

Impact of Corporate Social Responsibility Advertising Message Appeals In Audience Perception

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Abstract

Corporate social responsibility (CSR) is a fuzzy term that companies use to inform about their good practices with the society. How to communicate such socially responsible initiatives is an important issue both for researchers and managers who invest resources in CSR campaigns as well as advertising messages which highlights CSR initiatives of the respective firms. However, previous studies recognize the problems of communication with Consequently, while CSR is effective in eliciting favorable consumer attitudes and behavior in theory (Maignan, 2001; Mohr et al., 2001, it has not proven its general effectiveness in the marketplace. Consumer awareness of a company's social responsible initiative is a key precondition to induce positive reactions to such activities (Bhattacharya and Sen, 2004; Du et al., 2010). If consumer awareness is low, the effect of CSR initiatives on purchasing behavior is only of theoretical, not practical, relevance. Due to the low levels of general CSR awareness, previous research considers this concept as a key stumbling block for companies looking to reap the positive benefits of engaging in such activities. This point to a key deficiency in most CSR strategies (i.e., the lack of effective communication). This paper aims to reveal the insights and opinion of general public about the impact of CSR message appeals. This study may also to explore impact of CSR message appeals on brand image of the firms which are campaigning about their social responsible efforts. The research design is descriptive and hypothetical in nature under which the researcher used questionnaire to collect the primary data and secondary data for the literature review. Convenience sampling technique has been adopted and study was conducted during the period of January 2016 to October 2016. The researcher is selected 1040 as sample size from various parts of Erode, Tirupur and Namakkal districts. The collected data are analyzed with statistical tools like percentage method, Friedman test and chi-square test. It is found that people were disagreed that Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience. Moreover it is clear that the CSR message appeals are not effective enough to enhance brand image of the company. The researcher concluded that CSR message appeals are not creating high level of impact on audience. At the same time, it achieves high awareness level among audience because of its unique message content.

Key words: Consumer awareness, Corporate image advertising, Credibility, Scepticism.

Introduction

Today, advertisements are everywhere. On television, on the internet, radio, billboards and even on the empty coffee mug of our desk . It is well-known and proven method of promoting a product or an idea. American Marketing Association defines any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor. It is a form of communication intended to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideas, or services. Commercial advertisers often seek to generate increased consumption of their products or services through branding, which involves the repetition of an image or product name in an effort to associate related

qualities with the brand in the minds of consumers. In the wake of recent major business collapses, and as a result of growing stakeholder expectations that firms make a contribution to society beyond economic benefits, such as products and profits, business is increasingly engaging in non-economic activities to meet these expectations. These non-economic programs include social and environmental initiatives, and demonstrate a firm's commitment to corporate social responsibility (CSR). Corporate image advertising(ie) CSR message appeals is increasingly being used to create the awareness of a firm's CSR initiatives, and, in turn, preference for its products and brands.

Review of literature

Previous research has demonstrated a range of marketing benefits as CSR can enhance corporate reputations, provide competitive advantages and result in business survival and profitability (Van Riel and Balmer, 1997). However, it has been suggested that a lack of consumer awareness is a stumbling block to firms reaping strategic benefits from their CSR initiatives (Du, Bhattacharya and Sen, 2007 p238). Effective advertising is particularly important for CSR communications as most consumers do not proactively seek information on company behavior, “communication often remains the missing link in the practice of corporate responsibilities. So companies are not getting full credit for their responsible corporate behavior” (Dawkins, 2004 p108). Firms engage in CSR for many reasons: from being an inherent part of their stakeholder responsibilities (Uhr and Jarvis, 1977), to seeking out benefits such as positive corporate associations (Brown and Dacin, 1997; Dowling, 2006). Empirical evidence increasingly demonstrates the link between CSR initiatives and business performance. Sen and Bhattacharya (2001) have shown that for consumers who are predisposed to CSR-related beliefs, a firm's CSR actions can increase the attractiveness of its products. A favorable attitude to a firm's CSR initiatives strengthens the likelihood of positive behavior towards the firm (Maignan and Farrell, 2004).

Potentially, advertising has a crucial role to play if there are to be favorable attitudes and a strengthening of positive behaviors. The goal of advertising and other “externally directed communication [is] to raise awareness and generate understanding and appreciation of the organization among key stakeholder groups” (Dowling, 2006 p.83). This is particularly relevant to CSR communications as, generally, consumers do not actively seek out information about a firm's responsible behavior (Dawkins, 2004). Indeed, it is necessary to generate awareness of the firm's CSR initiatives in order for the company to reap the associated benefits. Effective communication allows consumers to credit a company's CSR practices in tangible ways, e.g. through patronage or positive corporate associations (Dawkins, 2004). Yet, there are specific communication challenges in advertising CSR, particularly against a backdrop of marketing-savvy consumers and public cynicism about the motivation for such initiatives and the credibility of CSR outcomes. A related challenge concerns “fit”: where there are discrepancies between initiatives and brand image there is said to be low fit; where synergy exists there is high fit. Research shows that regardless of a firm's motivation to engage in CSR, low-fit initiatives negatively impact upon consumers' attitudes, beliefs and intentions. Furthermore, high-fit initiatives which appear to be profit motivated have the same negative impact. Only high-fit, proactive initiatives have positive impacts on consumers (Becker-Olsen, Cudmore and Hill, 2006).

