

**The Role of Corporate Social Responsibility in the  
Time of Economical Crisis: To Be or Not to Be?**

**By Melanie Kelly**

**A dissertation submitted in partial fulfilment for  
the Masters in Management**

**National College of Ireland**

**Mayor Street, IFSC, Dublin 1**

**Submitted to the National College of Ireland,**

**(August, 2011)**

## **Abstract**

Archie B Carroll developed a theory in which he displayed levels of responsibility which should be initiated by the management team within an organisation in order to increase the business profits (Wood, D, 2010). The powerful influence of Carroll's model clearly defines how the environment relied upon organisations to act responsible within the local community (Clarkson, M, 1995). Carroll's Model (Carroll, A, 1979) suggests that a company should focus their goals on implementing a sense of Corporate Social Responsibility in order to gain respect from consumers. Carroll (1979) suggested that corporations who focus on contributing ethically to the community in which they operate will be rewarded in the form of profits.

The aim of this research study is to detect whether or not a CSR strategy brings benefits to the organisations that implement the strategy. The researcher of this study approached the research question through administering quantitative and qualitative data. This was done by distributing questionnaires to consumers in order to acknowledge the main factors that influence their purchasing. In order to confirm the results of the questionnaire, a semi-structured telephone interview took place within a major wholesales company that have successfully implemented a corporate social responsibility strategy into the company.

The findings from the questionnaire portray that a high majority of consumers who responded have very little or no knowledge on the concept

of corporate social responsibility within an organisation. 75% of these consumers admitted that price is the primary factor taken into account when purchasing their goods. An astonishing 0% of consumers choose CSR as a factor of their purchasing. The researcher engages in a telephone interview with a company to gain a view of their opinion on the topic of corporate social responsibility and discuss the main reasons why they think the implementation is a positive choice.

Finally, the study finishes on the evaluation of the research, recommendation from the author, and a conclusion.

## **Declaration**

I hereby certify that this material, which I now submit for assessment of the programme of study leading to the award of Msc in Management, is entirely my own work and has not been taken from the work of others, with the exception of work that has been cited and acknowledged within the text of my dissertation.

Signed: .....

Date: 22/08/2011

Student Number: 07321317

## **Acknowledgement**

- I would firstly like to thank my supervisor, Fabian Armendariz for his guidance, support and the contribution of ideas.
- I would also like to thank the lecturers and librarians for their knowledge and advice throughout my years at NCI.
- To the company and consumers who took the time to participate in the research.
- I would finally like to thank my family and Alan for their continuous advice and encouragement throughout the course of this research.

## **Table of Contents**

<b>Chapter 1 Introduction.....</b>	<b>1</b>
1.1 Introduction.....	2
1.2 Background of Study.....	2
<b>Chapter 2 Literature Review.....</b>	<b>7</b>
2.1 Introduction.....	8
2.2 Social Accounting, Auditing and Reporting.....	10
2.3 Business Benefits and Criticism of CSR.....	12
2.4 Ethics and CSR.....	15
2.5 Theoretical Framework.....	17
2.6 History of CSR.....	18
2.7 Stakeholders Theory.....	21
2.8 The Firm's Perspective.....	23
2.9 Company Profile.....	32
<b>Chapter 3 Research Aims and Objectives.....</b>	<b>34</b>

<b>Chapter 4 Methodology.....</b>	<b>38</b>
4.1 Introduction.....	39
4.2 Research Strategy.....	41
4.3 Questionnaires.....	43
4.4 Interviews.....	48
4.5 Secondary Data.....	52
4.6 Ethical Consideration.....	53
<b>Chapter 5 Findings.....</b>	<b>54</b>
5.1 Introduction.....	55
5.2 Questionnaire: Findings and Results.....	56
5.3 Interview: Findings and Results.....	72
5.4 Secondary Data: Findings and Results.....	76
<b>Chapter 6 Analysis of Findings.....</b>	<b>79</b>
6.1 Introduction.....	80
6.2 Analysis.....	80

<b>Chapter 7 Recommendation and Conclusion.....</b>	<b>87</b>
7.1 Conclusion.....	88
7.2 Recommendations.....	92
7.3 Validity of Research.....	93
7.4 Limitations of Research.....	94
<b>Bibliography and References.....</b>	<b>95</b>
<b>Appendix I.....</b>	<b>106</b>
<b>Appendix II .....</b>	<b>111</b>

## **Abbreviations**

Corporate Social Responsibility (CSR)





# **Chapter One**

## **Introduction**

## **1.1 Introduction**

Carter Roberts (2007) stated that:

“Companies still thinking about the environment as a social responsibility rather than a business imperative are living in the dark ages”

Thus, this paper will explore the role of Corporate Social Responsibility within an organisation today, focusing on the challenges it brings to corporations and how corporate social responsibility will bring success to a company in the long run. The study of this paper will primarily concentrate on the increase in success for companies who implement a CSR strategy. This chapter will present a background into the topic of this study.

## **1.2 Background of study**

Recently, in the corporate world of business there have been a number of mixed views and opinions on the topic of Corporate Social Responsibility. Throughout each of these opinions, corporations are equally provoked to commit to socially responsible behaviour within the society they operate in (Welford and Frost, 2006). Corporate Social Responsibility refers to an agreement set forward by corporations today, in which they ensure duties of responsibility throughout the company to the local stakeholders. These duties arise from the actions and activities enforced by the company in

order to satisfy consumers through portraying a sense of respect to the environment in which they live. If the corporations ignore their duties of responsibility, they may be in jeopardy of harming human rights (Carrasco, I. 2007, Pg 454). It concentrates on assisting the direction of society. By closely monitoring business ethics and corporate governance, society can guide firms to adapt conveniently to an ever changing environment. In 2010 the EU strategy to promote CSR within organisations was established (Commission of the European Communities, 2006).

**Act 136** (Commission of the European Communities, 2006):

Communication from the Commission of 22 March 2006 to the European Parliament, the Council and the European Economic and Social Committee - Implementing the partnership for growth and jobs: making Europe a pole of excellence on corporate social responsibility

The new EU strategy promoted long term customer satisfaction such as trust, reducing employee turnover through long term employment. This was agreed upon by the European Commission and underlined the significance of corporate social responsibility and enticed organisations to act immediately in the subject of CSR. It also delivered businesses with the option to produce their own decisions of CSR but it still conveyed a recommendation of the way businesses should act.

(Werther, W & Chandler, D. 2006, Pp 5-10)

Following the current economic downturn, corporate social responsibility has propelled forward and begun being viewed as more appropriate in today's economy. It establishes firms with trust in the business world, which can participate in the success of the social economy (Quelch, J & Jocz, K, 2009, Pg 40). However, business leaders must not believe that CSR should be used as a solution to help prevent another repeat of the financial crisis. Regardless of this view, Freeman (Freeman, E. 2010, Pg 1) perceived CSR as an ill fated idea during recessionary times as corporations are misinterpreting the business world. If organisations are concentrating too much time on Corporate Responsibility, then they may become oblivious to the important work within a firm. Companies must concentrate on the core work of the business and this does not include Corporate Responsibility (Freeman, E. 2010, Pg 1). Freeman's theory represents another strong belief in today's world, whereby the concept of CSR may additionally be perceived as insignificant. Many business managers may presume that it is more crucial to the company to satisfy merely shareholders needs, rather than focus more attention on the public interest. Despite Freeman's view on CSR, Srchova and Dvorakove (Srchova, M & Dvorakova, 2010, Pp 861-862) expressed that many opportunities may arise for companies who are prepared to adapt and develop their corporate responsibilities. By treating society in a responsible manner, may assist organisations in maintaining their success through times of difficulty. This success created by Corporate Social Responsibility is established from the respect raised from consumers when companies portray a sense of

responsibility within the environment. As cost pressures tend to increase during the recession, many companies are inclined to lower the cost of their responsibilities within society and thus businesses who resume CSR may gain a competitive advantage in the economic crisis.

To this day, many arguments exist for and against Corporate Social Responsibility within the corporate world. This statement is generated from the strong contrast between Milton Friedman's theory on CSR and Denis Leonard & Rodney Mc Adam assumption on the benefits of CSR. Milton Friedman (1970) criticised the importance of corporate social responsibility in modern society. (Friedman, 1970, Pg 1) stated that:

“the social responsibility of business is to increase its profits”.

Friedman illustrates how people in society must be merely responsible for the environment and organisations may not be socially responsible in their local communities. Friedman encourages the idea in which the main responsibility of each businessman is to make the highest possible profit in the business. However, despite Friedman's view, there is an advanced strain on companies to undertake an enhanced performance of corporate social responsibility (Sjöström, E, 2010, Pg 177). Company stakeholders are becoming tremendously engaged in the activities that are being initiated by

the company. Various stakeholders are beginning to look more in detail to what firms are accomplishing for the economy and its influence on the environment and society, and the treatment and development of its workforce (Sjöström, E, 2010, Pg 177).

Denis Leonard & Rodney McAdam refer to CSR as a tool for businessmen to achieve success within the corporation. Corporate Social Responsibility may contribute to assisting a company in gaining more sustainability and also can generate positive impacts on the organisation and society (Leonard, D & McAdam, R, 2003, Pg 28). However, there is also a concern against corporate social responsibility. Companies may only engage in CSR Responsibility because it is perceived as a positive concept within society (Craig Smith, 2005, Pg 62). Many consumers worry that although some companies are undertaking a responsible approach, they are also additionally partaking in careless business procedures.

**Chapter Two**  
**Literature Review**



## **2.1 Introduction**

Corporate Social Responsibility is a procedure in which an organisations management team conduct their business activities and actions in a positive and responsible manner towards society. In the modern economy, organisations are constantly confronted by expectations, put upon them by their stakeholders who include customers, investors, employees, regional government and local communities (Hopkins, M, 2006, Pp 298-306). These expectations are mainly regarding the way in which the organisation operates. Today, CSR is portrayed as an essential strategy within a business, which relies upon the environmental concerns and stakeholder expectations. Companies must be aware of the expectations from stakeholders and ensure their actions have a positive impact on society and the environment (Warren, R & Silberhorn, D, 2007, Pg 352). As a result of the mounting pressures, more and more organisations worldwide are adopting CSR into their operations. Society believes that corporations have an obligation to their local stakeholders (Panwar, R; Rinne, T; Hansen, E & Juslin, H, 2006, pg 7).

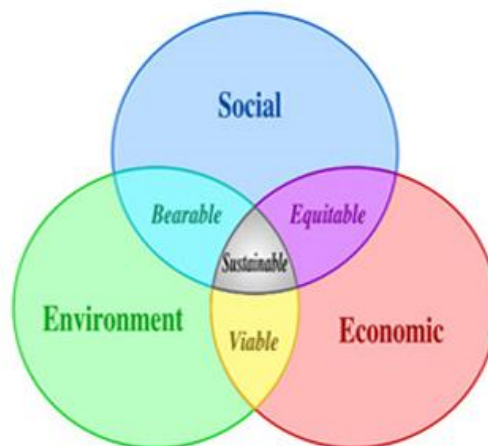
Corporate social responsibility is a questionable topic for managers and stakeholders. It involves specific companies behaving in an ethical or responsible manner towards the local stakeholders. When applied correctly, CSR is a commitment aimed at establishing a higher standard of living, whilst maintaining high company profits (Hopkins, M, 2005, Pg 213). In order to achieve this commitment, many organisations attempt to develop

an appropriate ethical framework within the company and act in an ethical manner. They may also benefit economic development of a particular region or country while at the same time improving the quality of life and living standards of employees and their families and the long-term benefit of the local community. Self regulation can be structured and implemented into a corporation business strategy and into their decision making process (Galbreath, J, 2009, Pg 109). Not only does CSR benefit the environment and society's sustainability, but it is also of great importance to the companies who undertake the process in their business strategy. "The top reasons why a firm might undertake CSR are as follows: increased profit; access to capital from socially responsible investment; reduced operating costs; enhanced brand image and reputation; increased sales and customer loyalty; increased productivity; increased ability to attract" (O'Higgins, E & Gyves, S, 2008, Pg 208).

The principle objective of this chapter is to gain a study of the existing literature available on the topic of corporate social responsibility. There are a variety of different topics that are associated with CSR. These varieties of topics include Social Accounting, Auditing and Reporting, Business Benefits, Criticism, Company Strategy, and finally Business Ethics. These key topics will be explained in detail throughout the literature review.

## 2.2 Social Accounting, Auditing and reporting

Social accounting measures the combined revelation of social and environmental results of organisations economic activities, in contrast to the society. It is a report which produces the company's actions and analyses the requirement for social responsibility. However, is social accounting as manageable as it is envisioned? In 1981, the concept of the triple bottom line was first established in corporations as a way of portraying an organisations performance management (Spreckley, F, 1981). It is precisely shown how the triple bottom line approach is a very clear and valuable aspect to CSR in many firms as it is a way valuing and reporting the firm's social sustainability efforts (Kimble, B. 2008, Pp 64-67). Companies that enable this approach can witness their business goals being accomplished constituting upon environmental and social performance.



Spreckley, F (1981)

Similarly, Glenn Cheney (2004) also views the Triple Bottom Line Approach as an easy and efficient way of measuring the company's participation to society's sustainability. By focusing on the environment, economic and social responsibilities of an organisation, the company will begin to witness sustainability throughout. It is conceived that companies should be obliged to undertake social responsibility activities whilst striving to provide profit to company investors and benefit customers in the environment. By contributing to economic development within a country, corporations may assist in advancing the quality of life, not only for employees and their families, but also the local community and society (Swaen, V; Lindgreen, A & Maon, F, 2009, Pg 251). However, social accounting moves more in-depth than just reporting a company's sustainability. Laura Quinn and Jane Norton (2004) exposed how crucial it can be to present sustainability within the company and society. In order to acquire in-depth sustainability, it is vital that a firm receives management commitment and increased employee motivation. Leaders within a company are the key tool to achieving advanced sustainability (Quinn, L & Norton, J, 2004, Pg 3). The triple bottom line approach is a continued campaign directed towards sustainability. It is profitable in the long run and is capable to support many companies to reach their main goals of profit and well-known branding. This approach not only requires reporting of the social activities undertaken but also demands a whole set of values, systems, and processes that need to be taken into account to satisfy shareholder, employee and customer needs.

### **2.3 The Business Benefits and Criticism of CSR**

The topic of the benefits of CSR within a firm can depend on the geographical jurisdiction and nature of the organisation. These benefits are generally placed under the headings of human resource benefits, risk management benefits, brand differentiation and licenses to operate (O'Higgins, E & Gyves, S, 2008, Pg 208). However, depending on the situation of the company and the environment in which it operates, these benefits may be altered and viewed in a different manner.

Galbreath (2010) stated how the main benefits from corporate social responsibility are “reduced employee turnover; increased customer satisfaction; and improved reputation.” These benefits are viewed differently by Adrienne Fox (2007) who declared that the primary aim of a company should be to gain increasing productivity within the firm and also engaging employees (Fox, A. 2007, Pg 44). Companies that are engaging in philanthropic responsibilities are witnessing benefits from the effort they are contributing to society. Not only do companies with a CSR motive of philanthropy behaviour gain benefits such as “a reduction in employee turnover, higher productivity and higher share price” (Saiia, D; Carroll, A & Buchholtz, A, 2003, Pg 169), but they are also experiencing financial benefits through an increase in reputation from the loyal customers. Social responsibility from organisations is not only attracting a larger consumer base, but it also appeals to company investors who will be satisfied with the increase in profits leading to an increase in shareholder wealth. It is

believed that the concepts of corporate social responsibility that were introduced over many years have resulted in higher profits for companies who respect society (Leonard, D & McAdam, R. 2003, Pg 27). By valuing people and society a company can gain the benefits of having a competitive advantage due to customer loyalty through their ethical activities.

