

T.C.  
DOKUZ EYLÜL ÜNİVERSİTESİ  
SOSYAL BİLİMLER ENSTİTÜSÜ  
İNGİLİZCE İŞLETME YÖNETİMİ ANABİLİM DALI  
İNGİLİZCE İŞLETME YÖNETİMİ PROGRAMI  
YÜKSEK LİSANS TEZİ

**THE EFFECTS OF CORPORATE SOCIAL RESPONSIBILITY  
ON COMPETITIVENESS OF FIRMS: A RESEARCH ON  
CONSUMER ATTITUDES**

**Nesibe Pınar UĞURLAR**

Danışman

**Prof. Dr. Mustafa TANYERİ**

2008

## Yemin Metni

Yüksek Lisans Tezi olarak sunduğum “The Effects of Corporate Social Responsibility on Competitiveness of Firms: A Research on Consumers Attitudes” adlı çalışmanın, tarafımdan, bilimsel ahlak ve geleneklere aykırı düşecek bir yardıma başvurmaksızın yazıldığını ve yararlandığım eserlerin kaynakçada gösterilenlerden oluştuğunu, bunlara atıf yapılarak yararlanılmış olduğunu belirtir ve bunu onurumla doğrularım.

Tarih

.../.../.....

Nesibe Pınar UĞURLAR

İmza

## YÜKSEK LİSANS TEZ SINAV TUTANAĞI

### Öğrencinin

**Adı ve Soyadı** : Nesibe Pınar UĞURLAR  
**Anabilim Dalı** : İngilizce İşletme Yönetimi  
**Programı** : İngilizce İşletme Yönetimi  
**Tez Konusu** : The Effects of Corporate Social Responsibility on competitiveness of Firms: A Research on Consumers Attitudes  
**Sınav Tarihi ve Saati** :

Yukarıda kimlik bilgileri belirtilen öğrenci Sosyal Bilimler Enstitüsü'nün ..... tarih ve ..... sayılı toplantısında oluşturulan jürimiz tarafından Lisansüstü Yönetmeliği'nin 18. maddesi gereğince yüksek lisans tez sınavına alınmıştır.

Adayın kişisel çalışmaya dayanan tezini ..... dakikalık süre içinde savunmasından sonra jüri üyelerince gerek tez konusu gerekse tezin dayanağı olan Anabilim dallarından sorulan sorulara verdiği cevaplar değerlendirilerek tezin,

BAŞARILI OLDUĞUNA	O	OY BİRLİĞİ	O
DÜZELTİLMESİNE	O*	OY ÇOKLUĞU	O
REDDİNE	O**		

ile karar verilmiştir.

Jüri teşkil edilmediği için sınav yapılamamıştır. O\*\*\*  
Öğrenci sınava gelmemiştir. O\*\*

\* Bu halde adaya 3 ay süre verilir.  
\*\* Bu halde adayın kaydı silinir.  
\*\*\* Bu halde sınav için yeni bir tarih belirlenir.

Tez burs, ödül veya teşvik programlarına (Tüba, Fulbright vb.) aday olabilir.	Evet
Tez mevcut hali ile basılabilir.	O
Tez gözden geçirildikten sonra basılabilir.	O
Tezin basımı gerekliliği yoktur.	O

### JÜRİ ÜYELERİ İMZA

.....  Başarılı  Düzeltme  Red .....

.....  Başarılı  Düzeltme  Red .....

.....  Başarılı  Düzeltme  Red .....

## ÖZET

### Yüksek Lisans Tezi

#### Kurumsal Sosyal Sorumluluğun Firmaların rekabet Gününe Etkisi: Tüketici Tutumları Üzerine Bir Araştırma

Nesibe Pınar UĞURLAR

Dokuz Eylül Üniversitesi  
Sosyal Bilimler Enstitüsü  
İngilizce İşletme Yönetimi Anabilim Dalı  
Tezli Yüksek Lisans Programı

Modern yaşamda, işletmeler ve toplum her zaman için etkileşim halinde olmuşlardır. Ne ki, bugün, şirketler o denli büyümüşlerdir ki, kararlarının ve uygulamalarının toplumlar ve doğa üzerindeki etkileri daha önce hiç olmadığı kadar yüksek bir seviyededir. Bununla beraber, gittikçe artan sayıda birey, insan hakları, işyeri güvenliği ve sağlığı, şirketlerin faaliyetlerinin çevresel sonuçları, vb. gibi sosyal konularda daha bilinçli hale gelmektedir. Dahası, şirketler de gelecek potansiyellerini etkileyebilecek kısa dönemli kazançların yerine uzun dönemdeki gelişmeye odaklanmaya başlamıştır.

Bu noktada, Kurumsal Sosyal Sorumluluk (KSS) hem toplumların sosyal konularla ilgili kaygılarını ve beklentilerini, hem de şirketlerin sürdürülebilir gelişimleri ve toplumsal iyileşme konusundaki kaygılarını içeren bir fenomen olarak ortaya çıkmaktadır. KSS, en genel tanımıyla, şirketlerin bir yandan toplum ve doğa üzerindeki olumsuz etkilerini en aza indirmeye –ve hatta tamamen ortadan kaldırmaya- çalışırken, bir yandan da topluma olumlu katkılarda bulunma çabası olarak değerlendirilebilir. KSS yalnızca bir sosyal pratikler bütünü olmayıp, bunun ötesinde, bir yönetim felsefesi olarak hem toplumun refah düzeyinin iyileştirilmesi, hem de şirketlerin kendi gelişmelerinin ve sürekliliklerinin sağlanması açısından önem arz etmektedir.

**Bu tez çalışması, özellikle KSS'nin şirketler için sağlayabileceği rekabet avantajlarını ortaya koyma amacını gütmektedir. Bu bağlamda, güçlü bir paydaş olan tüketici grubuyla, onların şirketlerin KSS faaliyetlerini nasıl değerlendirdiğini inceleyen deneysel bir araştırma gerçekleştirilmiştir. Bu araştırma sonucunda, KSS konusunda olumlu davranışlar sergileyen şirketlerin, bu konuda olumsuz davranışlar sergileyenlere göre tüketici açısından daha iyi bir şirket imajına sahip olduğu ortaya konmuştur. Sonuç olarak, KSS şirketlerin tüketicileriyle olan ilişkilerine ve dolayısıyla pazarlama çalışmalarının başarısına etki eden bir olgu olarak ortaya çıkmaktadır.**

**Anahtar Kelimeler: Kurumsal Sosyal Sorumluluk, Yönetim ve Pazarlama Stratejileri, Tüketici Tutumları, Deneysel Yöntem**

## **ABSTRACT**

### **Master Thesis**

#### **The Effects of Corporate Social Responsibility on competitiveness of Firms: A Research on Consumers Attitudes**

**Nesibe Pinar UĞURLAR**

**Dokuz Eylül University  
Institute of Social Sciences  
Department of Business Administration  
Master Program (with Thesis)**

**Businesses and society have always been interaction in modern life. However, today, companies become so huge that their decisions and practices affect society and nature at a level that haven't been before. Besides, increasing number of individuals become more conscious about social issues such as human rights, workplace safety and health, environmental consequences of practices of firms, etc. Additionally, companies started to focus on their long-term sustainable developments instead of short-term gains that would damage their future potentials.**

**Corporate Social Responsibility (CSR) emerged as a phenomenon that covers both societies' concerns and expectations about social issues, and companies' concerns over sustainable development and social well-being. By its broadest definition, CSR can be viewed as companies' efforts to eliminate their harmful effects and to maximize their positive contributions on society and environment. CSR is beyond a set of social practices. It further has significant importance as a managerial philosophy on the improvement of society's welfare and on the sustainable development of companies.**

**This study is particularly concerned with presenting competitive advantages that CSR can provide to companies. In this context, an experimental research was designed towards consumer group as a powerful stakeholder to**

**examine their evaluations of CSR practices of firms. As a result, it was found that companies that have positive CSR practices also have better images in the minds of consumers compared to companies that have negative CSR practices. That is, CSR emerges as a factor that influences companies' relationships with their consumers and the success of marketing actions.**

**Key Words: Corporate Social Responsibility, Management and Marketing Strategies, Consumer Attitudes, Experimental Method**

## **INDEX**

<b>YEMİN METNİ</b> .....	ii
<b>TUTANAK</b> .....	iii
<b>ÖZET</b> .....	iv
<b>ABSTRACT</b> .....	vi
<b>INDEX</b> .....	viii
<b>ABBREVIATIONS</b> .....	xiii
<b>TABLES</b> .....	xv
<b>FIGURES</b> .....	xvii
<b>GRAPHS</b> .....	xviii
<b>LIST OF APPENDICES</b> .....	xix
<b>INTRODUCTION</b> .....	xx

## **CHAPTER 1**

### **AN OVERVIEW OF CORPORATE SOCIAL RESPONSIBILITY AND ITS HISTORICAL DEVELOPMENT**

<b>1. BUSINESS AND SOCIETY INTERACTION</b> .....	1
<b>1.1. DEVELOPMENTS IN THE MARKETING FIELD</b> .....	2
<b>1.2. CSR CONCEPT</b> .....	5
<b>1.3. A REVIEW OF THEORETICAL BACKGROUND OF CSR</b> .....	9
<b>1.3.1. CSR THEORIES AND APPROACHES</b> .....	9
<b>1.3.2. MODELS DEVELOPED FOR CSR</b> .....	15
<b>1.4. FACTORS BEHIND THE EMERGENCE AND THE DEVELOPMENT     OF CSR</b> .....	18
<b>1.4.1. GLOBALIZATION AND THE EFFECTS OF         INTERNATIONAL INSTITUTIONS</b> .....	19
<b>1.4.2. GOVERNMENT REGULATIONS CONCERNING CSR</b> .....	20
<b>1.4.3. CHANGES IN CONSUMER, INVESTOR AND</b>	



EMPLOYEE BEHAVIORS.....	22
1.4.4. REACTIONS FROM SOCIETY AND NGOs.....	24
1.4.5. EFFECTS OF INDUSTRIALIZATION ON ENVIRONMENT.....	25
1.4.6. INSTITUTIONAL AND MANAGERIAL DEVELOPMENTS...	26
1.5. CSR: A HISTORICAL PERSPECTIVE.....	27
1.5.1. BETWEEN 1960s AND 1990s.....	28
1.5.2. FROM 1990s TO TODAY.....	30
1.6. CSR ACROSS NATIONS.....	34
1.6.1. CSR IN EUROPE.....	35
1.6.2. CSR IN ASIA.....	39
1.6.3. CSR IN OTHER REGIONS.....	41
1.6.4. CSR IN TURKEY.....	42
1.7. REVIEW OF THE FIRST CHAPTER.....	46

## **CHAPTER 2**

### **THE EXTENT OF CSR AND ITS EFFECTS**

2. BROAD EVALUATION OF CSR CONCEPT.....	47
2.1. DIMENSIONS OF CSR.....	47
2.1.1. CSR AS A MARKETING TOOL.....	48
2.1.2. CSR AS A BUSINESS PROCESS.....	49
2.1.3. UNDERPINNINGS OF CSR.....	51
2.1.3.1. VALUE-BASED MANAGEMENT.....	51
2.1.3.2. STAKEHOLDER ENGAGEMENT.....	52
2.1.3.3. BUSINESS SYSTEMS.....	53
2.1.3.4. ACCOUNTABILITY.....	54
2.1.4. COMPONENTS OF CSR.....	55
2.1.5. RESPONSIBILITIES TOWARDS STAKEHOLDER GROUPS....	59
2.1.5.1. SHAREHOLDERS.....	61
2.1.5.2. CONSUMERS.....	62
2.1.5.3. EMPLOYEES.....	63
2.1.5.4. GOVERNMENT.....	65

2.1.5.5.	SUPPLIERS AND COMPETITORS.....	66
2.1.5.6.	ENVIRONMENT.....	67
2.1.5.7.	SOCIETY.....	68
2.2.	CONCEPTS CLOSELY RELATED TO CSR.....	69
2.2.1.	CORPORATE SOCIAL PERFORMANCE .....	70
2.2.2.	CORPORATE CITIZENSHIP.....	71
2.2.3.	BUSINESS ETHICS.....	72
2.2.4.	CORPORATE ACCOUNTABILITY.....	73
2.2.5.	SOCIAL REPORTING.....	74
2.2.6.	CODES OF CONDUCT.....	74
2.2.7.	OTHER RELEVANT CONCEPTS.....	75
2.3.	EFFECTS OF CSR PRACTICES.....	77
2.3.1.	EFFECTS OF CSR ON CORPORATIONS.....	78
2.3.2.	EFFECTS OF CSR ON SOCIETY AT LARGE.....	83
2.4.	REVIEW OF THE SECOND CHAPTER.....	84

### **CHAPTER 3**

#### **CORPORATE SOCIAL RESPONSIBILITY: THE BUSINESS CASE**

3.	CSR IN PRACTICE.....	86
3.1.	CSR IN THE MARKETPLACE.....	88
3.1.1.	INSTRUMENTAL VIEW OF CSR: TURKCELL AND BURGER KING.....	88
3.1.2.	TAKING STAHOLDERS INTO CONSIDERATION: AYGAZ AND CANON.....	93
3.1.3.	RULING BUSINESS BY ETHICS: MARTIN MARIETTA AND ABALIOĞLU GROUP.....	97
3.1.4.	POLITICAL UNDERTAKING: EXXON MOBIL AND BAK GROUP.....	100
3.2.	CSR AND MARKETING.....	102

3.2.1. CORPORATE CAUSE PROMOTION.....	103
3.2.2. CAUSE-RELATED MARKETING.....	105
3.2.3. CORPORATE PHILANTHROPY.....	106
3.2.4. CORPORATE SOCIAL MARKETING.....	108
3.2.5. COMMUNITY VOLUNTEERING.....	109
3.2.6. SOCIALLY RESPONSIBLE BUSINESS PRACTICES.....	110
3.3. CSR AND COMPETITIVENESS.....	112
3.4. REVIEW OF THE THIRD CHAPTER.....	116

## **CHAPTER 4**

### **CONSUMERS' VIEW OF CORPORATE SOCIAL RESPONSIBILITY: AN EXPERIMENTAL RESEARCH**

4. OVERVIEW OF THE RESEARCH.....	117
4.1. RESEARCH METHOD.....	118
4.1.1. EXPERIMENTAL METHOD.....	118
4.2.2. FACTORIAL EXPERIMENTAL DESIGN.....	119
4.2. PREVIOUS RESEARCH.....	121
4.3. PURPOSE OF THE STUDY.....	122
4.4. DEVELOPMENT OF HYPOTHESES.....	123
4.5. DESIGN OF THE STUDY.....	129
4.5.1. VARIABLES AND MATERIALS.....	131
4.5.1.1. INDEPENDENT VARIABLES.....	132
4.5.1.2. DEPENDENT VARIABLES.....	139
4.5.2.. MANIPULATION CHECKS.....	142
4.6. DATA COLLECTION.....	144
4.6.1. SUBJECTS.....	144
4.6.2. PROCEDURE.....	147
4.7. RESULTS.....	148
4.7.1. SAMPLE.....	149
4.7.2. MANIPULATION CHECKS AND MEASUREMENTS...	150

4.7.3. HYPOTHESES TESTS.....	153
4.8. DISCUSSION ON FINDINGS .....	164
4.9. LIMITATIONS OF THE STUDY.....	168
4.10. ADDITIONAL SURVEY ON CSR.....	170
<b>REVIEW AND CONCLUSION.....</b>	<b>177</b>
<b>REFERENCES.....</b>	<b>181</b>
<b>APPENDIX.....</b>	<b>204</b>

## **ABBREVIATIONS**

B2B	: Business to business
B2C	: Business to consumer
CC	: Corporate Citizenship
CFP	: Corporate Financial Performance
CMB	: Capital Markets Board
CR	: Corporate Responsibility
CRM	: Cause-Related Marketing
CSP	: Corporate Social Performance
CSR	: Corporate Social Responsibility
DJSI	: Dow Jones Sustainability Index
EU	: European Union
EUROCADRES	: The Council of European professional and Managerial Staff
GDP	: Gross Domestic Product
GRI	: Global Reporting Initiative
ILO	: International Labor Organization
ISE	: Istanbul Stock Exchange
ISO	: International Organization for Standardization
MNEs	: Multinational Enterprises
NGOs	: Non-Governmental Organizations
OECD	: Organization for Economic Co-operation and Development

SIC	: Stakeholder Influence Capacity
SRI	: Socially Responsible Investment
SMEs	: Small and Medium Sized Enterprises
TBL	: Triple Bottom Line
TQM	: Total Quality Management
UN	: United Nations
UNDP	: United Nations Development Program
USA	: United States of America

## **TABLES**

Table 1.1.: Corporate Social Responsibility Theories and Related Approaches.....	10
Table 1.2.: Social Responsibility Issues of Top Priority by Turkish People.....	43
Table 2.1.: Components of CSR.....	58
Table 2.2.: Stakeholders' Level of Influence on the Firm and the Nature of Their Influence.....	60
Table 4.1.: Scenario Types Used in the Factorial Groups of the Experiment.....	138
Table 4.2.: Correlations between Dependent Measures.....	152
Table 4.3.: The Means, Standard Deviations and Sample Sizes of Corporate Image According to CSR Reputation Groups.....	153
Table 4.4.: The Means, Standard Deviations and Sample Sizes of Corporate Ability According to CSR Reputation Groups.....	154
Table 4.5.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation Groups.....	155
Table 4.6.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation Groups.....	156
Table 4.7.: The Means, Standard Deviations and Sample Sizes of Corporate Image According to CSR Reputation and Benefit Salience Groups.....	158
Table 4.8.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation and Benefit Salience Groups..	158
Table 4.9.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation and Benefit Salience Groups.....	159
Table 4.10.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation and Duration Groups.....	161

Table 4.11.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation and Duration Groups.....	161
Table 4.12.: The Means, Standard Deviations and Sample Sizes of Each Dependent Measure.....	163
Table 4.13.: Summary of Hypotheses and Results.....	167
Table 4.14.: Question 1. Could you give a few examples from socially responsible companies among various sectors in Turkey?.....	171
Table 4.15.: Question 2. Which company do you think is the most socially responsible one in Turkey?.....	172
Table 4.16.: Question 3. Have you ever support or voluntarily participate any social responsibility project up to now? If yes, what are they?.....	173
Table 4.17.: Question 4. Do you consciously care to choose buying the products of companies that are socially responsible while there are no significant price and quality differences among brands? If no, please explain?....	174



## FIGURES

Figure 1.1.: Carroll's Pyramid of CSR.....	14
Figure 1.2.: The 3C-SR Model.....	16
Figure 1.3.: Types of Corporate Resource Allocations.....	18
Figure 1.4.: Trends in CSR Research between 1960s and 1990s.....	30
Figure 2.1.: CSR Map.....	50
Figure 2.2.: Development in CSR-Related Concepts.....	70
Figure 2.3.: Strategic Development with CSR.....	78
Figure 2.4.: A Conceptual Framework to Understand the Relationship between CSR and CFP.....	79
Figure 4.1.: Sampling Example of Factorial Groups Formed in the Experiment...	146

## GRAPHS

Graph 4.1.: A Simple Example of Factorial Design Groups.....	120
Graph 4.2.: Corporate Image Rating Means According to CSR Reputation Groups.....	154
Graph 4.3.: Corporate Image Rating Means According to CSR Reputation Groups.....	155
Graph 4.4.: Corporate Image Rating Means According to CSR Reputation Groups.....	156
Graph 4.5.: Corporate Image Rating Means According to CSR Reputation Groups.....	157
Graph 4.6.: The joint effect of CSR Reputation and Benefit Salience on Image Promotion Perception.....	160
Graph 4.7.: Corporate Image Rating Means of Dependent Measures.....	163

## LIST OF APPENDICIES

APPENDIX I : Questionnaire of the Pretest.....	204
APPENDIX II : Results of the Pretest (Averages of Social Projects).....	205
APPENDIX III: Texts Used in the Experiment.....	206
APPENDIX IV: Evaluation Forms of Dependent Variables Used in the Experiment .....	222
APPENDIX V : Evaluation Forms of Manipulation Checks Used in the Experiment.....	226
APPENDIX VI :Statistical Representation of the Results of the Experiment.....	228

## INTRODUCTION

Companies have significantly important roles on the development and survival of societies based on their economical, political and social powers. This role, now, is more remarkable because of the broad extent of the influences of companies on society and environment experienced today. Corporate Social Responsibility (CSR) as a concept based its roots to this extended role of business on society. Being responsible as a company covers multiple dimensions ranging between being ethical, obeying the laws, being profitable to providing social benefits to society (Carroll, 1991; 40). Although expectations from companies may change from one situation to another, an increasing number of international guidelines aim to standardize CSR practices all over the world, nation states day by day become more aware of CSR and its potential benefits and more regulations related to CSR have taken in the agenda of governmental bodies. Besides, civil organizations, activist groups, and other stakeholders have been taking action to increase the awareness and adoption of CSR within the companies.

The increasing amount of discussions on CSR indicates that CSR will become a more important phenomenon all over the world. In this study, CSR has been evaluated from various points. First of all, in the first chapter, the emergence of CSR concept, its theoretical development and basement, and its historical developments are going to be presented. Differences of CSR practices among nation states are going to be discussed to generate an overview of CSR's existence in the world. The aim of this first chapter is to create a holistic picture of CSR for further analysis.

In the second chapter, dimensions and components of CSR are going to be examined and diverse standpoints for CSR are going to be discussed in order to have a deeper understanding of the meaning and complexity of CSR. Based on stakeholder perspective, companies' social responsibilities towards each stakeholder group are going to be explained. In order to understand what CSR is, in this chapter, the concepts similar to CSR are going to be discussed and differences between those concepts and CSR are going to be clarified. Lastly, results of CSR practices, their effects on

society and businesses are going to be examined at the end of this chapter and this will enable the readers to understand why CSR is such a strategically important tool for companies.

The third chapter is going to focus on market practices of CSR. Several CSR practice examples are going to be presented in order to associate theoretical discussions on CSR with actual business practices. At the end of this chapter, the relation between competitiveness and CSR is going to be summarized based on the previous discussions presented within this study.

The last chapter presents the experimental research of this study which aims to understand consumers' attitudes towards various dimensions of CSR. By this research, it is aimed to find support to the main argument of this thesis that CSR is a way to improve company's competitive power as well as being a considerable effort to improve the welfare of society.

## **CHAPTER 1**

### **AN OVERVIEW OF CORPORATE SOCIAL RESPONSIBILITY AND ITS HISTORICAL DEVELOPMENT**

#### **1. BUSINESS AND SOCIETY INTERACTION**

Businesses have been always encountering with pressures coming from governments and civil societies. However, the intensity of pressures and methods employed by societies and governments are changing. It would not be wrong to claim that, in the context of today's global commerce world, businesses have more works to do in order to meet the expectations of society and governments, and to survive without loss. Either businesses feel obliged to do it or they do believe it, they have certain responsibilities towards society and now many civil organizations, stakeholders, and governments are aware of those social responsibilities.

In the light of changing expectations and increase in awareness of different parties, more and more discussions have been conducted on the responsibilities of businesses. Today, the term Corporate Social Responsibility (CSR) became widely accepted to develop theories on responsibilities of companies towards society. The field of CSR has grown exponentially within the last two decades and especially in USA and in Europe. An increasing number of companies issue CSR reports in addition to their annual reports. CSR became an independent sector and the number of organizations solely focusing on CSR is at a boom. An increasing number of shareholders, analysts, regulators, activists, labor unions, employees, community organizations, and news media are asking companies to be accountable for an ever-changing set of CSR issues.

Although there are discussions on the frame of CSR, the existence and requirement for these responsibilities are accepted by the major part of the society. CSR can be assumed to be a new phenomenon used strategically- at least in practice. Thus, discussions are inevitable on relevant questions like “What is CSR?”, “What are the limits of CSR?”, “Is CSR only a marketing tool or is it a part of the culture of corporations?”, “Are there any benefits sought from CSR?” and etc. It is not easy to find out simple and universally accepted answers for those questions. However, it would be beneficial to understand what brought CSR in the business field; how it affects businesses and society; its development; and the common points in conceptualizing CSR for the first place.

#### 1.1. DEVELOPMENTS IN THE MARKETING FIELD

There is a significant change in the philosophy of management towards the way the business is done. This change can be clearly noticed in the marketing perspective. Nowadays, marketers are talking about a societal marketing philosophy and believe that making sales and profits, especially in the long term, requires being active within the society; but this was not always the case. From time to time, although there are no certain beginning and ending points, businesses focused on different concepts. As Kotler et al. (2001; 15) demonstrated, the emergence and the evolution of marketing consist of five steps which begin with production concept and end with societal marketing concept. On the other hand, it should be kept in mind that, none of those philosophies have to be discarded when a new philosophy arises. It is possible to come across organizations that currently have a production philosophy. But, the point is, those philosophies should be considered as the main focus of all, but especially the big businesses of that period.

As the first orientation of firms, production philosophy started to be regarded by the late 1800s with the industrial revolution (Sommers et. al., 1992; 13). At those times, as demand was high and competition was low, firms typically did not need to

spend too much effort on consumer research or modified products (Evans et al., 1997; 10). Production concept assumes that consumers are seeking available and affordable products. So, concern is on capacity creation and volume production for the firms (Morgan, 1996; 20). In time, electricity, rail transportation, the use of assembly lines and specialized labor enabled the companies to produce more with increased efficiency (Pride et al., 1985; 14) and in that way implementing production concept became possible.

Product philosophy is the next phase in marketing. Research and development have very significant importance in product philosophy. It is assumed that quality, performance, and innovativeness are the most essential features of products for consumers (Kotler et. al., 2001; 15). Companies which adopt product concept orientation focus on providing the products they are best at producing and the success of products are also evaluated by the company itself. Customers' views about products are not taken into account by organizations which adopted the product philosophy (Trustrum, 1989; 48).

Increased competition and the variety of products brought selling philosophy into the field. Businesses assuming that consumers would not buy their products if they do not conduct large-scale selling and promotion efforts tend to follow a selling concept (Kotler et al., 2001; 15). Selling philosophy emerged and was widely accepted between the 1930s and 1950s –the period which is called sales era– (Bennett, 1988; 15) after the great depression which made it clear that besides producing, selling the products was one of the main problems in the economy (Sommers et. al., 1992; 13). Certain firms favor the selling concept especially when their products are the ones that are unsought goods like encyclopedia or when they have overcapacity of production.