Communication has further manifestations in terms of corporate associations (Brown and Dacin, 1997) and corporate reputation (Dowling, 2006). This is consistent with information processing theory which predicts that CSR activity will be positively associated with the organization, which in turn will positively affect consumers' attitudes and behaviors towards the firm (Ricks Jr, 2005). However, there is a gap in literature as to the process by which corporate behaviors and communication influence stakeholders' perceptions about the

organization, and the process of corporate associations influencing corporate outcomes (Ellen, Webb and Mohr, 2006). As highlighted by Maignan and Ferrell's (2001) research framework, increased empirical knowledge of CSR communication is useful for marketers in addressing issues in corporate citizenship, consumer marketing, and ultimately consumer behavior

Objectives of the study:

1. To find out general perception of audience with regard to CSR advertising appeals
2. To examine whether CSR appeals are enhancing the brand image or not
3. To identify at what extent CSR appeals are impacting the audience
4. To offer suggestions under the light of findings

Scope of the study

In the competitive business environment advertising takes a vital role. As Corporate Social responsible activities are gaining momentum, commercial organizations through the world are chest-thumping their social responsible initiatives to their target audience and try to create positive brand image about them. CSR appeals are widespread in India and it targets their audience by roping across all mass media. This research aims to reveal actual perception of audience towards various corporate social responsibility advertising messages. It will also explore their opinion whether CSR appeals are enhancing the brand image or not. Moreover it will identify to what extent CSR appeals are impacting the audience.

Limitations of the study:

The data collection was done from general public .some of the respondents may not cast their actual perception and it may subject to the biasness of the respondents. It will reveal the views of general public in Salem district and not any part of the country.

Methodology of the Study:

The design of this research is descriptive and hypothetical in nature under which the researcher used questionnaire as an instrument to collect the primary data through the personal interview of survey method and secondary data for the literature review. Convenience sampling technique has been adopted by researcher for this study which is a non-probability sampling method. The statements consists in the questionnaire prepared by the researcher is based on the Likert summated 5 point rating scale and category scale. In order to collect the primary data the researcher used convenience sampling method due to unknown population of this study. The study was conducted during the period of January 2016 to October 2016. The researcher is selected 1040 as sample size from the various parts of Erode, Tirupur and Namakkal districts. The collected data is processed by the way of coding, editing and tabulation and analyzed with the help of statistical tools such as percentage method, Mean Score analysis and chi-square test.

Data analysis and interpretation

Table: 1 Frequency and percentage regarding the profile of respondents

		Frequency	Percentage
Age	Up to 20	42	4.04
	21 – 30	536	51.54
	31 – 40	288	27.69
	41 – 50	145	13.94
	Above 50	29	2.79
Gender	Male	566	54.42
	Female	474	45.58
Area of residence	Urban	657	63.17
	Semi Urban	242	23.27
	Rural	141	13.56
Educational qualification	Up to School level	78	7.50
	Under graduate	408	39.23
	Post graduate	487	46.83
	Diploma/ITI	30	2.88
	Others	37	3.56
Occupation	Professional	133	12.79
	Govt. Employee	104	10.00
	Private Employee	337	32.40
	Self Employed	279	26.83
	Students	95	9.13
	Others	92	8.85
Monthly Family Income (Rs)	Up to 20000	179	17.21
	20001 – 40000	433	41.63
	40001 – 60000	251	24.13
	Above 60000	177	17.02
Total		1040	100.00

Regarding the age the distribution shows that 4.04% of samples of respondents were in the age group of Up to 20 Years, 51.54% of samples of respondents were in the age group of 21 to 30 Years, 27.69 % were in the age group of 31 to 40 Years, 13.94% were in the age group of 41 to 50 Years and 2.79 % were in the age group of above 50 Years old. Thus it can be interpreted that highest percentage of age group is 21 - 30years.

Regarding the Gender the distribution shows that 54.42% of samples of respondents were Male and 45.58% were female. Thus it can be interpreted that highest percentage of gender is male.

Regarding the Area of residence the distribution shows that 63.17% of samples of respondents were Urban, 23.27% of sample of respondents were semi urban, 13.56% of sample of respondents were rural. Thus it can be interpreted that highest percentage of area of residence is Urban.