An increasing number of organisations, such as Nike and Coca Cola, are starting to realise that social responsibility should be engaged into their operations to satisfy stakeholders expectations in the operations and policies of the corporation (Nijhof, A; Bruin, H & Honders, H, 2008 Pg 152). There is an increase for social responsibility from consumers, employees and shareholders. Some companies today believe that social responsibility is diminishing the ways they used to operate and feel that it is not a necessity in the operation of the organisation. However “Is there a real choice anymore between social responsibility and social irresponsibility for corporations?” (Canniffe, M. 2005, Pg 7)

Although there are many benefits to businesses in Corporate Social Responsibility, Timothy Devinney (2009) criticises CSR as being a negative option for firm and society. There is no strong evidence that proves that the social activities of organisations have any major effect on the environment or society as a whole and thus, may be even harmful to the community (Devinney, T, 2009, Pg 45). It is seen that social responsibility gives organisations a chance to take advantage of society in a variety of

ways. Organisations exist mainly in order to generate a profit not to solve the problems of society today. Some organisations may implement CSR for their own interests. If a company focuses on a CSR strategy, it is mainly due to the high profitability the firm may gain from the strategy (Levitt, T, 1958, Pg 45). An organisations method of survival should mainly be to gain a competitive advantage and become the best in order to gain the highest profits, and not to aim their responsibilities toward the public. These social responsibilities are not the way a firm will achieve its main goals. Many organisations will only continue applying social responsibility if profits are a benefit of its application.

Assuming that Devinney's theory on negative CSR is correct; would the organisation gain the same respect from society? If a company was showing no social responsibility to a consumer base, then the public may tend to purchase more products and supplies from an organisation that have a strong social responsibility. Devinney suggests that a strong company should focus more on making high profits without focusing on society. However, in order to make these "high profits" a company must show loyalty to consumer to gain a confident customer base leading to a competitive advantage.

## **2.4 Ethics and CSR**

Business ethics is the way in which a business conducts itself in its day to day operations. Ethics can be applied not only in the way a firm conducts itself with society but also in the interaction with its consumers. Corporate Social Responsibility can be viewed as a part of ethical behaviour.

However, just because a company is undertaking CSR, they may not be operating ethically. Organisations may gain a bad name if they ignore ethical policies. Companies that act in an irresponsible manner tend to gain a bad reputation from their consumer base. By ensuring appropriate working conditions and responsible actions are undertaken, organisations may acquire a positive reputation within their brand name (Davidson, K, 1995, Pg 34). Although it is believed that all organisations should behave in a socially responsible manner, the firm is not expected to disregard the set objectives of the company (Booth, P, 2009, Pg 2). In the current climate, society expects organisations to undertake more and more socially responsible activities, even though they go against the company's main goals of gaining profits. A vast amount of people conclude that organisations are solely interested in profits period. Making money or profits is not unethical but what raises the question is the way a business conducts itself in gaining these profits.

Joyner and Payne (2002) evaluated that "Research has shown that good ethics is good business". In a research survey aimed towards consumers indicating that good business is good ethics, showed results that 70% of



consumers claimed that if a firm was not socially responsible they would go elsewhere for business, regardless the price, (Walker Information Survey, 1994).

By investigating Corporate Social Responsibility, many researchers have shared their assumption that not only is CSR a big importance in the corporate world, but also that ethics is a big part of being socially responsible in an environment. The way in which a company approaches corporate social responsibility presents the company's performance, health and overall success (Garfield, C. 1995, Pg 5). Garfield revealed how a company's ethics can be classified as the company's moral code. Ethics is known as legal regulations that deal with the rights and wrongs of a company. Ethics can be a code of how a company treats employees, customers and suppliers and how it participates in the larger community. High profits are the awards for ethical and social responsibility actions taking on by a company. However, it was also viewed that "Values, ethics and corporate social responsibility are not mutually exclusive; rather, they are interrelated and somewhat interdependent" (Joyner, B & Payne, D & Raiborn, C. 2002, Pg 114). Ethical responsibility is an important component of corporate social responsibility in a firm. Stakeholders can be affected by a company's unethical behaviour as there is a lack of social responsibility. Nowadays, many companies now recognise that they should act ethically within society. Companies strive to do the right thing and recently do so without government intervention or regulation. Employees of a specific

company may act unethically if other employees are undertaking the same unethical behaviour (Griffin, R 1993). Some companies may feel that they will not profit from being ethically responsible, resulting in poor choices in decision making. Throughout research carried out, it can be viewed that businesses can promote good ethical behaviour. By facilitating strong ethical values throughout, a business could create a culture that can be perceived as an advantage for the company as it will be viewed as more responsible than companies who portray no sense of responsibilities.

## **2.5 Theoretical Framework**

Since Corporate Social Responsibility was first introduced in the early 1950's, numerous definitions have originated within the corporate world. However, with the introduction of these definitions, challenging problems may occur for organisations who implement CSR into their business strategy (Wan-Jan, W, 2006, Pg 176; Dahlsrud, A, 2008). Dilemmas can be created within the social needs of corporate social responsibility.

Companies need to identify their organisational aims before launching corporate social responsibility. However, this may prove difficult for a corporation with many subdivisions as they may have different goals and views for the company (McWilliams, A; Siegel, D & Wright P, 2006, Pg 2).

## **2.6 History of Corporate Social Responsibility**

Although the concept of CSR was touched upon in the early 1900's, more seems to be written on the classical concept of Corporate Social Responsibility which was briefly introduced by Howard Bowen in 1953 as an academic topic of Human Rights within society. Bowen proposed a view, questioning the responsibility that business men have to the society in which they work (Bowen, H 1953). He believed that all decisions made by organisations had a huge impact on the people in society. Bowen concisely provided a definition of corporate social responsibility within his study of the "Social Responsibility of the Businessman:

*"It refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society"* (Bowen, H, 1953)

In other words, Bowen (1953) encouraged the companies of the 1950's to ensure their policies and decision making processes not only achieved their objectives but also achieved praise from society. Since the introduction of corporate social responsibility, there have been endless arguments over the concept and practices (Wan-Jan, W, 2006, Pg 176). Since the idea of

corporate social responsibility was first delivered in 1953, there is still no one general existing definition of the concept.

In the early 1960's, Keith Davis elaborated on Bowen's idea of corporate Social Responsibility, in which he stated:

*"..Businessmen's decisions and actions taken for reasons at least partially*

*beyond the firm's direct economic or technical interest" (Davis, K, 1960, Pg 70)*

Although the firm is concentrated on the economic and technical interest and benefits available to the company, by going more in-depth into their decisions and actions a firm may also assist in the interest of society (Davis, K, 1960). In the 1970's, Davis took another interest in the topic of Corporate Social Responsibility. This time he focused more attention on the idea of a relation between a company's social responsibility and the business power. Davis (1975) began to deliver "Iron Law of Responsibility, in which he portrayed that the businessman's responsibility within society must correspond with the social firm's power. In other words, in the long run, those who do not implement their business power in a way that society envisions responsible will tend to lose their power, with power comes responsibility.

Davis then moved on to explore a new model of corporate social responsibility that presents five propositions. These five propositions included:

- Proposition 1: “Social responsibility arises from social power”.
- Proposition 2: “Business shall operate as a two way open system, with open receipt of inputs from society and open disclosure of its operation to the public”.
- Proposition 3: “The social costs as well as benefits of an activity, product, or service shall be thoroughly calculated and considered in order to decide whether to proceed with it”.
- Proposition 4: “Social costs of each activity, product, or service shall be priced into it so that the consumer pays for the effects of his consumption on society”.
- Proposition 5: “Business institutions, as citizens, have responsibilities for social involvements in areas of their competence where major social needs exist”.

(Davis, K, 1975, Pp19-24)

Each proposition describes why and how businesses must comply with the commitment of responsibility and take action that protects the welfare of society, the environment and the organisation.

In 1984, Peter Drucker put forward his idea of Corporate Social Responsibility, whereby he stated the importance of turning the challenging social problems into economic opportunities for the organisation (Drucker, P, 1984). Drucker (1984) was one of the first theorists of CSR to view people as a resource when gaining a high company reputation. When negative information rises about a company, that particular organisation tends to invest more money and time within CSR. Drucker viewed Corporate Social Responsibility as a driver to gain more consumer attention and respect. His studies into economic opportunities lead to the first company to publish a social report, when Ben and Jerry's introduced one in their annual reports in 1989.

## **2.7 Stakeholder Theory: The Stakeholder perspective**

In 1963, Edward Freeman was the first economist to introduce a theory on stakeholders (Freeman, E, 1963). A stakeholder is any group which may be affected by the actions of a particular organisation. This includes consumers, employees, suppliers, the media and the overall environment as a whole. Stakeholder theory (Freeman, E, 1963) is a theory of corporate social responsibility that concentrates on the morals, behaviour and values in the management of a company. Freeman's (1963) theory assists the management within an organisation to portray responsibility to the interest and needs of the stakeholders.

It underlines the relationship between a corporation and its stakeholders within the society. This relationship supports the management in achieving goals (Freeman, E, 1963).

The theory suggests that management within a company must evaluate the firm's actions and ensure it does not negatively affect the stakeholders and include affects in the decision making progress. It may be used as a means to establish management decisions which are relevant to the social issues in which the firm faces (Ostas, D & Loeb, S, 2002, Pg 63). Stakeholder theory alone portrays no real assumption. However, when it is combined with the concept of corporate social responsibility, it can help management to witness the stakeholders and ethical values in which the company should support.

Management who follow Friedman's theory on maximizing profits will tend to focus less on their stakeholders interests. However, by following Carroll's model, the stakeholder theory can assist management by addressing how the company fits into its larger environment. The stakeholder theory and Carroll's model may highlight to management the importance of understanding the stakeholders in society and focus on the ethical actions in which the company can undertake for these specific stakeholders.

## **2.8 The Firms Perspective**

As this literature review presents, there are numerous Corporate Social Responsibility Approaches and definitions that have arisen since the introduction of CSR in the early 1950's. There are two main views on corporate social responsibility from the firm's perspective. These views both depend on what exactly the company goals and aims are. Carroll's Model (Carroll, A, 1979) suggests that a company should focus their goals on implementing a sense of CSR in order to gain respect and profits from consumers. However, Milton Friedman (Friedman, M, 1970) concentrates on the idea that the main goal of a firm should be to increase its profits.

### **Carroll's Four Part Model**

One of the most important approaches of Corporate Social Responsibility was introduced by Archie B. Carroll in 1979 (Dahlsrud, A, 2008, Pg 2). For many years, Carroll's four-part model of Corporate Social Responsibility has been largely implemented in journals and by top management as a base to further explore the field, and to bring about a greater definition and understanding of CSR. Many theorists agree with Carroll's Four Part Model and the view that every company must undertake some social responsibility within the society they operate. Cochran, P and Wartick, S (1985) expressed their feelings towards Carroll's Model as being a Unique

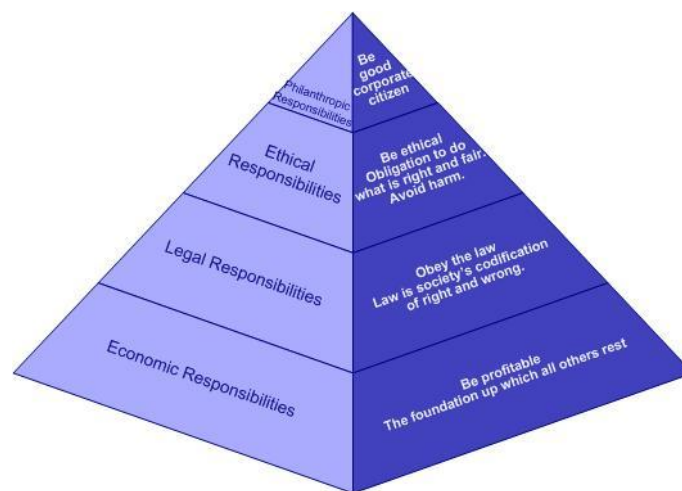


Concept which integrates all levels of CSR. It establishes a high emphasis not only on the business itself, but also on the relationship that exist between the firm and its environment (Cochran, P & Wartick, S, 1985). Donna Wood (2010) also represented a positive view towards corporate social responsibility in which she stated:

*“Carroll’s pyramid made intuitive sense to many as a way of describing the full set of managerial duties in social responsibility terms”* (Wood, D, 2010)

Carroll’s model presented a process of responsibilities which should be undertaken by management in order to gain an increase in business profit (Wood, D, 2010). The powerful influence of Carroll’s model clearly defines how the environment relied upon organisations to act responsibly within the local community (Clarkson, M, 1995). The model was easily understood throughout the levels of responsibility and the processes undertaken in each level. Carroll’s four part model is enforced as a base of Corporate Social Responsibility with an organisation. It may be seen as the first most appreciated theoretical concept of CSR (Aupperle, K; Acar, W & Lowy, R, 2001). The four levels of responsibility within Carroll’s model (Carroll, A, 1991) constitute the responsibilities that are advised for management to undertake as a means to gain a sense of respect from society (Swanson, D, 1995). By following the levels within the model a firm may gain a better insight into the responsibilities needed to achieve a successful level of overall corporate social responsibility.

Carroll's Pyramid uses structured components outlining different elements and types of obligations set upon managers and stakeholders. These four elements outlined in the pyramid are; Economic, Legal, Ethical and Philanthropic responsibilities that stakeholders and society expect from corporations. CSR will only be received openly by business people if all of the four stages of Carroll's Pyramid are accepted entirely by the company (Carroll, A, 1991).



Carroll's CSR Pyramid

(Carroll, A, 1979).

- At the bottom of the pyramid is the need to satisfy the economic responsibility of the company to its shareholders, and its stakeholders
- The second level outlines the need of the organisation to act within the legal systems of the law within society.

- The third tier shows the need to ensure the norms and expectations of society on an organisation.
- The fourth level of Carroll's model describes actions taken on by corporations in order to gain a sense of respect for society through being a good corporate citizen. In order to be a good corporate citizen, organisations may contribute to the arts, education or community. Also, they may participate in acts of goodwill or charitable programmes promoting human welfare.

### **Economic**

In respect to Carroll's Pyramid, the first layer economic responsibility represents how without a CSR approach being implemented within a company, they are solely concentrating their efforts on driving profit. However, the fact remains that a company's target consumers must be satisfied primarily before the concern for driving profits. Companies are encouraged to be set up for an economical reason such as gain profits and provide jobs within society (Galbreath, J, 2010 Pg 412). Each company must produce goods and services which are demanded from consumers within society in order to make profits which can contribute to a countries economy. However, within corporate social responsibility, each corporation should focus more energy on maximising their profits in order to assist the economy and increase the standard of living. (Carroll, A, 1979).

## **Legal**

The next layer of the Pyramid model of CSR, shows how in order to embrace social responsibility, the firm must oblige the laws and regulations of a government diversification in which a company operates. The legal responsibilities suggest that the firm should carry out their economic responsibility upon society whilst also obeying the framework of the law. In order to be economically responsible, the firm must also obey the law. By obeying the law, society can assure that the economies profits are truthfully gained within a company and comply with the states policies (Carroll, A, 1979).