While in the 1940s production efficiencies and selling were perceived as the key success factors, in the fifties, scholars began to argue the importance of customers' needs and wants for the marketers. This view represented a fundamental change in marketing field which brought “marketing concept” (Svensson, 2001; 95). Three elements that form the essence of marketing concept are customer orientation,



integrated marketing efforts, and resultant profitability (Elliott, 1990; 20). Businesses perceived that it was more advantageous to first determine customers' needs and wants and then to design products based on consumers' choices. By using a marketing concept, the sequence of forming strategies in marketing has changed and customers began to be considered first before production starts (Pride et al., 1985; 15).

The last concept in the marketing field, societal marketing, emerged in the early 1970s, promising a more socially responsible and ethical model for marketing (Crane et al., 2002; 548). The limited scope of the marketing concept could not meet changing movements like ecologist and consumerist pressures, and as a result, marketers were forced to consider consumers' and society's long-term interests instead of the consideration of short-term gratification of consumers (Elliott, 1990; 20). Being one of the former and the strongest supporters of societal marketing, Kotler (1972; 57) argued that, societal marketing adds long-term consumer welfare to the consideration of marketing besides customer satisfaction and profitability. The societal marketing concept emphasizes that the immediate desires of consumers and their long-term benefits can be different. In such a case, the task of the marketer is to find ways to create value in the long run, which depends on increasing social welfare while also meeting consumers' needs and generating profits.

In this order of marketing concepts, it is perceived at first that there is a trend towards consumers from firms, and as a result, new paradigms emerged in the field of marketing like Relationship Marketing, and Customer Relationship Management. Then, this trend has changed its direction towards considering the whole of society. At that point, other discussions appear like green marketing, marketing ethics, and consumerism, which took the attention of many academicians, marketing practitioners, and the business environment. Parallel to this, short term orientation left its place to longer term strategies in the firm. In time, many firms have perceived that they are not isolated from society, but instead they are living organisms in society and they depend on society just like the society needs them. Their impacts on people, nature and the general environment have been increasingly discussed day by day. So, societal marketing is not an invention of the last decades, but rather it is the

last point in the changing conditions and philosophies of firms. Corporate Social Responsibility, by name, is the implementation area of this philosophy. CSR may not be only limited to marketing practices, but the changing considerations in marketing can highlight the whole practices that could be named as CSR.

## 1.2. CSR CONCEPT

In the literature, it is possible to be confronted by hundreds of different definitions of CSR made by academicians, institutions and by various business people. Some of them use too broad terms and cover all of the responsibilities of corporations, whereas some define it as the responsibilities beyond the firms' interests only. For instance, Mohr et al. (2001; 47) defines CSR as a company's commitment to minimizing or eliminating any harmful effects and maximizing its long-run beneficial impact on society. Their definition covers the dimensions of CSR like obeying laws and ethical norms, treating employees fairly, protecting the environment, and contributing to charities. CSR is viewed as a set of policies, practices, and programs that are integrated into business processes throughout the company and usually include issues related to business ethics, community investment, environmental concerns, governance, human rights, and the marketplace as well as the workplace (Tsoutsoura, 2004; 3). On the other side, it is possible to define CSR as the practices and policies that a firm adopts beyond the requirements of the law (McWilliams et al., 2001; 117; Vogel, 2004; 7).

There are two main difficulties which arise while trying to define CSR. The first problem is deciding on its limits. The question is "At which point CSR does start and at which point does it end?" There is a wide range of answers for this question. At one end, a group supports that businesses have only an economic responsibility to make profit for its shareholders while obeying the law- the pure profit-making view or economic CSR (Friedman, 1982; 133). At the other end, a group of scholars believe that corporations should be actively involved in programs

which can improve various social ills, such as providing employment opportunities for everyone, and improving the environment. As David (1973; 312) put it “*CSR is the firm's consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm...Social responsibility goes one step further. It is a firm's acceptance of a social obligation beyond the requirements of the law.*”

Between those two opposite ideas, there are people with moderate views who believe that corporate management should be more sensitive to the societal impact of their decisions, especially regarding potential harms to stakeholders. Moderate views on CSR generally approach the issue from the stakeholders’ perspective. A currently accepted idea is that companies function best when they merge their business interests with the interests of their stakeholders. This idea supports the argument that corporations should focus on stakeholders while considering their responsibilities. For instance, according to Maignan et al. (2004; 5) CSR presents the duty (motivated by both instrumental and moral arguments) to meet or exceed stakeholder norms dictating desirable organizational behavior. Another CSR definition focusing purely on stakeholder approach was presented by Campbell (2007; 951) as:

*I view corporations as acting in socially responsible ways if they do two things. First, they must not knowingly do anything that could harm their stakeholders—notably, their investors, employees, customers, suppliers, or the local community within which they operate. Second, if corporations do cause harm to their stakeholders, they must then rectify it whenever the harm is discovered and brought to their attention.*

Besides the stakeholder’s approach, CSR could be discussed from the voluntary perspective. The European Commission views CSR as a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment besides fulfilling legal expectations. CSR includes going beyond compliance and investing ‘more’ into human capital, the environment and the relations with stakeholders (European Commission, 2001, 8).

The ending limits of CSR could be seen to be easy: whatever a corporation can do more. Generally few or no discussions are found in literature on up to what point corporations should conduct CSR practices. If Friedman's view of CSR is adopted, it could be possible to think that, if CSR does not provide any significant financial return to the corporation, then the corporation should give up that practice because the main responsibility of it is to increase shareholders' returns. Actually, from the ethical side, it could be also argued that in corporations, the shareholders' capital is used and the resources of a corporation belong to its shareholders. So, managers do not have the right to spend someone else's (shareholders) money for the benefit of society. It would be more appropriate to distribute returns to shareholders and let them decide on whether they want to conduct philanthropic behavior or not. On the other side, there is a missing point in this discussion that CSR practices are not a waste of resources, but instead, CSR should be thought of as a strategic tool for long-term survival and development. If managed effectively, CSR can also benefit the corporation besides society by improving the relationships of corporations between their consumers, existing and potential employees, investors and other stakeholder groups. Additionally, it may improve the business process as being socially responsible generally requires companies to be more creative. Therefore, CSR practices should be designed in a way that both corporations and society take the benefit.

The second problem about CSR is caused by the various terms used for corporate responsibility such as corporate citizenship, sustainable management, corporate social performance, corporate responsibility (CR), etc. From time to time, these concepts can be employed in the articles in lieu of CSR. The definitions of related concepts are going to be explained in the following sections however, here, one emphasis is required for corporate responsibility. It is crucial to make a distinction between corporate responsibility and CSR to conceptualize what CSR is. Actually, the meaning of the existence of the word "social" in this concept should be considered. It is true that gaining profit and surviving are the responsibilities of corporations but are they "social" responsibilities? For instance, Waddock (2006; 5) makes a distinction between CR and CSR, and she defines CR as the impacts that a company's strategies and operating practices have on its stakeholders and the natural

environment, whereas she defines CSR as those activities that companies undertake to directly benefit society. The emphasis on the term “social” made by many practitioners then is to encourage corporations to evaluate their social responsibilities as well as their usual responsibilities and consider their responsibilities in a broader aspects by taking the wider economy, and stakeholders into account as well as shareholders and the environment (Hopkins, 2004; 2).

Day by day, an increasing number of people believe that CSR is beyond the market responsibilities of corporations and should include “social” practices. So, it will be appropriate to divide corporations’ practices and policies as market oriented and social oriented first. The practices and policies within market orientation aim to increase the private benefits of the corporation at the first place. Market oriented practices may also have social impacts (Schuler et. al., 2006; 244). For instance, Interface –a carpeting corporation- redesigned its business model which they called Evergreen Leasing. Interface is the first firm which started to give a carpeting service instead of selling carpets to its customers and it is using recyclable materials for its carpets. This new model generated many positive results. First of all, Interface saved- and still is saving- material costs and has increased its sales, and also the costs for customers decreased significantly. Additionally, as the materials used in the carpets are recyclable, this model is assumed to be greener than the existing carpeting practices (Lovins et al., 2001; 31). So, although Interface’s attempt brought both market and social impacts, this could be rather viewed as a market oriented practice. A firm is social oriented when it conducts policies and practices for the benefit of the society in the first place. That is, a company can donate some fund to a social project which has no direct relationship to its business process, production or post-production activities. Throughout this study, CSR should be considered as covering all aspects mentioned: both business-related responsibilities and the voluntary policies and practices of corporations which are social oriented.

### 1.3. A REVIEW OF THEORETICAL BACKGROUND OF CSR

Corporate social responsibility literature covers a wide range of discussions based on diverse perspectives of related parties. As a consequence of that variety, numerous approaches for CSR arose in the field. Some authors examined limits of CSR in order to develop a CSR theory whereas some others aimed to group CSR practices under several dimensions. Besides, another group of authors tried to define CSR in terms of the focus of a company. In this part of the study, in order to draw the whole CSR picture, major theories founded for CSR and several CSR approaches and models are going to be presented.

#### 1.3.1. CSR THEORIES AND APPROACHES

Because of the variety in the field, it is not too easy to classify CSR theories. In fact, there are many theoretical research on CSR, however, probably because of the nature of the issue, there could not be found a systematic theoretical development in the field of CSR. There are some studies intending to summarize CSR's theoretical improvement (e.g. Carroll, 1999; Garriga et al., 2004; Lee, 2008). Among them, Garriga et al. (2004) made a deep and a well-formed investigation of CSR approaches and theories. They formed four main groups of CSR theories including relevant approaches (Garriga et al., 2004; 52): instrumental, political, integrative and ethical theories. According to their study, instrumental theories' supporters argue that CSR is a tool to reach economic improvements which is the main objective of firms. In the second group of theories, political theories, it is argued that, CSR is the way to form and maintain political objectives and attitudes. In integrative theories (which seems to be more powerful than others), mainly response to social expectations of society and stakeholders' views are emphasized. Lastly, a little bit different from others, in ethical theories, more intrinsic motives to conduct social activities are mentioned. All of those theories are listed at Table 1.1.

Table 1.1.: Corporate Social Responsibility Theories and Related Approaches

<b>Types of Theory</b>	<b>Approaches</b>	<b>Short Description</b>	<b>Some Key References</b>
Instrumental theories (focusing on achieving economic objectives through through social activities)	Maximization of shareholder value	Long-term value maximization	Friedman (1970), Jensen (2000)
	Strategies for competitive advantages	Social investments in a competitive context	Porter and Kramer (2002) Hart (1995), Litz (1996)
		Strategies based on the natural resource view of the firm and the dynamic capabilities of the firm	
		Strategies for the bottom of the economic pyramid	Prahalad and Hammond (2002), Hart and Christensen (2002), Prahalad (2003)
	Cause-related marketing	Altruistic activities socially recognized used as an instrument of marketing	Varadarajan and Menon (1988), Murray and Montanari (1986)
Political theories (focusing on a responsible use of business power in the political arena)	Corporate constitutionalism	Social responsibilities of businesses arise from the amount of social power that they have	Davis (1960, 1967)
	Integrative Social Contract Theory	Assumes that a social contract between business and society exists	Donaldson and Dunfee (1994, 1999)
	Corporate (or business) citizenship	The firm is understood as being like a citizen with certain involvement in the community	Wood and Lodgson (2002), Andriof and McIntosh (2001) Matten and Crane (in press)

Table 1.1.: Corporate Social Responsibility Theories and Related Approaches (continued)

<b>Types of Theory</b>	<b>Approaches</b>	<b>Short Description</b>	<b>Some Key References</b>
Integrative theories (focusing on the integration of social demands)	Issues management	Corporate processes of response to those social and political issues which may impact significantly upon it	Sethi (1975), Ackerman (1973), Jones (1980), Vogel, (1986), Wartick and Mahon (1994)
	Public responsibility	Law and the existing public policy process are taken as a reference for social performance	Preston and Post (1975, 1981)
	Stakeholder management	Balances the interests of the stakeholders of the firm	Mitchell et al. (1997), Agle and Mitchell (1999), Rowley (1997)
	Corporate social performance	Searches for social legitimacy and processes to give appropriate responses to social issues	Carroll (1979), Wartick and Cochran (1985), Wood (1991) Swanson (1995)
Ethical theories (focusing on the right thing to achieve a good society)	Stakeholder normative theory	Considers fiduciary duties towards stakeholders of the firm. Its application requires reference to some moral theory (Kantian, Utilitarianism, theories of justice, etc.)	Freeman (1984, 1994), Evan and Freeman (1988), Donaldson and Preston (1995), Freeman and Phillips (2002), Phillips et al. (2003)
	Universal rights	Frameworks based on human rights, labor rights and respect for the environment	The Global Sullivan Principles (1999), UN Global Compact (1999)
	Sustainable development	Aimed at achieving human development considering present and future generations	World Commission on Environment and Development (Brutland Report) (1987)
	The common good	Oriented towards the common good of society	Alford and Naughton (2002), Mele' (2002), Kaku (1997)



(Source: Garriga et al., 2004; 63-64)

These four groups of theories strongly represent the diversity and differences of CSR views. For instance, in instrumental theories not only Friedman's sole shareholder value maximization is discussed but besides it, the idea of "being profitable by being good" is presented as different approaches of the same focus: economical well-being. Although Friedman (1982; 133) argued that CSR is not the job of businesses, other supporters of instrumental theory believe that CSR is a requirement or a tool for economical improvement. For example, in their article, Prahalad et al. (2005; 20-25) gave many examples of companies that gain economic advantages by being socially responsible. Besides, Smith (2005; 155) presented a good company profile that shows the way to use CSR as a strategic tool successfully. Instrumental theory is very questionable, because if this is the case, this is to say, if CSR provides certain economic benefits for companies, more companies would be committed to social practices. Based on instrumental theory, certain studies investigated the relationship between CSR, market value and economic performance of firms (Balabanis et al., 1998; Tsoutsoura, 2004; Luo et al., 2004), and they reached different results.

Political theories were not emphasized as frequently as the other CSR theories in the literature. One of the most critical points in political CSR theories, corporate citizenship, was emphasized by Matten et al. (2003; 13) and they argued that corporations became to have roles in administering citizenship rights for individuals. According to their view, some civil, social and political rights that governments should provide to individuals are taken under the control of corporate (Matten et al., 2003; 13-14). This is to say, companies now have wider responsibility in political arena too.

Under the third group of theories, integrative theories, there exist very basic approaches of CSR. Among all, Carroll's Corporate Social Performance (CSP) model has taken attention of many authors. Carroll (1979; 503) argued that there are three aspects of CSP: philosophy of social responsiveness (reaction, defense, accommodation, or proaction), social responsibility categories (economic, legal, ethical, or discretionary) and social issues involved (such as consumerism, environment, discrimination, product safety, shareholders, etc.). In this model, he integrated those three aspects to clarify CSR concept. Carroll (1991; 40) then described social responsibility categories in a detailed way under the name of "The Pyramid of CSR". At the bottom of this pyramid, there exists economic responsibilities and the pyramid goes up with legal, ethical and philanthropic responsibilities. The definitions related with those components are presented in Figure 1.1. Although, as Carroll argued, those CSR components are not mutually exclusive (Carroll, 1991; 42), they represent a good explanation of CSR as a whole and this pyramid has frequently cited by the following CSR authors. In the same article, Carroll (1991; 44) discussed a stakeholder/responsibility matrix and tried to integrate two aspects of CSR in here. When compared with his previous work (Carroll, 1979; 501), instead of "social issues involved" aspect, a more comprehensive stakeholder view was employed to draw a CSR picture (Carroll, 1991; 43). Similar to Carroll's pyramid, Sethi (1979; 67-68) formed a three-stage schema for corporate behavior based on corporate performance: social obligation proscriptive, social responsibility prescriptive and social responsibility anticipatory and preventive. In social obligation, he indicated only legal and economic criteria for legitimacy. So, he combined economic and legal component of Carroll into one. Sethi's second stage, social responsibility pointed out congruence with common social norms, values, and performance expectations similar to third component of Carroll. Lastly, Sethi (1979; 66) put social responsiveness, which includes activities that are proactive, anticipatory and preventive in nature, as the last stage.

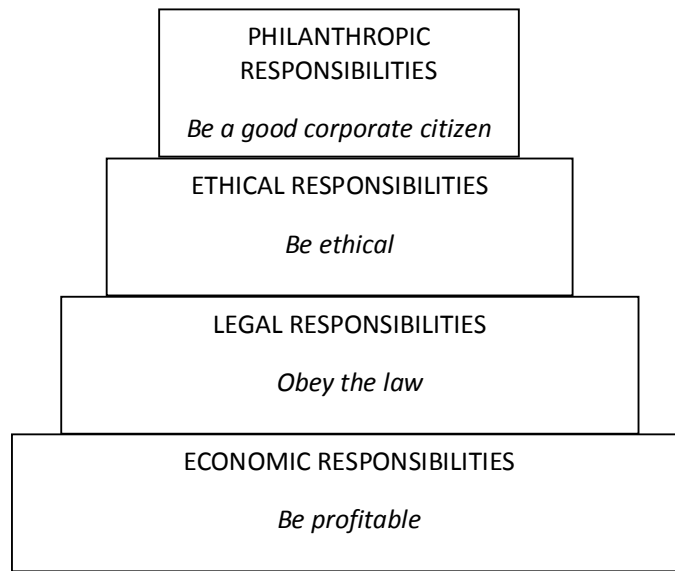


Figure 1.1.: Carroll's Pyramid of CSR

(Source: Carroll, 1991; 42)

Ethical theories' main focus is on if a company does the right thing while conducting businesses and philanthropic activities. One of the major views of ethical theories belongs to Freeman. Freeman (1994; 412) opposed separation thesis in which business decisions and moral decisions are viewed differently and he (1994; 414) argued that stakeholder theory has a normative core which could have feminist and/or ecological standpoints. Besides academicians, certain international institutions have participated CSR discussions in order to increase ethical awareness of businesses. For instance, among them, International Labor Organization (ILO) formed the Tripartite Declaration of Principles, Organization for Economic Co-operation and Development launched (OECD) Guidelines for Multinational Enterprises, United Nations (UN) launched Global Compact and Global Reporting Initiative (GRI) offers guidelines for social responsible reporting and all of those mentioned based their formation on universal rights such as human rights, employee rights, or environmental considerations.

### 1.3.2. MODELS DEVELOPED FOR CSR

There are many other models discussed about social responsibility based on various theoretical standpoints. One of them belongs to Meehan et al (2006). They formed a 3C-SR model in which there are three main components of CSR: ethical and social commitments; connections with partners in the value network; and consistency of behavior over time to build trust (Meehan et al., 2006; 392). The overall model is presented in the following figure (Figure 1.2.). This model took Corporate Social Responsibility (CSR), Corporate Social Performance (CSP) and Corporate Citizenship (CC) as diverse concepts of Corporate Responsibility (CR). In fact, CR has been interchangeably used for CSR in the literature. Therefore, this model combines two important future of CSR (i.e. consistency and commitment) with stakeholder view (i.e. connections with partners) and by that way presents a slightly different perspective on CSR.

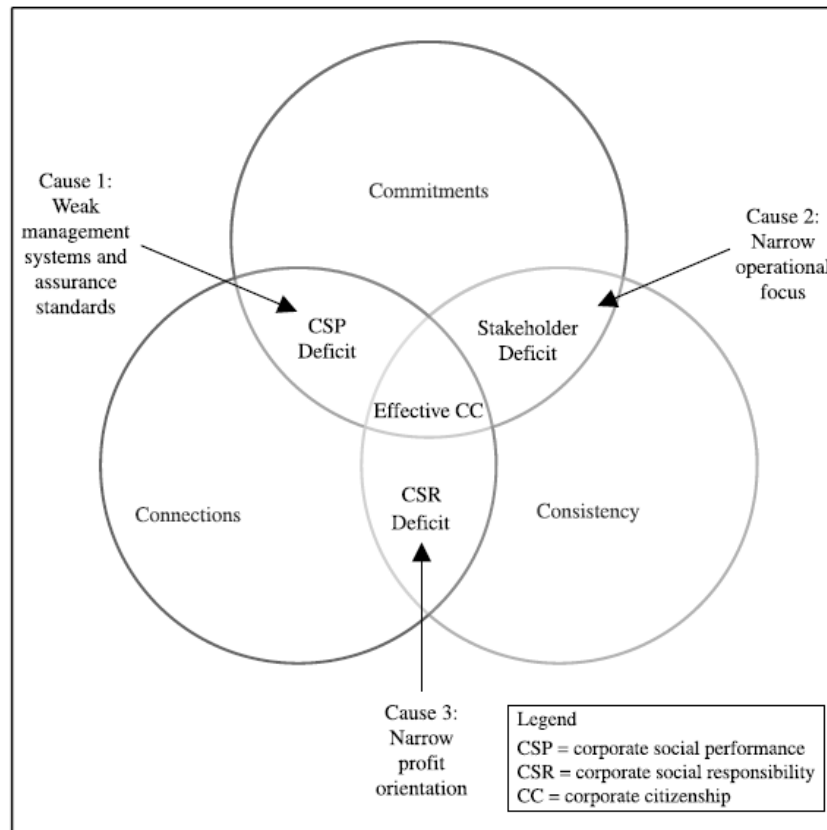


Figure 1.2.: The 3C-SR Model

(Source: Meehan et al, 2006; 392)

Besides, Lantos (2001; 605) offered three distinct mutually exclusive types of CSR based on the nature of CSR (required vs. optional) and its purpose (for stakeholders' good, the firm's good or both): ethical CSR, altruistic CSR and strategic CSR. The first type, ethical responsibilities is related with fulfilling the firm's ethical responsibilities even at the firm's expense in terms of possible foregone profits (Lantos, 2006; 606). Under the altruistic CSR, there exist all philosophies, policies, procedures and actions intended to enhance society's welfare and improve the quality of life, and altruistic goes beyond meeting ethical expectations (Lantos, 2006; 609). Lastly, Lantos (2006; 618) defined strategic CSR as the philosophy and activities of CSR that aims to accomplish strategic business

goals as well as trying to be good for society. In his model, it is observed that Lantos is more concerned with ethical and philanthropic components of CSR than economic and legal components.

In addition, based on previous discussions, Wood (1991; 696) explained CSR in terms of three main principles: the principle of legitimacy, the principle of public responsibility, and the principle of managerial discretion. Those principles are related with different levels of application; the former is in institutional level, the second one is in organizational level and the latter one is in individual level. The principle of legitimacy depends on the view that society has the right to enforce some obligations and sanctions on companies because the power and legitimacy of businesses are granted by society (Wood, 1991; 695). In the principle of public responsibility, it is argued that businesses are responsible for the problems that they have caused specifically; but they don't have to solve all social problems (Wood, 1991; 697). In the last principle, the principle of managerial discretion, Wood discussed (1991; 698) managers as moral actors and emphasized that managers have obligations to exercise discretion for socially responsible outcomes. Wood's discussion on CSR differs from other models in a way that she approaches CSR considering different parties (i.e. levels: institutional, organizational, and individual) and puts them together in order to form the whole picture.

A CSR discussion without mentioning its boundaries will be incomplete. In fact, many authors aimed to state those boundaries. Among them, Barnett (2007; 799) has drawn the boundaries of CSR by the help of a corporate resource allocations model. Barnett (2007; 798) argued that in order to distinguish CSR from other corporate investments, two main characteristics should be taken into consideration: social welfare orientation and stakeholder relationship orientation. This is to say, investments or act of companies could be called as CSR if they aim to increase social welfare and include high stakeholder relationship. Otherwise, these investments could be evaluated as agency loss, direct influence tactics, or process improvements. Figure 1.3. shows those investment types in Barnett's model. This CSR model of Barnett is an integrative one which also strongly emphasizes instrumental standpoint of CSR.

Social Welfare Orientation	High	Agency Loss	CSR
	Low	Process Improvement and All Other	Direct Influence Tactics
		Low	High
Stakeholder Relationship Orientation			

Figure 1.3.: Types of Corporate Resource Allocations

(Source: Barnett, 2007; 799)

#### 1.4. FACTORS BEHIND THE EMERGENCE AND THE DEVELOPMENT OF CSR

The emergence and development of CSR cannot be understood without considering the historical, socio-economical, political and organizational features of society. Three groups of factors can be counted as a base that can be the reasons for companies to adopt CSR philosophies: Companies either feel obliged to do it; they are made to do it or simply they want to do it (Marrewijk, 2003; 99).

Among various reasons of the emergence and development of CSR, the most effective factors are discussed below. Two things should be kept in mind. First of all, CSR is not simply an economic or business related issue. It should be perceived as an ending point of a continuous social change in society from numerous aspects. So, there will be many other factors beyond the ones discussed here. Secondly, there is not a one-way relationship between those factors and CSR. For instance, increased

consciousness of consumers, and as a result of it consumer boycotts for more responsible businesses will force companies to adopt CSR practices. But vice versa is also possible. Namely, when companies increase their CSR practices, consumers may become more conscious on CSR issues and their expectations from companies may increase.

There are many minor or major factors affecting CSR and their influence can be evaluated subjectively. For instance, the proliferation of independent evaluations and rankings that make social performance more transparent like Fortune's Most Admired Companies, and the recent scandals associated with prominent companies such as Enron, and WorldCom both influence pressure on companies to practice CSR (Pirsch, 2007; 125). But the major factors behind CSR can be listed as:

- Globalization and the effects of international institutions
- Government regulations concerning CSR
- Changes in consumer, investor, and employee behaviors
- Reactions from society and Non-Governmental Organizations (NGOs)
- Effects of industrialization on environment
- Institutional and managerial developments

#### 1.4.1. GLOBALIZATION AND THE EFFECTS OF INTERNATIONAL INSTITUTIONS

Globalization – the growing integration of economies and societies around the world – has both direct and indirect effects on CSR. Although it is seen as an important factor in the rapid growth and poverty reduction in China, India, and many other developing countries that were poor 20 years ago, globalization has also generated significant international opposition over concerns that it has increased inequality and environmental degradation (<http://www1.worldbank.org/economicpolicy/globalization/>, retrieved on



20.10.2007). As being one of the driving forces of globalization, multinational enterprises and corporations can be viewed as responsible for those social and environmental problems, and they are expected to cover them.

