

Marketing

August 15, 2005

Growing Responsibilities

By REBECCA HARRIS

As consumer expectations of how business should behave shift in fundamental ways, corporate social responsibility strategies are increasingly central to marketing

Meet Clive McDonald. He's standing on the sidelines at a Ferrari test track, as Formula One cars zoom by. "This is the closest I've ever been to a racing car," says the bespectacled Scot. "To be frank, they scare the life out of me."

McDonald is a member of Shell's global fuels research team, and as the 30-second ad states, he designs and tests fuel in Shell's search for the "cleanest, most efficient fuels possible." It's not what people expect from a gas company, but that's the point: Shell is trying to convince consumers it's committed to the environment.

Shell, like many companies these days, is trying to be-or at least be seen as-a good corporate citizen. Research shows most consumers expect businesses to make a positive contribution to the environment, social causes or the community. Ninety-two per cent of Canadians say the more socially and environmentally responsible a company is, the more likely they are to purchase its products or services, according to a survey conducted by GlobeScan for Hewlett-Packard (Canada). Forty per cent of Canadians punished a company last year by not buying its products or speaking critically about it because they felt those companies were not acting responsibly.

Paul Klein, partner at Klein + Sears, a Toronto-based social marketing firm, believes corporations' role in society is fundamentally changing. "Traditionally, (a company's) only role was to make money," says Klein. "It's more than that now.... it's the sourcing, the community, how you treat employees and how environmentally responsible you are." Broadly speaking, these measures define corporate social responsibility (CSR), which companies are increasingly embracing.

Clearly, it's no longer enough to hand out cheques to charities. Today, marketers are selling the message they're "doing well by doing good" and aiming to create high-level awareness of the connection between their brands and the social issues they support.

Shell characterizes its approach to CSR as "taking action today with tomorrow in mind." "We recognize that brand and corporate reputation really do play a part in how successful and sustainable our business can be," says Jan Rowley, general manager, public affairs at Shell Canada in Calgary. "So with that in mind, we clearly have to put in the performance. We have to do things right."

To market its message, Shell focuses on employee alignment, external communication, including round table sessions at universities, and ad campaigns using real Shell employees. The aim is to demonstrate that behind its brand and products, "there is a group of responsible people that are in line with your values as a customer," adds Rowley.

A key part of the campaign's success is that Shell worked on its sustainable development program for 14 years before taking it public in 2002, according to Rowley. "We built our messaging on an approach that was (already) inside the company and that is the strength of it. It allows us to keep it fresh because we're telling stories and there are always lots of stories."

While many companies are developing CSR-related initiatives, Joel Sears, partner of Klein + Sears, says they can't expect instant results in terms of awareness. "The only way to achieve success is by sticking with something for a long time where it can establish roots in the community. And that's tough to stomach if you don't see the return, but there's no other choice. If you keep bouncing in and out of programs, the program has come and gone before it's even registered on the radar screen."

That was the challenge at Bell Canada. "We had a history of being all things to all people, or trying to be, and you just can't," says Lisa Banks, director of community affairs at Bell Canada in Toronto. "With a finite amount of money and no focus, it's very difficult to get (our) message out there. What we found was yes, people thought Bell Canada was a good corporate citizen, but what we stood for wasn't really clear."

Last year, Bell honed its strategy and came up with the tag line "connected to communities through youth and economic development," which guides the decision-making about which programs to support.

To align its brand with the youth market, Bell puts resources into children's hospitals, cyber safety and youth enrichment. It's also the major sponsor of the Bell Walk for Kids Help Phone, created four years ago.

New initiatives this year include a three-year financial contribution to Cybertip.ca, a national tip line launched by Child Find Manitoba for reporting incidents of suspected child sexual exploitation on the Internet. Bell also launched the Bell Community Sport Fund, which funds youth hockey and soccer programs.

This spring, Bell created an ad campaign around its "connecting to communities" theme. A series of five ads, including one for children's hospitals and one for hockey, ran in magazines and dailies across Canada.

"Through the research we understood that if we were going to do this we were going to do it right and we needed to invest in that," says Banks. "And that's a fine line because you don't want to be perceived as blowing your own horn. But at the same time, it was about signalling what we stand for."

Sears says the benefit of promoting CSR and community programs is to enhance a company's reputation. "I don't think it says your product is better, it says you're a more caring company and it adds a whole different dimension to your brand. And it's a human dimension."

One PR practitioner believes that's missing the point. Boyd Neil, senior vice-president and national practice leader, corporate communications, at Hill & Knowlton Canada, argues that CSR, in its purest form, isn't driven by marketing considerations. "It's a commitment by business to behave ethically and contribute to economic development by improving the quality of life of the employees, communities and societies. It may have a corollary benefit of improving the company's reputation and therefore increasing the likelihood of purchase by people who are concerned about this but it shouldn't be driven by that."

Hewlett-Packard (Canada), a client of Hill & Knowlton, agrees. "It's less about marketing and more about being a social, economic and intellectual asset," says Lynn Anderson, VP of marketing at HP.

HP's CSR platform focuses on environmental sustainability, including environmental design, and product return and recycling. HP Canada is also a founding member of EPS Canada, (Electronic Product Stewardship) a not-for-profit corporation that aims to find waste disposal solutions for Canada's old and unwanted electronic products.

While HP doesn't create ad campaigns for these initiatives, it does tell its story on its website, through point of sale information and by speaking to customers.

"The aim for us is just to tell the story of what makes us different," says Anderson. "If you think about brand characteristics, it really is in support of our brand and what we stand for."

Even small retailers are aligning their brands with the causes and concerns of their market. Olly Shoes, a children's shoes retailer with 11 stores, started a "gently used shoes" donation program when it opened five years ago. So far it has sent thousands of customer-donated used shoes to charities in Canada, the U.S. and overseas.

"Everything we do tends to focus around the well-being of children and it's a perfect match for Olly," says Christine Siewete, marketing manager at the Toronto-based retailer. "Often you see programs, and the customers don't understand it because it doesn't relate to what the corporation is."

It may also be the corporation doesn't understand its customers, suggests Klein. "Corporations put a lot of money into trying to understand the basic demographics and needs of their markets, but do they go deeper to ask questions about what issues are most important to them?"

Even then, aligning a brand to these issues requires much more than deep pockets.

"If you're not performing or if you think CSR is only giving (away) lots of money, then all the communication isn't going to build your reputation," says Hill & Knowlton's Neil. "That's not what people want anymore. People

want evidence of responsible behaviour."

Certainly not everyone is buying Shell's sustainable development stance, which critics argue is "greenwash," using green-themed advertising to present an environmentally responsible image.

Says Rowley: "Of course we have our critics and we hear from them and we certainly listen carefully to what they have to say." Feedback from Shell's ad campaign has been generally positive, she adds, and using real Shell employees adds credibility to the message.

"We know that brand and reputation are integral to our commercial success and we expect that we have to earn our licence to operate," says Rowley. "It's important that Canadians understand our approach to doing business and hopefully approve of our approach."

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