## **Ethical**

Ethical Responsibilities are the expectations that arise from stakeholders within society about how a company should morally act towards the environment. Unlike economic and legal responsibilities, ethical responsibilities are not legally bound policies to a company:

*“Although economic and legal responsibilities embody ethical norms about fairness and justice, ethical responsibilities embrace those activities and practices that are expected or prohibited by societal members even though they are not codified into law” (Carroll, A, 1991, Pg 2).*

An ethical firm is not necessarily a legal firm. Some people make an assumption that if a company obeys the laws and regulation of the state, then that company is automatically ethical. However, being ethically responsible is not the same as being legally responsible. To be ethically

responsible a firm needs to satisfy social expectations, which are not legal regulations. Thus, a firm:

*“Must not harm or socially injure, they must respect people’s moral rights and also must do what is right by society” (Galbreath, J, 2010 Pg 412).*

### **Philanthropic**

Consumers and society have moral rights to obtain fairness and to expect a firm to uphold its responsibilities. In order to achieve this, a firm must participate in Philanthropic responsibilities to become a corporate citizen. Philanthropic Responsibility describes actions taken on by corporations in order to gain a sense of respect for society through being a good corporate citizen.

*“The discretionary responsibility to meet additional behaviours and activities that society finds desirable (e.g contributing resources to various kinds of social or cultural enterprises; providing employee benefits such as training and improved salaries) (Galbreath, J, 2010 ,Pg 412)*

A firm may participate in Philanthropic responsibilities, such as contributions and interests in education, by participating in acts of goodwill or charitable programmes promoting human welfare (Carroll, A, 1991, Pg 7). These components of the pyramid are used to paint a clearer image of corporate social responsibility as an entity and are not meant to be viewed

as separate components. As Carroll portrays, all four concepts are a way of gaining profit through a means of moral and judgements.

However, as the times are changing, the environment in which the firms are located are also changing. New challenges are put to companies in the 21<sup>st</sup> century and so economic, legal, ethical and philanthropic may need to be adjusted in order to adapt to such challenges. It may be shown how Carroll's CSR Pyramid can be altered as a means to better understand the model (Schwartz, M. 2003, Pp 503-530). The CSR pyramid may give a sense of confusion to the undertaker. From looking at the Pyramid, it could be misinterpreted that Philanthropic responsibility is the most important component of the pyramid as it is placed at the top. However this is untrue, as the most important components of the pyramid are at the bottom, Economic and Legal responsibilities. It may also be argued that philanthropy cannot be deemed a responsibility. In order to correct this misunderstanding; Schwartz proposed to introduce a new model. Thus, Schwartz (2003) expanded in Carroll's four part model (1979) in such a way that includes the most essential components of the four part model. This new model presented a three core domain approach under the headings of Economics, Legal and Ethical Responsibilities. Within this model Philanthropic responsibility, would be more effectively categorised under the ethical responsibility heading. Schwartz (2003) believed that it was almost impossible to distinguish between ethical and philanthropic behaviour (Schwartz, M. 2003, Pg 506). The three domain approach is more effective as the different components can be seen as correlated, working together to

gain total CSR and can also be seen as a more defined and comprehensible in their meaning. The three domain approach points out the main factors to be viewed when researching CSR in the corporate world.

### **Milton Friedman**

Milton Friedman contradicted Carroll's four part model when he criticised the importance of Corporate Social Responsibility in modern society.

Friedman stated how companies are dismissive of social matters within the business world and that manager's must concentrate on:

*"making as much money as possible while conforming to the basic rules of society" (Friedman, M. 1970).*

Organisations that lack CSR tend to believe that profits are much more important than ethical behaviour. A firm's main aim should be to concentrate on achieving the highest profit possible, then secondly, to be ethically involved within society. Friedman stated:

*"that the social responsibility of a business is to increase its profits" (Friedman, M, 1970).*

Friedman's theory illustrates how people in society must be merely responsible for the environment and how organisations may not be socially responsible in their local communities. However, consumers within the society with children may disagree with this statement. Many consumers feel that it is the organisations responsibility to ensure a healthy society and environment for future generations. Managers must concentrate on making as much "profit as possible while conforming to the basic rules of society" (Friedman, M, 1970). Organisations that lack a corporate social responsibility strategy tend to believe that profits are much more important than ethical behaviour.

Freeman and Liedtka (1991) supported Milton Friedman's view on Corporate Social Responsibility as they portray a sense that the benefits achieved from CSR are not delivered to the firms and so this brings about the question should an approach for CSR in a company be undertaken? By managers comprehending their social responsibilities, it does not necessarily enable corporations to achieve profits or fix the problems that society encounters (Freeman, E & Liedtka, J, 1991). Corporations do not have the responsibility to be ethical or act philanthropically (Levitt, T, 1958, Pg 86). However, economic and legal responsibilities alone will not gain the benefits promised to firms for representing a corporate social responsibility strategy.



This study undertakes the concept of Carroll's four part model as a base to answer the research question presented in chapter 3. This paper is aimed at researching the conclusion as to whether or not Carroll's four part model that was brought about in 1979 will bring modern companies today success in the long run. The objectives of this study is to understand what achievements companies are gaining today from the implementation of a CSR strategy and also to understand what really influences consumers when purchasing their products during recessionary difficulty. This study mainly focuses on consumers as they are the stakeholders who will assist organisations in achieving a profit. According to Carroll, when an organisation puts a successful corporate social responsibility strategy in place, the company will gain recognition from consumers, which will influence consumers to buy more products, assisting the company in increasing profits.

## **2.9 Company Profile**

Company X presents a high level of corporate social responsibility throughout their business that will be investigated in dept throughout this research. The reason Company X has been selected as part of this study is due to the organisations commitment, dedication and actions towards corporate social responsibility. Company X has proved an involvement in relation to the community in which the firm operates and also their employee foundation.

Company X is an international and “truly global company”, which is popular for the large superior range of products in which it offers over two billion consumers daily. The company has a positive significance on the brands in which they aspire to consumers all over the world. The company’s brand recognition assists Company X to achieve its high competitive advantage. “It successfully produces a wide range of foods, home and personal-care products”.

(Source from Pos, A; Linse, K & Aben, M, 2005)

Company X is a very successful company who deliver high CSR throughout their companies globally. The company use CSR as an aim of accommodating people to enjoy a high quality of life while appreciating society. The company admitted that sustainability is vital to the long term success and profits of the business and also to the environment and society. Management at Company X have a magnificent impact on the way the company is directed towards improving their social responsibility.

(Source from Jones, G, 2002)

Due to the large capacity of Company X, it is split into three geographical headquarters which includes America, Europe and Asia. In order to achieve an accurate solution to the research question, the author of this study concentrated on the Irish headquarters and also aimed the questionnaires to Irish consumers.

## **Chapter Three**

### **Research Aims and Objectives**

### **3.1 Research Question**

The main aim of this study is to gain a perception of the success in which Corporate Social Responsibility contributes to a company when achieving its principal goals. The main research question to be concluded is:

- Does implementing a Corporate Social Responsibility strategy into an organisation influence give some understanding into consumer purchasing behaviours, in such a way that will increase profitability, giving the firm greater sustainability in the long run?

### **Aims and Objectives**

The overall aim of this research is to successfully resolve an exceptional understanding of exactly how imperative CSR is to a company's success and how it is effectively implemented into a company's strategy. The study will help to research exactly what companies gain and fail to gain from implementing CSR and ethical behaviour into the business strategy.

It is a fundamental research to understand if it should be essential for a company to present a CSR strategy or will they gain the same amount of profits if they do not deliver the corporate social responsibility approach. Does a company operate entirely to maximise the profits to shareholders or do managers have a ponderous responsibility to society? "Corporate

management is torn between either focusing solely on the interests of stockholders (the neo-classical view) or taking into account the interests of a wide spectrum of stakeholders (the stakeholder theory view). Of course, there need be no conflict where taking the wider view is also consistent with maximising stockholder wealth. The market is not only influenced by the independent CSR activities, but also the totality of these activities and that the facets that they value do vary over time.” (Hall, A; Reggiani, F; Bird, R & Momente, F, 2007, Pg 189).

The general aim of corporate social responsibility is for the company to accept responsibility for its actions and endorse a positive impact through the actions applied to the environment, employees, and consumers. Furthermore, the objective of this study is to investigate how corporate social responsibility expects society to be loyal to companies. Many stakeholders presuppose it is the responsibility of the companies today to help the future generation.

To achieve the aim stated by this research, an investigation will be provided into a company that gains success from implementing CSR. An interview of a company who finds CSR to be the reason for their success will occur. By gaining the views of why a company implements corporate social responsibility, it may be portrayed whether or not a company should concentrate on Carroll’s model of being socially responsible or focus their goals on Friedman’s Theory of achieving maximum profits.

A survey aimed towards consumers will seek the views and experiences of these consumers about why they choose to do business with socially responsible company. By commencing a survey to the public will help to gain insight into the beliefs of a wide variety of different customers with differential opinions. These consumer beliefs will help to show customers expectations and spending behaviour towards ethical companies, giving them a growth in profitability against organisations lacking ethical behaviour. If consumers prefer to purchase ethical products, then an opportunity will arise for organisations to manipulate these behaviours through producing and delivering ethical products.

## **Chapter Four**

### **Methodology**

## 4.1 Introduction

Today, there are ongoing valid arguments towards quantitative and qualitative research methods (Sogunro, O, 2002, Pg 3). Many researchers believe that although both qualitative and quantitative research methods portray advantages when evaluating information, neither research method is particularly better than the other. The type of research method chosen depends upon the aims and objectives desired to be reached. Both quantitative and qualitative methods have a unique task to perform when researching a specific topic.

Quantitative Research is a method in which consists primarily of numerical data and statistics, which are then used in the format of analysis such as graphs and charts (Gall, J; Gall, M & Borg, 1999, pg 13). “Quantitative research involves counting and measuring of events and performing the statistical analysis of a body of numerical data” (Smith, 1988). Whilst qualitative research involves the use of verbal data and may be undertaken in methods such as in-depth interviews or reviews. Creswell (Creswell, J, 2008, Pg 18) also defines Quantitative research as an important method when analysing new knowledge. This type of method applies strategies such as surveys and collects data that will lead to numerical and statistical data. In other words, the research method is an investigation into a social problem, through assessing theory which is numerically measured and analysed. Creswell also defines qualitative research as a method in which the analyst establishes an assumption through the knowledge based on a



written or verbal perspective. Through qualitative research the analyst may gather open-ended responses from participants.

Punch (1998) also stated that the principal concept within quantitative research is “quantity” (Punch, K, 1998, Pg 55-56). Thus, the data retrieved within Quantitative research is numerical information about a particular social problem. “Information about the world does not occur naturally in the form of numbers. It is we, as researchers, who turn the data into numbers” (Punch, K, 1998, Pg 55-56). Whereas, Qualitative research is only gained through the use of non-numerical data such as verbal information and may accumulate excessive insight and knowledge about the performance of communication with a research problem.

After an indept study into both research methods, this paper is based around qualitative and quantitative research methodologies to evaluate whether implementing a CSR strategy into an organisation influences consumer purchasing behaviour’s, in such a way that will increase profitability and assist the firm in reaching success.

Within this study, quantitative research methods may guarantee a prominent level of reliability and accuracy throughout the collected data (Metveev, A, 2002, Pp 59-67). Even though only a limited amount of people may be researched within a quantitative method, the analyst may still gain a reliable lead into a larger density of society. After gathering the responses from the

quantitative research, the data may be quickly and simply assessed due to its numerical format. Due to the several different opinions from responses each question can be measured from the differentiation of the group's answers. However, it is noticed by the researcher that the results of quantitative research may be restricted due to the numerical responses instead of a more in-depth verbal response from participants.

Qualitative research may achieve a more in-depth level of information when analysing the data (Metveev, A, 2002, Pp 59-67). In-depth Knowledge is gained through this type of research method as it recognises and evaluates the participant's behaviour, opinions and experiences within the field. By gaining primary data from the particular participants and their experiences can ensure that the gathered data is valid and of correct value. However, the researcher is also aware of the threat of bias information from the participants within the Qualitative Research.

## **4.2 Research strategy**

Before carrying out the research methodology within this chapter, the researcher of this study explored various different types of research strategies in order to establish which strategy would prove most relevant to the specific research question.

These types of strategies include:

- Experiment
- Survey
- Case study
- Action Research
- Grounded theory
- Ethnography
- Archival Research

(Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 141)

The researcher decided on a questionnaire and telephone interview as a base for the research strategy. The telephone interview took place between the interviewer of this study and a well-known global organisation. However, in order to gain an accurate insight, the interviewer concentrated primarily on the Dublin based office of the company. The target population of the questionnaires were aimed at consumers who surrounded the Dublin based region.

## **4.3 Questionnaire**

### **Introduction**

Questionnaires are primarily applied as a means of gathering all necessary data from a substantial amount of respondents within a particular period.

They may be adapted by researchers as a way to attain personal information about people's experiences, knowledge and opinions. They are commonly used amongst researchers and may be contributed to participants by post, face-to-face or by telephone (Bruce, J & Chambers, W, 2002, Pg 1049).

The main incentive for adopting this research method is due to its low cost and its ability to be distributed on a large scale. By attaining a large number of responses, the researcher may achieve an appropriate statistical evaluation of the data.

Questionnaires are perceived as the most conventional and prompt type of research methodology (Booth, A, 2003, Pg 53). It is essential that the questionnaires are delivered in such a way that a high level of responses will be achieved from the participants (Connon, N, 2008, Pg 114). When applying postal questionnaires, returns from participants may prove doubtful as there is a concern that the participant will not receive the questionnaire or the correct respondent will not truthfully answer the questionnaire (Saunders, M; Lewis, P & Thornhill, A, 2009, Pp 398-400). If delivered correctly by a suitable method, not only will the questionnaires gather information surrounding the main topic but they may also bring

about data from other themes associated with that specific topic. It is critical for the researcher to acknowledge that research questionnaires have multiple steps when examining the data. Each of these steps must be planned and progressed cautiously so the topic may be examined thoroughly.

### **Why choose Questionnaires?**

The researcher initiated a primary questionnaire aimed towards consumers in order to determine the principal reason behind their purchasing behaviour. The self-administered questionnaire was sent to each participating consumer through email via hyperlink in order to gain an individual perspective for the study. Questionnaires through self-administered emails ensured that the participants felt comfortable with expressing their true opinions as all details were returned anonymous. Protecting the participant's data may encourage consumers to answer the questionnaires without distress.

The researcher chose to deliver the surveys through email as a means to ensure that each recipient will personally respond to the email. It is highly promising to assume that each recipient will respond to their own email from their own computers (Witmer, D; Nichols, E & Sudman, S, 2002, Pg 213). Questionnaires delivered through the internet may need to be designed in such a way that will inspire participants to take part in the

questionnaire. In order to gain this motivation, the researcher ensured an appealing design format for the questionnaire, along with an encouraging cover letter. It was expected that this would drive participants to reply with responses. The questionnaires were forwarded to consumers from different gender and age groups as a means to gain a broad insight into their spending behaviour. 60 questionnaires were distributed to consumers, 52 of which were returned to the author.

The questionnaires were aimed at consumers as a means to find data on their knowledge of Corporate Social Responsibility. The questionnaires also contributed an insight into consumer's behaviours and opinions. The questionnaires were designed in such a way that they would supply the researcher with a greater understanding into whether or not CSR is an important factor to consumers when purchasing their products. Company X believes that their Corporate Social Responsibility strategy is a big attraction for their consumers, however, do the consumers feel an obligation to purchase ethical products?