Besides, economic and political balances are changing in this global world. According to the OECD, among the 100 largest global economies, measured according to their GDPs (Gross Domestic Product), 51 of them are US corporations, and only 49 are nation states (Tsoutsoura, 2004; 5). This is a meaningful indicator in understanding how economic power has shifted towards corporations and gives a reason for why companies should have an increasing role and responsibility for addressing social problems. When historical realities are considered, throughout the ages, economic power managed humanity and society. Businesses are now so huge that they can give direct harm or benefits to the whole world, so their responsibility on earth is at a point that it hasn't been up to now.

Strictly related to the economic power shift, as Matten et al. (2003; 10) indicated, globalization undermines the capacity of the state as the sole guarantor of those rights –social rights, political right and civil rights- which are expected to be provided by the government. They claimed that the arena of citizenship is at the point where traditional governmental actors fail to be the “counterpart” of citizenship.

Globalization also gives rise to the other reasons of CSR like increasing stakeholder consciousness, or environmental concerns. Actually, all of the factors causing the rise of CSR are strictly related to each other and there is a continuous interaction among them. In the green paper prepared under the name of European Commission (2001; 5) four driving forces are assumed to be true for the development of CSR. That paper argues that large scale industrial change and globalization forms new concerns and expectations for various stakeholders - citizens, consumers, public authorities and investors-; social criteria began to be considered for both consumers' and investors' investment decisions; the damages on environment caused by economic activities became an increasing concern; and lastly media and modern information and communication technologies provide more transparency of business activities.

#### 1.4.2. GOVERNMENT REGULATIONS CONCERNING CSR

National governments have power over corporations by legislation. There are many governmental regulations for corporations to make them more responsible and ethical towards society. For instance, legislations have direct effects on reducing corruption, anti-monopoly behavior, more transparency in reporting procedures and environmental reporting (Dunning, 2005; 141). Actually, governments can play both direct and indirect roles in the development of CSR. As explained above, it may directly force companies to consider more on social issues and to behave more responsibly. But, besides these, companies may adopt a CSR policy voluntarily to set higher standards than required by law and in that way form better relationships with government. The advantage of having stronger relationships with governmental bodies forms the indirect effect of government on CSR. Moreover, many companies voluntarily take CSR actions to be in advance of government legislation or intervention in order to be able to develop their own policies in response to social pressures themselves (Moon, 2004; 10).

Governments have various power and roles over businesses related to CSR and Fox et al. (2002; 4) grouped those roles under four dimensions. These are mandating, facilitating, partnering and endorsing roles of governments. Mandating role of governments refers to defining minimum standards for business performance by legal framework and it depends on command and control. Some examples of mandating role of governments include forming mandatory environmental management systems, pollution taxes, and enforcing businesses for CSR reporting. Governments can play a facilitating role for businesses by stimulating, incentivizing and enabling businesses to engage in CSR practices. For example, governments can provide tax incentives and penalties; develop guidelines for public investments; offer capacity building and technical support. Besides, governments can develop partnerships with businesses as a third role. Joint government-industry investment in

capacity, forums for debating public policy proposals can be some examples of partnering role of CSR where the government combines its resources with businesses. Lastly, government can have an endorsing role such as publicizing leading corporate givers and supporting instruments for peer pressure in name of political support. All of those roles influence businesses to feel obliged to engage CSR practices and to feel supported in implementing CSR strategies.

Governments do not only consider the well-being of society while following discussed roles for CSR. From time to time, governments may feel the pressure to reinforce businesses to be more active in social issues. There can be counted three factors that motivate governments to be more responsive about the social roles of businesses (Moon, 2002; 399). First of all, CSR can substitute for government effort and fill the gaps of governments. Besides, it can complement government effort and strengthen the effectiveness of governmental practices on society. Lastly, CSR can legitimize government policies. For instance, when businesses are also perceived as responsible for governance in social issues less criticism would be made on governments' regulation about the concerns like employment (Moon, 2002; 400). For instance, in UK, CSR was encouraged and underpinned by the government when the public power became unable to govern responses to unemployment and economic development unaided (Moon, 2004; 2).

#### 1.4.3. CHANGES IN CONSUMER, INVESTOR AND EMPLOYEE BEHAVIORS

We are living at a time where the harmful effects of corporations on society and on the environment are realized more and where people have more access to information on everything. The developments in communication technologies and media enable people to have considerable knowledge on both the bad things and the good things practiced in the business world. New groups like socially responsible consumers or green consumers are now on the stage. Many of the academicians and

business related people see CSR primarily as a response to the consumer pressure and boycotts (Auger et. al., 2006; 1). This view assumes corporations to be consumer-driven organizations, and consumers have the power to change the operations of the organizations.

There are many studies on consumers' attitudes towards the responsibility issues of firms. For instance, according to the survey realized by MORI in 2000 on the British people, it was found that over half thought they can make a difference to how responsibly a company behaves (<http://www.ipsos-mori.com/corporateresponsibility/csupdate.pdf>, retrieved on 31.10.2007). This feeling of empowerment is highly correlated with expectations of companies. The same survey also revealed that in Britain, one in five describes themselves as ethical consumers; a similar number have boycotted goods or services for social, environmental or ethical reasons; and nearly one third have bought into cause-related marketing. Besides, Mohr e. al. (2001) found within their sample that, most of the respondents are positive towards socially responsible companies. Although different researches on consumers indicate varying levels for the importance given to socially responsible behavior, most of them argue that consumers have positive feelings towards socially responsible companies (Devinney et. al.; 2006, Auger et al.; 2007).

Similar to consumers, there is also a shift in the preferences of investors. A survey by Business in the Environment published in May 2001 (Investing in the future: City attitudes to environmental and social issues) found that over half of analysts and two-thirds of investors believed a company that emphasizes its environmental and social performance is attractive to investors (Hancock; 2004; 7). Another survey conducted by CSR Europe and Euronext revealed that 51% of fund managers and 37% of financial analysts said they would put a premium on socially responsible companies (Hancock, 2004; 11).

Employees may put both direct and indirect pressure on companies to practice CSR activities. According to Aguilera et al. (2007; 841) employees may directly ask for CSR policies and practices from the company or in the absence of CSR, they may put pressure on the company by low organizational commitment, job satisfaction,

employee citizenship and/or low performance. Employees are the internal customers of the firms, so generally firms feel pressure to provide employee satisfaction. This will help companies to increase performance and to attract qualified working force.

#### 1.4.4. REACTIONS FROM SOCIETY AND NON-GOVERNMENTAL ORGANIZATIONS

Companies are now expected to be able to meet the responsibilities of the society in which they live and operate, while competing effectively. Besides the consumers and investors discussed above, different social groups forced companies to behave more responsible. One assumption is that some companies have profiled themselves as socially responsible because simultaneous developments of the anti-globalization movement, of shareholder activism, and of corporate governance reform force them to do so (Maignan et al., 2004; 3). New NGOs and environmental groups are emerging day by day, and the influences of those organizations become an increasing factor. Movements toward the protection of human rights, against global warming, against illegal working practices, towards decisive advertising and many others are spreading with the help of integrated communication opportunities and the support coming from the more conscious society. Watchdog activism which means identifying and publicizing corporate malpractice by ‘naming and shaming’ specific companies have become widely accepted and undertaken by certain organizations including Corpwatch (USA), Greenpeace,<sup>4</sup> Human Rights Watch, International Baby Food Action Network (IBFAN) Project Underground, and PR Watch (Utting, 2005; 377).

International organizations also increase the awareness for CSR. For instance ILO (International Labor Organization) created a list of actions to be taken for employees’ working conditions whereas the UN drew a path towards human rights. Besides, another influential organization, OECD, released Guidelines for

Multinational Enterprises in 2000. As an intergovernmental organization, the EU (European Union) continuously sets standards for green and safe production.

#### 1.4.5. EFFECTS OF INDUSTRIALIZATION ON ENVIRONMENT

Corporate social responsibility is also a function of the evolutionary nature of corporate social responses to environmental concerns Labatt (1991). Environmental problems require more attention because now the world is realizing the negative effects of mass and careless production on nature that was accelerated after the industrial revolution. Especially during the last two decades, environmental concerns have been in an increasing trend. Acid rain, climate change, CO<sub>2</sub> buildup in the atmosphere, declining biodiversity and related extinctions of species, deforestation, global warming, nuclear and other toxic waste management and disposal, over-fertilization of land, ozone layer depletion, pollution of air, water, and land, resource overuse and scarcity, and water degradation and scarcity in some parts of the world can be counted as serious environmental problems the world is facing today. For most of those problems globalization, big businesses, and multinationals are assumed to be partly or totally responsible which calls for greater responsibility, accountability, and transparency on the part of large companies in the past couple of decades (Waddock, 2006; 6). Movements like Greenpeace force the companies to adapt their business process for the survival of the nature.

#### 1.4.6. INSTITUTIONAL AND MANAGERIAL DEVELOPMENTS

Social concerns are affected by corporate size, the use of mass production technology, the separation of ownership and control, and the professionalization of management (Hofmann, 2007; 60). In time, corporations become so huge and so do their effects on society. Hoffmann argues that the growing size of corporations caused them to consider their impacts on the economy and society when they started to think long-term survival, because the company depends on the society and a well-functioning market in order to survive.

Mass production is believed to provide the possibility of improving performance of business for the benefit of society as it decreases the costs of products and enables the people to buy more and higher quality items. Certain group of people believes that mass production has social concerns on its own.

According to Juholin (2004; 21), one of the major influences on the evolution of CSR is managerial revolution which separates ownership and management. It is argued that the idea which supports responsibilities beyond profit maximization for corporations is a result of professionalism in management. Additionally, the positive effects of CSR on long-term profits maximization is being discussed by both academicians and the managers, and some managers conduct CSR as a strategic management tool.

One of the most important drivers of corporate interest in CSR is the argument that good corporate citizenship is also good business (Vogel, 2006; 11). A MORI survey among corporate communications directors in October 2002 showed that 93 per cent believe the publishing of non-financial information enhances a company's reputation and makes for better management decisions (Hancock, 2004; 20). Managers are now more aware of the benefits of CSR practices. Also, CSR is now assumed to be a way of decreasing potential risks to businesses for the future. The corporate scandals affecting Enron, WorldCom and the like have undoubtedly presented the results of being irresponsible to the business world.

Besides, different trends in the business world may require a more socially responsible business structure. For instance, Marrewijk (2003; 99) emphasized one reason CSR practices are one of the current phenomenons in businesses: quality management. Quality management at the organizational level requires a climate of trust, respect and dedication, and according to him organizations have to adopt a more social management style in order to continue to improve their quality.

### 1.5. CSR: A HISTORICAL PERSPECTIVE

While considering the history of CSR, first of all, it should be considered that the concept has been always evolving and gaining wider meanings over time. The social responsibility of corporations should be analyzed from the time when the corporations first emerged. Actually, in Europe social responsibility was highly related to industrialization from the 18<sup>th</sup> century. The owners of the factories arranged and paid for their employees' accommodation, schooling and health care, and even religious services (Juholin, 2004; 21). Although those practices could be viewed as social responsibility by for those times, today's CSR idea go beyond business related practices. In the earlier phases of industrialization, factory owners were conducting those practices at first for their self-interest –to recruit and retain their workforce- and then the desire to improve people's living conditions comes.

Whether the subject is a consumer, an investor or an employee, for all those groups of people, the beginning point for CSR in the international arena can be assumed to be the “Universal Declaration of Human Rights” which was announced on December 10, 1948 by the General Assembly of the UN. This declaration forms the roots of the expectations from various social groups towards people. In the following periods, the first attempt to theorize the relationship between corporations and society by the book *Social Responsibilities of the Businessman* was made by Howard Bowen (1953) in academic field (Carroll, 1999; 269). But the real attempts towards the modern approach of CSR began in the 1960s and have accelerated



during the last two decades and its development process has showed differences among nations. What we call CSR today is viewed as an invention of multinational corporations and because of this, the periods of CSR improvements would mainly reflect CSR in US and Europe. Based on the development of CSR, it would be beneficial to analyze it within two periods: Between 1960s to 1990s, and From 1990s to today.

#### 1.5.1. BETWEEN 1960s AND 1990s

The 1960s and 1970s were the years when ethical issues in business were raised rapidly due to the fact that people realized how repressive labor practices could be found in every type of corporation, unsafe products were being sold, bribery became an international practice, and morality was being compromised in the pursuit of money and power. As a reaction, consumers began to rise against immoral business practices (Lantos; 2001, 598). By 1960s, US government began to pass laws to intervene the responsibilities of companies. For instance, the bases of the responsibilities of corporations to its consumers were formed by John F. Kennedy in 1962 by passing The Consumer Bill of Rights from the US Congress. These rights include the right to be safe, the right to be informed, the right to choose, the right to be heard, the right to education, and the right to service. Following that practice, in the US, many attempts had been made to create a fair trade environment such as passing The Cigarette Labeling Act (1965), The Fair Packaging and Labeling Act (1966), The Wholesome Meat Act (1967), Truth in Lending Act (1968), The Magnuson-Moss Warranty Act (1975) and many others. The following years were the times which corporations began to think about their place in the society beyond focusing solely on making profits. In the USA, many contemporary strategies of civil regulation were developed during this period (Vogel, 2006; 6). Those civil regulations include voluntary codes of conduct, social audits, public interest proxy

resolutions, social investment funds, assessments and rankings of corporate social and environmental performance.

The emergence of ethical mutual funds can also be viewed as an indicator of social considerations in the business world. The political climate of the 1960s had an important role for the emergence of ethical mutual fund (Bauer et. al., 2002; 3), and as a result, in 1986 the first ethical mutual funds was established in Canada ([http://www.woccu.org/press/intl\\_news/pressr.php?pressr\\_id=597](http://www.woccu.org/press/intl_news/pressr.php?pressr_id=597), retrieved on 10.11.2007.) Ethical mutual funds were just a starting point for “Socially Responsible Investment” (SRI) which is now becoming an increasingly main stream force. There has been a growth in the amount of money invested in ‘ethical policies’, and there were many indicators of this growth such as the launch of the global FTSE4Good and Dow Jones Sustainability indexes, and the UK government’s introduction of compulsory reporting of social and environmental criteria by pension companies (Raynard, 2002; 22).

International institutions had also efforts that support the development of CSR. ILO formed the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy first in 1977 which was revised in 2000 to include the Fundamental Principles and Rights at Work, and more recently in 2006 to update references to other ILO instruments. These principles intend to guide multinationals, governments, employers’ and workers’ organizations in adopting social policies and to inspire good practices in both multinationals and national enterprises (<http://www.ilo.org/public/english/employment/multi/tripartite/index.htm>, retrieved on 30.10.2007.)

In 1982, Business in the Community, a UK based organization founded by leading businesses, was established mainly to fight youth unemployment and in time, it adopted the mission to translate corporate values and commitments into mainstream management practice.

Although the visible intensity of the social changes during the 1960s to 1990s towards CSR seems to be low when compared with the last two decades, the

formations up to the 1990s generated a base for accelerated efforts for the following periods. In the academic field, there were also changes in the theoretical conceptualization of CSR between 1960s and 1990s. Lee (2008; 56) discussed that there were four basic trend changes for CSR based on the level of analysis, theoretical orientation, ethical orientation and relationship between CSR and Corporate Financial Performance (CFP). Figure 1.4. shows those changes.

	50s & 60s	90s
Level of Analysis	Macro-social	Organizational
Theoretical Orientation	Ethical/Obligation	Managerial
Ethical Orientation	Explicit	Implicit
Relationship between CSR & CFP	Exclusive/No discussion	Tight coupling

Figure 1.4.: Trends in CSR Research between 1960s and 1990s

(Source: Lee, 2008; 56)

### 1.5.2. FROM 1990s TO TODAY

It is true that the interest in civil rights and CSR was observed before 1990, on the other hand, CSR focus started to accelerate by the early 1990s. There has been an increasing interest on CSR especially over the last two decades. While in the mid-1980s there were a handful of social mutual funds in the United States, in 2005 more than 200 social mutual funds were available, and since 1995 their assets have increased tenfold (Vogel; 2006; 6). There was also a significant increase on interest within the academic world towards CSR after 1990. After 1990, a steady increase in

the number of publications can be observed whereas the number of papers remains fairly constant until that time (Bakker et al., 2005; 297). By the late 1990s, all constituents in society from governments and corporations to nongovernmental organizations and individual consumers began to sanction and promote CSR (Lee, 2008; 53).

Besides, new organizations and formations have been appearing. One of them is the World Business Council for Sustainable Development which was founded on the eve of the 1992 Rio Earth Summit to involve business in sustainability issues with 170 international companies (now the number is around 200). The Council focuses on energy and climate, development, the business role, and ecosystems. Besides, it supports projects like energy efficiency in buildings, capacity building and generating effective water consumption (Ledgerwood, 2000; 69).

Regional efforts have also been on the rise for the last decades. Europe seems to be the leading part of the world towards CSR. In 1995, CSR Europe was founded as a European business network of CSR professionals in order to improve CSR practices in Europe. Now it consists of more than 65 multinationals, and reaches 2200 companies through 23 national partner organizations (<http://www.csreurope.org/aboutus/default.aspx>, retrieved on 15.08.2007). In 1998, the Danish government established The Copenhagen Centre to provide a platform for business leaders and politicians to review the role of business in society. By June 1, 2007, this centre had closed and The Danish Commerce and Companies Agency took the responsibility to cover CSR issues in the country (<http://www.copenhagencentre.org/>, retrieved on 15.11.2007). Denmark is not the only country that supports CSR. The UK Government has a recognized effort to develop and expand CSR practices of all size and kinds of businesses. The government itself has a role to play in defining minimum standards as well as stimulating and incentivizing companies to raise their performance beyond those legal minima (Department of Trade and Industry (UK), 2002; 4).

ISO 14000 standards are another initiative reflecting the trend towards the environmental concerns of firms. Although not stating specific environmental

criteria, ISO 14000 series were initiated in order to provide a way for organizations to have an environmental management system in 1996. These standards help organizations to identify and control the environmental impact of their activities, products or services, to improve their environmental performance continually, and to implement a systematic approach to setting environmental objectives and targets, to achieving these and to demonstrating that they have been achieved (Morris, 2004; 2). Nowadays, ISO (International Organization for Standardization) is in the preparation period of a new ISO series: ISO 26 000. This new ISO series, for which the date of settlement was determined as 2008 -ISO now announces that that those standards will be on the process by 2010-, is going to provide guidelines for social responsibility (Harbhajan, 2006; 117). Although there are some other important guidelines on CSR as discussed below, ISO 26 000 will bring a new expansion towards global CSR standards.

In time, global standards for socially responsible practices became a requirement a well-operating business world. Although there are not any generally accepted standards for the social responsibility of firms, there have been significant attempts to create standardization. There exists two widely-practiced formations: SA8000 Standards by Social Accountability International and Sustainability Reporting Guidelines of Global Reporting Initiative (GRI). In 1997, SA8000 Standards was formed by Social Accountability International which is a non-governmental, international, multi-stakeholder organization dedicated to improving workplaces and communities (Raynard et al., 2002; 38). SA8000 is an appreciated standard for CSR and certification is mainly based on the elements such as child labor, forced labor, health and safety, freedom of association and right to collective bargaining, discrimination, discipline, working hours, compensation, and management systems (<http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=473>, retrieved on 13.11.2007). That is SA800 has a special focus on the rights of employees. The other initiative, GRI, was established in late 1997 in order to develop globally applicable guidelines for reporting on economic, environmental and social performance, and in 2000 the first sustainability guidelines were released (Hopkins, 2003; 141). GRI, different from SA8000, creates a framework for social reporting. While offering such

a framework, it also points out the important issues that must be considered in CSR. Besides these, Business in the Community launched an Environmental Index in 1996 and then this CR Index enlarged it in 2002 to include the impacts of businesses on the community, marketplace and workplace through their operations, products and services, and interaction with key stakeholders ([http://www.bitc.org.uk/what\\_we\\_do/cr\\_index/cr\\_index\\_background.html](http://www.bitc.org.uk/what_we_do/cr_index/cr_index_background.html), retrieved on 10.10.2007).

In order to provide a benchmark to responsible business conduct ILO adopted the Declaration on Fundamental Principles and Rights at Work in 1998 ([http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var\\_language=EN](http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var_language=EN), retrieved on 09.10.2007.). This declaration emphasizes mainly four points which are freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation.

When it comes to the 2000s, the formation of UN Global Compact shows how CSR become important in the global area. Global Compact, founded in 2000, intended to form a framework for businesses to follow operations and strategies based on ten universally accepted principles and it brings the most important social actors together to do so such as governments, corporations, labor, NGOs and the UN (Ruggie, 2002; 35). From the foundation to 2004, the number of firms endorsing the UN Global Compact, which articulates a set of core standards for business conduct increased from 38 to 1,500 (Vogel, 2004; 3), and up to 2007 this number has now grown to over 3,800 participants, including over 2,900 businesses in 100 countries around the world (<http://www.unglobalcompact.org/ParticipantsAndStakeholders/index.html>, retrieved on 11.12.2007). Similar to the UN, OECD launched OECD Guidelines for Multinational Enterprises in the same year: 2000. These guidelines were formed in order to improve the international investment climate and to strengthen the basis of mutual confidence between multinational enterprises and societies in which they

operate and to ensure that there is a harmony between the operations of these enterprises and government policies (OECD, 2004; 141).

In the light of all of those developments and dynamism in the field of CSR, it becomes easy to understand why such an increasing amount of research has been conducted recently by both academicians and business people for CSR and for its various aspects. Day by day, new firms enter the market for CSR; especially in Europe new CSR consulting firms are emerging and they are searching for CSR specialists. Similar to Public Relations or Advertising firms, it is possible to find a growing sector related to CSR. These developments provide strong evidence that CSR will not be a short-term trend in the business world but it will change –and actually is changing- the way business is done in many markets.

#### 1.6. CSR ACROSS NATIONS

CSR is not practiced in the same way all around the world. In fact, what have been discussed under CSR concept today seems to be an invention of transnational and multinational companies most of which have been established in USA. This is not to say small and medium sized enterprises (SMEs) and local firms do not conduct socially responsible behaviors, but instead, CSR as a managerial system and tool was first came to discussion by world's leading businesses. Therefore, certain regions in the world where those giants were established such as USA, Europe and Australia have different and more systemized views of CSR. In fact, a study conducted by Environics International Ltd. (1999) revealed that people were most interested in corporate social performance in Australia, Canada, the USA and the UK. In the same survey Germany, Japan, Indonesia and South Africa followed those four countries and people of China, Nigeria, The Dominican Republic and Kazakhstan showed the least concern. Another survey of the same organization in 2002 showed that 60-70% of respondents in the USA, Great Britain, Australia and Canada said that they had

rewarded or punished a company in the last year because of its CSR reputation (Eweje et al., 2006; 3).

If there exist variety among countries based on social expectations and companies CSR practices, what do other countries do in name of CSR besides USA and UK then? Northern Europe, Latin America, Asia and Middle Eastern countries all have their own way of perceiving and practicing CSR. In fact, Welford (2005; 33) found a link between the development of CSR and economic development of countries and that many CSR policies are based on localized issues and cultural traditions at a country level. Similar to many business related phenomenon, CSR discussions took its roots from USA and big multinationals. Therefore, in order to have a more general idea about CSR it would be beneficial to examine some other examples among different cultures. In the following sections, approaches of different countries towards CSR are going to be presented as examples.

#### 1.6.1. CSR IN EUROPE

CSR in Europe shows distinct and effective improvements compared to any other regions throughout the world. EU plays a significant role in fostering CSR among Europe's businesses. Particularly in recent years, EU has been developing wider and detailed policies about CSR in order to encourage companies –both small and big- to engage in CSR practices without direct interventions. In fact, as previously mentioned, the CSR definition made by EU emphasizes “voluntary” basis of CSR practices. However, the union sees CSR as a cornerstone for growth and job creation within EU and therefore focuses on increasing the visibility of CSR in the business world and society by supporting businesses' CSR acts (Verheugen, 2006). In 2006, Commission of the European Communities (2006) launched “European Alliance for CSR” by which the commission aimed to provide a political umbrella for the new and existing CSR initiatives and for every size of companies and stakeholders. Within this alliance, the commission defined the foundations of



promotion of CSR under three domains: *“raising awareness and improving knowledge on CSR and reporting on its achievements; helping to mainstream and develop open coalitions of cooperation; ensuring an enabling environment for CSR”* (Commission of the European Communities, 2006; 11). By the way, within the same communication document, the commission (2006; 7) discusses strategic attempts in order to promote CSR in Europe such as raising CSR awareness and to do so disseminating best practices, continuing to support sectoral social dialog committees, generating cooperation with member states to improve CSR among SMEs in particular, and providing education for business-related people such as employees, business leaders and future managers to improve their CSR knowledge and skills.

This alliance is only one of the CSR initiatives of EU in recent years. Actually, CSR has been in the board of EU for a longer time. For instance, in 2001, EU published a green paper in order to present and discuss CSR in a deeper way. Within this paper, CSR was examined from various dimensions such as human resource management, health and safety at work, environmental management, stakeholder relations and human rights (European Commission, 2001; 9). By this paper, the commission (2001; 24) called for a partnership with enterprises and public authorities to promote a model of CSR based on European values by finding innovative ways of developing CSR.

The principles of the strategy for CSR promotion was defined by Commission of the European Communities in 2002. According to this, EU considers these points while forming CSR policies: being aware of the voluntary nature of CSR, the credibility and transparency of CSR practices, community involvement focus to add value, consideration of all effects of CSR on diverse parties, special consideration for SMEs, supporting and complementing existing CSR guidelines, international agreements and other CSR instruments (Commission of the European Communities, 2002; 8). EU has a special focus for SMEs because the union finds SMEs as the dominant force for growth and employment for the EU countries. Financial, managerial and legislative aids are provided to SMEs and by the way, SMEs are encouraged to adopt more socially responsive policies. For instance, the union provides environmental advice to SMEs, assists them in eco-management,

encouraging small businesses to invest in lifelong learning by exchange program for apprentices that allow them to gain work experience in another European country, or provides financial support to SMEs with no research facilities to outsource research (European Commission, 2008). This is to say, EU does not only expect big companies to give back what they get from society but instead assumes that CSR should be integrated to the business processes of companies independent from their sizes.

