most of my knowledge of company’s values comes from what I’ve been told by friends and what I’ve seen in the media.”

“I think some popular causes are ethically-sourced ingredient, supporting women’s rights, LGBTQ rights, and being environmentally green.”

“I like to learn about what a company is doing from packaging on its products.”

“A lot of times problems are revealed with scandals and news stories. For example, when I read about sexism and other scandals at Uber, I switched to using Lyft exclusively.”

“A company’s values definitely affect my loyalty. I would only switch products if the quality was similar though.”

“I believe that a company’s responsibility to make a positive impact grows as the company does. So the larger the company, the more impact they should be making. It’s really important that companies look at where they get products from and how they treat employees. Employee welfare is important to me, so I think companies should make an effort to treat employees well instead of doing the bare minimum.”
“I feel like I associate companies that make a positive impact with higher quality products. I would expect better service from a company like that.”

“I care about ethically-source products, LGBT rights, and women’s rights.”

“Companies should look for a cause that they genuinely care about. Don’t just start supporting what you think is popular in the media. Consumers want a company that they can actually connect to and that seems like they truly care about the causes that they support.”

It’s important, I think, for companies to look at Millennials as a group and see what they want, because they’re the ones that influence which brands are popular.”
Participant 6

“I like to look at health benefits that a product provides. Even though that isn’t charity work, I do feel like it’s in the area of being a responsible company.”

“I don’t normally research a company’s beliefs, but if I later discover a brand goes against my values, I’ll be swayed to not buy that. I usually see things like that in online articles or social media.”

“My criteria for an ethical company is stricter for products I put in my body like food and drinks. I think for things like that it’s more important to evaluate the company. The same goes for products I apply to my body, like deodorant. But with something like clothes or shoes, I’ll probably be more relaxed in that sense.”

“I think it’s popular to be anti-animal testing, to use BPA free plastic and biodegradable materials or natural or organic ingredients.”

“I see a lot of information about product ingredients and standards, which is usually on packaging. For something more like community service I usually see that in advertising or news articles.”

“I remember when Dawn had the ad campaign showing their work in helping animals after the BP oil spill. Now I think of Dawn as being ethical and committed to the
environment, which isn’t something I would normally associate with dish soap. Normally I wouldn’t even think of something like ethics when I buy dish soap.”

“I feel like I have a lot of opinions about different brands, but it rarely actually affects what I buy.”

“A company’s values a lot of the time affect my loyalty in a negative way. I would switch if I saw some kind of lapse in ethics or a use of low quality ingredients if I knew of a better company to switch to.”

“I know some people think it’s bragging when company’s share the work they do in communities but I think that’s still the most effective way to communicate what they’re doing to improve customer’s experience and the company’s image they present to the world as a whole.”

“Companies are prominent figures in communities sometimes, so they definitely have a responsibility to lead the charge and make strides toward better business practices. They have the responsibility of providing quality products to their customers and not cut corners when they do business. When individuals see them being socially responsible and doing their part to care for others, they will follow suit. It’s a ripple effect, and they have the resources to support it.”
“I think companies who make an impact in the community are socially aware, responsive to what’s going on, committed, passionate, and follow a strong ethical code. So I would expect higher quality products and good service from the company because they hold themselves to a high standard.”

“Personally the values important to me are environmental sustainability, waste reduction, and use of natural ingredients – or a movement against artificial ingredients.”

“Companies need to identify what they are each passionate about and what values they connect with and then incorporate them directly into the way that they run their business.”
Participant 7

“I would say for more emotional purchases I care a lot more about the company and what they do. But for small, everyday purchases, I’m not as worried.”

“I think I’m relatively up to date on where most companies stand on really high visibility problems. Although, I see companies’ standings kind of come to the forefront more so during times of social or cultural activities.”

“I think the two most popular values that companies hold today are going to be sustainability and community welfare, so raising the standard of living for those less fortunate.”

“I feel like I learn a lot about companies in the news when they do something controversial.”

“One company that I know does a lot of work in the community is Proctor & Gamble. They’ve made their values clear with some of their campaigns, like their clean water initiative, as well as their women’s rights and minority awareness campaigns.”