### **Advantages and Disadvantages of Questionnaires**

Many advantages are included with questionnaires as part of a research method. Questionnaires are sometimes seen to have specific advantages over other particular research methods such as documents, case studies or in-depth interviews (Bowling, A, 2002). A huge advantage of using

questionnaires as part of a research is due to the mass of people the questionnaire can reach is a short period of time. Due to distance it may be difficult for the researcher to do a sufficient amount of interviewer-administered questionnaires face-to-face (Jones, S; Murphy, F; et al, 2008, Pp 16-17). By initiating a questionnaire through email the author may easily connect with a large number of consumers in a short amount of time. Another advantage found by the author is how quick and low cost of distributing the questionnaires.

However, the researcher was also aware of the consequences of poorly designed and planned questionnaires. “Poorly-designed questionnaires do more than waste the time and effort of those who conduct them. The regular receipt of poorly designed questionnaires is likely to discourage individuals from completing and returning them” (Bruce, J & Chambers, W 2002, Pg 1049). In order to avoid a poorly designed questionnaire the researcher employed a sufficient amount of time and planning into the questionnaires in order to accomplish definite results. Although it is easy for the distribution of questionnaires to consumers, it may prove to be problematic for the researcher to evaluate the consumer’s thoughts and opinions. Within questionnaires there is only so much knowledge a recipient may share. However, with other methods of research, such as interviews, a participant may go into further detail.

-Other disadvantages associated with include:

- “Emails may be irrelevant to the recipient and may be seen as junk mail”
- “Invitations to participate sent to over 20 use groups at once may be deemed as unacceptable by many net vigilantes”
- “Sending your email to multiple mailing lists may result in individuals receiving multiple copies of your email”
- “Email attachments may contain viruses”

(Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 397)

To overcome these disadvantages and establish a high quality method of delivering questionnaires, the author ensured prior contact with the participants to give them knowledge of the questionnaire. The questionnaire was sent as a hyperlink through an email so recipients would not have to open an attachment and avoid potential viruses. To avoid having no contact between the researcher and the email recipients (Murphy-Black, T, 2000, Pp 302-313), the researcher emailed participants with a follow-up as a reminder to fill and return the questionnaire (Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 398).



## **4.4 Interviews**

An interview may be defined as a conversation that takes place between two people, for a specific intention (Kahn, R & Cannell, C, 1957). Research interviews are a common and convenient process for gathering qualitative data as part of a study. Qualitative data is then analysed by the researcher in order to produce an understanding into the experiences, behaviour and opinions of the people involved within the interview (Donalek, J, 2005, Pg 124). Patrick Dilley (Dilley, P, 2004, Pg127) recommends that researchers implement research interviews into their study when searching to find knowledge on company history, life experiences, and case studies. Each type of interview differs from each other, depending on the research question to be answered and the method used. The three main types of interviews include structured interviews, semi-structured interviews and unstructured interviews (Fontana, A & Frey, J, 1994, Pp 361-376).

### **Semi-Structured Interview**

The author of this study identified that it was more suitable to apply a semi structured telephone interview with the participants, to address the research question and observe if the company in question believed their Corporate Social Responsibility strategy was a big factor in their success as an organisation.

Semi-structured interviews are the primary source for gaining qualitative data and are commonly arranged around a number of open-ended questions, which lead to a free-flowing discussion amongst the researcher and interviewee (DiCicco-Bloom, B & Crabtree, B, 2006, Pg 325). It involves Open-ended questions, which are discussed throughout a flowing conversation and may lead into another themed discussion (Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 320). Open-ended questions based around the topic of a successful CSR strategy, permit the participant to expand on their own views and provide the researcher with additionally knowledge throughout the interview. The author of this study recognised that it was sufficient for the interviewee to answer question from the interviewer whilst also stating their own opinions, contributing more ideas. It assisted the author in understanding why the organisation thought that their corporate social responsibility strategy was of high quality and why it attracted more consumers. Another reason a semi-structured interview was initiated by the researcher, was due to the access to reliable information from a primary source and thus providing accurate qualitative data. However, the author was aware that semi-structured interviews may be time consuming and was prepared for the task.

### **Telephone Interviews**

The author of this study administered a telephone interview as it provided quick, reliable access to information, as well as speed and lower cost advantages. When exploring interviews, the author recognised that it would

be problematic to conduct a face-to-face interview due to the distance, high costs and time required by this method (Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 349). The author of this study was aware of the disadvantages that were associated with telephone interviews. Personal contact is one of the most essential factors when organising an interview (Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 349). Exploring the interviewee's responses may contribute to the knowledge and behaviour associated with primary data. To overcome this problem, the researcher initiated a previous telephone conversation with the interviewee, explaining to them the themes and topic that were most likely to be discussed. This formed a reasonable relationship between interviewer and interviewee. Also, several emails were forwarded to the interviewee, expressing the questions that were to be asked over the phone. This also gave the interviewee the chance to express any concern or problems they had associated with the proposed questions.

### **Interview Preparation**

After examining the literature review of this study, company annual reports, and documents that were produced by the company's CEO, the author became more aware of the research question to be addressed and also the type of interview needed to fulfil this research question. Two weeks prior to the telephone interview the author approached the interviewee by telephone to arrange a convenient date and time that was best for the participants. After deciding a telephone interview was suitable for the participant, the

author gave the interviewee an insight into what topic would be addressed throughout the interview. Through emails, the researcher contributed to the interviewee the exact questions in which would be asked throughout the telephone interview. In order to gain a successful insight through an interview, it is essential for the interviewer to devise appropriate questions that need to be explored in order to achieve success (Hannabuss, S, 1996, Pg 22). The emails gave the interviewee more time to prepare their answers, thus contributing more knowledge and insight to the author. As the interview took place over the telephone, the author found it more appropriate to take notes of all the information that was being provided by the interviewee. The author ensured that “the exact nature of explanations provided were noted and also general points of value were recorded” (Saunders, M; Lewis, P & Thornhill, A, 2009, Pg 334)

### **The Participating Company**

The author interviewed a senior representative from the company, in hope that the interviewees experience would guide the study in the correct direction. All information provided by the participant was relevant to the study and gratitude was given were due.

## **4.5 Secondary Data**

Secondary data is the information that is collected from previous studies and used to gain insight for a new research question (Polit, Beck, & Hungler, 2000). It is a document or report which attributes new facts to the first report that was produced (Hakim, 1982, p. 12). The data may be represented as both quantitative and qualitative, depending on the research question. There are many different types of secondary data, which include reviews, documentary analysis and company reports (Smith, E, 2008, Pg 324).

The author adopted secondary data in the form of Books, Journals, company annual reports, and internet sites as part of this study. Secondary data proved essential for gaining grounded knowledge on the topic of CSR. The principal reasons for choosing secondary data as a basis for researching the topic was due cost efficiency and quick access (Connelly, L, 2010, Pg 192). Secondary data also assisted the author in understanding the specific problems associated within the study. However, some secondary data documents are limited, and thus hard to gain access to. Some institutions may place restrictions on reports and thus making the data unavailable to certain researchers, such as students (Boslaugh, S, 2007). The author of this study gained access to the correct amount of documentation required to comprehend the subject.

The secondary data within this study is based upon the company's annual reports. These reports portray an insight into the sales retrieved by the

company from the year 2000 to 2010, when the progression of Corporate Social Responsibility commenced. The author gains insight into whether or not sales have increased since the introduction of the organisations Corporate Social Responsibility strategy. The author also adopted the use of company reviews to give the author a clear understanding of the company's CSR strategy prior to research.

#### **4.6 Ethical Consideration**

As this study is reflected towards the moral standards within a company, the author took careful consideration in the treatment of the company and its consumers. The author took ethical consideration by ensuring that all survey participants would be treated as anonymous. Any personal information, such as participant's age or gender, which was exposed by the survey participants were held confidential. Each participant voluntarily took part in the survey on their own will. The author also ensured that the Company X representative would be protected from harm and treated in an ethical manner. The representative was given an overview of the topic within this study and consented to the information given to be part of the research. The interviewee was also given the opportunity to foresee the interview notes and research prior to completion.

## **Chapter Five**

### **Findings**

## **5.1 Introduction**

Within this study, the primary research was initiated by managing quantitative and qualitative data which was supported by a questionnaire and a semi-structured telephone interview (see appendix). Throughout this chapter, the researcher will reveal and discuss the results which were uncovered throughout the research chapters of this study. The researcher of this study suspected that the results acquired through the questionnaire and semi-structured telephone interview will convey an accurate solution to the research question within this study. Also, the results from the questionnaire and telephone interview will be examined with relevance to the study's literature review and discover if the research corresponds with the literature reviews research foundation. Thus, this chapter will refer to the research question and the literature review.

Firstly, a questionnaire was delivered to the consumers of a well known wholesale company. Then the results of the questionnaire were backed up by a telephone interview and company documents provided by the organisation. From the questionnaire results, the researcher will discuss the main factors that influence consumers purchasing behaviour. The open-ended questions within the questionnaire will give the researcher a more in-depth knowledge of how consumers comprehend CSR and will also contribute the opinion of the consumer towards it. This research will be conducted in order to discover whether or not there has been a change in the



way people have viewed corporate social responsibility and changed their spending habits, possibly due to recession difficulties. Then a telephone interview with a company who implements a corporate social responsibility strategy will back-up if they perceive corporate social responsibility in a similar way to the consumers.

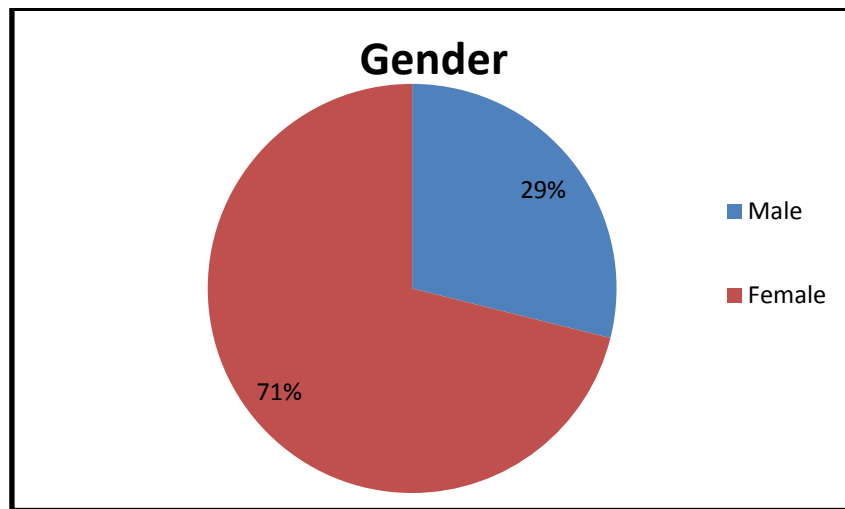
### **Results of Primary Data**

The process for analysing the data from the questionnaires was through the format of Excel spreadsheets. Through the use of excel, the author developed charts and diagrams applying the data gathered. 52 out of 60 questionnaires distributed to the consumers were returned to the author, giving an 86.7% return rate.

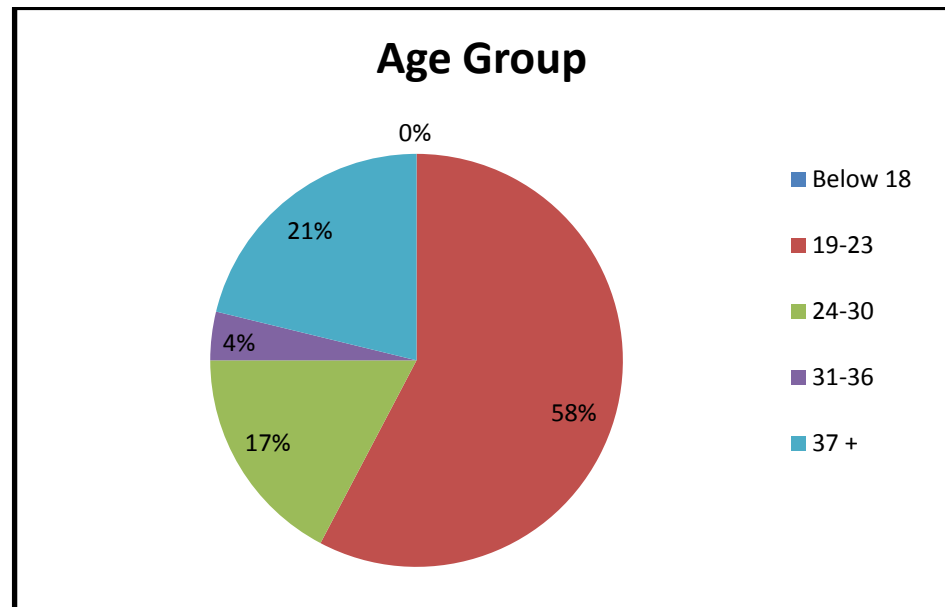
### **5.2 Questionnaire Findings and Results**

This chapter of the study will present the results that were collected from the questionnaire that was allocated to the consumers of the company in question. The first four questions on the questionnaires that were distributed assisted in gaining a perception of the consumers answering the questionnaire. The four questions observed the consumer's gender, age, current occupation and residing arrangement.

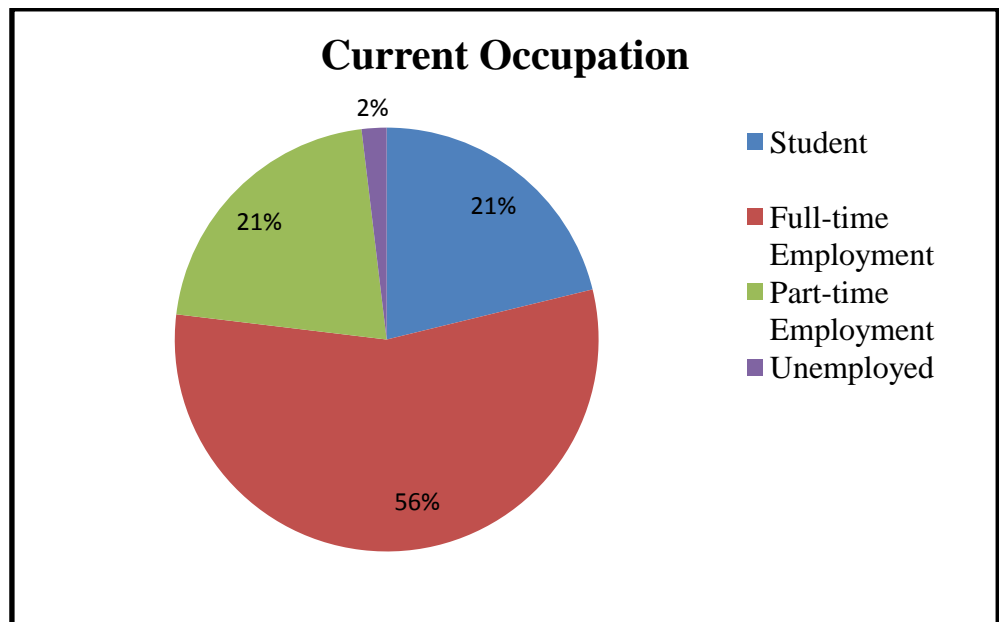
The results gathered by the researcher were as follows:



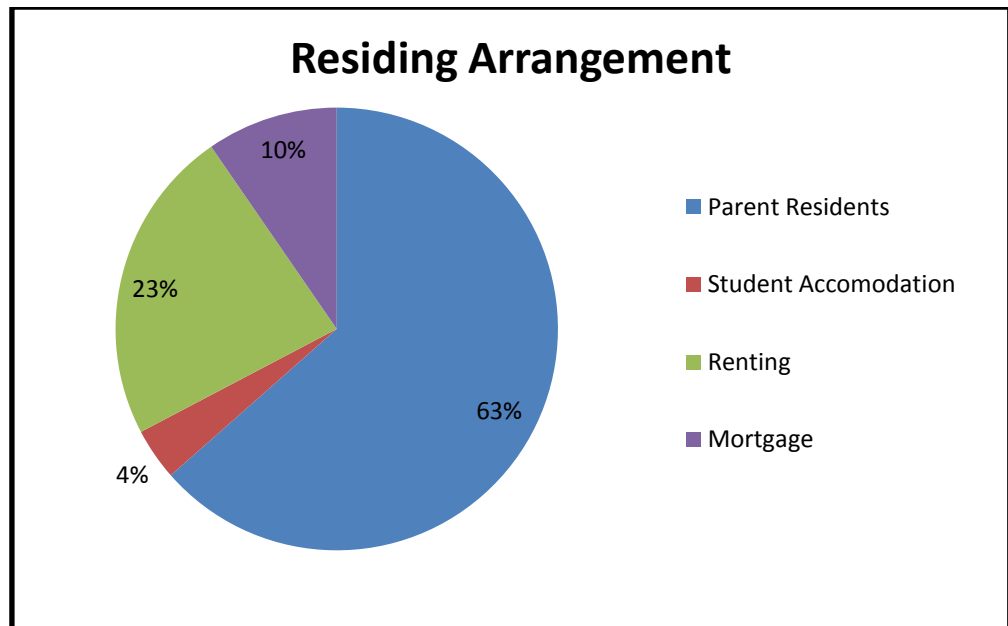
There were a superior number of female respondents as opposed to male from the questionnaires distributed, with 71% of females and 29% of males.