Although affected from EU's policies, different countries under the umbrella of EU may have different CSR cultures. In general, different from USA, in Europe, governments have more influence on business and society interaction. Especially, many West European governments regularly include business, labor, and other significant interest groups in the policy-making process, and in turn, they form road maps to develop welfare of country as a whole (Doh et al., 2006; 51).

Compared to other countries in continental Europe, UK's approach to CSR is more similar to USA's as they share a common language and vision. Trends in UK, such as employee loyalty, management, and entrepreneurialism etc., show recognizable compatibility with USA norms (Raynard et al., 2002; 30). UK is one of the pioneers of CSR philosophy in the world. In fact, the country has a distinct ministry concerning CSR: Ministry of Corporate Social Responsibility. UK Government aims to highlight the importance of social and environmental responsibility, so that CSR becomes part of normal practice for all types of organizations, and for international as well as national operations. The government defines its role in CSR as taking full account of opportunities to increase and incentivize adoption and reporting of CSR as part of a continuing review of intelligent regulation and fiscal incentives (Department of Trade and Industry (UK), 2002; 12).

In France, government is a shareholder of many large companies and it plays a strong role for social responsibility of businesses (Raynard et al., 2002; 29). During the last century, this interventionist role of State led to significant social legislation. Employment law and social protection systems began to be managed both by

employers' and employees' representatives (Habisch et al., 2005; 97). French law then continued to support the view that firms have social interests that are distinct from shareholders' interests and the going concern of the firms also depends on public authorities (Habisch et al., 2005; 99). Antal et al (2007; 26) argued that there are two essential points for the CSR in France. First of all, in France, the State has played a central role in the traditional practices, and in the process of changing these practices, be it by legislation or by more informal forms of influence, which is different from other countries where CSR mainly depends upon private initiatives. Second, French CSR practices have a special focus on the internal dimension and on labor issues.

Similar to the French case, in Germany, the State has a heavy involvement in work and social life and as a consequence, interest in CSR activity, especially philanthropic activity, remains low in this country (Raynard et al., 2002; 29). However, among the best practice companies, Germany has one of the leading countries in Europe (with UK) which has the highest incidence of policies in the area of CSR (Welford, 2005; 52). A close neighbor of Germany, Austria, began to talk about environmental and social friendliness and sustainability by 1990s and broader discussions of CSR came to the field recently (Habisch et al., 2005; 125). The formation of "CSR Austria Initiative" by the Ministry for economic Affairs and Labor in 2002 indicates that those CSR discussions found opportunity to grow in Austria.

When it comes to Italy, CSR is generally associated with being loyal to stakeholders. Both the SMEs (Small and Medium sized Enterprises) and large family firms have strong links with community and CSR initiatives is in a growing trend in this country (Raynard et al., 2002; 30). In fact, a study of Longo et al. (2005; 41) showed that companies in Italy pay attention to the market's request for greater efforts on their part with reference to risks concerning product quality, and risks connected with their manufacturing impact on the environment, health and safety and social responsibility directed at their employees. Besides, there is a high demand for Standard SA8000 in Italy and companies are beginning to circulate its first corporate social audit and ethical codes (Longo et al., 2005; 41).

Another strong country, Netherlands, started to heavily discuss corporate social responsibility issues by mid 1990s, but those discussions have not changed many things because the country had already a strong tradition of dealing with social and environmental issues. What changed after 1990s were the attitudes of individual firms developing their own visions to incorporate CSR theme and went beyond regulations (Habisch et al., 2005; 87).

### 1.6.2. CSR IN ASIA

When compared to its North American and European counterparts, Asian companies have fewer written policies for CSR (Welford, 2005; 40). However, this is not to say that companies are not behaving as responsible as in Europe or North America, but instead, there is a different corporate culture that shapes Asian business world.

In recent years, China has been performing a distinct economical growth and the country becomes a huge factory making productions for all over the world. Therefore, how Chinese companies and the multinational companies functioning in China seems to be very important. In China, companies' CSR practices typically broken down into several dimensions: community outreach -the actions that companies take to improve the standard of living for those living in the communities in which they operate-, environmental health and safety (EHS), and environmental protection (The US-China Business Council, 2006; 1). However Chinese firms do not seem to have many practices and a deep philosophy for CSR. Instead, they are increasingly liberated from welfare functions and allowed to get down to the simple business of showing a profit. Many industries have been highly polluting and have offered rock-bottom wages and minimal health and safety standards to non-unionized rural migrants (Young, 2002). Especially, environmental management have been taking attention in China and many parties such as investors, customers, global institutions all have been pressuring China to regulate corporate environmental

behavior (<http://www.csr-asia.com/upload/environmentalreporting.pdf>, retrieved on 01.07.2008).

Besides China, India is another powerful economy in Asia. Indian companies have been conducting socially responsible practices as a tradition. In fact, in India, as government become inefficient in meeting basic infrastructure and social needs of society, companies feel obliged to do philanthropic activities in order to operate in a strong economy (Raynard et al., 2002; 31-31). Philanthropy and sense of ethics have been drivers of CSR in India for years (Gupta, 2007; 638) and the expectations of the public has grown enormously with demands focusing on poverty alleviation, dealing with unemployment, fighting inequality or forcing companies to take affirmative action (Quigley, 2006; 1).

Among Asian countries, by its numerous multinationals, Japan seems to be more closed to Western businesses. However, Wokutch et al. (1999; 529) argued that Japan shows distinct characteristics in the field of CSR compared to West. According to this study, Japanese firms could be viewed as highly responsible or highly irresponsible depending on which CSR domain is taken as a base. For instance, Japanese firms have good reputations in quality management techniques, lifetime employment practices, extensive employee benefits, workplace safety and health promotion activities, local community activities and other philanthropic endeavors. On the other hand, they are criticized because of high discrimination towards minority groups such as women, indigenous Ainu, the Burakamin, ethnic Koreans, and other foreigners as well. Additionally, within Japanese firms there exist privileged workers and regular workers towards whom managers behave differently (Wokutch; 1999, 530). Nevertheless, it should be noted that there is a rapid change in the field of CSR, and in Japan it is possible to observe a little bit different CSR picture today. In fact, CSR practices in Japan are perceived to be similar to UK's (Chambers et al., 2003; 21).

### 1.6.3. CSR IN OTHER REGIONS

The system of nations' economies becomes very similar to each other by globalization and in particular, strong economies influence the developing ones. In the CSR field, this analogy is also perceived. However, cultural roots still plays a significant role for companies' CSR philosophies in different national cultures as discussed in the Japan or Netherland cases above. So it would be beneficial to examine some more examples. For instance, basing its root to a socialist government style, Russia shows predictable differences in CSR than Europe and USA. Business and society interaction in Russia took its recent phase by the beginning of 21<sup>th</sup> century by the country's progress toward political and economic stability, output growth and by Russian companies' increased international operations. It was 2002 when the first non-financial reports appeared in Russia, and by 2004 the country experienced a turning point in favor of CSR (The Global Compact, 2007; 5).

Being geographically close to USA, where current CSR discussions took its roots, Mexico shows differences that arise from Mexico's history, culture and values. Like India, Mexican firms' attitudes toward CSR come from the cultural possessions such as the belief in the mutual aid, strong trade unions and professional associations that emerged in the 19th and early 20th centuries (Logsdon et al., 2006; 54).

CSR is a hot issue in Latin America too. However, there exist very limited practices by companies of Latin America in the field of CSR. Peinado-Vara (2006; 62) mentioned that factors such as lack of institutional capacity in governments, weaker corporate governance, less favorable business climate, and smaller business scale in Latin world, which also slow down economic growth, constitute handicaps against the development of CSR. Nevertheless, as social investors, various companies attempt to fill certain social gaps which governments could not deal with because of insufficient resources for social problems (De Oliveira, 2006; 18).

#### 1.6.4. CSR IN TURKEY

As a developing country, Turkey is often influenced by the Western business philosophies which are generally introduced by multinationals that have operations in Turkey. The emergence and the development of CSR as a contemporary management tool become popular in Turkey by those multinationals and the pressure of NGOs and stakeholder groups.

Although CSR has many dimensions including stakeholder relationships, quality management, ethics etc. in Turkey, CSR is generally associated with sponsorships (United Nations Development Program, 2008; 3). This association indicates the limited scope of companies in the field of CSR. In fact, although corporate giving has been the culture of especially big conglomerates in Turkey like Koç and Sabacı Groups, social reporting and other CSR related issues came to the discussion just in recent years.

In a survey conducted by United Nations Development Program (2008; 18), there found an increased interest among media towards CSR. In this survey, the number of CSR related news in five newspapers in Turkey is searched and found that there is a significant increase in CSR news from 2005 (1415 news) to 2006 (2272 news). In fact, this increase could indicate two developments: companies in Turkey might increase their CSR practices or Turkish media might become more responsive to CSR related issues. In either case, it could be inferred that, more or less, Turkish market is changing in favor of CSR.

Not only the newspapers are interested with CSR, but instead other media has also started to discuss the issue. Capital magazine, one of the most important business related magazines in Turkey, has been releasing CSR researches for two years. The survey of Capital magazine in 2006 revealed the expectations of Turkish people from companies in name of CSR (Büyük, 2006; 72), and those expectations are presented in the following table.

Table 1.2.: Social Responsibility Issues of Top Priority by Turkish People

2004		2005	
Social Issues	% of Top Priority	Social Issues	% of Top Priority
1 Education	29.9	Education	34.8
2 Health Services	20.7	Health Services	18.4
3 Environmental Protection	11.9	Environmental Protection	14.5
4 Philanthropy	9.1	Philanthropy	5.8
5 Employee Consideration	7.2	Human Rights Practices	5.0
6 Human Rights Practices	4.7	Employee Consideration	4.2
7 Art and Culture	4.2	Art and Culture	3.9
8 Supporting Sport	3.8	Supporting NGOs	3.2
9 Supporting NGOs	3.2	Business Ethics	2.7
10 Business Ethics	3.1	Supporting Sport	2.0

(Source: Büyük, 2006; 72)

From this table, it could be argued that Turkish people expect companies to be involved social development. Society firstly expects companies to support education and health related services which can be argued to be currently very important problem areas of Turkey. In fact, this is not a special case for Turkey. Many developing nations commonly expect firms to support the social issues in which governments are insufficient.

In 2007, Capital conducted another CSR survey in Turkey, but this time a ranking of Turkish companies was made by using AccountAbility Rating Index as a criteria. Although this index employs four domains in the world ranking, in Turkey based on the companies' web sites information three of them were used: strategy, management systems and stakeholder involvement (Bayıksel, 2007; 88). Strategy domain examines if the company states any social or environmental goals. Management systems question whether top managers take all the stakeholders into consideration while making corporate policies and whether there is transparency



related to both practices and decisions. Lastly, stakeholder involvement examines the communication and engagement level of companies and their stakeholders (Bayıksel. 2007; 90). The 50 businesses that were in the top places in Capital 500 were taken into consideration and among them, the first five ranking according to accountability standards were in this order: Aksa Akrilik, Aygaz, Arçelik, Tofaş and Coca-Cola. All of those companies seem to have good CSR practices when compared with other companies in Turkey. However, there would be a problem with this survey. Information gathered from the web-sites of firms might not reflect the exact practices of firms. As there are no standard for social reporting and no social reporting culture among Turkish companies, this ranking might underestimate social effects of some companies whereas overestimate some others.

In fact, Turkish market is very questionable for CSR. In Turkey, generally, CSR is associated with corporate giving and the one who donates more seems to be the one who is most socially responsible. Besides, considerable amount of corporate donations in Turkey mainly depends on the personal relations with public authorities and strong business leaders. For instance, it is not unusual in Turkey for a politician to ask one of the company owners to build a new school in an undeveloped region. That is, some philanthropic practices of firms are based on requests of a familiar politician or a bureaucrat.

Besides, many companies now engage philanthropic activities for marketing purposes and try to create a company image that refers being a socially responsive company. For example, Eczacıbaşı recently carried out a marketing campaign in name of social responsibility project. The company delivered five thousand condoms free of charge in one of the popular beaches of Marmaris (<http://www.radikal.com.tr/Default.aspx?aType=Detay&ArticleID=890395&Date=27.07.2008&CategoryID=79>, retrieved on 27.07.2008). First of all, by this campaign, the company employed a very traditional way of promotion and delivered free samples of its product to reach its potential and existing customers. Additionally, the company chose to deliver those samples in a highly visible manner. It would not be hard to predict that delivering condoms in a crowded beach where many journalists exist throughout the summer season would take attention of media, particularly in a

country like Turkey which has still taboos related to sexuality. This is to say, this campaign, which was named as a social responsibility campaign by the company because the product has slightly related to a social issue seems not to be more than a promotion effort. Actually, there are also very good practices of CSR in Turkey too, but the problem is that, all kinds of giving is reflected as social responsibility in Turkey and the integrated approach of CSR to business operation is undermined.

On the other hand, it is possible to claim that CSR is at a rise in Turkey too. Both some international organizations and Turkish institutions work for increasing awareness and practices of socially responsible behavior of companies in Turkey. For instance Capital Markets Board (CMB) of Turkey launched Corporate Governance Principles in June 2003. Besides regulating companies' relationships with shareholders, those principles also guide companies regarding stakeholder relations, transparency and disclosure (Capital Markets Board of Turkey, 2003; 8). A corporate governance index in ISE (Istanbul Stock Exchange) was formed based on the CMB's governance principles rankings and by 2007, this index started to be evaluated within ISE ([http://www.imkb.gov.tr/endeksler/kurumsal\\_yonetim.htm](http://www.imkb.gov.tr/endeksler/kurumsal_yonetim.htm), retrieved on 10.08.2008). An increasing number of companies such as Vestel, Doğan Group, and Tofaş now provide information about CMB's Corporate Governance Principles accordance within their annual reports. Although change in favor of CSR is slow in Turkey, certain international formations also support this change. For instance, CSR Turkey, which is an independent NGO formed by academics, businesses and other civil society organizations aiming to promote the ideas of CSR, has been awarded an EU grant for a project that aims arranging and accelerating CSR practices across the Turkey ([http://www.csreurope.org/news.php?type=csr\\_europe&action=show\\_news&news\\_id=1559](http://www.csreurope.org/news.php?type=csr_europe&action=show_news&news_id=1559), retrieved on 09.08.2008). Besides, UNDP (United Nations Development Program) and CSR Turkey has jointly published a report to discuss CSR's place in Turkey in a detailed manner. Consequently, it seems like that Turkey, being at the very start of its CSR journey, is experiencing changes towards a more socially responsible business world.

## 1.7. REVIEW OF THE FIRST CHAPTER

This first chapter of the study aimed to form a general framework for the discussions on CSR. To do so, changes in the marketing field that gave rise to CSR have been presented primarily. After that, CSR as a phenomenon has been discussed by providing theoretical underpinnings behind CSR and by defining various approaches developed to understand the concept in a deeper way. Besides the changes in marketing philosophies, several other factors affected the emergency of CSR, and among those factors the distinct and more influential ones have been defined. After searching for the answers of what CSR is and what cause CSR to rise as an important phenomenon, two more questions have been intended to be answered: what is the historical development of CSR and where does it stand now throughout the world? In doing so, drawing a holistic picture of CSR has been completed. Consequently, this chapter argued that certain developments in the business and civil world have brought CSR as a major managerial philosophy, and there is an increasing focus towards CSR. Besides, CSR practices are realized differently in different circumstances; particularly national cultures and business environments shape CSR policies of firms for the relevant state.

## **CHAPTER 2**

### **THE EXTENT OF CSR AND ITS EFFECTS**

#### **2. BROAD EVALUATION OF CSR CONCEPT**

What does CSR cover? How should firms approach CSR and what they should take into consideration while developing CSR policies? How stakeholders relate to CSR and what could be expected from CSR practices? The answers of those questions are needed to be answered in order to have a deeper understanding of CSR. CSR as a concept and theories of it have been already discussed in the first chapter, so in here, CSR is going to be discussed by its various dimensions and from different perspectives. In this chapter, social role of businesses and CSR's role in businesses and in society are going to be explained in detail.

##### **2.1 DIMENSIONS OF CSR**

As explained in the previous chapter, CSR can be defined in various ways and there are different viewpoints on it. Therefore, there is no simple and standardized way of discussing its dimensions. But for simplicity, evaluating CSR practices into two different but related terms will be beneficial. CSR can be considered either as a business process or as a way of marketing. The former assumes that companies engage CSR practices within their business processes and it is a part of the organizational culture. On the other side, certain firms use CSR practices only as a marketing tool. In fact, Pirsch et al. (2007, 126) have made a similar distinction, and they argued that CSR can be "institutional" or "promotional". According to Pirsch's study, institutionalized CSR programs are the ones that aim to

provide a comprehensive approach to CSR that touch all aspects of a company where the company attempts to fulfill its social obligations across all the stakeholder groups, whereas promotional CSR programs focus on CSR initiatives primarily as a tool to generate and increase sales. Here, it could be inferred that, institutional practices are results of a mentality where CSR is perceived as a business process and promotional practices are a consequence of an approach to CSR, where it is perceived as a marketing tool.

### 2.1.1. CSR AS A MARKETING TOOL

There are numerous studies in the marketing literature that demonstrate the relationship between certain dimensions of CSR and marketing performance. For instance, Brown et al. (1997) conducted a research on CSR and product evaluation relationship; Sen & Bhattacharya (2001) measured CSR initiatives' effect on consumers' evaluation of a company; Pivato et al. (2008) studied CSR's effect on consumers' trust on products. These are some examples of research, and many of them have found a positive relationship between CSR and consumer attitudes. Many firms also trust this positive linkage and use CSR practices as a way marketing effort. In other words, as Pirsch et al. (2007, 126) put it, these firms employ promotional CSR.

Marketing managers can use CSR practices in various forms. Kotler et al. (2006; 23-25) presents six ways of corporate social initiatives. These are corporate cause promotion, cause-related marketing, corporate social marketing, corporate philanthropy, community volunteering, and socially responsible business practices. In the third chapter of this study, these initiatives are going to be discussed in a detailed way and with examples. The essential part of Kotler's argument is that, in his book, he approaches CSR from the marketing standpoint and presents CSR as a tool of promotion and as a business case. Although it doesn't seem to be easy to make a distinction among firms based on their intent of CSR practices, analyzing the

firm as a whole will give an idea about whether the firm employs CSR practices only for strategic concerns or really adopts a CSR culture.

### 2.1.2. CSR AS A BUSINESS PROCESS

There are several tools of demonstrating that a company is socially responsible like donating money to charities or supporting volunteer projects as Kotler et al. (2006; 23-25) discussed. They are all good things to do for both companies and society but one of the main arguments of this study is that CSR is more than giving money. For instance, consider this imaginary case: Firm X produces batteries and in order to be more environmentally friendly, top-managers of that firm decided to invest a huge capital for research of a new kind of battery which will be a greener product. Besides, the firm supports a project that belongs to Greenpeace. Up to now, the firm X seems to be socially responsible but what if news releases that one of the employees of that firm has died at work because of lack of precautions against chemicals used in batteries at factory. Does it still sound like the firm X has responsible practices? The point in here is, there are various stakeholders and therefore firms have different responsibilities towards these groups. Firms' responsibilities start from at the very beginning of production decision to selling final products and following the impacts of its products on society and environment. Through this whole business process, firms have relations with various stakeholders groups. The map below presents the components of CSR and stakeholders of a firm (Raynard at al.; 2002; 6). Although not indicated in there, shareholders, NGOs and community at large are also main stakeholders of firms.

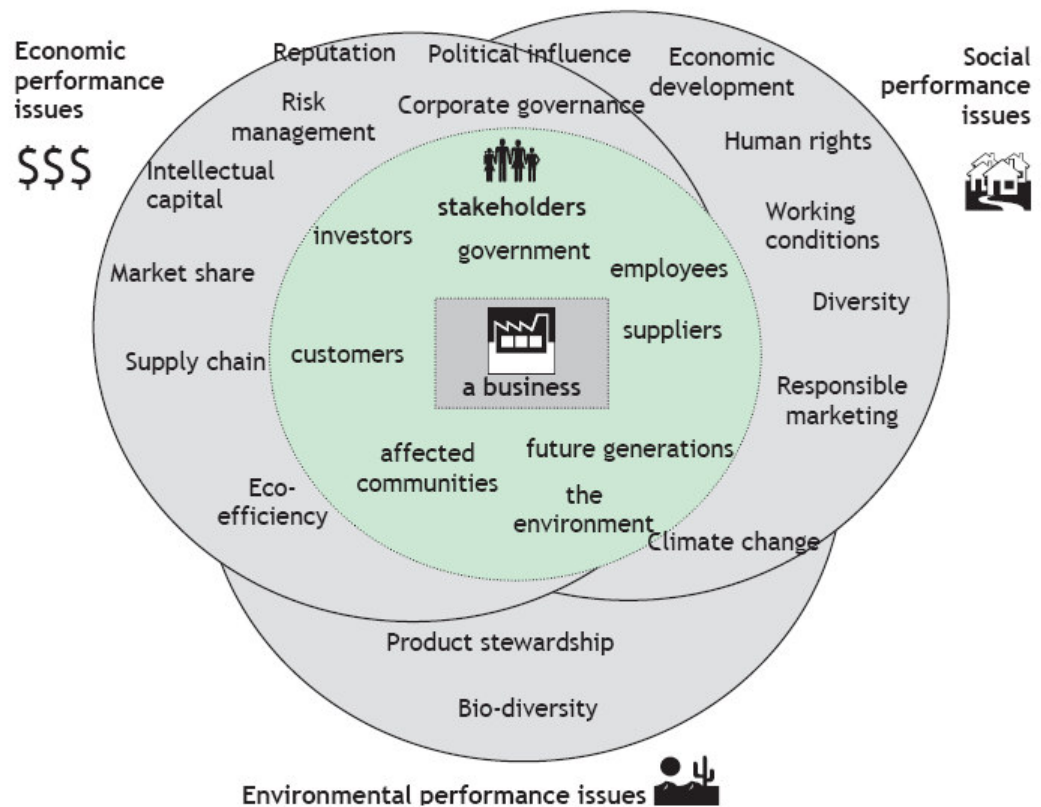


Figure 2.1.: CSR Map

(Source: Raynard et al., 2002; 6)

In the following parts, firms' responsibilities towards each stakeholder group are going to be explained broadly. But, before discussing it, CSR should be analyzed in a deeper way within the business process. EUROCADRES (The Council of European Professional and Managerial Staff) has published a model for responsible management called "Responsible Management Model" (EUROCADRES, 2001). Within this framework, the organization concentrates on four pillars of responsible management as Value Based Management, Stakeholder Engagement, The Company as a Place of Personal Development, and Accountability (EUROCADRES, 2001; 12). This examination of CSR seems to be quite strong but it could be broadened.

Let's consider CSR as the upper surface of a table. In order to be a table, this surface needs four legs. This is to say, there should be four legs (namely, supporting

facts) for CSR to be practiced in a firm completely. These legs are organizational culture which includes values hold by the firm, stakeholder engagement, business systems, and accountability all of which can be called underpinnings of CSR.

### 2.1.3. UNDERPINNINGS OF CSR

It has been discussed that it would be misleading to view CSR as only donating to a charity or having societal marketing practices. Besides, having CSR culture or accountability by its own does not present a holistic standpoint for CSR too. Instead, all of the four points presented below need to be found in a company to claim that this company is socially responsible.

#### 2.1.3.1. VALUE-BASED MANAGEMENT

In its core, CSR is strictly related to the values firms hold. In general, a firm's value system is basically shaped by the values of its founders. In time, by institutionalization, firms have become to have their own set of principles, rules, moral attitudes which all form their value systems. This is to say, institutions have also value systems just like people that are both related with and apart from personal values. Kreitner et al. (2004, 189) defines personal value system as "*enduring organization of beliefs concerning preferable modes of conduct or end-states of existence along a continuum of relative importance.*" Exactly the same definition can be considered for organizational value systems with a small difference. Organizational value system is shaped by various diverse parties including stakeholders, top-executives, owners, and society at whole. Combined effect of all those parties forms the value system for the organization.



There are certain tools that can be used for the evaluation of the value system of a firm. In fact, firms demonstrate themselves by explaining their mission statements, values, principles, or codes of conducts. Names can be different; for instance, Johnson & Johnson has been communicating their values and beliefs for 60 years with one paged document named “Our Credo” ([http://www.pg.com/company/who\\_we\\_are/ppv.jhtml](http://www.pg.com/company/who_we_are/ppv.jhtml), retrieved on 03.03.2007). In this document, the firm clearly indicates how they establish their relations with various stakeholders like customers, employees, community at large and stockholders. Although those statements have important roles as forming maps for firms during business practices, they can be meaningless without actual performance. This is to say, firms should not only write down their values related to business and human practices, but instead they should follow them in order to create a background for CSR practices.

#### 2.1.3.2. STAKEHOLDER ENGAGEMENT

One of the most frequently used concepts to create a way through understanding CSR is stakeholder management. Actually, throughout this study, the relationship between firms and stakeholders is emphasized in every chapter. Firms have three main roles with stakeholder management: generating information, disseminating information and responsiveness (Maignan et al., 2004; 11). They gather information about stakeholder issues, and disseminate required points with related stakeholder groups and in the light of this information sharing process they response to the stakeholder issues that should be improved. Managing stakeholder engagement is going to be discussed in the following sections.

### 2.1.3.3. BUSINESS SYSTEMS

CSR cannot be viewed as a disconnected initiative from business infrastructure. Firms can implement CSR practices as far as their business systems allows them to do so. For instance, to what extent a firm can be perceived socially responsible if it uses resources for production inefficiently and in a wrong manner? To what extent a firm can be viewed as socially responsible if it measures the performance of its sales people only by accounting the amount of sales they achieve but not controlling and monitoring the ways those people follow to sell the products? This third fact questions whether there are sufficiently well-managed systems in firms that will support CSR or not.