“If I found out a company I purchased from was doing something illegal or unethical, I would change what I buy in reaction to that.”
“Social media is the best way to show campaigns of what companies are doing in terms of social good.”

“I believe companies should have a vested interest in making the communities of their shoppers a better place.”

“If a company is supporting the community, I would expect higher quality, ease of accessibility, with great service and attention to detail.”

“I care about safety of minority groups, ethically and sustainably sourced products. Companies that don’t hurt the environments in which they operate. Also safety of LGBT communities.”

“Companies should have feet on the ground in the communities that they are trying to better in order to get a true, in depth understanding of the challenges that the community is facing.”

“I think there can be a fine balance of shareholder happiness that is also in line with betterment of the communities that they serve. These things in my opinion are not mutually exclusive.”
Participant 8

“When buying from a company typically I choose to buy from more local companies as opposed to companies that produce overseas, especially if I can support a local small business. I will usually try to refrain from shopping at larger corporations like Walmart unless there is no alternative for what I need.”

“I have never gone out of my way to research these topics in regard to a company, I am much more interested in the quality of the product. There has been only a few instances where a company's ethics or choices made me refrain from purchasing. When I do look up a company to learn more about them I usually look for middle of the road news sources online.”

“When it comes to services I tend to hire people that share my same values mostly because I don’t enjoy when somebody I’m paying to perform something goes and speaks down about my views.”

“I do not think I am completely aware of what all companies I give business to stand for. I think it’s better for a free market if the focus is on what they’re selling rather than who a company is donating to or speaking out against. I believe companies tend to show their stance on hot topics when they believe that it will bring in business from people that typically don’t purchase their products.”
“I think the textbook example for a company displaying its values for everyone to see was when Target came out and said that their bathrooms were to be gender fluid, meaning anyone could use the one they were more comfortable with. While at first I was not comfortable with the fact that specifically men could be waiting in the ‘women’s’ restroom, it did not stop me from going to Target. I know that Target likes to sell products from local small businesses, which is why I continue to prefer them over other similar stores.”

“Unless a company flat out and said something that I believed to be truly outrageous or inherently evil it would not sway me if they had the best product.”

“I’m always okay with hearing about positive impacts being made in communities, if social media sites shared the good impacts that companies are making in communities I feel that would be very positive. I think subtlety is important, they should never hide their values but it should not be what they put for people to see first. Product should always be first.”

“I believe a company should not support organizations or practices that bring damage to the environment or life.”

“When it comes to a product ethically sourced, and local to my state or country is the most important to me.”
Participant 9

“I tend to do a lot of research for something like makeup…it just feels more important because I’m putting it on and using it so often. Plus there’s so many brands that practice animal testing and things like that, so I try to avoid bad companies like that when I can.”

“Oftentimes, if a company is under fire for some sort of ethics issue or being praised for its values, articles from credible news sources will come up. I also like going to a company’s website and reading the "About Us" sections. While companies tend to oversell themselves on their own websites, its oftentimes a good place to begin research.”

“When purchasing necessities like food, I do not look into things like the company's philanthropy or values, unless it’s right on the label. When purchasing more unnecessary things, that’s when I would look into which company helps out others. It is much easier to be able to support good companies when it is for things I do not necessarily need, whereas with necessities, I just buy whatever I can get wherever it’s available.”

“As much as I would like to say that I am extremely aware of what companies stand for and support, I feel like I could always do more research.
“I think there is a push for green companies. Companies with "green" values that donate some of their profits to green causes are seen as better than those who are not ecologically responsible.”

“I think companies should advertise their charity work more. If an advertisement intrigues me enough, I will do research online, or find the product in the store and read the label, depending on the product.”

“Hidden Valley Organics recently started putting out advertisements on social media websites, sharing their values on local farming and supporting small farmers. Even though this is a company I already purchased from, I feel like putting information out on a platform they never have branched out to before helps other consumers see them in a new light.”

“If a company has values that I stand against, I will stop purchasing products from them. I would also consider switching products or services if I was made aware of a really compelling corporate initiative, as long as the price remains in the relatively same range as the former one.”