There were no respondents below the age of 18, 17% of respondents were aged between 24-30 years and 21% of respondents were over 37 years old. The lowest age bracket was between 31-36 years of age with 4% respondents and 58% of the respondents belonged to the 19-23 age bracket.



Only 2% of the 52 respondents were unemployed, with 21% of the respondents in the student category. 56% of the respondents were in full-time employment and 21% in part-time employment.

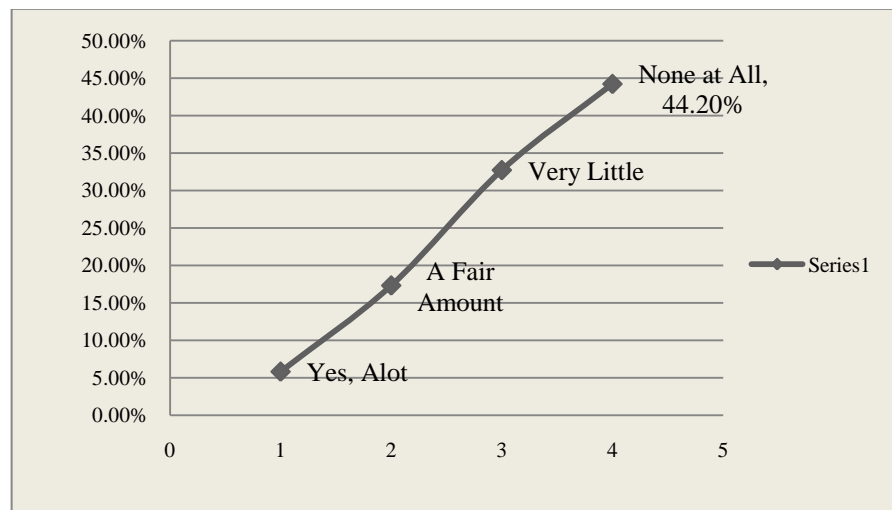


63% of the questionnaire respondents were residing at a parent's household, with 4% of the student respondents residing in student accommodation. 23% of the respondents were renting, with 10% of respondents paying a mortgage. This portrays that accurate results will be achieved from the questionnaire as respondents who are living at home with their parents will have more expenditure to spend on purchases as they are not paying bills. Respondents who are paying a mortgage will also be set-up to spend their income on household items and groceries. However, people who are renting or living in student accommodation may be less likely to have extra funds to spend on unnecessary purchases (Moore, E, 2008, Pg 3).

The next questions on the questionnaire, question 5 and 6, assisted in resolving the research question of this study. The aim of these two questions was to contemplate if consumers obtained any previous knowledge on the concept of corporate social responsibility.

Q5. Do you have any previous knowledge of corporate social responsibility?

- Yes, A lot – 5.8%
- A Fair Amount – 17.3%
- Very Little – 32.7%
- None at All – 44.2%



The chart above represents the level of knowledge that the respondents of the questionnaire acquired. A majority of the consumer who responded to the questionnaire had very little knowledge or no knowledge at all on the subject of corporate social responsibility. A very low percentage of the respondents had a fair amount of knowledge on the topic.

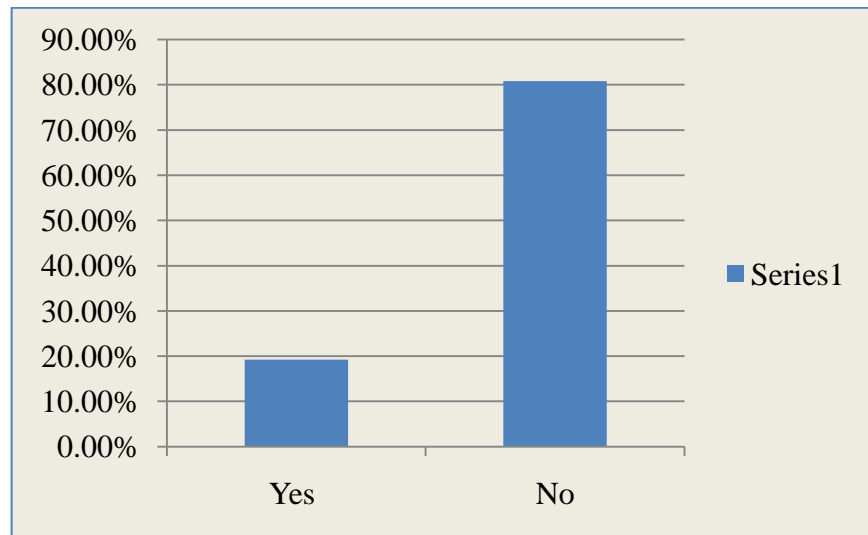
Q6. Give a brief explanation of your knowledge?

15 out of the 52 respondents replied to this question based around their knowledge. 5 or 33% out of the 15 replies expressed that they had very little knowledge on the topic. One respondent replied that they had ‘Very little knowledge to be honest. Just that corporate social responsibility can have a knock on affect to all of us.’

However, the majority of the 15 respondents portrayed more knowledge. 10 or 66% out of the 15 respondents revealed a small amount of in-depth knowledge on corporate social responsibility. One respondent stated that ‘Corporate social responsibility is the strategy that a corporation has put in place to aid local and global economies as well as reducing their impact on the environment such as carbon footprint.’

Questions 7 and 8 on the questionnaire determined the outlook that consumers held on the theorist Archie, B Carroll and Milton Friedman. Archie, B Carroll’s four part pyramid, which was presented in the literature review of this study, assisted this search in discovering the benefits that corporate social responsibility may have on a company if implemented correctly.

Q7. Have you ever heard of Archie B. Carroll or Milton Friedman, two economists with very different theories?



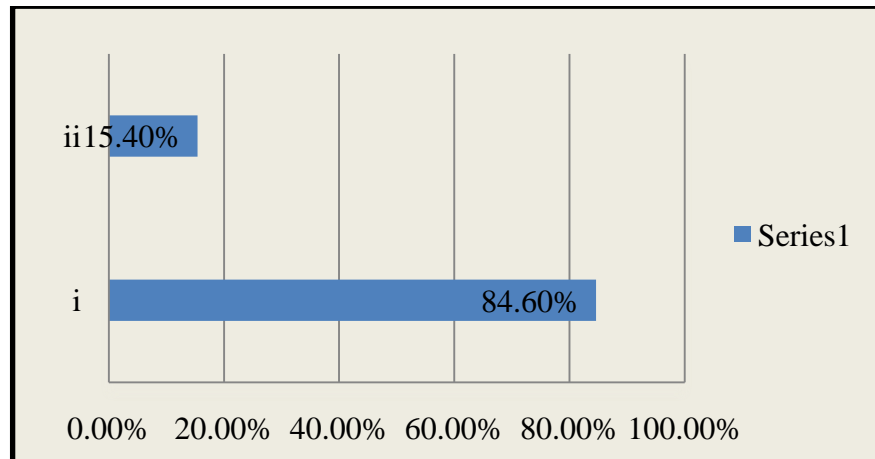
19.2% of the respondents of the survey were aware of the economists and their theories on corporate social responsibility. However, 80.8% of the consumers who responded to the questionnaires were uncertain of the theories argued by Carroll and Friedman.

Q8. Which of these quotations would you be most in agreement with?

i) “Corporate Social responsibility includes the idea that a corporation not only has economic and legal obligations, but ethical and discretionary (Charitable) responsibilities while striving to increase profit” (Carroll, 1979).

ii) “The only social responsibility of a business is to increase the profits – that there is one and only one social responsibility of business, to use its resources and engage in activities designed to increase its profit”

(Friedman, 1970).

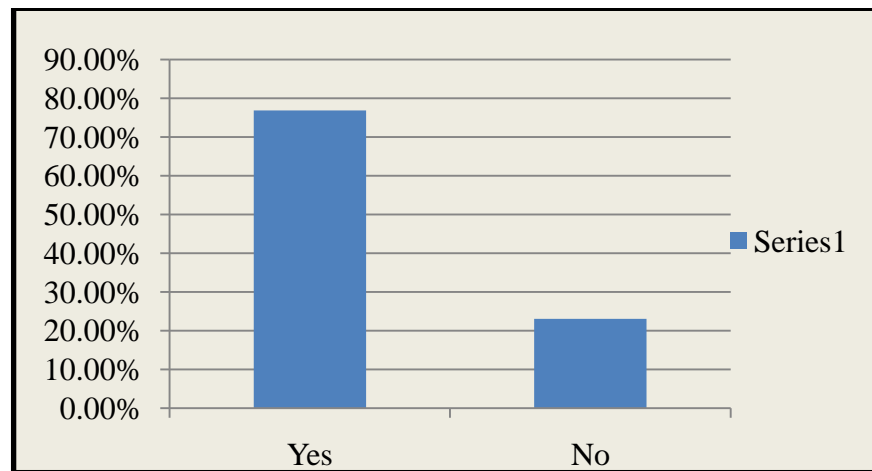


Question 7 illustrates that a high rate of consumers were unaware of the theories contributed by Carroll and Friedman. However, the chart above in question 8 proves that if given the choice, consumers would chose to agree more with the opinion of Archie B. Carroll that organisations should contribute ethically to society while at the same time try to maximise profits.

Questions 9, 10, 11, and 12 all focus on the factors which influence consumers purchasing. This gave the researcher an idea of the influence that corporate social responsibility has on consumers when choosing which products to purchase.

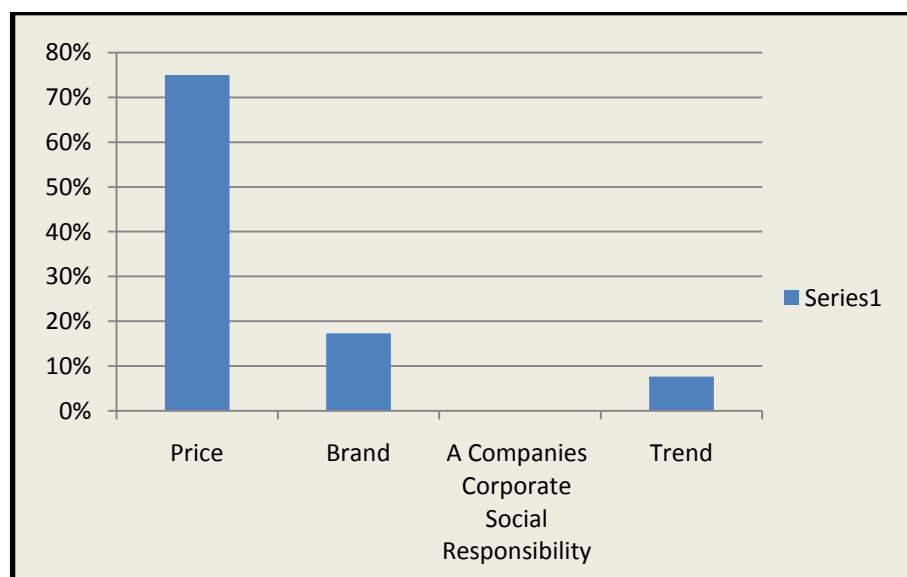


Q9. Is the ethical behaviour of a corporation a concerning factor to your purchase?



77% of consumers who responded to the questionnaire proclaimed that ethical behaviour within a company is a concerning factor for them when purchasing their products. Only 23% of the consumers admitted that ethical behaviour within a company is not a concerning factor.

Q10. What influences you most when purchasing goods/services?



However, although ethical behaviour within a company is a concern for the consumers (Question 9), if they were giving other factors of concern their answers changed. Question 10 portrays that the majority of consumers are more concerned with the price of the product. 75% of consumers stated that the price of the good influences them to purchase the product. 17.3% of consumers are influenced by brand, with 7.7% of consumers influenced by trend. The corporate social responsibility of a company came last on the list of consumer influences.

Q11. If given a choice, which one of these two similar products would you purchase?

- Product A: Ethical and Socially Responsible Product, at a price of €5.00
- Product B: Non-ethical product, at a price of €3.50

50% of the respondents who returned the questionnaire would purchase product A. Leaving 50% of the consumers choosing to purchase product B

Q12. State the reason for your choice!

24 of the 52 respondents replied to this question. The majority of consumers who chose product A 41% claimed that the reason for their choice was due to better quality and ethical intentions from the company that would have an effect on their children's future. However, 58% of the

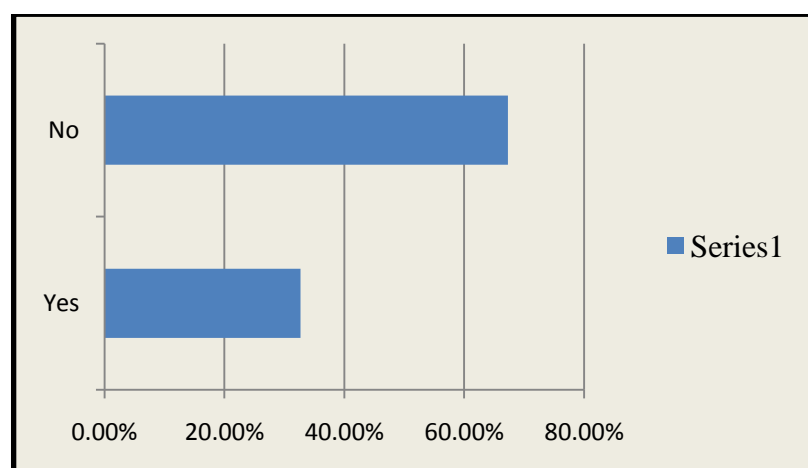
consumers stated that they would purchase the cheaper product as money and the standard of living are a major problem for them at the moment.