Similar to values and stakeholder engagement, conducting the business in an appropriate manner is required in order to be able to discuss social responsibility. It is important to comprehend “the appropriate manner” of conducting business. This is to say, firms need to be aware of certain issues such as environmental and social considerations as part of normal purchasing practices, efficiency and throughput reduction, product safety and performance, focus on renewable products and etc. (Rocha et al., 2007; 89-90). In fact, CSR has strong relations with quality management (McAdam et al., 2003; 36) which includes all of those above. Total Quality Management (TQM), widely accepted philosophy of today’s world, in its core has many similarities with sustainable development that is one of the strongest points within CSR, and McAdam et al. (2003; 36) argues that TQM is seen as a foundation and catalyst for effective CSR in organizations. According to these authors’ view (2003; 44) CSR’s advancement is going to improve more rapidly if CSR can be incorporated with the existing TQM models, methodologies and change programs in organizations. Actually, facets of TQM form a basement for a good CSR program. Those facets such as understanding customer and setting standards based on customer requirements, controlling and improving processes, quality system establishments, setting quality policies and motivating employees to achieve quality and empowerment of employees within the organization (Dotchin et al., 1992; 141)

are all very essential to be an organization that is capable of forming the favorable atmosphere for CSR to rise and improve.

Besides quality management, CSR requires a business system where organizational change and learning are possible. CSR signifies change in traditional way of doing business, and that's why openness to development is crucial. As EUROCADRES (2001; 17) indicated, company as a place of personal development and lifelong learning can bring success for CSR, and there should be search, variation, risk-taking, flexibility, innovation etc. in order to have lifelong learning for a company.

To sum up, it is possible to present various other trends in businesses but the point that should be emphasized is that, CSR cannot be implemented by its own. From the very beginning, firms have been changing and today, CSR is so widely discussed because evolution in business world brings today's CSR concept into the field. Quality management –and today's one of the most appropriate quality philosophy, TQM- and lifelong learning are particularly important assets of firms that enables them to create a CSR culture.

#### 2.1.3.4. ACCOUNTABILITY

The last leg of CSR table is accountability. The three legs mentioned above are essential to be a CSR driven company but for continuity of CSR, firms need to be transparent and accountable. Accountability means as a company being able to demonstrate and discuss how responsible the company has acted. So, reports of firms' activities need to be beyond financial information. Social accountability is possible by considering Triple Bottom Line (TBL) Principle as a basement for reporting. According to TBL Principle, firms' performances should be measured based on economic, environmental and social dimensions (Schafer, 2005; 108). Within the last years, developing international standards for CSR and its reporting

have been speeding up. SA8000, GRI and AA1000 take the highest attention among the others. Besides, ISO is developing ISO 26000 to be a guideline for CSR practices. All of those guidelines and standards can be used as a reference point for CSR reporting.

Although there is not one criteria set to evaluate a company's CSR performance, CSR reporting has still importance because it can enable managers to examine their performance besides the remaining stakeholders. Reports can be assumed to have a role as controlling and improvement tools for companies to analyze their social impacts.

#### 2.1.4. COMPONENTS OF CSR

CSR is a profound issue which covers extensive spectrum of facts. Figure 2.1. in the previous section has already presented some components of CSR such as diversity management, human rights, and ecological production. Although there are many attempts within the literature of CSR to identify the components of CSR, none of them can provide a detailed explanation of them as strongly as defined in the international guidelines, standards and indexes. Below, major international initiatives and their views on CSR components are presented.

*Global Reporting Initiative (GRI):* GRI standards are serving as a framework for reporting on an organization's economic, environmental, and social performance. Although economic performance is also a responsibility of a firm, environmental and social standards discussed within the GRI standards are more valuable in order to determine the components of CSR in here such as human rights, working conditions, equality & diversity, consumer protection, environment and health impact, economic development, ethical business practices, and lobbying and political influence (Swift

et al., 2002; 9). In fact within those three main performance criteria, GRI focuses on six headings: *economic* (economic performance; market presence; and indirect economic impacts), *environment* (materials; energy; water; biodiversity; emissions, effluents, and waste; products and services; compliance; transport; and overall), *human rights* (investment and procurement practices; non-discrimination; freedom of association and collective bargaining; abolition of child labor; prevention of forced and compulsory labor; complaints and grievance practices; security practices; and indigenous rights), *labor practices decent work*, (employment; labor/management relations; occupational health and safety; training and education; and diversity and equal opportunity), *product responsibility* (customer health and safety; product and service labeling; marketing communications; customer privacy; and compliance) and *society* (community; corruption; public policy; anti-competitive behavior; and compliance) (GRI, 2001; 25-36). In fact, GRI has a wide performance scope as can be inferred from the discussions above.

*European Commission:* In order to draw the limits of CSR, EU attempts to divide the dimensions of CSR into two parts: internal and external dimensions. Within the former one, human resource management, health and safety at work, adaptation to change, and management of environmental impacts and natural resources can be counted. The latter one includes responsibilities towards local communities, business partners, suppliers and customers, human rights, and global environmental concerns (European Commission, 2001; 9-12).

*KLD SOCRATES Database of CSR:* This is one of the widely regarded research databases to evaluate over 3000 corporations' CSR practices. Within this database, seven main dimensions are employed to evaluate a firm's CSR practices. These seven categories include community involvement, corporate governance, employee diversity, overall employee relations, environmental policies, human rights positions, and product evaluation (Pirsch et al, 2007; 128).

*Social Accountability 8000:* SA8000 standard is mainly based on ILO convention (Hopkins, 2003; 144). It emphasizes nine issues that are viewed as requirements for social accountability: Child labor; forced labor; health and safety; freedom of

association & right to collective bargaining; discrimination disciplinary practices; working hours; remuneration; and management systems (SAI, 2001; 5-7).

*Dow Jones Sustainability Index (DJSI)*: DJSI is one the most respected company ranking index according to companies' CSR performances. For ranking, DJSI employs three different set of criteria just like GRI: economical (concerning organizational structure, planning processes and governance of a company, and adaptation to the changing demands, sustainability trends and macro-economic driving forces), environmental (environmental management and performance of a company; reducing and avoiding environmental pollution while, at the same time, benefiting from the new developments and technologies aimed at reducing resource use and environmental impacts) and social (employee relations, labor practices, stakeholder, community relations; dealing with human rights issues) criteria (Hopkins, 2003; 156).

*FTSE4GOOD Index*: FTSE4Good Index provides a highly accepted measurement of companies based on certain corporate responsibility standards. Similar to DJSI, FTSE4Good could also be used by investors while giving investment decisions. This index covers five main inclusion criteria: environmental criteria (working towards environmental sustainability), social & stakeholder criteria (developing positive relationships with their stakeholders), human rights criteria (supporting universal human rights), supply chains labor standards criteria, and countering bribery criteria (FTSE4Good, 2006; 1).

Table 2.1.: Components of CSR

CSR Domain	CSR Component	Examples of References
<b>Economic</b>	Economic Performance	GRI
	Market Presence	GRI
	Indirect Economic Impacts	GRI
	Corporate Governance, Management Systems	KLD SOKRATES, SA 8000, DJSI
<b>Environmental</b>	Protection of Natural Resources, Efficient Material Usage	European Commission, KLD SOKRATES, DJSI
	Environmental Management	DJSI, GRI, European Commission, FTSE4Good
	Biodiversity	GRI
<b>Social</b>	Human Rights (Diversity, Child and Forced Labor)	European Commission, KLD SOKRATES, SA 8000, GRI, DJSI, FTSE4Good
	Working Conditions Health and Safety at Work	European Commission, SA 8000, GRI
	Freedom of Association and Right to Bargaining	SA 8000, GRI
	Employee Relations (Training and Education, Labor/Management Relations etc.)	DJSI, SA 8000, GRI, KLD SOKRATES
	Responsibilities Towards local Communities, Community Involvement	European Commission, KLD SOKRATES, DSJI, GRI
	Product Responsibilities (Customer Health and Safety, Product and Service Labeling, Marketing Communications, Customer privacy, and Compliance)	GRI, KLD SOKRATES
	Society (Corruption, Public Policy Anti-competitive behavior)	GRI, FTSE4Good

To sum up, there are numerous components of CSR that should be considered interdependently. For instance, employee relations are not something unrelated with human rights. CSR does not cover only donations or labor green production, but instead, it is an overall approach for all parts of a company. Table 2.1. presents a summary for the components discussed within the explained initiatives, guidelines and indexes. This is a simple summary which covers only the most distinct parts of those initiatives, and provides a general view for those components. In fact, beyond the ones discussed above, academicians increasingly emphasize two components of CSR which are philanthropic activities and ethical management.

#### 2.1.5. RESPONSIBILITIES TOWARDS STAKEHOLDER GROUPS

Although there may be slight differences between the views of authors for examining the identification of stakeholders, a group or an individual can be classified as a stakeholder (1) if there is an independency among this group/individual and the organization, (2) if it is affecting or being affected by the organization and (3) if there is a sense of interest or right in the organization (Merrilees, 2005; 1064). This is to say, the groups and individuals are classified as stakeholders when there is an interaction between these groups (individuals) and organizations. From the stakeholder standpoint, organizations function within a network of relationships with various stakeholders such as corporate shareholders, consumers, employees, business partners, governments, media, local communities and the natural environment (Neville et al., 2005; 1184) and the financial stakeholders as investment bankers, analysts, institutions/fund managers, brokers (Palmer et al., 2005; 1101). Stakeholders have the right to expect a sustainable business to create economic, social, and environmental value for them. According to the stakeholder theory, it is possible to predict and understand the behavior of organizations based on the nature of its diverse stakeholders, the norms defining right or wrong adopted by these stakeholders, and the stakeholders' relative influence on



organizational decisions (Maignan et al., 2004; 5). Namely, stakeholders' expectations in certain areas such as customer service, employee relationships, supplier partnerships, community corporate citizenship, and shareholder investment returns will shape the behavior of organizations. However, not all of the stakeholders have the same power on the behaviors of firms. Clulow (2005; 982) presented a grouping of stakeholders based on two criteria: primary vs. secondary, and social vs. non-social. Table 2.2. shows the stakeholders in each category.

Table 2.2.: Stakeholders' Level of Influence on the Firm and the Nature of Their Influence

<b>Stakeholder category</b>	<b>Stakeholder category representatives</b>
Primary social stakeholders	Shareholders, investors, employees, customers, local communities, suppliers, other business partners
Secondary social stakeholders	Government, regulators, civic institutions, social pressure groups, media and academic commentators, trade bodies, competitors
Primary non-social stakeholders	The natural environment, future generations non-human species
Secondary non-social stakeholders	Environmental pressure groups, animal welfare Organizations

(Source: Clulow, 2005; 982: Adapted from Wheeler and Sillanpää (1997))

A similar grouping of stakeholders was made by Maignan et al. (2005; 959) and they defined stakeholders as primary or secondary. For Maignan et al. (2005; 959) employees, customers, investors, suppliers, and shareholders that provide necessary infrastructure are the primary stakeholders because their existence is a must for business survival whereas media, trade associations, non-governmental organizations, and the other interest groups are the secondary stakeholders as they are not usually engaged in transactions with the focal organization.

In light of these stakeholder grouping and previous emphasizes in the literature, seven important stakeholder groups are analyzed in the following part: shareholders, consumers, employees, government, suppliers, environment, and society at large.

#### 2.1.5.1. SHAREHOLDERS

From the very beginning of the existence of companies, shareholders and investors have been perceived as the most crucial stakeholders of companies. Although, in time, other stakeholders have gained more and more value for companies, shareholders' priority still continues. Companies are expected to generate high returns for their existing and potential shareholders to survive. In fact, as mentioned before, Friedman (1982; 133) argued that the only responsibility of business is to make profit for its shareholders.

Generating high profit does not show that a firm fulfills its responsibilities toward shareholders. Although high profits and dividend payments are essential, many shareholders expect firms to provide long term benefits, and so they expect firms to conduct business in a way that enables firm to survive and extent. Besides, shareholders and investors have the right to get accurate and timely information about the company (Özüpek, 2005; 66). Transparency in accounts is one dimension of it. Investors and shareholders value firms generally by looking at its accounts and annual reports. So, firms are responsible to disclosure every detail that an investor should consider during her decision making process. Besides, like annual reports, future plans of corporations that may affect shareholders' investment decisions should be shared. In addition to it, companies have the responsibility to provide fair opportunity for shareholders to participate managerial decision making of the company.

### 2.1.5.2. CONSUMERS

In the first chapter, changing trends in marketing philosophies were explained. These trends strongly indicate that companies became more and more customer oriented. But, prior to extended practices of consumerism, companies are expected to be aware of their responsibilities towards consumers as providing products and services which consumers need and want, in an efficient, ethical and environmentally-aware manner (European Commission, 2001; 14). Those products should also be safe, fair in quality and in price.

Consumers' basic rights were first regulated by acts from a broad perspective in 1962 by passing The Consumer Bill of Rights from the US Congress and within this acts, six main rights were emphasized for consumers: the right to be safe, the right to be informed, the right to choose, the right to be heard, the right to education, and the right to service. All those rights of consumers are at the same time responsibilities of companies. This is to say, companies have the responsibility to give accurate information about their business and products to consumers, to produce healthy products, to avoid unfair competition like monopoly that could limit consumers' choices. Besides, their responsibilities include offering required services and listening consumers and taking action for these complaints. Complaint management as a main responsibility of businesses can be performed by identification of, and contact with, customer advocates, discussion forums with customers to understand their needs and concerns (Maignan et al., 2004; 11), or providing complaint centers that consumers can easily access.

Furthermore, communication is an important social issue for marketers. Companies are expected to give accurate information within the message they use. Deceiving and misleading communications to consumers are not ethical; so, the firm should avoid performing these practices (Torlak, 2006; 57). Advertisement, as one of the strongest promotion and communication tool, does influence consumers and shape their behaviors. Although, ads are realities of today's competitive business

environment, companies should be aware of its usage. For instance, children are very naïve and they are open to influences carried over by ads. So, companies have the responsibility to think twice while focusing children as a consumer group.

In addition, today most of the firms are gathering information from their customers in order to create a database, and generally they use it as a CRM (Customer Relationship Management) tool. At the same time, as GRI put it too, those firms are responsible from keeping that information secret and protecting them from misuses ([http://www.globalreporting.org/NR/rdonlyres/109C031B-A8FB-4EAD-A6BD-CE262FE72A9C/0/G3\\_IP\\_ProductResponsibility.pdf](http://www.globalreporting.org/NR/rdonlyres/109C031B-A8FB-4EAD-A6BD-CE262FE72A9C/0/G3_IP_ProductResponsibility.pdf), retrieved on 12.04.2008).

#### 2.1.5.3. EMPLOYEES

Different from the relations between a firm and its shareholders, consumers or local society, firm and its employees have had an unapparent relationship up to recent years. Irresponsible practices towards consumers or shareholders are more visible; so, many firms are more careful about these issues. But, in contrast, practices of firms towards employees were not as open to discussion as it was the case for other stakeholders. This is not to say, there were no regulations for employee rights and firms could do whatever they want. But, it was difficult to control employee policies of firms. In fact, ILO has an important role to guide firms about their responsibilities towards employees. International Labor Standards launched by ILO covers many aspects of employee rights such as freedom of association, collective bargaining, and industrial relations, forced labor, elimination of child labor and protection of children and young persons, equality of opportunity and treatment, tripartite consultation, labor administration and inspection, employment policy and promotion, vocational guidance and training, employment security, wages, working time, occupational safety and health, social security and maternity protection (<http://www.ilo.org/ilolex/english/subjectE.htm>, retrieved on 21.12.2007). In fact,

most of the governments adopted these standards as rules and formed laws to protect employees based on this international rules. Besides, many CSR initiatives such as SA8000, OECD Guidelines for Multinational Enterprises, and GRI take ILO standards as employee responsibility criteria. Although regulations like minimum wages or minimum age for working are musts, there should be more concerns on responsibility of firms towards its employees.

One of the most important issues that take attention is generating a workplace to employees where personal development is possible. In fact, recent changes in managerial philosophy such as being learning organizations, or forming employee empowerment support this idea. This fact (i.e. enabling personal development at work) becomes more important in today's business environment where many people spend considerable part of their life time at work. Some possible practices may include job development programs, skills development courses, personal development grants, teamwork and discussion groups, and links with local organizations (EUROCADRES, 2001; 18).

In order to be sufficiently responsive to the needs of employees, management should spend some effort to generate information. Employees have to be given opportunity to explain their ideas and problems. Those information generation can be gathered by discussions with representatives of different categories of personnel, forums of discussion on employee issues (health, stress management, etc.), regular evaluation of employee satisfaction, and collection of data about employee injuries, and absenteeism (Maignan et al., 2004; 11).

Moreover, ethical issues are very critical for employee management. Firms are expected to behave fairly towards their employees. In fact, employees judge social concerns embedded in their organization's actions, the outcomes of that actions, and how individuals both within and outside the organization are treated interpersonally (Aguilera et al., 2007; 840). That is, diversity and equal opportunity are both required to be respectful to human rights and to meet employee expectations. A good responsible practice was carried out by Microsoft. In the past, a policy was established by Microsoft to provide benefits to the same-sex partners

among employees and to openly advocate legislative action in order to increase the span of gay and lesbian rights (Barnett, 2007; 810). Besides women, or racial minority, fair diversity management for all employees seems to be very basic and essential responsibilities of firms towards employees.

#### 2.1.5.4. GOVERNMENT

Existence of governmental power enforces firms to fulfill their responsibilities towards various stakeholder groups. But besides it, firms have also certain responsibilities to governments. First of all, firms are expected to inform government accurately about their practices and pay their taxes without deception. Besides, there are many regulations within laws that firms have to obey including employment policies, consumer protection, and environmental necessities. This is to say, some responsibility about other stakeholder groups are also part of responsibilities toward governments.

Nowadays, the role of businesses within society became very important as a result of their increased sizes of practices. For instance, when a company gives a decision to close a manufacturing factory, this decision directly affects people working in that factory. Downsizing or withdrawal decisions of big firms can create considerable unemployment, and by doing so can influence social policies of governments. This is to say, government actions are closely related with private sector policies. Therefore, firms should consider government's social conditions while making decisions.

#### 2.1.5.5. SUPPLIERS AND COMPETITORS

Firms perform in a business network where they work with various suppliers such as banks, manufacturing firms or advertisement agencies. Many companies are coming under increasing pressure to ensure that their suppliers are meeting their social and environmental responsibilities. For instance, a firm may have strict rules against employing child labor but one of the main suppliers of that firm may use sweatshops. In such a case, the responsibility level of that firm become questionable as in some way it causes the employment of child labor.

A firm can be socially responsible if it could manage all of its activities in a responsible way. Therefore, firms have responsibility to ensure that their suppliers are performing in a socially responsible manner too. In order to ensure that, firms should ask suppliers to be responsive to the codes of conduct and rules regarding legal, environmental, and employment standards, and establish monitoring and assessment mechanisms (external auditing and periodic reporting obligations) for their suppliers. Besides, firm could assist suppliers to form CSR objectives and meet them by providing training programs. (Gaspar, 2003; 17) But while expecting suppliers to be socially responsible, firms should be sure that suppliers are well-informed and given sufficient time before the enforcement of any standard or requirement.

In addition, firms have responsibilities toward their suppliers such as encouraging suppliers in developing countries, encouraging minority suppliers (Maignan et al., 2005; 961), listening and accounting the problems of their suppliers, and working together to overcome the problems. Besides, in some cases, suppliers' business practices may depend on one or a few big firm. This is generally noticed in the overseas operations of transnational firms. In such a case (i.e. when the firm is powerful and the supplier significantly depends on that firm), the firm should avoid unfair practices in prices of the supplied materials.

Besides suppliers, competitors are another party that forms the business networks of firms. Market conditions and trends within industries strongly influence the relationship between firms and their competitors. Firms need to be aware of their responsibilities towards competitors while trying to increase market shares. Avoiding unfair competition and deception, not committing back-door price agreements, not following unethical policies that could prevent other firms to operate in the market and etc. can be counted as responsibilities of firms towards their competitors (Torlak, 2006; 58). In general, there exist legal restrictions for competition. For instance, in Turkey, it is legally prohibited to use competitor's brand in the advertisements or to determine the prices and supply amount of products outside of the market. All those competition based regulations are determined and controlled by Competition Board (<http://www.rekabet.gov.tr/index.php?Sayfa=sayfaicerik&icId=74>, retrieved on 03.10.2007).

#### 2.1.5.6. ENVIRONMENT

Global warming, extinction of numerous animals and plants, overuse and extinction of natural resources, and other changes that the world is experiencing today have increased the discussions on CSR towards environment as a major stakeholder. Environmental deterioration is not the liability of only the firms; but firms have the major blame on this deterioration. Therefore, governments and international organizations are increasing the number and the extent of regulations day by day, and as a result many firms have accepted greater responsibility for the environmental impacts of what they produce, purchase, and sell. Today, firms are expected to involve the more efficient use of resources, particularly energy, or the creation of new products that are environmentally friendly (Vogel, 2006; 110), to minimize emissions and waste, to minimize adverse environmental impacts of products and services (Maignan et al., 2005; 961), to care biodiversity and to work



for greener technologies (OECD, 2001; 7) as their social responsibilities towards environment.

In fact, more objective criteria can be used for environment dimension of CSR. For instance, GRI offers to evaluate environmental effects of firms by evaluating the firm based on several criteria such as materials used by weight or volume, percentage of materials used that are recycled input materials, direct energy consumption by primary energy source, total water withdrawal by source, total direct and indirect greenhouse gas emissions by weight, total direct and indirect greenhouse gas emissions by weight, location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, and percentage of products sold and their packaging materials that are reclaimed by category ([http://www.globalreporting.org/NR/rdonlyres/F9BECDB8-95BE-4636-9F63-F8D9121900D4/0/G3\\_IP\\_Environment.pdf](http://www.globalreporting.org/NR/rdonlyres/F9BECDB8-95BE-4636-9F63-F8D9121900D4/0/G3_IP_Environment.pdf), retrieved on 12.04.2008).

#### 2.1.5.7. SOCIETY

Businesses do not operate independently from society, but instead, they could only grow and expand by hand in hand with society. The principal stakeholders in the field of "society" consist of local communities, civil society and the global community (Keizai Doyukai, 2003; 20). Local community serves firms by providing various required factors of productions. This is to say, firms use resources of the society, so they have the responsibility to pay back for those resources.

Actually, philanthropic activities such as donations, sponsorships, or support for causes are not as strongly expected as other responsibilities such as obeying laws or behaving ethically. However, day after day, both governments and society ask firms more to work for social problems in areas such as education, health services, or sport.

In addition, one of the responsibilities of firms to society is to respect cultural values, norms and beliefs. Firms should conduct their businesses considering all those intangible assets of community (Özüpek, 2005; 62). In addition, firms have impact on economic well-being of the local community they operate. Generating raw materials from the local suppliers and providing employment are expected from firms by society. Besides, firms need to establish proper relations with politics and government and they are expected to actively disclose information concerning the process and results of their social programs by sustainability reports (Keizai Doyukai, 2003; 26).

## 2.2. CONCEPTS CLOSELY RELATED TO CSR

CSR is a broad concept and there are many other expressions exist in the literature of CSR that describe some part of it or used in lieu of CSR. It is a known fact that, concepts could find a widely accepted common meaning in time, but for now, it is important to be aware of slight differences between various concepts such as Corporate Social Performance, Philanthropy, Corporate Citizenship or Business Ethics and CSR. Those concepts did not appear in the literature at the same time. As Figure 2.2. shows, business ethics forms the base point for the discussions related to CSR.

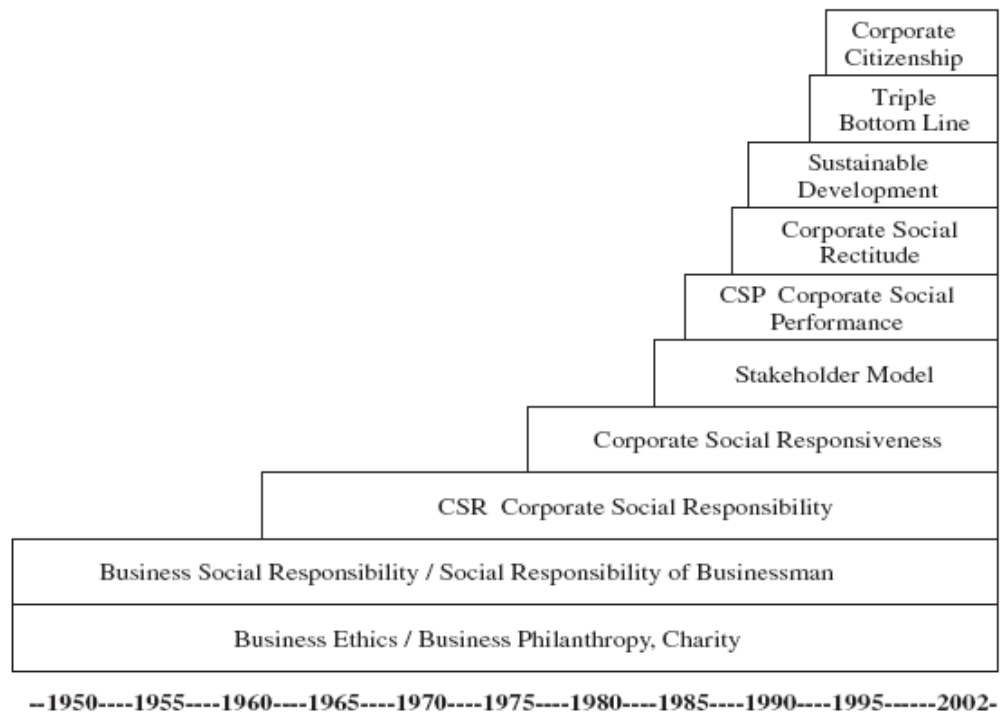


Figure 2.2.: Development in CSR-Related Concepts

(Source: Mohan, 2003; 74)

Among numerous concepts, in this part of the study, frequently mentioned CSR related concepts are going to be explained briefly.