Regarding the Educational Qualification the distribution shows that 7.50 % of the respondents Educational Qualification is Up to School level, 39.23% of the respondents Educational Qualification is under graduate, 46.83% of the respondents are post Graduates, 2.88% of the respondents are Diploma/ITI, 3.56% of the respondents are others. Thus it can be interpreted that highest percentage of Educational qualification is Post Graduates.

Regarding the Occupation the distribution shows that 12.79% of the respondents are Professional, 10.00 % of the respondents are Govt. Employee, 32.40 % of the respondents are Private employee, 26.83% of the respondents are Self-Employee, 9.23% of the respondents are student and 8.85% of the respondents are others. Thus it can be interpreted that highest percentage of occupation is private employee.

Regarding the Monthly Income (Rs.) the distribution shows that the monthly income of 17.21% respondents Up to 20000, the monthly income of 41.63% respondents is 20001 – 40000, the monthly income of 24.13 % respondents is 40001 – 60000 and the monthly income of 17.2 % respondents is Above 60000. Thus it can be interpreted that highest percentage of monthly Income is 20001-40000.

Table No.2 describes the distribution of the opinion towards the CSR Activities is analyzed regarding The CSR activities of companies which are shown in the advertisements are credible, Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience, Appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product” are analyzed.

It is clear from the table 4.10.1 that 18.8 % of the respondents strongly disagreed, 49.5 % of the respondents disagreed, 20.3 % of the respondents are neutral, 5.4 % of the respondents agreed and 6.1 % of the respondents strongly agreed that ‘The CSR activities of companies which are shown in the advertisements are credible’.

Regarding “Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience” 25.2 % of the respondents strongly disagreed, 46.1 % of the respondents disagreed, 21.2 % of the respondents are neutral, 4.2 % of the respondents agreed and 3.4 % of the respondents strongly agreed.

Regarding “Appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product” 24.2 % of the respondents strongly disagreed, 48.1 % of the respondents disagreed, 21.2 % of the respondents are neutral, 2.5 % of the respondents agreed and 4.0 % of the respondents strongly agreed

Table: 2 Respondents opinion about CSR advertising messages

Factors	SDA		DA		N		A		SA		Total
	N	%	N	%	N	%	N	%	N	%	
The CSR activities of companies which are shown in the advertisements are credible	195	18.8	515	49.5	211	20.3	56	5.4	63	6.1	1040
Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience	262	25.2	479	46.1	220	21.2	44	4.2	35	3.4	1040
Appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product	252	24.2	500	48.1	220	21.2	26	2.5	42	4.0	1040

The analysis shows that majority of the respondents disagreed with the factors of “The CSR activities of companies which are shown in the advertisements are credible, Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience, Appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product.

In order to identify the factor which is more influencing the respondent towards attitude the Mean Score analysis was used and the results were given in Table 3.

Table: 3 Mean Score analysis- Respondents perception on CSR Activities

CSR initiatives	Mean	SD	Mean Score	Reliability
The CSR activities of companies which are shown in the advertisements are credible	2.30	1.03	2.10	0.634
Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience	2.15	0.96	1.95	
Appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product	2.14	0.95	1.95	

It could be noted from the above table that among the 3 factors respondents are strongly agreed that “The CSR activities of companies which are shown in the advertisements are credible” was ranked I followed by “Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience” and “Appeals that portray

Social responsibilities of a corporate (company) enhance the brand image of the advertised product”

Opinion towards the Appeals are exaggerating and magnifying the CSR initiatives of a company

The opinions of the respondents about Appeals are exaggerating and magnifying the CSR initiatives of a company were analyzed and result is shown in table.4

Table: 4 Respondents perception towards CSR Appeals

			Appeals are exaggerating and magnifying CSR initiatives of a company					Total	
			Always	Perhaps	Frequently	At times	Never		
Age	Up to 20	N	8	11	14	7	2	42	
		%	19	26	33	17	5	100	
	21 – 30	N	99	155	181	86	15	536	
		%	18	29	34	16	3	100	
	31 – 40	N	58	69	93	51	17	288	
		%	20	24	32	18	6	100	
	41 – 50	N	14	54	33	37	7	145	
		%	10	37	23	26	5	100	
	Above 50	N	3	9	14	3	0	29	
		%	10	31	48	10	0	100	
	Gender	Male	N	110	145	178	106	27	566
			%	19	26	31	19	5	100
Female		N	72	153	157	78	14	474	
		%	15	32	33	16	3	100	
Area residence of	Urban	N	119	221	199	93	25	657	
		%	18	34	30	14	4	100	
	Semi Urban	N	39	41	96	58	8	242	
		%	16	17	40	24	3	100	
	Rural	N	24	36	40	33	8	141	
		%	17	26	28	23	6	100	
Educational qualification	Up to School level	N	4	16	28	27	3	78	
		%	5	21	36	35	4	100	
	Under graduate	N	72	128	134	59	15	408	
		%	18	31	33	14	4	100	