Some of the replies included:

“Simple because it is a lower price. I would rather Product A but considering how tight money is I’d have no choice but to go for the lower priced option” And “Product B is cheaper; although I would prefer companies’ practices to be ethical, but money is not readily available to me so I must spend my money wisely within the current cost of living”

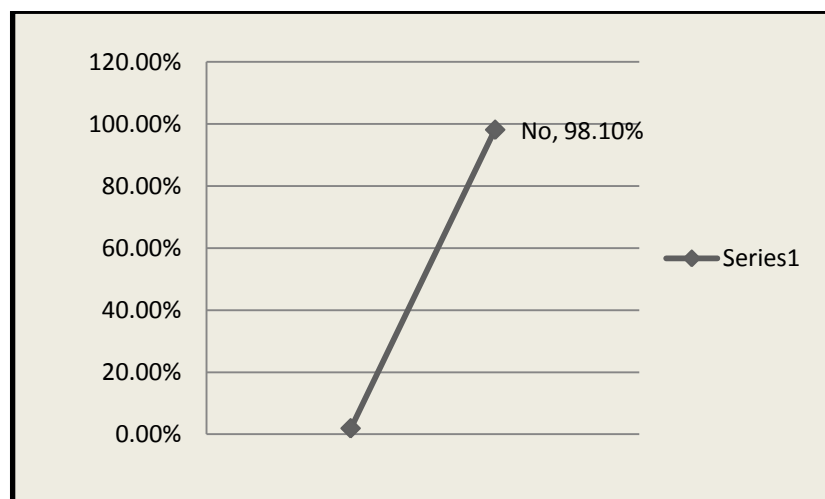
Questions 13-19 on the questionnaire were associated with the consumer’s knowledge of the company in question and their corporate social responsibility strategy.

Q13. Are you aware of the corporation Company X?



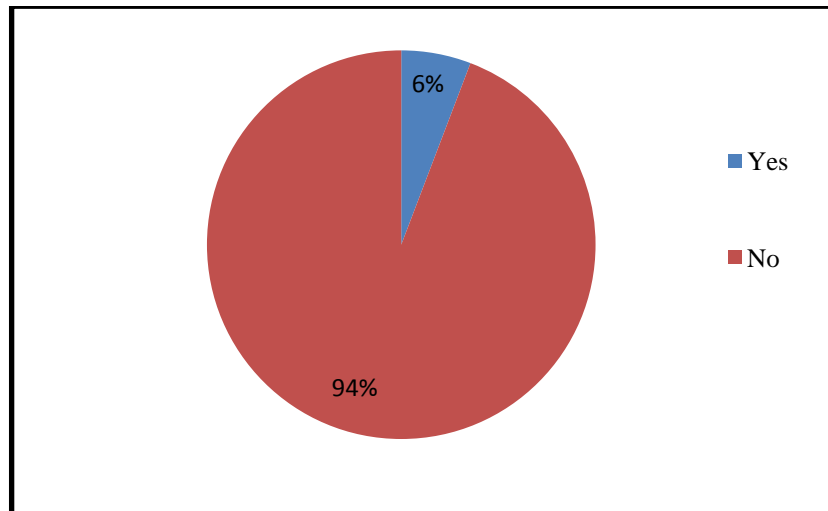
32.7% of the consumers were aware of Company X, with 67.3% of the respondents unaware of the corporation. However, although a high majority of the consumers were unfamiliar with the name Company X, when asked if they were aware of the organisations product X(See question 15 and 16), 96.4% of the consumers replied with yes they were aware of the product and had purchased it at some stage.

Q17. Are you aware of any of the successful corporate social responsibility related activities that Company X undertakes?



1 out of the 52 respondents of the questionnaires responded to this question in a positive manner, with 98.10% unaware that Company X undertook a corporate social responsibility strategy. When the respondent who was aware was asked to state the strategy, they responded with: “A sustainable Agriculture Initiative strategy”.

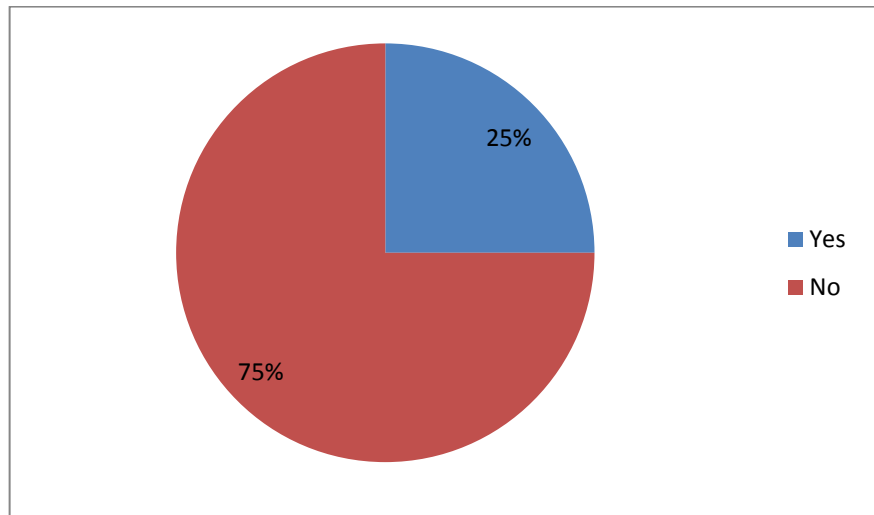
Q19. Does Company X's high corporate social responsibility strategy assist you in your purchasing of product X?



The majority of consumers don't take into account the corporate social responsibility strategy of Company X. These results may be related to the results in question 13 on the questionnaire, as a high majority of respondents were unaware of the company in the first place.

Questions 20, 21, and 22 on the questionnaire assisted the researcher in examining the knowledge that consumers have on any particular company's corporate social responsibility strategy.

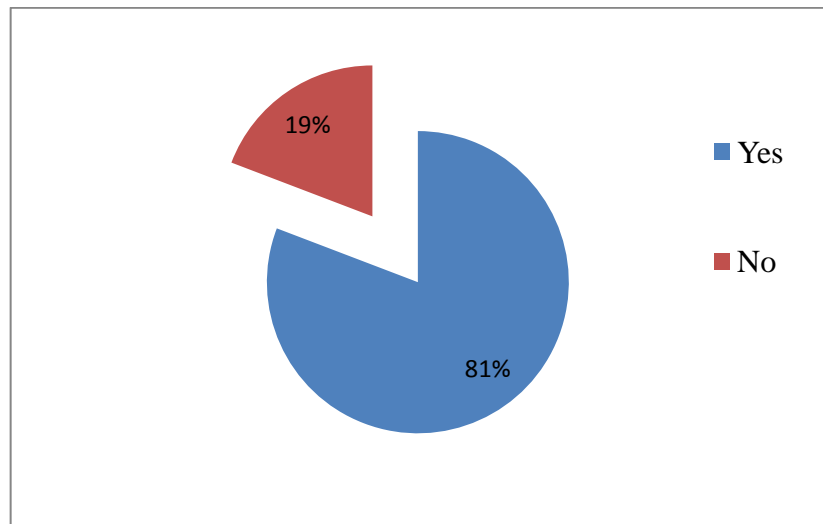
Q20. Can you name any other company with a corporate social responsibility strategy in place (For instance ethical or charitable activities)?



25% of the respondents of the questionnaire were able to name other companies that undertook a corporate social responsibility strategy. The majority of the companies stated by the respondents included the Body shop, Virgin Airways, and Starbucks for their participations within charity work and also ethically helping developing countries. 42% of the respondents who were able to identify corporate social responsibility strategies within particular companies learnt about the organisations ethical behaviour through advertisement in the media.

The final question on the questionnaire evaluated whether or not the knowledge brought to the consumers through the questionnaire would now guide them towards ethically responsible companies in the future.

Q23. Would your purchasing behaviour be influenced towards Company X brands, now that the topic of corporate social responsibility has been brought to your attention?



Now the consumers are aware of the strategies that companies undertake as part of corporate social responsibility, 81% would agree that they would take more consideration when choosing which products to purchase from which company.

### **Summary of the Questionnaires**

The findings that resulted from the consumer questionnaires will now be summarised:

The researcher assumed that the topic was of interest to consumers, due to the 87% respondent's rate. There were a superior number of female

respondents as opposed to male from the questionnaires distributed, with 71% of females and 29% of males. This assisted the research to achieve an accurate result, as women are more likely to shop in wholesale companies and are the prominent buyers of household items, groceries and toiletries (Staurt, B, 2001, Pg 51). As the research was based around a wholesale company, which sells groceries, toiletries and household items, the researcher believed that the majority of the female's opinions would come from personal experiences. The results from the questionnaire showed that a very high rate of 44.2% of people had no knowledge on the topic of corporate social responsibility within a company. However, when asked which theory they agreed with most, the consumers chose Archie B Carroll's theory on corporate social responsibility. The literature within this study examines the theory of Carroll's four part model, in which he stated, "Corporate Social responsibility includes the idea that a corporation not only has economic and legal obligations, but ethical and discretionary (Charitable) responsibilities while striving to increase profit" (Carroll, 1979).

The respondent of the questionnaire also expressed what influences them most when purchasing a product. The results showed that 75% of the consumers who returned the questionnaires were primarily influenced by the price of the specific product in which they are purchasing. Corporate social responsibility had no influence what-so-ever on consumer purchasing. Although the respondent agreed with Carroll when given the



choice, ethical behaviour of a company was not a concern for them when purchasing. The consumer stated that the standard of living in the current recession was a major problem when purchasing products and thus is the reason why they buy cheaper unethical products instead of ethical products. The results show that there is a low percentage rate of consumers who thoroughly understand the meaning of corporate social responsibility and the ethical activities undertaken by companies. Thus, only 5.8% of consumers admitted that Company X's corporate social responsibility strategy had influenced their previous purchases. However, when the topic of CSR was explained throughout the questionnaire, 80.8% of consumers assured the researcher that they would know take the topic of corporate social responsibility into account when purchasing items.

### **5.3 Interview: Findings and Results**

After administrating the questionnaires, the researcher conducted a telephone interview with a representative from Company X. The author originally instigated the interviewee a set of eleven questions throughout the interview. However, only five of these questions proved to be vital to answering the research question of this study. A sample of the eleven questions is available in Appendix B. The following results, gained from the five key questions within the interview are presented below.

## **Section A**

1. Did Archie B. Carroll's Four Part Model (1979) have any influence on the original CSR strategy of Company X?

The company representative agreed that the organisation agreed and still does agree with Archie, B Carroll's model that an organisation should be socially responsible towards the environment, their employees, consumers, stakeholders and the society as a whole in order to build on profit. She also stated that the original corporate social responsibility strategy may not have used the responsibilities in the same way but the ideology of it was definitely implemented at points through the strategy.

## **Section B**

2. What type of Corporate Social Responsibility strategy do you have in place for the current project "Sustainable Living Plan"?

The company representative expressed that the company "concentrates on 50 primary targets" to reach before the year 2020. One of the main targets of the company focuses on helping over one billion people throughout the world, to purify their health, hygiene and overall well-being. The company also aims to reduce environmental impacts through reducing the amount of packaging used by the organisation when distributing to stores worldwide. The company focuses their main efforts to "reduce, reuse, and recycle" all of their packaging that they can. In order to achieve the "50 primary

targets”, the company aims to accomplish clean drinking water for developing countries throughout the world. The company offer’s the education of personal hygiene to the younger generation in the poorest of countries. With the use of clean water, and the companies own toiletry brand, children improve their health and well being. The company also provided dental education, and presented toothpaste and toothbrushes in order to improve the dental hygiene within these countries.

3. Has Company X’s strong CSR strategy brought about any specific benefits to you as an overall business?

The representative of the company admitted that although it is hard to quantify any financial return of profits in the short run, however there have definitely been some long term financial returns. Also, the company has been rewarded with brand recognition within the corporate world. There strong corporate social responsibility strategy has given them a unique image in the consumer mindset to that of their competitors. In addition, the company benefits by gaining the reputation for being an ethical company that operates in best practice. Also, the representative expressed how the organisation is honoured to be rated in the top 5 companies as an environmental leader. The company were also recognised as the 7<sup>th</sup> most sustainable organisation in the world by Corporate Knights.

4. Has the concept of establishing CSR strategies proved to influence consumer behaviour?

The representative expressed her own view that the CSR strategy within the company has influenced consumer behaviour. When consumers know that a product on the market is contributing to a good cause, they will tend to be influenced towards buying that particular product. Many consumers worldwide want to help others where it is possible. If purchasing a small toiletry product will make a big difference in the world then consumers will be motivated towards that product. The company provides safe drinking water, toiletries and well-being to developing countries around the world and so many consumers will contribute to the strategy by purchasing a product.

5. Do you believe your CSR strategy's, such as "Sustainable Living Plan", are making a sufficient impact on society today?

The representative stated that the organisation definitely believes that their CSR strategies are making a sufficient impact in society. The company objective is to help 1 billion people worldwide by the year 2020 providing safe drinking water, in addition to using the company products to educate them to live a healthy way of life. They also aim to provide safe drinking water to "over 500 million people all over the world". The company also

helps society through their “reduce, and recycle” approach to the companies packaging.

#### **5.4 Secondary data: Findings and Results**

The annual reports of Company X in Europe, backup the data within the questionnaires distributed to consumers. In the year 2000, when Company X first introduced their idea for a corporate social responsibility strategy the operating profit within Europe was equal to €1,774,000. This proved a high success for the company. Throughout the years the companies operating profits increased, as the introduction of more corporate social responsibility strategies evolved. In the year 2007, the operating profit for the company had decreased to €1,678,000, proving that the company were not having an effect on their consumers. As the recession continued the companies operating profit began to decline rapidly. In the year 2009, Company X portrayed an operating loss of €11,500,000 (Hancock, C, 2010).

These annual reports of the company show a huge contrast in the operating profit/loss figure throughout the years of the company. The company proved successful within the first few years after the introduction of the corporate social responsibility strategies. Through the early 2000's, consumers would have more income to spend on their purchases. However, over the last few years, the cost of living has played a big part in the economy. These operating loss figures for the company back-up questions

10, 11 and 12 on the questionnaire. As income's decrease, the factor that influences consumer purchases is price. Throughout the economic downturn, consumers seem less concerned in ethical company practices.

The author of this study also applied company reports in order to gain a higher level of in-sight on the company's ethical behaviour. The author noticed how the company follows a similar set of responsibilities to those represented in Carroll's four part model:

**Economic Responsibilities:**

Company X makes a positive improvement to the economies of many countries throughout the world. As a global organisation, the company assists in establishing new markets, which will help the growth of economies and reduce poverty.

**Legal Responsibilities:**

The organisation obliges to the laws and regulations of the government within the countries it operates, whilst fulfilling their economic responsibilities.

**Ethical Responsibilities:**

Company X are not obliged to undertake any ethical responsibilities, however, the company believes that in order to be successful, they must

focus on achieving a high standard of social and ethical behaviour towards the company's employees, shareholders, consumers, and the societies. One example of ethical responsibilities undertaken by the company is their strategy to reduce packing and recycling waste. The company also aims to encourage their consumers to follow them in reducing and recycling waste. They also use their toiletry brands to inspire "curvier woman" to feel better about their lifestyles.

### **Philanthropic Responsibilities:**

In 2009, Company X was recognised for their charitable donation of over €80 million euro to poorer countries around the world. It assisted the organisation to give support and assistance to thousands of poor communities worldwide.