### 2.2.1. CORPORATE SOCIAL PERFORMANCE

In the literature, corporate social performance (CSP) and CSR are frequently used interchangeably because they indicate the same phenomenon. However, CSR is more related with the philosophical and practical side of firms' responsibilities whereas CSP also covers outputs of those practices. Wood (1991; 693) defined CSP as: "A business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships". This definition also emphasizes

observable outcomes consideration. Schuler et al. (2006; 544) dealt with three elements of CSP: social outcomes, market and social behaviors, and voluntary behaviors. The last two elements are in fact elements of CSR too. But, the main difference in here is social outcomes. Moreover, CSP can also be described as a summary of the firm's aggregate social attitude at a particular point in time. So, it is a snapshot of a firm's overall social performance (Barnett, 2007; 797) whereas CSR describes long-term posture of a firm.

Although it seems like CSR and CSP go hand in hand, this does not have to be the case all the time. A firm may be aware of its responsibilities and may commit philanthropic activities or respect human rights etc. However, it is also possible for that firm to fail and have negative CSP reputation. For instance, in the previous sections (i.e. responsibilities towards employees) Microsoft was given as an example for a responsible company –the firm had some support for the rights of homosexuals. However, this attitude of Microsoft also took reaction from conservative groups in society. As a result of boycotts of those groups, Microsoft had to end its support to an antidiscrimination bill related to homosexuals (Barnett, 2007; 810). That is, outcomes can be different from intended objectives.

### 2.2.2. CORPORATE CITIZENSHIP

In a broader sense, corporate citizenship (CC) is viewed as a way of management in which the company has concerns about its influence on and relationships with society and the company has its own rights and duties (Marsden, 2000; 11). CC is used similarly to CSR but CC is preferred more by business practitioners than academicians (Matten et al., 2003; 2). Companies claim that they are corporate citizens in order to indicate that they are integrated with society, be part of it and are aware of their duties. In the literature, CC and CSR are used interchangeably. For instance, Maignan et al (2001; 459) used the term CC instead of CSR with the same meaning in which they take CSP and stakeholder management

frameworks as bases for definition. Besides, Waddock (2006; 9) argued that CC and CSR are totally the same.

Beyond defining CC as “corporation being a citizen itself”, Matten et al. (2003; 17) used CC to describe the role of the corporation in administering citizenship rights for individuals. This is to say, they argued that corporations have taken over considerable responsibility for administration of citizen rights (i.e. civil, social, political rights) from governments. This point has some right because companies become so powerful on societies that expectations from them are continuously increasing.

### 2.2.3. BUSINESS ETHICS

Business ethics covers all of the issues, concerns and dilemmas about ethics within companies. Similar to ethical concerns of people, employees and managers working for a company continuously come up with situations where they have to make distinctions between right and wrong behavior and are expected to do the right behavior. In fact, behaving ethical is one of the major components of CSR as responsibilities are closely related to ethical expectations. For instance, giving accurate information about a company’s product is both an ethical expectation and a basic responsibility of the company. According to Andrews (2005; 71), business ethics have three main objectives: developing managers to be ethical people, creating working atmosphere where standards and values have a central role in business just like economic objectives, and generating and implementing policies that support ethical performance. These can also be counted as objectives of a whole CSR strategy.

In a small enterprise, it would be easy to form and control an ethical working environment if the owners have such an ethical consideration. However, especially for bigger organizations, special consideration should be shown to ethics. Gellerman

(2005; 56) provides some suggestions for companies for ethics management. Those suggestions cover points such as defining clear ethical principles for employees, emphasizing that being loyal to company does not necessitate being unethical, teaching managers not conducting those activities for which they feel ethical dilemmas, hiring company auditors who can unveil potential mal-intended behaviors, and increasing the frequency of uninformed controls and giving punishments immediately for the actions that are bad for ethicality.

#### 2.2.4. CORPORATE ACCOUNTABILITY

Corporate accountability indicates that corporate actions should be controlled by society (i.e. stakeholders) as well as by shareholders (Valor, 2005; 197). This is to say, managers of companies should explain their activities and the results of those activities to stakeholders. So, corporate accountability requires common thinking of companies' effects on society by both company itself and by society at large. Slightly different from CSR, corporate accountability highlights issues of legitimacy and governance more; including the question who decides and who speaks for whom. Besides, reporting, monitoring, auditing, and certification are more important for a firm to be perceived accountable than to be perceived responsible (Utting, 2005; 386).

Companies that are not so responsive to social problems or that have irresponsible attitudes towards various stakeholders would not be willing to demonstrate themselves to society. Feeling the need to be accountable and feeling responsibility, in fact, are results of the same managerial perspective, and that explains why those concepts are so inter-related.

### 2.2.5. SOCIAL REPORTING

Social reporting is a different form of corporate reporting which covers topics of CSR such as staff issues, community economic developments and stakeholder involvement, and can include voluntarism and environmental performance (Hopkins, 2003; 11). Social reports enable companies to exhibit their social performance and investors and enable society to analyze the company from CSR perspective. That is, social report is a document that communicates the findings of a social impact assessment to society at large (European Commission, 2001; 28).

By social reporting companies aim to reach two goals: organizational transparency (the "right to know") and stakeholder engagement (Hess, 2007; 455). Those are also the goals of CSR programs. So, social reporting serves companies to practice their CSR programs more efficiently. Besides, social reporting is a must for a company to be accountable for society.

### 2.2.6. CODES OF CONDUCT

Codes of conduct are formal statements of the values, principles and business practices of a company (European Commission, 2001; 27). By codes of conduct, companies establish their own voluntary standards. So, they can be held accountable for their CSR performance voluntarily through codes of conduct and self-regulation (Frynas, 2003; 15).

Determining and writing code of conducts do not mean that the principles written are adopted and implemented within the company. But instead, codes of conduct should be perceived as guidance for employees and managers to follow when they are working and when they have certain conflicts related with the values and attitudes of the company. Wood (2006; 68) suggests that a good code of conduct

will give answers to employees of certain questions about values and guiding principles of that company; the way to comply with law, regulation, and company rules; available guidance when the rules don't apply or are in conflict; and the channels exist for reporting and communication. Therefore, codes of conducts also take the responsibility to diffuse ethical side of CSR to overall company functioning in a consistent manner.

### 2.2.7. OTHER RELEVANT CONCEPTS

Besides the concepts explained above, CSR covers numerous other issues and both business practitioners and academicians use different terms while discussing CSR. Socially responsible consumer, corporate philanthropy, cause-related marketing and triple-bottom line reporting are some examples of these concepts. Below, brief explanations of these concepts are presented.

*Corporate Governance:* Corporate governance is related with the questions “Who controls the company?” and “Why?” (Kean, 2003; 1). The concern on how to govern the company is strictly relevant to stakeholder management approach. In fact, corporate governance deals with the issues such as the rights of shareholders and key ownership functions, the equitable treatment of shareholders, the role of stakeholders in government of the corporation, the disclosure and transparency of information (OECD, 2004; 7). Namely, the set of relationships between a company's management, its board, its shareholders and other stakeholders are essentials of corporate governance (European Commission, 2001; 27) and at the stakeholder management point, concerns of corporate governance and concerns of CSR intersect



*Corporate Philanthropy:* Philanthropy is a discretionary responsibility for a company that includes charitable donations or social service activities. Firms can use philanthropy strategically to reach their business related objectives (Ricks, 2005; 122). Allocating resources for education, health, sport, or supporting a project of NGOs can be given examples of corporate philanthropy.

*Socially Responsible Consumer:* Similar to corporations, not all consumers have the same sensitivity to social problems. Some people prefer to buy from companies that have high CSR reputation whereas some others do not show any responsiveness for CSR. The term “socially responsible consumer” is used to describe consumers who considers social impacts of products while acquisition occurs and have a desire to minimize or eliminate any harmful effects and maximize long-run beneficial impact on society of his/her consumption (Mohr et al., 2001; 47).

*Cause-Related Marketing:* This is a promotion tool for marketers by which consumer purchases of a product are linked with fund-raising efforts for beneficial causes or charitable organizations (Lantos, 2001; 624). For example, companies can promise to donate a percentage of the profit earned from a product. By that way, consumers can indirectly make a contribution to the cause (i.e. by buying a product) the producer of the product supports. Although it seems like companies are committing philanthropic activity by cause-related marketing, cause-related marketing is more a promotional tool than a social consideration related to CSR.

*Triple Bottom Line:* Triple bottom line presents a new perspective for company reporting. According to the idea of triple bottom line, the overall performance of a company should be measured based on not only economic indicators but beyond it, based on company’s combined contribution to economic, environmental and social performances (European Commission, 2001; 28).

*Corporate Sustainability:* Corporate sustainability refers to continuity of a company's practices congruent with the sustainable growth of society. CSR and corporate sustainability differs in a way that CSR is more concerned with transparency, stakeholder relations, and sustainable reporting whereas, in the focus of corporate sustainability, there exists value creation, environmental management, green business structures, human capital management and so forth (Marrewijk, 2003; 102).

### 2.3. EFFECTS OF CSR PRACTICES

CSR is in fact a kind of corporate investment and it creates certain influences both on the company itself and on society. It would be hard to measure the effect of CSR because it is a long-term investment and its impact is not limited with one or two area. In this section, the aim is to discuss returns and costs of CSR for both the company and for society.

But before this discussion, it should be noted that CSR can create mutual strategic development - development of society and company at the same time (Raynard, 2002; 12). That is, the aim of the managers should be generating both business development and society development as depicted in Figure 2.3.

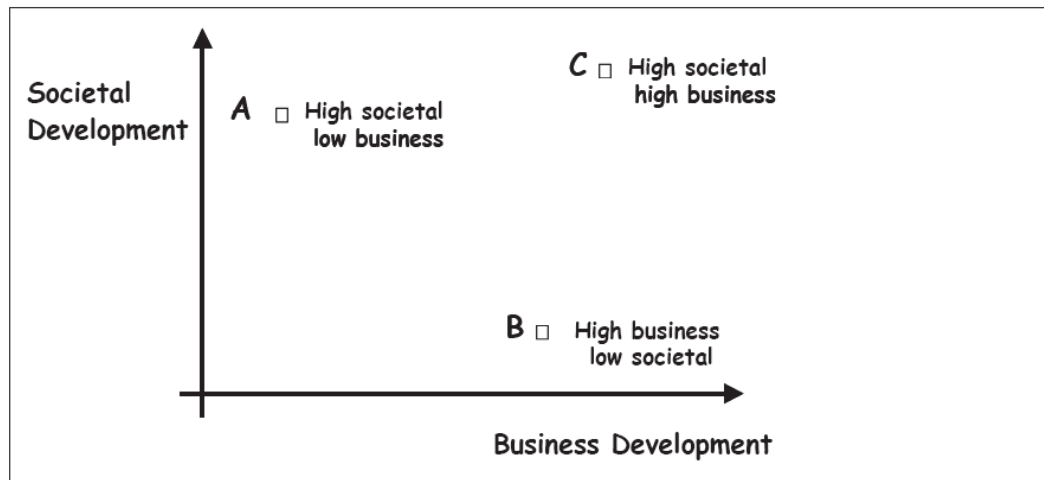


Figure 2.3.: Strategic Development with CSR

(Source: Raynard, 2002; 13)

### 2.3.1. EFFECTS OF CSR ON CORPORATIONS

CSR would not have the same effect for every firm and not every CSR practice would generate the same results. Industrial differences, strength of companies, expectations of society and so forth will cause variety for the effects of CSR practices. However, if managed successfully, CSR will end up approximately with the similar results that are explained below.

For years, the primary consideration of companies has been increasing their profits. Companies have a strong tendency to value the practices that generates greater gains for them. Therefore, it is important to understand the relationship between CSR and Corporate Financial Performance (CFP). The essential question in here is “Does CSR pay off?” In the literature, there have been many attempts to describe and clarify the relationship between CSR and CFP. Among them, Barnett (2007; 803) presented a model formed by various prepositions to demonstrate the relationship between CSR and CFP and used SIC (Stakeholder Influence Capacity)

as the main focus of his model (see Figure 2.4.). According to this model, CSR influences CFP by the combined mediating effects of SIC, social change and stakeholder relations. SIC, in here, represents the amount of credit that stakeholders hold for firms based on firms' previous practices. That is, greater SIC means that CSR practices of a company can influence stakeholder relations more favorably.

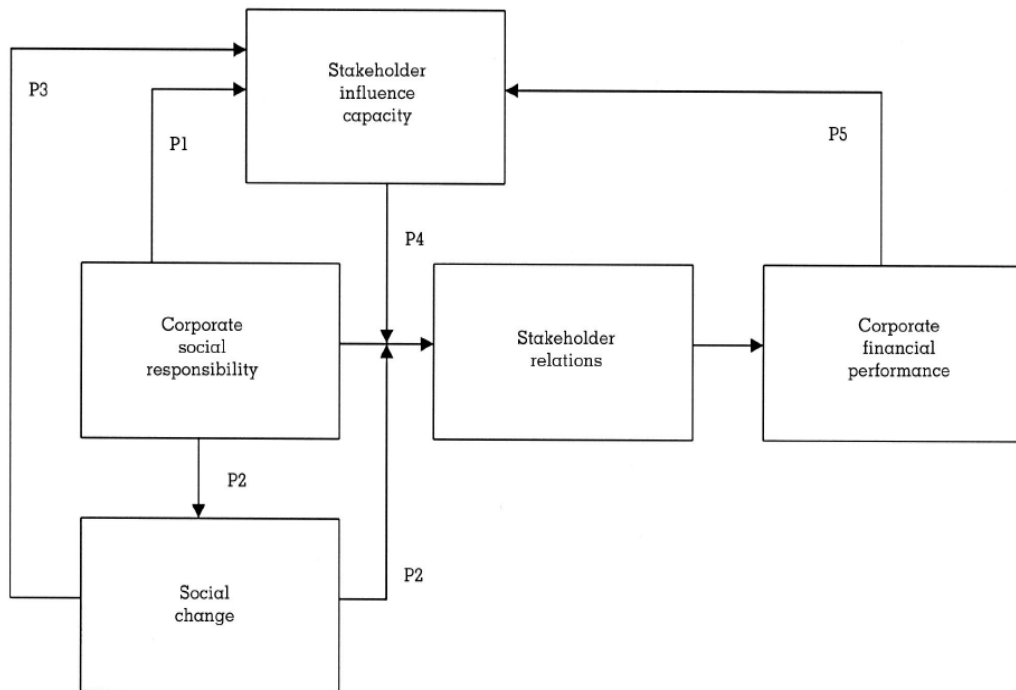


Figure 2.4.: A Conceptual Framework to Understand the Relationship between CSR and CFP

(Source: Barnett, 2007; 804)

In another study, Schuler et al. (2006; 542) analyzed the hidden link between CSP (Corporate Social Performance) and CFP and formed a decision tree that shows this hidden link. According to them, positive relationship between CSP and CFP can be found if (1) there is available information about a firm's social actions; (2)

stakeholders are aware of this information and the information is intense enough; (3) stakeholders' moral values are other regarding compared to self regarding; and (4) stakeholders are motivated to alter their market behavior (Schuler et al., 2006; 544). So, according to Schuler's model, CSR's effects on CFP are mediated by the attitudes of stakeholders and by the presentation of CSR practices.

As can be inferred from the discussion above, the relationship between CSR and financial returns is complicated. However, numerous studies have been examined this relationship in a direct way. Margolis et al. (2003; 274) counted 127 studies on CSP-CFP relationship – 109 of them treated CSP as independent variable and CFP as dependent, and 28 of them treated CFP as independent and CSP as dependent. Among these studies that treated CSP as independent, almost half of them found a positive relationship and most of the remaining found no relation. Based on these results, it could be claimed that CSR has a positive impact on CFP or at least does not harm financial returns. On the other hand, various measurements have been employed by researchers to identify CSP and it is hard to compare results of those studies because of this variety.

Because analyzing CSR and CFP relationship is too confusing, it would be better to examine CSR's impact for each stakeholder group separately. CSR can benefit the company in various ways. First of all, it enables a company to increase its trustworthiness which in turn strengthens relationships with important stakeholders (Barnett, 2007; 796) such as customers, employees, government, local society and shareholders. Besides, CSR can benefit the company by improving business performance, reputation and operational efficiency, while reducing risk exposure (Hopkins, 2004; 11) by the help of trust gained. CSR can also improve business performance by reinforcing learning and innovation (Raynard, 2002; 9). For instance, ecological considerations and increased awareness for environmental responsibilities make firms develop new techniques for production such as closed-cycle production (i.e. a production technique in which all of the outputs of a production process are used either an input for another production or are returned to the ecosystem in a natural form) that brings higher quality in production, lower production costs, and less or no damage to nature (Lovins et al., 2001; 28). Companies have the

opportunity to save money while fulfilling their environmental responsibilities by waste management, water and energy savings and etc.

Customers' views are very influential and important for the actions of firms. CSR can improve the reputation and image of a firm among its customers (Hopkins, 2003; 52). In fact, in many studies, researchers found support for this expectation (e.g. Ricks, 2005; Brown et al., 2007). That is, CSR generates better relationship between a firm and its customers and may lead greater customer acceptance of price increases (Dean, 2003; 92).

As indicated several times throughout this study, employee relations and being responsible for employees are very important in order to have good corporate social performance. CSR may lead to form better working environment, and as a result the workforce will become more committed and productive (European Commission, 2001; 8). Employees feeling that they are working for a responsible company will have higher motivation and morale (Utting, 2005; 380) which will in turn increase their performances. Besides, through improved company image, a company can attract qualified employees and can strengthen its recruitment process by CSR.

Another important stakeholder group for a company is its investors and shareholders. CSR can improve the evaluation and by that way, market value of the company. Besides, there is a special interest on companies that have positive and effective CSR practices. Particularly in more developed countries, CSR practices of firms are taken into consideration by investors through the indexes such as DJSI and FTSE4Good Index. Social investment funds are also a tool to benefit from CSR. It is possible to increase shareholder value when social investment funds target the company (Hopkins, 2003; 52).

In addition, carrying out CSR through voluntary practices can benefit a company by providing improved relationships between the company and government (Raynard, 2002; 9). CSR can be used as a tool to diminish regulatory threats from government (Utting, 2005; 380). Day by day, governments attempt to involve in

business practices with broader and stricter regulations on issues such as employee rights or environmental protection rules. A company that is voluntarily engaging activities to make improvements in those areas of CSR can find the opportunity to determine the new rules of game with government and can gain competitive advantage over its rivals. By the way, this joint effort with government to improve regulations can enable the firm to intensify its lobbying practices.

All those stakeholders (i.e. consumers, employees, investors, government, etc.) are part of a larger society which also includes many other social groups, and companies are in need of society to survive and expand. By the help of CSR, companies can support the improvements of local community and society at large that they have interaction with. These improvements, in turn, enable companies to operate in a more stable economy and with more opportunities to develop themselves. For instance, when a company supports education system in the community it operates, in the long run, this better-educated people can be employees or managers of that firm. In such a case, it seems like the company actually invests in its own future. This is to say, investing society is, in fact, also an investment for businesses.

Up to now, positive effects of CSR for companies are discussed. However, not all people believe that CSR is totally a good practice and claim that it can trigger certain drawbacks. The main criticism towards CSR is about its financial side. Like all the other investments, implementation of CSR policies needs resources to devote practices such as philanthropic activities or workplace improvements for employees. Because the financial gains from these costs are not clear, it is possible for a firm to be in an economically disadvantaged position compared to other, less socially responsible, firms (Balabanis, 1998; 28). Furthermore, CSR practices are claimed to constrain the value creation role of business and lead to job losses, under-investment, and lack of services (Raynard, 2002; 14). Moreover, as Friedman (1982; 134) also emphasized, a firm's main responsibility is to generate profit for its shareholders who actually own the company. That is, funds used to engage CSR practices belong to shareholders and the argument is that managers have not the right to use someone

else's money for charitable causes or for social improvement that are not legally required.

Although the discussions above have some reasonable roots, what they miss out is the strategic gains of CSR. CSR is an investment and it provides many long-term benefits as explained before. Besides, CSR is not an optional practice anymore, but rather firms are expected to engage CSR activities in order to stay competitive.

### 2.3.2. EFFECTS OF CSR ON SOCIETY

For social improvements, governments have been expected to carry out the major responsibility. However, in time, companies became so huge that their decisions started to shape social structures particular in many undeveloped or developing countries. CSR practices of firms, or in other words, social focus of businesses in their operations can considerably improve social structure of communities and people that are at the bottom of the economic pyramid in particular (Prahalad et al., 2005; 16). Many social ills can be improved by the help of CSR and this seems to be most essential effect of CSR on society.

Another important aspect of CSR is the need for transparency and accurate information. By CSR, all stakeholder groups find the opportunity to assess companies by looking at how they handle business processes and social issues. For instance, as a result of increasing environmental considerations, consumers may want to know how much relative damage they give to environment by consuming the product of Company X but not Company Y. So, environmentally concerned consumers can find the opportunity to be more confident with their consumption when they know the foot-print of companies on the Earth. Consequently, CSR enables people (i.e. consumers, employees, investors etc.) to make more conscious and confident decisions about decisions relevant to business practices.



On the other hand, CSR is not perceived beneficial to society at all. Some of the unfavorable issues related with CSR practices include tax avoidance and evasion, corporate lobbying to resist social and environmental regulation or to promote macro-economic policies, increase in penetration and influence of large corporations in the public-policy process through PPPs (public-private partnerships), and the perception of CSR as an alternative to law (Utting, 2005; 384). These counted issues are results of increased social interaction of companies by CSR practices. Tax avoidance is a serious debate in particular. Companies are often blamed for engaging CSR practices, especially philanthropic activities, in order to pay lower taxes. Another relevant argument related to taxes is that, companies have not the sufficient experience to deal with social problems and because of this, funds committed for social practices that are managed by firms can be a waste of resources. According to this, instead of engaging philanthropic activities, firms should pay their whole taxes and governments should deal with those social ills in a more efficient manner.

Moreover, CSR may lead price increases, so cost of buying for consumers can increase. Because implementing all CSR standards requires extra resources for firms, firms may choose to reflect these costs to the prices of products which in turn may be a disadvantage for consumers. On the other hand, small price increases should not be considered as costs but instead, they should be perceived as the amount people have to pay to live in a better and healthier society.

#### 2.4. REVIEF OF THE SECOND CHAPTER

Based on the general picture formed for CSR in the previous chapter, this part of the study has presented an in depth examination of CSR based on two perspectives: CSR as a marketing tool and CSR as a business process. The importance of this distinction has been emphasized and the way to promote CSR as a business process has been defined. Additionally, in order to clarify the meaning and the substance of CSR, its components have been discussed based on the major

international initiatives which support the formation and the improvement of CSR in the business world. CSR is a broad and complex issue and for simplification, social responsibilities of companies towards each stakeholder group have been specified separately. Besides, to clarify the extent of CSR, definitions of other CSR related concepts have been given and in doing so, CSR has been differentiated from similar expressions. This is particularly important, because for theoretical development of CSR as a concept, it requires a common language between the relevant parties. Lastly, this chapter was ended by presenting effects of CSR practices both on society and on company itself. Those effects of CSR clarify why CSR could be a strategic tool for managers and why it is important for society.

## CHAPTER 3

### CORPORATE SOCIAL RESPONSIBILITY: THE BUSINESS CASE

#### 3. CSR IN PRACTICE

Not only definitions and approaches towards CSR discussed previously differ, but also it is possible to come across various CSR practices of companies based on their views of responsibility. The managerial mindset of the company and top managers' and major shareholders' ethical and social views can play an important role in determination of the social practices of companies. Moreover, there could be found prominent varieties among the CSR philosophies of certain groups of companies such as the companies operating in developed nations vs. companies operating in developing nations; multinationals vs. SMEs; B2C (Business to consumer) companies vs. B2B (Business to business) companies; companies that have salient results on environment or health (i.e. oil producers, cigarette manufacturers, and so forth) vs. companies that are considered to operate in benefit of society (medicine producers, private schools, and so forth). There may be many factors that affect these varieties among company groups such as:

- Financial strengths of the companies: Whether they engage in CSR or not, financially strong companies have more resources that can be devoted for improvements in social issues.
- Consumer concerns: Managing company image in public seems more important for B2C companies than B2B companies and as a result of that, B2C companies may have more tendencies to engage in social activities that can promote their images in the eyes of consumers.
- Salience of operations: CSR can be approached as a tool to deal with negative public images of companies based on their main operations. For instance, as the negative effects of cigarettes are commonly known by society, cigarette

companies can be evaluated more negatively than nicotine band producer (Yoon et al., 2006; 386). Based on the necessity to overcome existing negative reputation, companies like cigarette producers may feel more pressure to engage in CSR practices.

- Governmental regulations: In general, the regulations of governments related to CSR differ based on the development levels of countries. In developed nations, there are both more initiatives and regulations for companies to become more and more socially responsive. For instance, in UK there is a ministry which deals with only CSR issues.

Besides, companies generally emphasize -or are observed as having improved practices in- certain domains of their CSR practices that they believe they are good at in particular. For instance, Body Shop is famous for its concern of animal rights, Procter & Gamble is known for its education opportunities provided to employees, and Sabancı Group is one of the pioneers of philanthropic commitments in Turkey. However, being good in one issue does not mean that those firms fail meeting expected responsiveness levels in other domains.

Taking previous chapters as a background for discussion, within this part, examples of CSR practices of different companies are going to be presented in order to demonstrate the variety that is claimed to exist among companies from the standpoint of CSR. In fact, it is not possible to know all CSR practices or responsibility levels of companies hundred percent sure without conducting deeper surveys for each. Therefore, the discussions related to companies in here mainly depend on companies' self-presentations (i.e. social responsibility reports, internet site information) and news related to those companies if any exists.

### 3.1. CSR IN THE MARKETPLACE

In the first chapter of this study, theories of CSR were presented based on four main groups (i.e. instrumental theories, political theories, integrative theories and ethical theories) with numerous approaches. Those theoretical discussions and groupings are not only related with academic works; but beyond it, those theories also reflect differences among the implementations of CSR philosophies in the real business environment. Actually, it is very difficult to know real motivations and aims of companies while engaging CSR activities, but it is possible to make predictions about their intends by examining the overall operations of a company, how it presents itself, and what criteria or standards it use.