“I think advertisement is the most effective way for a company to communicate their values to customers, especially with the many forms of media available today. While
television advertising is effective, there are so many new ways to advertise, depending on their intended demographic.”

“I think companies have a huge responsibility to make a positive impact. If they have the ability to make a positive impact, I see no reason why they shouldn't.”

“I attribute great quality and service with a company who makes a positive impact. To me, if they care about people and causes outside the company, they must care about their customers also. I expect these companies to make higher-quality products with high attention to quality.”

“I think it is extremely important to support companies that push for and support "green" efforts. I also think any company that donates profits to charities deserves support.”

“I would advise a company to look for causes that attest to their company. For example, if it’s a food company, look for a cause that may support local farmers and sustainable farming. It needs to be relevant to the business.”
Participant 10

“I research companies through something I think is unbiased, like reviews on Google or Yelp. I trust that more than the business sometimes to be honest.”

“I like to know about the values of the people who own the companies.”

“I’m more inclined to go to stores and restaurants that share my values. I think that’s more important for a service, where I go somewhere, than a product.”

“I’m aware that TOMS gives away shoes with each purchase. I think it’s popular for a lot of companies, even smaller ones, to encourage volunteer work.”

“I’ve heard of pet stores that give back to local shelters. I would prefer to shop at a pet store that helps animals.”

“I support animal causes. I also like when companies give away extra product like food and clothes.”

“I would change companies if there was a cause that was really important to me that they supported.”

“I like to see values being shown in their commercials and ads in store.”
“I think companies should give back. I like to see local impacts. I think that’s more meaningful when it’s happening in your own city.”

“I definitely expect better service from a conscientious company.”

“It’s important that employees are really involved. I think that’s the key to being successful in any philanthropy work.”
Participant 11

“It’s important to me that a business has good reviews. I like a high level of interaction between the brand and consumers, like open channels of communication, and transparency.”

“I research company values on the internet, through articles and reviews. I also see things like that on pages that I follow or people I know.”

“It can be hard to keep track of what companies value. Environmentally friendly causes seem popular, and so does equality in the workplace.”

“I like unbiased sources to check on companies’ values. I don’t necessarily trust the company on what their values are, because obviously they only want to show their best side and not necessarily tell the whole story.”

“Companies need to be transparent. Consumers need to be conscious in their choices. Companies aren’t responsible for doing the right thing, but they are responsible for keeping consumers informed.”

“I think companies may sacrifice some level of service for profit.”
“Environmental causes and health issues are really important to me so I like when companies support that.”

“Companies need to make information accessible to consumers so it’s easy and convenient to make the right choices. When companies do good work, then they become the “right” thing to do for customers, they just need to make sure the customers know about it.”
Participant 12

“I feel like I only hear about really highly publicized scandals, not so much about company’s everyday values.”

“If I have a lot of options at similar prices, I’ll go for the sustainable or socially responsible one. Basically, if a bag of coffee has a fair trade certification I’m more likely to select that one.”

“My guess would be that companies would select very bland, non-polarizing causes like the Red Cross or something like that.”

“I feel like I normally hear about these things on product packaging.”

“It usually comes off inauthentic unless it’s tied in directly with their product or business model. But I can’t recall if it’s ever changed my purchasing habits.”

“If it was pretty much the same product/service, I would definitely consider switching. But I usually wouldn’t sacrifice quality, or even something I just like, to support a little bit more ethical of a company.”

“I would want to learn more on some online news outlet. I don’t want to have to follow all the social media accounts for corporations.”
“I think businesses have a responsibility to not do harm and also to correct harm that they’ve done. An actively positive impact is nice, but I’m not sure if they have a responsibility to do that.”

“I’d figure they would lower their quality in order to make their product/service price competitive. Take Tom’s shoes for instance. Their shoes aren’t great quality, but they’re doing a good service.”

“LGBT rights is the most important to me.”

“Whatever a company does should be consistent with whatever good or service they provide. Make it endemic to the mission of the company. Otherwise it just feels like they’re trying to score cheap publicity.”
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86


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