**Chapter Six**

**Analysis of Findings**



## **6.1 Introduction**

In this chapter, the author formulates a solution to the research question proposed, built upon the aims and results of the research findings. The researcher examined the opinions and themes within the literature review and compared them to the results of the survey and interview processed throughout this study.

The objective of this study was to analyse if organisations gained the success that Archie B Carroll perceived in his model. The author approached this by comparing the benefits proposed by Carroll against the real benefits achieved today by companies who implement a strong corporate social responsibility strategy. Throughout this analysis, the researcher of this study brings to light an array of similarities and contrasts between the primary data and the literature review.

## **6.2 Analysis**

**Q: Does implementing a corporate social responsibility strategy increase profits and consumer recognition for a company?**

It can be seen from the literature review that Corporate Social Responsibility is a commitment created by a corporation to take responsibility for the activities in which they undertake and also the impact that the company's actions have on society (Hopkins, M, 2005, Pg 213).

Many organisations today are committed to helping the environment and have created corporate social responsibility strategies in order to act in an ethical manner and prove their activities are morally right. There are many ethical activities within a company's CSR strategy which include contributing to charitable causes and also assisting the economic development of a particular country. The secondary data used within this research has portrayed to the author that Company X has provided many ethical activities throughout their company and the way it operates. During the telephone interview, the representative of company X was proud to admit the company has aimed to help 1 billion people in developing countries to improve their health and well-being.

This study also portrays an in-depth view of Archie B. Carroll's model, along with theorists who have agreed with Carroll's pyramid of responsibilities. Carroll stated that CSR is a concept which states that all corporations have moral rights to be responsible towards the environment and the society as a whole. These responsibilities not only include economic and legal obligations, but also ethical and philanthropic responsibilities (Carroll, A, 1979). Carroll declared that in order to increase company profits, corporations need to oblige to the four primary responsibilities within CSR.

The telephone interview for this research has provided that the concept of Carroll's four part model was used as a basis for Company X when they

first introduced their CSR strategy. However, the secondary data of this research has proved to the author that company profits of Company X have been declining in recent years. From the year 2000 when the company first commenced their CSR strategy to the year 2007 the company witnessed positive profits each year. However, in 2009 the company profits have decreased by a significant amount of €13,178,000. Question 5 on the questionnaire suggests to the author that a high majority of consumers today have little or no knowledge at all on the topic of corporate social responsibility within any industry. Carroll suggestion that any company who implements a corporate social responsibility strategy will gain consumer recognition and an increase in profits proves negative for Company X whose profits have fallen over the last few years. From this evidence, the author of this study believes that consumers today have very little knowledge on CSR and so they do not know the difference between companies that are implementing a CSR strategy and the ones that are not.

O'Higgins and Gyves (O'Higgins, E & Gyves, S, 2008, Pg 208) agreed with Carroll's model and stated that the top reasons why a firm might undertake a corporate social responsibility strategy is to increase profits, sales and enhance brand image and reputation. The Company X representative revealed throughout the interview that the CSR strategy of the company was giving consumer recognition to the organisation. When consumers are aware that they can make a difference in the world by purchasing their everyday necessities the majority will want to help and

choose the brand that will aid the efforts of the cause in question.

However, 67.3% of the consumers who took part in the questionnaire were unaware of Company X, a top global organisation which sells over 400 brands and implements a very successful corporate social responsibility strategy. Also, 97.10% of consumers were unaware of any corporate social responsibility activity that the company undertakes. If Carroll, O'Higgins and Gyves theory were true in saying that a CSR strategy brings company recognition, then company X would be a well-known name to consumers in any part of the world.

Milton Friedman (1970) disagreed with Carroll's model in stating that the "only social responsibility of a business was to maximise profits".

However, although a majority of consumers were unaware of Friedman and his theory on CSR, when given an over-view of his theory only 15.4% agreed with him. This proves to the author that Carroll (1979) was right in saying that it is essential for a company to act ethically towards the society and in turn the organisation will be rewarded. However, the company in question is not implementing Carroll's (1979) theory precisely if there are no financial benefits being gained. The company needs to inflict more efforts in ensuring that consumers are aware of their work.

It is also evident from the literature review that organisations undertake a CSR strategy in order to attract a larger consumer base. It is believed that if

a corporation can ensure a large consumer base, then there will be an automatic positive impact on the company's profits (Carroll, 1979; Leonard, D et Al 2003, Pg 27). The author of this study believes that this is not the case for corporations today. From the primary data within this study, it can be seen by the author that corporate social responsibility within a company is not a major factor for consumers. The 75% of the consumers within this study admitted that the price of a product is the main factor that influences their purchasing. The author evaluated that a shocking 0% of the consumers took an organisations CSR strategy into account when purchasing their products. When given a choice of two products, an ethical product for a dear price or an unethical product for a cheap price, many of the consumers chose the unethical product. Each participating consumers explained that money was a problem during recessionary times and that they have no choice but to purchase the unethical product.

A research survey, which took place in 2004, showed results that 70% of consumers claimed that if a firm was not socially responsible they would go elsewhere for business, regardless the price, (Walker Information Survey, 1994). However, since 2007 the consumer's financial circumstances have changed. Consumers who participated in the questionnaire of this study stated that they would prefer to buy ethical products no matter the price, however due to the money issue in the recession, this just isn't an option.

Overall, having researched the results and findings throughout this study, the author agrees with Archie B. Carroll's model that corporate social responsibility can have tremendous benefits for a company. However, the author realised that these benefits are only visible if the strategy is implemented correctly. It was proven by the company that they have been benefited with certificates of recognition and long-term financial benefits. The author believes that it is essential that a company makes every effort to be highly recognised by consumers. If a company is not recognised, then initiating a CSR strategy may be useless to the company.

The author of this study confirms that organisations today must not only concentrate on the social responsibilities but also focus a high level of their attention on ensuring that the company is gaining the most out of the ethical activities being undertaken. The author trusts that if the consumers were provided with in-depth information on the topic of corporate social responsibility, then they would concentrate on companies who practice CSR activities. 81% of the consumers that responded to this study agreed that now that their attention has been brought to the concept of corporate social responsibility, they will take this into account when purchasing next time. This proves to the author that all consumers need is the facts on corporate social responsibility and a little push in the right direction.

Also, the author of this study acknowledges that the reason why corporate social responsibility is not an influencing factor to consumers when

purchasing products is due to the recent recession. The author believes that people have not considered organisations corporate social responsibility strategy because they are more concerned about the cheapest products and saving their money through difficult times.

The author understands that if consumers were made more aware of the topic and they could participate in helping support a company's corporate social responsibility strategy, then they would. As the economy approaches the end of a recession, companies should now be prepared to focus on ensuring their consumers awareness increases on the topic of CSR and the advantages their companies are bringing to the environment and society. The author believes organisations will then see an increase in sales.

## **Chapter Seven**

### **Recommendations and Conclusion**



## **7.1 Conclusion**

The aim of this study was to discover the success in which a CSR strategy may provide to an organisation who implements it. The main objectives of this study was to investigate the benefits proposed by Carroll's model (1979), the benefits gained by Company X through their CSR strategy and also to achieve an understanding into the views and opinion's of consumers who purchase products daily. The author aimed to gain an observation into the current literature and attain knowledge on the primary factors that influence consumer spending.

The literature review within this study concentrates on the positive and negative views surrounding corporate social responsibility. The literature then moves on to acknowledge a division of numerous topics that are associated with Corporate Social Responsibility. The division of topics include Social Accounting, Auditing and Reporting, Business Benefits, Criticism, Company Strategy, and finally Business Ethics. These fundamental topics were then explored throughout the literature review. After examining the development of corporate social responsibility throughout the years and the different views contributed by many theorists, the author of this study focuses in on Archie B. Carroll's four part model. In 1979, Carroll introduced four primary responsibilities which should be undertaken by organisations everywhere in order to gain consumer and brand recognition and also to increase sales and company profit. However, many theorists view Carroll's suggestion in a different manner, stating that

“the only social responsibility of a business is to maximise profits”

(Friedman, M 1970). The author aims to identify whether Carroll’s four part model delivers the recognition and financial rewards that Carroll declares in his theory.

The methodology of this study was outlined in chapter 4. In order to gain the aims and objectives of this study, the author engaged in primary data through the use of quantitative consumer questionnaires. The specific consumers of the questionnaire were selected to guarantee that their age, gender, and occupations differed from each other, so that the author could gain a broad dimension of opinions from the respondents. The author hoped that these opinions would lead to an overview as to the influences why consumers purchase the products that they do. The author also initiated primary research through a study of qualitative data affiliating a telephone interview. The questions that were employed within the telephone interview derived from the themes and statements that were established through the literature review chapter. These themes were associated with the company’s CSR strategy, the benefits gained from implementing the strategy and a perception of the impact the strategy may have on societies worldwide.

The findings of this study were examined throughout chapter 5 and the author’s analysis of the primary and secondary data was presented in chapter 6 of the research. The following is a concluding overview of the findings and the analysis of the author.

### Primary findings:

- The representative from within company X expressed that the company received long-term benefits in the shape of awards and company recognition, proving that the benefits promised from the implementation of Carroll's four part model can materialise.
- From the questionnaires that were distributed to consumers of organisations today, the author witnessed that a high majority of consumers had no recognition of the topic corporate social responsibility. The author also confirmed that 0% of consumers were influenced by a company's corporate social responsibility strategy. The majority of consumers are influenced by price.
- Due to the recent recession, many consumers do not have the finances to choose high price ethical products. They would prefer to buy ethical products but due to issue with money, they have to opt for low price unethical products.

### Secondary Findings:

- Company X is a strong organisation which implements a highly effect corporate social responsibility strategy into the business of the company.

- There is a concern for the amount of profits that Company X are losing each year. From the year the company's corporate social responsibility commenced in 2000 to 2007, the companies operating profit was increasing significantly. However, since 2007 and the beginning of the financial crisis the company's profits have dropped a huge amount.

Based on these findings and analysis portrayed in chapters 5 and 6, the author of this study has come to the conclusion that corporate social responsibility can be a positive concept within an organisation when it is applied correctly. Company X is losing a high amount of profits each year due to the recession. Consumers in Ireland would like to have the sufficient funds to purchase ethical products. However, due to financial problems, consumers choose their purchases based on the lowest price and not the CSR strategy involved within the specific companies. Many consumers today are unaware of the subject of corporate social responsibility and therefore they would not be able to contrast between ethical and unethical organisations. If company X focused more of their efforts on teaching consumers about the topic of CSR, then the knowledge of the company and its activities would increase. Many consumers today admit that if their knowledge of the concept of corporate social responsibility increased, then they would be more influenced by purchasing ethical products and support organisations throughout their ethical and philanthropic behaviour.

## **7.2 Recommendation**

This chapter briefly states the author's recommendation to Company X, which has been brought to the author's attention from the research findings within this study. The recommendation outlined aims to assist Company X in achieving their corporate social responsibility strategies full potential.

The author recommends to Company X that they develop a strategy that will concentrate on advertising the company as a whole and especially the corporate social responsibility strategy in which the company implements.

“The top reasons why a firm might undertake CSR are as follows: increased profit; to reduce operating costs; enhance brand image and reputation; increase sales and customer loyalty; and increase ability to attract” (O'Higgins, E & Gyves, S, 2008, Pg 208). However, today many consumers are unaware of Company X and the corporate social responsibility it conveys. Therefore, the company will lack customer loyalty which leads to sales as consumers will not understand the company's ethical strategy. However, it may be possible to gain this acknowledgment and loyalty through increasing the consumer's knowledge and expanding the CSR strategy advertisement. It appears to the author that Company X is too occupied with focusing on the actual CSR strategy, than actually initiating the advertisement of their ethical campaigns in order to gain profits from it.

Advertising can bring many benefits to the companies who initiate it. Companies “can increase the size of the market for the company’s services” through advertising (Pollock, J, 1981, Pg 59). Company X may use advertising as a method to increase the level of awareness of their company’s CSR strategy. The author believes that if corporations today implemented Carroll’s four part model along with a strong advertising campaign of their work through ethical behaviour, then consumers will realise the manner in which the ethical companies operate. The consumers who responded to the questionnaire within this study agreed that if they had more knowledge on CSR it would influence their spending towards ethical products. Thus, by initiating an advertisement, the company will increase the awareness of their ethical behaviour within the company and consumers will then begin to purchase the ethical product, which in turn will give the organisation an increase in recognition and sales.

### **7.3 Validity of the research**

The author of this research trusts that the research question and the objectives of this study have been adequately fulfilled in order to sustain this research. The researcher aspires that the literature and methodology within this study has provided the author with an accurate analysis of data.

#### **7.4 Limitations of the research**

From the research found in the literature review, it can be seen how Carroll's four part model and the concept of corporate social responsibility within a company, not only take into account consumers but all member stakeholders, including shareholders, employees, the government and all of society. However, due to time restrictions and lack of resources, the author of this study chose to concentrate mainly on the consumers within society. Therefore, the research focuses on an organisation based in an Irish region aiming to gain recognition, and the consumers who surround this organisation assisting the company to increase profits. Thus, the research is limited geographically.

## **Bibliography and References**

### **A**

Aupperle, K; Acar, W & Lowy, R (2001) 'An Empirical Exploration of Measures of Social Responsibility Across The Spectrum of Organisational Types', *International Journal of Organisational Analysis*, Volume 9, Issue 1, Pg 2

### **B**

Booth, A (2003) 'A Quest for Questionnaire', *Health Information & Libraries Journal*, March Edition, Volume 20, Issue 1, Pg 53

Booth, P (2009) 'Editorial: Corporate Social Responsibility', *Economic Affairs*, Volume 29, Issue 4, Pg 2

Boslaugh, S (2007) *Secondary Data Sources for Public Health: A practical Guide*, New York, Cambridge University Press

Bowen, H (1953) *Social Responsibility of the Businessman*, New York, Harper

Bowling, A (2002) '*Research Methods in Health: Investigating health and health services*', Second edition, United Kingdom, Open University Press

Bruce, J & Chambers, W (2002) 'Questionnaire Surveys', *Anaesthesia*, November Edition, Volume 57, Issue 11, Pg 1049

By American and Russian Managers', *Theory of Communication and Applied Communication*, Issue 1, Pp 59-67



## C

Canniffe, M. (2005) 'Corporate Social Responsibility', *Accounting Ireland*, February Edition, Vol. 37, Issue 1, Pp 6-10

Carrasco, I (2007) 'Corporate Social Responsibility, Values and Cooperation', *International Advances in Economic Research*, November Edition, Vol. 13, Issue. 4, Pg 454

Carroll, A (1979) 'Model of Corporate Performance', *The Academy of Management Review*, Volume 4, Issue 4, Pg 497

Cheney, G (2004). 'The Corporate Conscience and the Triple Bottom Line', *Accounting Today*, Vol. 18, Issue 12

Clarkson, M (1995) 'A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance', *Academy of Management Review*, Jan Edition, Volume 20, Issue 1, Pg 94

Cochran, P & Wartick, S (1985) 'The Evolution of the Corporate Social Responsibility Performance Model', *Academy of Management Review*, October Edition, Volume 10, Issue 4, Pg 758

Commission of the European Communities (2006), 'Promoting Corporate Social Responsibility', *Europa: Summaries of EU Legislation*, [http://europa.eu/legislation\\_summaries/external\\_trade/c00019\\_en.htm](http://europa.eu/legislation_summaries/external_trade/c00019_en.htm), Accessed on 15 June 2011

Connelly, L (2010) 'Secondary Analysis', *Medsurg Nursing*, May/June Edition, Volume 19, Issue 3, Pp 192-193

Connon, N (2008) 'Improving postal questionnaire response rates', *Marketing Review*, Volume 8, Issue 2, Pp113

Creswell, J (2008) 'Three Approaches to Research', *Research design: qualitative, quantitative, and mixed method approaches*, United Kingdom, Sage Publications, Pg 18.