#### 3.1.1. INSTRUMENTAL VIEW OF CSR: TURKCELL AND BURGER KING

The main focus of instrumental theories is achieving economic objectives through social activities (Garriga et al., 2004; 63). That is, the supporters of these theories argue that companies should invest on the practices only which can generate economic value for them. Actually, many firms approach CSR as an instrument for marketing objectives or as a way of avoiding tax payments. In Turkey, **Turkcell** is one of the important companies that is aware of the economic benefit of social practices. Turkcell is the top GSM operator in Turkey, and the brand has a well-known reputation of service quality. Each year, the company spends considerable amounts of funds for promotion and philanthropic activities. In a survey of Capital magazines that was accompanied by AccountAbility, Turkcell was found to be in the eighteenth place based on its CSR practices (Bayksel, 2007; 87). Then, how does this firm manages its responsibilities towards society?

The company has not always had the same attitude for social practices. The change in the view of Turkcell towards CSR can be simply noticed by examining strategic objectives of the company in the most recent years. The company has made no changes on its vision and mission statements during the last three years (i.e. 2005, 2006, and 2007), and positions its vision as “Simplifying and enriching the life” and its mission as “Creating a link between our customers and life by value generating communication solutions” (Turkcell, 2005; 5). However, while the company employed the same strategic objectives in 2005 and 2006, by 2007, it redefined them and additionally announced its new corporate culture values. The objectives of the company in 2005 and in 2006 seem to reflect a strong desire to increase performance and profit of the company. For instance, related to human resources, the company defined its aim as transforming its human resource to a high performance group; and related to society, the company defined its aim as generating long lasting support and trust from society by displaying socially responsive behaviors (Turkcell, 2005; 6, Turkcell, 2006; 1). As can be inferred, the company had the emphasis of aims that are primarily in favor of the company. This emphasis seems to be changed in 2007. Within the annual report of 2007, Turkcell also mentioned its strategic priorities as growth and being competitive; but this time, it added certain values that reflect social responsibility perspective of the company such as creating open and honest relationships at all levels (Turkcell, 2007; 1).

This is not the only change from 2006 to 2007. The content of annual reports had also changed. In fact, Turkcell has not yet the policy to prepare a distinct CSR report. However, the company gives some information about its CSR activities within its annual reports. In 2005 and in 2006, within the annual reports Turkcell assigned a separate CSR part in which it mentioned its social projects. In 2007, no separate part was distributed to CSR but instead socially responsible practices of the company were discussed through the report in various parts. Different from the previous reports, CSR was not mentioned simply as the social projects of the firm. In 2007, Turkcell also mentioned its responsibilities towards customers, employees and shareholders in a broader way. This way of reporting may indicate that Turkcell has perceived that CSR is not all about social projects.

So, what does all these information indicate about the social policy of Turkcell? Why Turkcell is mentioned here as an example of instrumental view to CSR? First of all, it should be noticed that, in time, the company's approach to CSR has been changing in favor of a stronger CSR philosophy. However, the company still seems to employ CSR for image promotion purposes. As it was also mentioned in the 2005 annual report, Turkcell choose the social projects that primarily enable the company to reach its target market (Turkcell, 2005; 56). That is, the company supports the projects that can benefit company's communication strategy and its operation field. Among those social projects of Turkcell, the most distinct one is "Kardelenler" in which the company supports the girls who cannot find the opportunity to have education because of financial problems. This project has been supported by Turkcell since 2000. Capital's research of CSR revealed that education is the most important issue that Turkish society considers companies should support in name of CSR (Büyük, 2006; 72). Therefore, Turkcell made a right decision by committing such a long-term education project. Besides, the communication of the project is important too. Famous people in Turkey such as singer-songwriter Sezen Aksu, and writer Ayşe Kulin supported and promoted the project by different tools. In fact, in a research conducted in Turkey, Turkcell's Kardelenler project was found to be the most frequently remembered social project among young consumer group (Tıǧlı et al.).

Moreover, Turkcell engaged in philanthropic activities in different social areas. For instance, the company became the sponsor of Turkish Professional Super League by 2005-2006 for five years (Turkcell, 2005; 57) and the company has been sponsoring Turkish Basketball Team for more than five years (Turkcell, 2007; 52). In addition, culture and art is another area that Turkcell supports by committing the projects such as restoration of Bodrum Antic Rampart and sponsoring the concert organizations such as "Turkcell Yıldızlı Geceler" (Turkcell, 2005; 58, Turkcell, 2006; 45). Besides, Turkcell was the sponsor of İstanbul Kültür Sanat Vakfı (İstanbul Culture and Art Foundation).

It is true that all of those mentioned projects benefit society in different areas. Both corporate giving as seen in Kardelenler project and sponsorships promote social

infrastructure in Turkey, especially when the long-term support of the company for these projects are considered. As Polonsky et al. (2001; 1365) discussed, sponsorships are used to change the attitudes of customers and their behavioral intentions towards the company which ends up with positive behaviors such as loyalty and buying. That is, Turkcell can take benefits of choosing projects strategically by creating stronger ties with its customers. In fact, selection of CSR projects that are strategically profitable gives an idea about CSR philosophy of the company, but this selection does not sufficiently verify that the company views CSR only as a marketing tool. In here, it is essential to evaluate Turkcell's attitudes towards the other stakeholders. It's true that Turkcell provides education opportunities for its employees or supports its dealers in different ways to increase their satisfaction and loyalty. However, as frequently emphasized in its annual reports, all of those practices are not seem to be the result of a feeling of responsibility towards these groups, but they are perceived as the required operations to become more competitive and profitable. This narrow focus of CSR that is limited to economic well-being purpose in Turkcell indicates that the company views CSR from instrumental perspective as generating a positive image without taking all dimensions of CSR into account.

**Burger King** can be counted as another example for the companies that view CSR as a tool for promotional activities. Burger King is the second largest fast food hamburger chain in the world that operates almost in 70 countries with more than 11,200 restaurants. The company adopts a culture that is shaped by four main components: bold, accountable, empowered and fun (<http://www.bk.com/companyinfo/careers/culture.aspx>, retrieved on 10.07.2008). Although the company mentions giving back to communities as a value, the main components of its culture indicate no signs for strong consideration on social responsibilities of the company. For instance, Burger King –as it puts forward– believes that the company is accountable for its shareholders, franchisees and guests of the restaurants but does not take other stakeholders such as employees or government into consideration as the parties the company is accountable for. That is, Burger King seems to have an intense economic focus that underestimates social responsibilities of the company.



Although Burger King has a very important share in the world market, the company has not published any CSR report yet. Besides, it does not mention any information about its social responsibility practices within its annual reports. Major parts of those reports cover the economic performance of the company (Burger King, 2007). But the company is planning to publish its first CSR report by the fall 2008 and this report will cover three main issues: diversity, community involvement and environmental management (<http://www.bk.com/companyinfo/csr.aspx>, retrieved on 10.07.2008). In fact, the company claims that diversity is part of their foundation and they have a deep understanding of diversity among its employees, suppliers and minority organizations. Beyond this responsiveness towards diversity, Burger King aims to minimize its environmental footprint on Earth and to commit philanthropic practices such as scholarships through its HIYW (Have It Your Way) foundation. Although based on the concerns discussed above Burger King seems to have responsible practices over some social issues, the company employs CSR practices that will generate benefits for the company at the first place. For instance, Steven Grover, who is the vice president for food safety, quality assurance, and regulatory compliance at Burger King, has explained animal welfare initiative in the company. He stated that the company started to consider animal welfare when activist groups influenced consumers' views on the company (Grover, 2008; 24). To overcome this problem, the company has started an animal welfare initiative and formed an advisory panel to discuss the issues. Based on the views of that advisory panel, the company changed some of its operations such as having the equivalent of 5% of the egg volume of the company-owned restaurants to be cage-free. Grover (2008; 24) mentioned that these animal welfare initiatives provided company public approval which will in turn increase company image.

The example of Burger King shows that companies may have diverse social practices but still can have instrumental view of CSR. The focus and intend of a company is important while evaluating its social practices. Similar to Turkcell, Burger King seems to put profit and growth at the first place of its business agenda and shapes its social responsibility view according to this strategic focus. This is to say, in general, the companies having an instrumental view of CSR seems not to

have a strong CSR philosophy but rather to have a profit maximization philosophy that is supported by various CSR practices.

### 3.1.2. TAKING STAKEHOLDERS INTO CONSIDERATION: AYGAZ AND CANON

Within the integrative theories for CSR, stakeholder management takes considerable attention. In fact, one of the main arguments in CSR is to create long-term open and mutually beneficial relationships between all stakeholder groups and the company. In Turkey, **Aygaz** seems to have a well-established stakeholder management perspective for its CSR practices. In the survey of Capital and Accountability in 2007, Aygaz was in fact found to be the second best company based on CSR practice analysis (Bayıksel, 2007; 87).

Being a company under Koç Group –which is one of the Turkey’s leading company groups- Aygaz issued its fourth Sustainable Development Report in 2005. That is, Aygaz is one of the pioneers in the field of CSR and social reporting both in the LPG sector and the Turkish market. Within its reports, Aygaz put its CSR practices into stakeholder perspective and the company takes various stakeholders such as customers, employees, dealers, and shareholders into consideration while arguing its social responsibilities.

Aygaz views its customers as the most important stakeholder (Aygaz, 2005; 12) and it continuously spends effort to increase the quality of its products and services. For instance, in 2005, by the introduction of Hologram Lid Cylinders, Aygaz made an important attempt to prevent illegal fillings that would end up with safer products for LPG customers (Aygaz, 2006; 2). This was not the only responsive practice of Aygaz through its history. In 1999, the company was rewarded “The Company That Takes Consumer Satisfaction as an Important Principle Award” by the Ministry of Industry and Trade as a result of being the first company in Turkey

that used Electronic Gas Control Detector (Aygaz, 2005; 2). Those are some examples that show the relationship between Aygaz and its customers. Actually, there are other numerous awards that Aygaz was given in the scope of customer satisfaction and products of high quality.

Employees are as important stakeholders as customers for Aygaz. In its sustainable development reports, the company strongly emphasizes the importance of employees for its current success. Responsible behaviors towards employees in Aygaz can be observed in many of its practices. The company, at the first place, makes its required recruitments in frame of equal opportunity for everyone (Aygaz, 2006; 8). Equal opportunity focus shows itself during the trainings of the employees too. Both white collar and blue collar workers in the company are provided educational programs to develop their job-related skills and personal skills (Aygaz, 2006; 9). Those educational programs include occupational, personal development and English training, Management Development Programs and postgraduate programs (time support and Koç EMBA funding); examination of “the best applications” with company visits in Turkey and abroad and taking place in internal/external projects with inter-functional and academic establishments (Aygaz, 2005; 11). Furthermore, employees are provided internal communication opportunities by which employees can learn more about the company, its whole operations and its aims. Those internal communication programs also enable employees to share their ideas and problems related with work (Aygaz, 2007; 15). Related to workplace improvement, Aygaz takes actions for safer and healthier working environment. For instance, the company have been operating under OHSAS 18001 standard which is an internationally regarded workplace management system standard (Aygaz, 2007; 16).

The company is aware of the essential roles of shareholders and investors for its survival, and within the sustainability reports, the company explains its economic responsibilities and what it does to meet those responsibilities. In order to stay competitive and profitable, besides offering competitive products with high quality, Aygaz had many attempts for growth. For instance, the company made serious amount of investments in research and development, expanded into new markets

(Aygaz, 2005; 25), redesigned its “Integrated Order System” which improves CRM (Customer Relationship Management) practices (Aygaz, 2006; 23), developed new marketing strategies such as promotion of auto gas as an environmental, high performance, and economical energy or usage of credit cards for LPGs (Aygaz, 2007; 28).

Energy sector has a lot to do about environment because energy production and consumption are perceived as closely related with environmental problems. In terms of environment protection, Aygaz does not only meet regulations within Turkey, but also operate within the frame of European Union standards. The company put ISO 14001 Environment Management System into practice in 2002 (Ayaz, 2005; 15) and organized the management of its environmental impacts in four steps: (1) defining environmental outcomes of operations; (2) evaluating those outcomes; (3) planning improvement strategies for the environmental impacts; (4) controlling the implementation of the improvement plans (Aygaz, 2006; 13). Besides, it is possible to find statistical information about Aygaz’s electricity, water and paint consumption compared to production levels and waste management data within the company’s sustainability reports and by that way stakeholders can find the opportunity to evaluate environmental impacts of Aygaz compared to its competitors.

In addition, Aygaz takes society into consideration as a whole and supports certain social projects in the fields of education, health, and culture and arts. In fact, those three areas cover important problems in Turkey and Aygaz’s choice about social projects seems strategically beneficial. Some examples of those social projects include supporting education of children all over the Turkey by campaigns like the one named “Cautious Child: Education against Accidents”; sponsoring the exhibition “Turks: A Journey From a Thousand Years 600-1600” (Aygaz, 2005; 27); library of Aygaz that has been in practice since 1997 (Aygaz, 2006; 26); “Ayışığı” project in which Aygaz redesigns health centers all around Turkey (Aygaz, 2007; 24).

With all of these practices explained above, Aygaz seems to have a CSR philosophy that covers all existing stakeholders as the parties that the company is responsible for. Both having responsive practices towards stakeholders and reporting

them are essential for CSR. These sustainability reports give the message that Aygaz cares about its stakeholders, ready to be accountable for all of its practices and open to discussion for those practices. For instance providing electricity usage or waste information supports the idea that the company is open to criticism.

Within the international arena, there are many firms that adopt stakeholder perspective. One of those firms is **Canon** where the company formed its own CSR philosophy under the name of “kyosei”. Canon’s attempts to reorganize the company under the rules of kyosei took its roots by 1987 (Kaku, 2005; 129) and this brought a new managerial perspective to the company. The founder of kyosei approach, Kaku, (2005; 109) defined “kyosei” as “the spirit of collaboration”. That is, kyosei refers to the collaboration of all parties within the organization. It covers five phases for a company. The first phase of kyosei is economic survival and growth. In this phase, companies spend effort to increase their profits and market share and by that way, they can meet their responsibilities towards shareholders. In the second phase, management and employees form collaboration within the same ethical perspective and employees are provided required training programs and etc. That is, in the second phase of kyosei, integration with employees and the company is generated and responsibilities towards employees are met. The next phase deals with the outer parties for the company like customers, suppliers and competitors. In this phase, the company realizes that only way to survive and grow in the long-term is to form well-established and well-managed relations with the outer stakeholders. The fourth phase of kyosei asks for consideration on global impact. Companies in this phase try to eliminate or reduce inequalities within nations and work for environmental well-being. Lastly, the fifth phase calls for creating pressures on governments and working with them to activate and form required regulations (Kaku, 2005; 12-14).

In here, it could be argued that kyosei is a management philosophy that takes its roots from stakeholder management because almost every stakeholder group for the organization is taken into consideration in different phases. As a result of the culture formed based on kyosei, Canon seems to have strong relations with every

stakeholder group. The first annual report published via Canon's internet site belongs to 1997 and in this annual report the company emphasized both kyosei philosophy and CSR view (Canon, 1997; 1). 1997 is a very early period of time for companies to have such a CSR vision but Canon was aware of its responsibilities towards various stakeholders such as community at large, customers, and environment even at those days. In its latest annual report, the company calls CSR as one of the dimensions of corporate functions just like R&D, production and sales & marketing (Canon, 2007; 21). The company still employs kyosei as the basic corporate philosophy for CSR. In the CSR part of the annual report, especially environment and society contributions like focus on environmentally friendly products and supports education in Vietnam are emphasized (Canon, 2007; 29-31) but from the very basic foundation of the company, it is known that Canon approaches its social responsibilities with an integrative model which they call kyosei.

### 3.1.3. RULING BUSINESS BY ETHICS: MARTIN MARIETTA AND ABALIOĞLU GROUP

In the modern society of today's world, people are expected to behave within certain moral values and norms of societies. But, it is not only people who should care about ethics, but also companies have the responsibility to meet ethical expectations. Being aware of this phenomenon, day by day, more companies announce their codes of conducts or ethical principles. Although this sounds nice, ethical theories about CSR calls for having an ethical perspective at the core of business which is more than claiming to be ethical. Actions speak louder than words, so being ethical is more than having codes of conducts.

**Martin Marietta**, a leading producer of construction aggregates in the United States, can be counted as one of the best companies that have strong ethical view of doing business. After some troubles related with malpractice on invoices, the company felt a requirement to revise its managerial strategy and as a result, in 1985,

the company adopted a new ethical program based on honesty (Paine, 2005; 100). The ethical considerations of Martin Marietta that started with putting honesty and fairness as the foundation of the company, now covers safety, health and environment that are clearly stated at the codes of conduct of the company ([http://www.martinmarietta.com/Corporate/pdf\\_Ethics.pdf](http://www.martinmarietta.com/Corporate/pdf_Ethics.pdf), retrieved on 02.07.2008). In this eleven paged document, the company clearly states how their employees should behave in light of ethical principles, what they should do when they face up with conflicts and how the company responds unethical behavior. This “codes of conduct” is not just a summary that includes pretty statements related to ethical considerations, but besides it, it presents a clear guidance for employees to shape their behaviors.

More important than the codes of conduct, the company emphasizes priority of ethical decision making at all levels and in every situation. In a radio conversation, the CEO of the company, Stephen P. Zelnak indicated that the real key of their policy is to demonstrate ethical behavior in the actions of top management and by that way forming a consistency between the defined ethical rules and actual behaviors (<http://www.martinmarietta.com/Corporate/profile.asp>, retrieved on 08.07.2008). Zelnak argued that ethical behavior starts at the top management level and then comes about when every employee “walks the talk”. Besides the attitudes and behaviors of top management towards ethical issues, Zelnak pointed out how the company deals with disseminating ethical business philosophy throughout the company. As he discussed, in Martin Marietta, every employee get the ethical messages repeatedly. The company does not assume that people already know the ethical standards and feels the responsibility to discuss ethical messages as frequently as possible. Besides, there are orientation programs for codes of conducts and regular ethical trainings either in classroom or on-line in the company. In addition, there is one implementation in the company related to ethical view which shows how determined and sincere the company is for generating an ethical foundation for Martin Marietta. The company formed a structure of ethics committee and ethics office where they examine and evaluate ethicality of behaviors and procedures in the company (Paine, 2005; 101). Zelnak, in his radio conversation, emphasized that

within this ethics office, there is an ethics hot-line by which employees can complain about ethical violations and ethical dilemmas that they experienced.

As can be inferred from the mentioned examples of ethical attitudes within Martin Marietta, the company does not simply argue that it is an ethical company but also spends effort to form an ethical foundation for the company. Andrews (2005; 71) argued that business ethics has three main dimensions to take into account: training managers as ethical people; creating a working atmosphere where standards and values have a central role in business similar to economic objectives has; and forming politics that supports ethical performance and implementing and securing them. All of those dimensions are considered in Martin Marietta. Zelnak emphasized that the company and managers try to do best possible job for shareholders but he argued that he does not spend a lot of time for short-term gain for shareholders in particular. He believes that the essential job is giving right decisions which in turn already bring long-term gains.

Similar to Martin Marietta, **Cafer Sadık Abaloğlu Group** seems to follow an ethical base for all of the operations in its companies too. Abaloğlu Group has also ethics principles guideline including various aspects of doing business. For instance, those principles strongly emphasize humanistic perspective at the core of all operations and communication, and promote a trustworthy, clear, responsible and developing working environment (<http://www.abalioglu.com.tr/etik.asp>, retrieved on 01.08.2008). Ethical cultures generally take its roots from top management and owners of the company. Abaloğlu is also aware of this point and emphasizes that every board member, managers and employees should exhibit behaviors that are strictly compatible with ethical principles of the company. Additionally, all of the 33 statement within the ethical principles of the group is strictly correlated to each other and seems to refer the core business style of the group.

As discussed before, it is important to walk the talk. That is principles are only one dimension of corporate ethics. In Abaloğlu, there are also some other practices that are consistent with the humanistic standpoint of the group. For instance, employees who earn the lowest wages within the group frequently receive



support in the form of food packages and those aids are not announced by the group. Besides, the group commits with various philanthropic practices. For instance, by Cafer Sadık Abaloğlu Education and Culture Foundation, the group supports education (i.e. by providing scholarships, following various projects within primary schools, building new schools for public use, and etc.) and local improvement (i.e. by publishing a culture and history magazine for Denizli) (<http://www.abalioglu.com.tr/csavakfi.asp>, retrieved on 01.08.2008). Furthermore, the group supports environment by Doğa ve Çevre Vakfı/Nature and Environment Foundation.

One other indicator that supports Abaloğlu's ethical standpoint is Abaloğlu's participation to UN Global Compact. The group signed the compact at 2007 and integrated its principles with Global Compact by then. In Abaloğlu, every operation and ethical principles seem to be consistent with each other. One important point in Abaloğlu example is that, although the group has numerous philanthropic practices, those practices are not used to promote the business. This silent philanthropic attitude of the group may increase the perception of sincerity for those practices.

#### 3.1.4. POLITICAL UNDERTAKING: EXXON MOBIL AND BAK GROUP

It is a known phenomenon of today's global environment that now, world is not managed solely by nations' public powers. Increasing number of giant companies have been participating the game and in fact, those giants play an important role in shaping the distribution of income throughout the world, employment problems of different nations, and even the international relations between public authorities. Political theories of CSR are based on those realities of today's MNEs (Multinational Enterprises) leading world.

For 2008, Fortune's Global 500 list defined the fifth biggest company as follows: Wal-Mart Stores, Exxon Mobil, Royal Dutch Shell, BY and Toyota Motor

([http://money.cnn.com/magazines/fortune/global500/2008/full\\_list/](http://money.cnn.com/magazines/fortune/global500/2008/full_list/), retrieved on 02.08.2008). Among them, for instance, Exxon Mobil's revenue is almost four times bigger than the GDP of Turkey for 2008. These differences support the framework of political theories for CSR. Then how those firms use their power in the social area?

**Exxon Mobil**, which is the world largest publicly traded oil and gas company, engages in various social responsibility practices throughout the world. The company has strict commitment to the social issues such as managing climate change risk, protecting biodiversity, international transparency and anti-corruption, human rights, and ethical management (Exxon Mobil, 2007; 7). Besides, the company invests in education and health where governments of related countries failed to provide effective services. For instance, the company has granted \$40 million to the Africa Health Initiative since 2000 as the company is aware of the potential effect of health problems in future of its businesses. In 2007, the company especially granted funds to the social initiatives that fight against malaria. Moreover, a partnership was formed with the Ministry of Health and local authorities in Angola to provide health care service for the diagnosis and treatment of malaria (Exxon Mobil, 2007; 46). Besides, Exxon Mobil has invested more than \$1 billion in education worldwide during the last 30 years. \$11 million of this education support has been for Educating Women and Girls Initiative (Exxon Mobil, 2007; 8).

It is clear from the examples above that Exxon Mobil makes considerable contributions for the social problems like education and health for which, traditionally, governments are held responsible. However, the direction of social expectations is changing. Why does Exxon Mobil spend such great amount of resources in Africa? A simple answer may be like that: it earns billions of dollars from this territory and it would be funny to compare the power of national governments and Exxon Mobil in the economy of Africa. That is, the one who has the power has also the responsibility to manage its power for the good of society.

Not only the big multinationals have the responsibility to deal with social problems with public authorities, but also smaller enterprises now feel certain level of responsibility in social areas. For instance **Bak Group** of companies started an

important project in Turkey. A few years ago, one of the owner-managers of the company perceived that in İzmir there is a serious forestation problem. For this problem, without expecting the support of governmental bodies, the company started to make projects for forestation of infertile areas around İzmir. Those projects then gave rise to formation of Ege Orman Vakfı/Aegean Forest Foundation. Cem Bakioğlu, the businessman who has been dealing with forestation from the beginning, spend considerable amount of time and energy to establish the foundation in 1995 (<http://www.egeorman.org.tr/Tarihce.aspx>, retrieved on 01.08.2008). Since then, Bak Group has been supporting forestation of publicly owned areas in Aegean Region with a strong commitment of responsibility.

In fact, forestation of publicly owned areas is the responsibility of the government. But being aware of insufficient sources of government for forestation of all places, Bak Group voluntarily undertake the responsibility of serving society in order to cope with such an important problem. As certain political theory approaches indicate, companies like Exxon and Bak Group seems to use their power to in the political arena to share the social load of public bodies. Although they may also engage these activities to gain the support of governments and other stakeholders, it is not possible to make such a judgment without having a deeper knowledge about the intended focus of the companies.

### 3.2. CSR AND MARKETING

Although CSR is a managerial philosophy that requires practices in every aspect of a business, in today's business world, major part of CSR work is followed by marketers. As discussed in the previous sections, CSR is frequently viewed in an instrumental perspective and marketing people use CSR practices for image promotion or sales increase purposes. This is not to say, companies are indifferent for social concerns and they have only opt for profit. However, it is a known fact that, many companies spend more on the promotion of their social practices than they

actually spend on the social practice itself. This leads to make an inference that CSR can be used –and actually generally used- as a promotional tool similar to advertising. In fact, CSR can even be more effective to promote a company than traditional advertising methods because the message of “being a good company” is given in a more implicit way.

There are various alternatives for companies to employ CSR practices in marketing. Kotler et al. (2006; 23-25) defined six groups of corporate social initiatives that are used by companies today: Corporate cause promotion, cause-related marketing, corporate social marketing, corporate philanthropy, community volunteering, and socially responsible business practices. In fact those six groups seems to cover all possible ways of using CSR in marketing, and that is why this grouping of Kotler provides an effective basement to analyze marketing way of CSR.

### 3.2.1. CORPORATE CAUSE PROMOTION

In every society, more or less, there are certain issues such as inefficiencies in education, serious health problems, ignorance about social deficiencies, and etc. that form essential problems of society. Those problems do not only bear on governments or civil communities, but also companies have concerns on those problems. Corporate cause promotion refers to companies’ attempts to increase awareness to and interest on social issues (Kotler et al., 2006; 51) similar to the ones mentioned above.