	Post graduate	N	91	140	148	92	16	487
		%	19	29	30	19	3	100
	Diploma/ITI	N	4	4	9	6	7	30
		%	13	13	30	20	23	100
	Others	N	11	10	16	0	0	37
		%	30	27	43	0	0	100
Occupation	Professional	N	30	24	47	28	4	133
		%	23	18	35	21	3	100
	Govt. employee	N	14	25	30	30	5	104
		%	13	24	29	29	5	100
	Private Employee	N	78	78	128	34	19	337
		%	23	23	38	10	6	100
	Self employed	N	23	124	70	51	11	279
		%	8	44	25	18	4	100
	Students	N	17	16	35	25	2	95
		%	18	17	37	26	2	100
	Others	N	20	31	25	16	0	92
		%	22	34	27	17	0	100
Monthly Family Income Rs	Up to 20000	N	22	38	80	39	0	179
		%	12	21	45	22	0	100
	20001 – 40000	N	64	138	129	81	21	433
		%	15	32	30	19	5	100
	40001 – 60000	N	56	82	54	47	12	251
		%	22	33	22	19	5	100
Above 60000	N	40	40	72	17	8	177	
	%	23	23	41	10	5	100	
Total	N		182	298	335	184	41	1040
	%		18	29	32	18	4	100

Table 4 shows that the 18 % of the respondents stated as Always, 29% of the respondents stated as Perhaps, 32 % of the respondents stated as Frequently, 18 % of the respondents stated as At times and 4% of the respondents stated as Never Appeals are exaggerating and magnifying the CSR initiatives of a company.

Further in order to find the significance of association between the demographic variables and their opinion about the Appeals are exaggerating and magnifying the CSR initiatives of a company the chi-square test was used and result of the test is shown in table.5

Table: 5 Chi square Test-

Appeals are exaggerating and magnifying the CSR initiatives of a company

Profile of the respondent	Chi square	Df	P	Sig.
Age	33.15	16	0.007	Highly Significant
Gender	9.79	4	0.044	Significant
Area of residence	37.75	8	0.000	Highly Significant
Educational qualification	71.10	16	0.000	Highly Significant
Occupation	103.57	20	0.000	Highly Significant
Monthly Family Income	58.74	12	0.000	Highly Significant

It is noted from the table 5 that the p value is less than 0.05 from the analysis it is concluded that there is significant association was found between the demographic variables of Age, Gender, Area of residence, Educational qualification, Occupation, Monthly Family Income and Opinion about Appeals are exaggerating and magnifying the CSR initiatives of a company.

Findings

- The analysis portrays that major proportionate of respondents are post graduates and most of the respondents are residing in urban area. Hence it is found people who are living in urban area may get more exposure to come across the CSR advertising appeals in various media.
- It is found through Mean Score analysis , that majority of the respondents disagreed that CSR activities of companies which are shown in the advertisements are credible
- It is ascertained through Mean Score analysis that that majority of the respondents disagreed that Social consciousness of companies which depicted through the appeals is attracting and has an impact on target audience.
- It is revealed through Mean Score analysis that that majority of the respondents disagreed that appeals that portray Social responsibilities of a corporate (company) enhance the brand image of the advertised product. Hence it is clear that the CSR message appeals are not effective enough to enhance brand image of the company
- It is clear from , chi-square analysis, that there is significant association was found between the demographic variables of Age, Gender, Area of residence, Educational qualification, Occupation, Monthly Family Income and Opinion about Appeals are exaggerating and magnifying the CSR initiatives of a company.

Suggestions

- Advertisers have to ensure that their CSR ad message appeals should reach various demographics in order to grab attention from audience
- Companies have to focus on to create more credible message content to win consumers' confidence. Mere proclamations and attention grabbing gimmicks will not bear fruit.

- Creativity and persuasiveness of the advertisements have to be enhanced for gaining high impact level
- Since, the social consciousness of companies which are depicted in their ads are not good enough to create favorable impact, advertisers may include more creative ways and means to engage audience.
- Instead of exaggerating their social initiatives, companies may provide the actual facts and figures of their CSR activities which will create a better brand image and high level of impact.

Conclusion

From this research, it is concluded that, CSR message appeals are not creating high level of impact on audience. At the same time, it achieves high awareness level among audience because of its unique message content. The CSR message appeals should be more reliable and it should not be mere green washing. It is the order of the day for the advertisers to design advertising messages with more factual information. The advertising messages should be communicated through trustworthy message content to win the confidence of their target audience. If they want to create high impact level credibility of advertisements may be increased.

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