## **D**

Dahlsrud, A (2008) 'How Corporate Social Responsibility is Defined: An Analysis of 37 Definitions', *Corporate Social Responsibility & Environmental Management*, Jan/Feb Edition, Volume 15, Issue 1, Pg 1/2

Davidson, K (1995) 'Marketers Can't Ignore New Ethics Issue', *Marketing News*, February Edition, Volume 29, Issue 5, Pg 34

Davis, K (1960) "Can Business Afford to Ignore Social Responsibilities?" *California Management Review*, Spring, Pg 70

Davis, K (1975) 'Five Propositions for Social Responsibility', *Business Horizons*, June Edition, Volume 18, Issue 3, Pp 19-24

Devinney, T. (2009) 'Is the Socially Responsible Corporation a Myth? The Good, the Bad, and the Ugly of Corporate Social Responsibility'. *Academy of Management Perspectives*, May Edition, Vol. 23, Issue 2, Pp 44-56

DiCicco-Bloom, B & Crabtree, B (2006) 'The Qualitative Research Interview', *Medical Education*, April Edition, Volume 40, Issue 4, Pp 314-321

Dilley, P (2004) 'Interviews and the Philosophy of Qualitative Research', *Journal of Higher Education*, Volume 75, Issue 1, Pp127-132

Donalek, J (2005) 'The interview in Qualitative Research', *Urologic Nursing*, April Edition, Volume 25, Issue 2, Pp 124-125

Drucker, P (1984) 'The New Meaning of Corporate Social Responsibility', *California Management Review*, Volume 40, Issue 2, Pp 8-17

## **F**

Fontana, A & Frey, J (1994) 'The Art of Science', In: Denzin, N & Lincoln (Ed), Y, *Handbook of Qualitative Research*, California, Sage, Pp 361-376

Fox, Adrienne (2007) 'Corporate Social Responsibility Pays Off'. *HR Magazine*, August Edition, Vol. 52, Issue 8, Pg 43-47.

Freeman, E (1963) *Strategic Management: A Stakeholder Approach*, Minnesota, Pitman Publishing

Freeman, E. (2010) 'Why Businesses Don't Need Social Responsibility', *Interactive Business Network*, June Edition, Pg 1

Freeman, R & Liedtka, J (1991) 'Corporate Social Responsibility: A Critical Approach'. *Business Horizons*, Vol. 34, Issue. 4, Pg 92-98

Friedman, M (1970). 'The Social Responsibility of Business is to Increase its Profits'. *The New York Times Magazine*, September Edition, Pg 1

## **G**

Galbreath, J (2009) 'Building corporate social responsibility into strategy', *European Business Review*, Volume 21, Issue 2, Pg 109

Galbreath, J. (2010) 'How Does Corporate Social Responsibility Benefit Firms'. *European Business Review*, Vol. 22, Issue 4, Pp411-431

Gall, J; Gall, M & Borg (1999) 'Applying Educational Research: A practical Guide', New York, Longman, Pg 13

Garfield, C, (1995) 'Ethics and Corporate Social Responsibility', *Executive Excellence*, August Edition, Vol. 12, Issue 8, Pp 5-6

Griffin, R (1993) 'Ethics and Social Responsibility', *Management 4<sup>th</sup> Edition*, Pg 1-5.

## **H**

Hakim, C (1982) 'Secondary Analysis and the Relationship Between Official and Academic Social Research', *Sociology*, Volume 16, Issue 1, Pg 12

Hall, A; Reggiani, F; Bird, R & Momente, F (2007) 'What Corporate Social Responsibility Activities are Valued by the Market?', *Journal of Business Ethics*, December Edition, Volume 76, Issue 2, Pg 189

Hancock, C (2010) 'Unilever's Irish arm pays €171m dividend', *The Irish Times*, Business Affairs Correspondents, 2<sup>nd</sup> of October

Hannabuss, S (1996) 'Research Interviews', *New Library World*, Volume 97, Issue 1129, Pg 22

Hopkins, M (2006) 'What is Corporate Social Responsibility All About?', *Journal of Public Affairs*, Volume 6, Issue 3/4, August/November Edition, Pp298-306

Hopkins, M (2005) 'Measurement of corporate social responsibility', *International Journal of Management and Decision Making*, Volume 6, Issue 3, Pg 213-231.

## **J**

Jones, S; Murphy, F; Edwards, M & James, J (2008) 'Doing things differently: advantages and disadvantages of web questionnaires', *Nurse Researcher*, Volume 15, Issue 4, Pp 16-17

Joyner, B & Payne, D. (2002) 'Evolution and implementation: A study of values, business ethics and corporate social responsibility'. *Journal of Business Ethics*, December Edition, Vol. 41, Issue 4, Pp 297-312

Joyner, B & Payne, D & Raiborn, C (2002) 'Building values, business ethics and corporate social responsibility into the developing organization'. *Journal of Developmental Entrepreneurship*, April Edition, Vol. 7, Issue 1, Pg 113-132.

## **K**

Kahn, R & Cannell, C (1957) 'The Dynamics of Interviewing: Theory, Technique and Cases', New York, Wiley

Kimble, B (2008) 'The Triple Bottom Line', *Oil and Gas Investor*, May Edition, Vol. 28, Issue 5, Pp 64-67.

## L

Leonard, D & McAdam, R (2003) 'Corporate Social Responsibility', *Quality Progress*, October Edition, Volume 36, Issue 10, Pp 27-28

Levitt, T (1958) 'The Dangerous of Social Responsibility', *Harvard Business Review*, September Edition, Volume 36, Issue 5, Pg 45

## M

McWilliams, A; Siegel, D & Wright P (2006) 'Corporate Social Responsibility: Strategic Implications', *Journal of Management Studies*, Jan Edition, Volume 43, Issue 1, Pg 2

Metveev, A (2002) 'The Advantages of Employing Quantitative and Qualitative Methods in Intercultural Research: Practical Implications from the Study of the Perceptions of Intercultural Communication Competence

Moore, E (2008) 'Buying Still Beats Renting', *Financial Times*, June Edition, Pg 3

Murphy-Black, T (2000) 'Questionnaire', In: Cormack D (Ed), *The Research Process in Nursing*, Edinburgh, Blackwell Science, Pp 302-313

Nijhof, A; Bruin, H & Honders, H (2008) 'Partnerships for corporate social responsibility: A review of concepts and strategic options', *Management Decisions*, Volume 46, Issue 1, Pg 152

## O

O'Higgins, E & Gyves, S (2008) 'Corporate Social Responsibility: An Avenue for Sustainable Benefit for Society and the Firm?', *Society and Business Review*, Volume 3, Issue 3, Pg 208.

Ostas, D & Loeb, S (2002) "Teaching Corporate Social Responsibility in Business Law and Business Ethics Classrooms", *Journal of Legal Studies Education*, Volume 20, Issue 1, Pg 63

## P

Panwar, R; Rinne, T; Hansen, E & Juslin, H (2006) 'Corporate Responsibility (Cover Story)', *Forest Products Journal*, Volume 56, Issue 2, February Edition, Pg 7

Polit, D; Beck, C & Hungler, B (2000), *Essentials of Nursing Research: Methods Appraisal and Utilization*, Philadelphia, Lippincott Williams & Wilkins.

Pollock, J (1981) 'Benefits of Practice Advertising', *Accountancy*, October Edition, Volume 92, Issue 1058, Pg 59

Pos, A; Linse, K & Aben, M (2005) 'Unilever Case Study: Leveraging Community Value', *Original Knowledge Management Publication*, January Edition, Volume 8, Issue 4

Punch, K (1998) 'From Research Question to Data', *Introduction to Social Research: Quantitative and Qualitative Approaches*, United Kingdom, Sage Publications, Pp 55-56

## Q

Quelch, J & Jocz, K (2009) 'Can Corporate Social Responsibility Survive Recession?', *Leader to Leader*, Volume 2009, Issue 53, Pp 37-43

Quinn, L & Norton, J (2004) 'Beyond the Bottom Line: Practicing Leadership for Sustainability', *Leadership in Action*, March/April Edition, Pg 3.

## R

Roberts, C (2007) Annual Von Gugelberg Memorial Environment Lecture, Stanford Graduate School of Business, Stanford California, 23<sup>rd</sup> October, 2007

## S

Saia, D; Carroll, A & Buchholtz, A (2003) 'Philanthropy as Strategy When Corporate Charity Begins at Home', *Business and Society*, June Edition, Volume 42, Issue 2, Pg 169

Saunders, M; Lewis, P & Thornhill, A (2009) *Research Methods for Business Students*, Fifth Edition, United Kingdom, Pearson Education, Pp 141, 320-321, 397-400

Sjöström, E (2010) 'Shareholders as Norm Entrepreneurs for Corporate Social Responsibility', *Journal of Business Ethics*, June Edition, Volume 94, Issue 2, Pg 177

Smith, C (2005) 'Responsibility Inc', *Business Strategy Review*, July Edition, Volume 16, Issue 2, Pg 62



Smith, E (2008) 'Pitfalls and Promises: The Use of Secondary Data Analysis in Educational Research', *British Journal of Educational Studies*, September Edition, Volume 56, Issue 3, Pg 324

Smith, M (1988) 'Contemporary Communication Research Methods,' Belmont, CA: Wadsworth, Pg 1

Sogunro, O (2002) 'Selecting a Quantitative or Qualitative Research Methodology: An Experience', *Educational Research Quarterly*, September Edition, Volume 26, Issue 1, Pg 3

Spreckley, F (1981) 'Social Audit- A Management Tool for Cooperative Working', *Beechwood College*, Leeds

Srchova, M & Dvorakova, L (2010) 'Corporate Social Responsibility: During the Financial Crisis and Economic Recession', *Annals of DAAAM & Proceedings*, January Edition, Pp 861-862

Staurt, B (2001) 'He Shops, She Shops', *Progressive Grocer*, March Edition, Volume 80, Issue 3, Pg 51

Swaen, V; Lindgreen, A & Maon, F (2009) 'Introduction: Corporate Social Responsibility Implementation', *Journal of Business Ethics*, April Edition, Volume 85, Issue 2, Pg 251

Swanson, D (1995) 'Addressing a Theoretical Problem by Reorienting The Corporate Social Performance Model', *Academy of Management Review*, Jan Edition, Volume 20, Issue 1, Pg 49

## W

Wan-Jan, W (2006) 'Defining Corporate Social Responsibility', *Journal of Public Affairs*, Aug/Nov Edition, Volume 6, Issue 3/4, Pg 176

Warren, R & Silberhorn, D (2007) 'Defining corporate social responsibility: A view from big companies in Germany and the UK', *European Business Review*, Volume 19, Issue 5, Pg 352

Welford, R & Frost, S (2006) "Corporate Social Responsibility in Asian Supply Chains", *Corporate Social Responsibility and Environmental Management*, Volume 13, Issue 3, Pp 166-176

Werther, W & Chandler, D (2006) *Strategic Corporate Social Responsibility*, United States, Sage Publication

Witmer, D; Nichols, E & Sudman, S (2002) 'From Paper and Pen to Screen and Keyboard: Towards a Methodology for Survey Research on the Internet', In: Jones, S (ed) *Doing Internet Research*, California, Sage Publications, Pg 213.

Wood, D (2010) 'Measuring Corporate Social Performance: A Review', *International Journal of Management Reviews*, March Edition, Volume 12, Issue 1, Pg 5

## Appendix I

**Corporate Social Responsibility is a procedure in which an organisations management team conduct their business activities and actions in a positive and responsible manner towards society.**

1. Please state:

Male

Female

2. Which age group do you fall into?

Below 18

19-23

24-30

31-36

37+

3. Please state your current occupation

Student

Full-time employment

part-time employment

Unemployed

4. Where are you currently residing?

Parent Residents

Student Accommodation

Renting

Mortgage

5. Do you have any previous knowledge of Corporate Social Responsibility?

Yes, A lot                  Fair Amount                  Very Little                  None at All

6. Give a brief explanation of your knowledge

---

---

---

---

7. Have you ever heard of Archie B. Carroll or Milton Friedman, two economists with very different theories?

Yes                                  No

8. Which of these two quotations would you be most in agreement with?

*i) "Corporate Social Responsibility includes the idea that a corporation not only has economic and legal obligations, but ethical and discretionary (philanthropic) responsibilities as well as striving to increase their profits" (Carroll 1979).*

*ii) "The only social responsibility of business is to increase its profits - that there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits" (Friedman, 1970).*

i                  ii

9. Is Ethical Behaviour of a corporation a concerning factor to your purchasing behaviour?

Yes                      No

10. What influences you most when purchasing goods/services?

Price              Brand              A Company's Corporate Social Responsibility  
Trend

11. If given a choice, which one of these two similar products would you purchase?

- Product A - Ethical and socially responsible product, at a price of €5
- Product B – Non-Ethical product, at a price of €3.50

Product A                                      Product B

12. State the reason for your choice:

13. Are you aware of the Corporation X?

Yes    No

14. Would you be able to name up to four Company X products?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

15. Are you aware of the Company X Brand Product X?

Yes

No

16. Have you ever purchased a Product X brand?

Yes

No

17. Are you Aware of any of the successful Corporate Social Responsibility related activities that Company X Undertake?

Yes

No

18. If yes, please state:

19. Does Company X's high Corporate Social Responsibility Strategy assist you in your purchasing of Product X?

Yes

No

20. Can you name any other company with a Corporate Social Responsibility strategy in place (For instance ethical or charitable activities)?

Yes

No

21. If Yes, Please state the company and activity

---

22. If so, how did you come to hear about the activities of this company?

23. Would your purchasing behaviour be influenced towards Company X brands, now that the topic of corporate social responsibility has been brought to your attention?

## **Appendix II**

### **PART A – ESTABLISHMENT**

1. Where did Company X's Corporate Social Responsibility strategy first originate from?
  
2. Did Archie B. Carroll's Four Part Model (1979) have any influence on the original CSR strategy of Company X?
  
3. Does Carroll's Model have any influence on current CSR projects or strategies?

### **PART B – CURRENT STRATEGY**

4. What type of Corporate Social Responsibility strategy do you have in place for the current project "Sustainable Living Plan"?
  
5. How was the CSR strategy developed into the model it is today?
  
6. Does Company X's CSR strategies combine well with the overall business strategy?
  
7. Has Company X's strong CSR strategy brought about any specific benefits to you as an overall business?
  
8. How long did it take before noticing a clear benefit within the company?
  
9. Has the concept of establishing CSR strategies proved to:
  - i. Increase Unilever profits?
  - ii. And influence consumer behaviour?



10. Company X has received numerous awards over the past few years, such as Food Industry Leader by Dow Jones Sustainability world Index for 11 consecutive years and has ranked 7<sup>th</sup> in the global 100 most sustainable corporations in the world by Corporate Knights magazine, was there one particular strategy that pushed the company to achieve these accolades?

11. Do you believe your CSR strategy's, such as "Sustainable Living Plan", are making a sufficient impact on society today?