For instance, in Turkey, Hürriyet newspaper has been promoting a project to prevent violence within the family since 2004. In order to fight against this violence, Hürriyet formed an “Urgent Help Line” which serves 24 hours of each 7 weeks. European Union has funded this project by which women could ask for help when they experience violence (Hürriyet, 2007; 11). After calls, psychological, legal and medical help have been given to those women. In 2007, a conference about

“Violence within families and media” was made by Hürriyet with support of United Nations Population Fund and a book related with the conference was released in order to increase awareness on the issue. (Hürriyet, 2007; 11). Hürriyet, as the Turkish one of the most important newspaper, has been insistent on disseminating consciousness on human rights. Besides its fight against violence, the company started another project by July 2008. Within this project “Human rights train” traveled all around Turkey from Kars to Edirne in order to discuss human right problems in every region of Turkey and increase the focus on those problems ([http://www.hurriyetkurumsal.com/tr/download/Hurriyet\\_ON.pdf](http://www.hurriyetkurumsal.com/tr/download/Hurriyet_ON.pdf), retrieved on 03.08.2008).

The example above shows how a company can promote a social cause. This project of Hürriyet aims to increase awareness on human rights –and particularly on violence within families-, and to stop human rights invasions by persuading people to participate human rights actions. This campaign does not generate value only for the society but also the company can have some gains. Hürriyet’s promotion of human right is strictly related to the business of the company itself. For a newspaper, it is important to be perceived as reliable, clear, and have a strong intellectual background by people. In fact, support of human rights can improve and strengthen the positive image of Hürriyet because human rights issue has a very fundamental place for intellectual arguments. Besides, by human right train, the company could find to build closer contact with its existing and potential readers and made the newspaper as a brand more visible.

### 3.2.2. CAUSE-RELATED MARKETING

From time to time, in order to obtain mutual benefit businesses and charities or groups that have concerns for special causes work as partners to market and image, product, or service by commercial activities and those activities are called as cause-related marketing (CRM) practices (Bronn, 2001; 6). In CRM practices, companies donate certain percentage or certain amount of revenues based on product sales to a special social cause (Kotler et al., 2006; 81). These donations are directly related with the amount of sales and by CRM, companies mainly aim to increase sales of a product. In here, they increase their sales by attracting consumers wanting to make a difference in social issues through their purchasing (Bronn et al., 2001; 208). So, consumer involvement is essential for a CRM program to be successful.

In order to ensure consumer involvement, it is important to choose a cause that consumers have high interest. For example, Migros, a big retailer in Turkish market, chose to support education as a social cause possibly being aware of the Turkish consumers' concerns about educational problems. In fact, as mentioned before, Capital's research of CSR revealed that education is the most important issue for the Turkish consumers (Büyük, 2006; 72). Migros promises to donate certain amount of the revenues of products sold under the brand of Migros in its retail chains to Education Volunteers Foundation of Turkey/Türkiye Eğitim Gönüllüleri Vakfı (TEGV) (<http://www.migros.com.tr/toplumsalsorumluluk.asp>, retrieved on 03.08.2008). In the packages of the products of Migros, there is the logo of TEGV and information about donation to TEGV is presented without specifying the exact amount of donation. In fact, in general, companies are expected to define how much (as percentage or a constant amount) fund is going to be donated to the cause related to sales.

Besides supporting popular social causes, an alternative cause and NGO can be chosen and in such a case, the social cause would need to be promoted too. Menon et al. (2003; 317) explained this with Johnson & Johnson example.

According to them, Johnson & Johnson's baby shampoo might sponsor a cause promotion message in order to support World Wildlife Life by donating 10 cent for the each product sold. By the way, another message that focuses on the dangers of extinction of wildlife species might be designed for consumers in order to persuade them to support World Wildlife Fund's efforts. This is to say, in the example of Johnson & Johnson, both CRM program and the social cause requires promotion to increase sales or improve image of the company.

CRM has basic differences among other corporate social initiatives such a way that in CRM, consumers are involved in fund raising practices by which consumers can directly experience the responsibility to help the cause. By CRM, consumers can find to commit philanthropic activities by simply consuming what they actually need. However, as donation is directly related to sales increase, there is a potential risk for the company to be perceived less sincere than when it employs other social initiatives.

### 3.2.3. CORPORATE PHILANTHROPY

Corporate philanthropy is one of the most traditional forms of CSR employed by many companies. Philanthropy is giving to a social cause without expecting a salient benefit, such as donating funds to a charity or providing scholarships to the students who are in need of them. For some companies, there is a philanthropic culture where the company continuously commits to charitable practices whereas some companies view philanthropy as a way of managing their images in the eyes of stakeholders. In fact, nowadays, corporate philanthropy is generally viewed as a public relation function where it aims to provide support to reach strategic marketing objectives of the company (Genest, 2005; 316). Kotler et al. (2006; 143) defines various different practices of corporate philanthropy including providing cash donations, scholarships, product donations, technical supports, usage of distribution channels and other corporate facilities and etc.

Particularly, companies with higher revenues and bigger impacts on societies can be expected to commit philanthropic activities more because of their ability to fund social projects. For example, being a very-well known multinational, Coca-Cola donates considerable amounts of fund to philanthropic practices every year. The company manages its community giving practices through The Coca-Cola Foundation. The main philanthropic area of the company is education and up to now, The Coca-Cola Foundation has donated more than \$155 million in support of education ([http://www.thecoca-colacompany.com/citizenship/foundation\\_coke.html](http://www.thecoca-colacompany.com/citizenship/foundation_coke.html), retrieved on 04.08.2008). These donations are generally in form of scholarships, funds shared for school drop-out prevention, support to access to education programs for each local business units. The foundation releases a report that defines the amount of grants paid for social issues, the organizations that get the grants and the purpose of the grant. This report makes the company's practices more transparent for stakeholders and also a beneficial attempt to communicate philanthropic practices with society. For instance, in 2007, the company has donated about a total of \$36 million for philanthropic purposes to various NGOs and projects ([http://www.thecoca-colacompany.com/citizenship/pdf/grants\\_paid.pdf](http://www.thecoca-colacompany.com/citizenship/pdf/grants_paid.pdf), retrieved on 04.08.2008).

As mentioned before, certain companies or company groups are perceived as having a philanthropic culture. In Turkey, Sabancı Group has a special place for society and the group is generally associated with donations and social projects. The results of a survey based on interview conducted during the experiment of this thesis revealed that university student considers Sabacı Group as the most socially responsible company in Turkey, and they based their choice mainly on comparing the philanthropic practices of the company<sup>1</sup>. Sabancı Foundation works for community giving practices of the group in the fields of education, health, culture and social services. Sabancı's success can be a result of its insistent attitude towards certain social fields, the amount of funds they donate, and the visibility of their practices. This is to say, in order to benefit from philanthropic activity, it is important to manage them strategically.

---

<sup>1</sup> The survey is going to be presented at the end of the following chapter.



#### 3.2.4. CORPORATE SOCIAL MARKETING

In some cases, companies perform campaigns about improving people's health, safety, environment or society's prosperity. Corporate social marketing is used as a tool for companies to initiate behavioral changes on individual basis on the mentioned issues (Kotler et al., 2006; 113). In a corporate social marketing practice, the main aim is to "market" or "sell" a specific behavior such as setting apart recyclable materials from other wastes or not driving in the traffic after taking alcohol.

Nowadays, a successful corporate social marketing campaign is followed by NTV in Turkey. The channel designed a program named "Green Screen/ Yeşil Ekran" in which many required behavioral changes to save environment and health are presented. In fact, this program is multidimensional. First of all, it discusses certain essential environmental problems throughout Turkey and aims to increase awareness on the discussed problems and calls for people to help for solutions either by funding or participating environmental works. From this point, this program seems to be a corporate cause promotion. But, besides those efforts, during the program, various messages to change certain behavioral patterns to save the world are delivered on the issues such as water and electricity savings, or waste management. Moreover, this green screen has more to do with corporate social marketing. In some parts of the program, after the presentation of social message and the ideas about how people should behave in accordance with the message, interviews with companies that are related with those social issues are released. For example, in one the parts, after talking about the importance of dressing up with organic clothes for people's health, "The Women Who Saves the World" presents some manufacturers of organic clothes in Turkey and how consumers could reach them. This is a very strategic program in such a way that (1) the channel promotes individual behavioral changes related with social issues, (2) by the program, certain companies also participate the messages given by the channel and by that way they

become the part of corporate social marketing campaign, and by the way (3) that companies participate the program to promote their products with an effective way<sup>2</sup>.

### 3.2.5. COMMUNITY VOLUNTEERING

Working for the good of community can be a strong motivation factor for people to feel more satisfied with themselves. Companies which are aware of this phenomenon use community volunteering as a strategic tool which can provide improved company image and more loyal employees for the company. Kotler et al. (2006; 171) classifies the practices of companies in which the company supports its employees, local partners/dealers to work voluntarily for improvements of social causes as “community volunteering”. Community volunteering is a little bit different initiative from the ones discussed above as it takes employees or other business partners into account while at the same time opt to effect community positively.

Being one the pioneer medicine company worldwide, AstraZeneca, has community volunteering programs that support its other social initiatives. By 2007, the company created a partnership with Voluntary Service Overseas (VSO) in order to support building sustainable health systems in developing countries such as Malawi and Cambodia, and donates considerable amount of funds in order to support this project. Besides this philanthropic practice, the company provided its employees the opportunity to participate this international project as VSO volunteers. The company pointed out that this volunteering program results with benefits both for AstraZeneca, for the employees and for the world. By this program, the company finds the opportunity to show its loyalty towards its local communities they operate; employees get the benefits of volunteering by improving their experiences related to communication, leadership, and creativity; and by the way the health systems of

---

<sup>2</sup> Parts of the Green Screen program can be accessed by the following web site:  
<http://yesil.ntvmsnbc.com/>

developing nations improve substantially  
(<http://www.kurumsalsosyal.com/?pid=1899>, retrieved on 02.08.2008).

Another company that uses community volunteering frequently is DHL which is the global market leader of the international express and logistics industry. The company has several volunteering practices. In Turkey, the company motivates its employees to be one the volunteers for Kızılay to donate blood. Besides, the company supports an interesting social practice in Turkey named “seed operation”<sup>3</sup>. Within this practice, the company puts seed boxes all around the workplace to where employees can collect seeds of the fruits they consume. Then, those seeds are given to TEMA to be planted in Manisa within this seed operation project (<http://www.kurumsalsosyal.com/>).

By community volunteering projects, the company may increase the loyalty of their employees by providing them the feeling that they are working for a good company and they can feel more satisfied with their social life. Besides, these projects will increase the involvement of company to community and can create real linkages besides improving company image.

### 3.2.6. SOCIALLY RESPONSIBLE BUSINESS PRACTICES

In the second chapter of this study, a distinction among CSR practices was made in two categories: CSR as a marketing tool and CSR as a business system. Up to now, the five CSR initiative discussed previously for marketing are exactly refers to marketing practices but socially responsible business practices are more correlated with the approach that views CSR as a business system. However, companies can develop and implement responsible business practices for marketing purposes although they have not a holistic view towards CSR. Kotler et al. (2006; 201) stated

---

<sup>3</sup> For more information about the project the following web site can be visited:  
[http://www.manisa.bel.tr/haber\\_detay.asp?id=243](http://www.manisa.bel.tr/haber_detay.asp?id=243)

socially responsible business practices as the voluntary business practices that improves society's welfare and that supports social issues. In here, society covers various stakeholders including community at large, employees, customers, suppliers and etc.

Within socially responsible business practices, products or services could be designed by taking expectations safety of consumers together. For example, Vodafone offers advanced services for parents that enable them to protect their children by restricting access to adult oriented wap and internet sites by forming partnerships with two mobile operating companies. Moreover, although the company is not a mobile phone producer, it developed programs with 15 mobile companies for waste management. For instance, in 2006, Vodafone had collected 1.37 million phones for reuse and recycling. Besides, the company had launched initiatives such as offering incentives for customers and promoting handset recycling with corporate customers and employees to raise awareness and encourage recycling (Vodafone, 2006; 60).

In Vodafone example, it should be noticed that neither parental control nor recycling of mobiles are expected from the company in legal frame. Even most of the consumers would not ask for those practices. So, these practices of Vodafone show the company's concern to improve socially responsible business practices. By doing so, companies can improve their image on stakeholders and may generate trust for the company. As the marketing links of those practices are not as salient as the other initiatives, their influence on stakeholders might be stronger if they can be communicated effectively. Besides, developing those responsible practices may positively affect creativity of the company and even may ensure cost savings.

### 3.3. CSR AND COMPETITIVENESS

The examples presented above demonstrate variety of CSR practices in different companies. The meaning and, as a result, the implementation of CSR is changing from one business to another. In fact, it would lead to confusion to consider CSR solely as a set of practices, but instead CSR can be viewed as a managerial philosophy. In doing so, it would be easier to differentiate responsible companies from the rest –in particular from the ones that employ CSR practices only for marketing purposes. It is not easy and exactly possible to make judgments on intends of companies while performing a responsible activity. Therefore, the classifications above are based on subjective evaluations of the author based on the relevant data on CSR standpoints of the mentioned firms. For instance, Turkcell is given as an example of instrumental CSR because the firm states that it views responsible practices as a way to be more profitable and competitive. However, it is also possible that Turkcell might want to influence its existing and potential investors and therefore it might consciously present its social attitude in economic terms although the firm has social concerns over economical focus. The aim of giving real life examples in this part of the study is not to criticize firms and their social aspects, but instead in order to fully understand what dimensions and practices constitute CSR, classification of perceived differences in the field is required.

In addition, classifying one firm within one theoretical group does not mean that this firm has no other focus than the mentioned one. For example, Martin Marietta is presented as an ethics-driven corporation. That is, based on the overall philosophy and practices of the firm, it is claimed that Martin Marietta shapes its business practices by focusing on certain ethical principles. On the other hand, probably, this firm formed such an ethical culture to prevent potential problems that would damage its prestige particularly in the eyes of governmental bodies because of its strict relations with government as a strong stakeholder. Actually, the firm adopted this ethical program based on honesty after confronting with some troubles related with malpractice on invoices and the resultant losses. As can be inferred from

Martin Marietta example, in general, instrumental view of CSR goes hand in hand with other perspectives. More importantly, a well-established CSR culture and practices will cover all theoretical expectations (i.e. instrumental, political, ethical and integrated) from CSR. However, in here, the classifications are based on the perceived salient focus and motivation of the companies.

Among those examples above, some of them refer to a more integrated pattern of CSR whereas some others are based on distinct practices within CSR like philanthropy. The question is “What is the most effective way of being responsible?” or “Which one is the best practice?” This is to say, for instance, does Migros work better by following a CRM than Vodafone which formed corporate volunteering strategy? Although the answers are not so simple, it would be beneficial to evaluate those practices in a strategic framework. In the first chapter of this study, Barnett’s model of CSR was presented (Barnett, 2007; 799). Referring to this model, CSR stands in a point where both social welfare orientation and stakeholder orientation are high for the company. According to Barnett (2007; 799) it will be agency loss if the company focuses too much on social welfare while ignoring stakeholders and it will be direct influence tactic if the company’s orientation becomes too much stakeholder focus than social welfare. This is to say, strategic CSR requires a balance between both social improvements and stakeholders’ gains (including shareholders, so profit dimension) while both of them are expected to improve at the same time. In here, it should be noticed that CSR does not require a zero-sum game. That is, engaging CSR activities does not mean foregoing some part of profit. Porter et al. (2005; 42) presented a similar framework for strategic philanthropy. According to them, strategic philanthropy –in their article, philanthropy covers all corporate giving practices including CRM and etc.- is in a place between where there is both social benefit and economic benefit. This is to say, philanthropy can be strategic if both corporate and society could gain from the results.

There are several examples of strategic CSR within the literature. Among them, in their articles Prahalad et al. (2005) explain how firms could benefit while serving the poorest segments of social systems. According to their observations, companies can gain distinct competitive advantages by being responsible. For

instance, N-Louge, an Indian communication and internet provider, formed a creative business system to reach poor people in the countryside. The company formed kiosks in the villages that are linked each other. Within these kiosks, there exist a centralized computer and telephone that enable those people to reach telephone and internet services via kiosks in a cheaper way (Prahalad et al., 2005; 26). It was possible for N-Louge to operate in the traditional customer segment as an internet provider and the company could gain without taking the risk of failure by serving to a different segment with a new style of business. However, by taking this risk, the company generated several benefits. First of all, people in the lower levels of economic pyramid living in countryside found the opportunity to use internet and telephone cheaply and without N-Louge's this creative business solution, it would not be possible for them. So, N-Louge made a difference for those people and increased their living standards. Additionally, the firm formed a new market that increase N-Louge's competitive advantage as a communication service provider. Besides, the firm might find ways to increase its experience and become more creative as a result of differentiation. Also, providing cheap services to the people who are in need of them is a "good" thing, and in doing so, the company could be perceived as a "good" one. That is, the company could improve its image especially in the eyes of government and enjoy the benefits of being good. As McWilliams et al. (2006; 4) also discussed, CSR can be a form strategic investment and the firm can employ responsible behaviors for business and corporate level strategies, and it seems like that N-Louge have achieved this differentiation.

On the other hand, it would be wrong to claim that being good will pay off every time and for every case. In fact, the thing that pays off is not being good but being perceived to be good. That is, the social meaning of an activity of the company depends on the evaluators' view of the activity. For example, in the recent months, shipyards in Tuzla have been in the focus of media, civil organizations and government. Shipyards in Tuzla are important producers for Turkey because they generate considerable export premiums for the country and those shipyards are highly competitive in the international field. On the other hand, numerous workers have been dying or injuring due to the lack of precautions at the workplace and ignorance of owners. Although it is possible to prevent those deaths by increasing

education of workers, redesigning shipyards to minimize accidents, employing permanent workers instead of subcontractor's workers and by some other precautions, the owners-managers of those shipyards avoid all those efforts for economical concerns. They avoid it, because those people have the focus to minimize costs to maximize profits and they perceive those accidents resulting with deaths as the natural consequences of the work itself. So, will it change anything for those shipyards in Tuzla to engage in philanthropic practices like Sabancı does or to commit community volunteering programs similar to AstraZeneca? The answer will probably "no" because it does not seem so reasonable to attribute a good image for those shipyards just because they donate some money to somewhere while at the same time being the responsible of employee deaths. As Meehan et al. (2006; 392) indicated in their 3C-SR model, consistency is important for companies to be regarded as socially responsible. Therefore, for the shipyards in Tuzla, to be regarded as responsible, it would be better for them to first evaluate and reform their business practice and then engage in philanthropic behaviors.

All those discussions refer to the same point: CSR can be used as a strategic tool or not depending on the attitude of a firm in handling the issue. In order to increase company's image by CSR, firms need to be able to generate sincerity in the perceptions of its various stakeholders (i.e. customers, shareholders, employees, government, NGOs, and community at large). The tool, such as corporate volunteering or being ethics driven, that will create the best value for the company and for the society will depend on several factors like the sector and the product of the company, its economical situation, special concerns of the relevant society, government's attitudes towards different CSR practices and etc. The task of the managers is to first analyze and evaluate company's situation within the society it operates and then to form the CSR standpoint of the company.



### 3.4. REVIEW OF THE THIRD CHAPTER

Third chapter is completely related to the actual practices of CSR, and by that way, within this chapter it was possible to discuss the issue more specifically. To understand the actual business practices of CSR, real life companies' CSR policies have been examined under four main theories that were presented in the first chapter of the study. Besides, CSR's implementation from the marketing perspective has been presented and in doing so, CSR's role in marketing and marketing strategies' effect on CSR practices have been identified. The main importance of this chapter is that, CSR practices have been associated with theoretical underpinnings. This is to say, this chapter makes the previous explanations related to CSR more concrete and by that way, it completes the CSR framework. Moreover, CSR's role in the competitiveness of the firms has been specified by considering both theoretical and practical explanations.

## **CHAPTER 4**

### **CONSUMERS' VIEW OF CORPORATE SOCIAL RESPONSIBILITY: AN EXPERIMENTAL STUDY**

#### **4. OVERVIEW OF THE RESEARCH**

This study has been conducted in order to examine whether firms can generate benefits by being socially responsible or not. As indicated in previous chapters, firms have various stakeholders and in today's business environment, they can survive and expand depending on their level of engagements with their stakeholders. Consumers, being one of the major stakeholders, have direct impact on sales and so, on the profits of firms. Consumers' views on firms and their choices are very critical for firms. Therefore, understanding consumers' attitudes and behaviors toward CSR is an important issue both for marketers and top managers. In this study, answers of two crucial questions were aimed to be found: (1) To what extent consumers take CSR into account while evaluating firms? and (2) Which dimensions of CSR shape consumers' attitudes towards firms? An experimental study was designed with various scenarios in order to analyze the answers. In the following section, brief information about experimental studies and factorial experimental designs -which is the design of this experimental study- is going to be presented and then, theoretical background of the study, design of the study and results are going to be discussed.

#### 4.1. RESEARCH METHOD

In this study, an experimental design was conducted as a result of the interest area of investigation. Corporate social responsibility is a sensitive issue because it is related with ethical issues and moral values that people hold. Basically, asking people whether they would value good and punish bad or not would lead very optimistic results about the impact of CSR on various shareholders. In fact, Auger et al. (2007; 363) argued that in ethics issues it would be hard to form a structure of the survey instrument that allows respondents to reveal their 'true' underlying behavior, preference or attitude. In order to understand the real motivation, more than asking people's ideas would be beneficial. For instance, Devinney et al. (2007) designed a research in order to examine socially responsible buying behavior of consumers by using best-worst scaling to force them to make a trade-off between choices. Being closely related to ethics, in a CSR study, there is a risk caused by social desirability issue. An experimental study with a between-subjects design is expected to generate more implicit measures for the actual attitudes of consumers towards CSR.

##### 4.1.1. EXPERIMENTAL METHOD

The essences of experimental method are manipulation and control. Experiments are conducted in order to test certain hypotheses and the researcher consciously manipulates a variable (or various variables) in order to measure the effects of the change (Singleton et al., 2004; 171). There should be greater control over potential variables in an experimental design than other research because the aim of an experiment is to observe the cause and effect relationship between the manipulated item and the measured item. In a simple experiment, the experimenter manipulates a factor (variable) and she controls other variables in order to be sure that they stay unchanged. The manipulated variable in an experiment is called

independent variable, and the variable which is affected from this independent variable is called dependent variable (Solso et al., 2005; 12).

Two important considerations related to experiments and manipulations are internal and external validities. Internal validity enables experimenter to draw cause and effect relationship from the research whereas external validity is related to sample and settings. High external validity is required in order to be confident that the same cause and effect relationship can be demonstrated under different circumstances or with different participants (Aronson et al., 1998; 129-130).

There are various forms of experimental designs such as (1) the one-shot case study, (2) the one-group pretest-posttest design, (3) the static group experiments, (4) the pretest-posttest control group design, (5) the posttest-only control group design, and (6) the Solomon four-group design. Among them, the former three are viewed as pre-experimental designs and the remaining three are true experimental designs. (Singleton et al., 2004; 205-210) Aside those, factorial experimental designs which enables researchers to understand multiple independent variables' effects within the same design become popular among researchers using experimental designs by recent improvements in statistical analysis techniques.

#### 4.1.2. FACTORIAL EXPERIMENTAL DESIGN

Generally, in social studies, there exist multiple variables that affect an event or a phenomenon. This is to say, a number of independent variable may change a dependent variable, and sometimes there may be certain interactions among those independent variables while changing the condition of the dependent. In a single experimental study, if two or more independent variables are investigated, those variables are called factors, and factorial designs are used in order to explore those factors' jointly effects on dependent variables (Singleton et al., 2004; 212).

The number of factors and their levels are important for a factorial design. Level of a factor means the various conditions of a factor that are manipulated in a study. For instance, consider that a marketer aims to understand which factors affect purchase intentions of consumers for a convenient good. There are numerous variables that affect purchase intentions, but for this example, let's take quality and price as factors. Three levels of quality can be defined as high, moderate or low, and price can be above average or below average (when compared with other brands in the market). So, this becomes a 3X2 factorial design in which 3 indicates three levels of the first factor, quality, and 2 indicates two levels of the second factor, price. There will be total of six cells in this design and each cell will refer to a different combination of levels of factors. These cells could be seen more obviously in the following graph:

		Quality (Independent Variable)		
		Q1. High	Q2. Moderate	Q3. Low
Price (Independent Variable)	P1. Above Average	Q1P1	Q2P1	Q3P1
	P1. Below Average	Q1P2	Q2P2	Q3P2

Graph 4.1.: A Simple Example of Factorial Design Groups

According to this example, each of the six cells represents a different grouping. For example, in Q1P1 cell, quality is high and price is above average, whereas in Q2P2, quality is moderate and price is below average. In this simple and imaginary case, it is possible to explore main effect of price and quality separately on purchase intentions as well as the interaction effects of price and quality on dependent variable. By main effect, the effect of sole one factor on dependent variable is meant. Interaction effect occurs when the effect of one factor on the dependent variable changes according to the level of another factor (Singleton et al., 2004; 214). For instance, in purchase intention example, results may show that price has no impact on purchase intention when quality is low, but when quality is

moderate and high, there could be higher purchase intention for below average price than above average price. In such a case, these results will indicate an interaction effect of price and quality on purchase intent of consumers for a convenient good. In order to analyze main and interaction effects of factorial designs, variance analysis is used.

#### 4.2. PREVIOUS RESEARCH

In the CSR literature, certain studies have investigated effects of CSR on consumers by employing various methods and tools. One of the most distinct studies belongs to Brown et al. (1997). In their study, the authors aimed to identify the path between CSR, corporate evaluation, and product evaluation. According to this study, CSR has an influence on corporate evaluation and by that way, it also influences product evaluation. This is to say, positive CSR increases consumers' evaluations of a company and by doing so, it increases product evaluations too (Brown et al., 1997; 79). Other studies have also found similar positive relationships between CSR and company evaluation. For instance, Sen et al. (2001; 237) indicated that positive CSR records lead positive company evaluation and also positive CSR record ends up with higher purchase intentions of consumers than negative CSR record when there is high consumer support for the CSR domain and high new product quality. Besides, Dean (2003) made an experiment to reveal different donations' and CSR reputations' effect on consumers' regard for firms, their perceptions of firms' intent and their evaluation of firms' managerial success. As a result, he found that scrupulous firms have better images than irresponsible firms and they are perceived to have a better management (Dean, 2003; 100).

In another study, different types of philanthropic activities (general vs. directed, proactive vs. reactive) were examined in an experiment in order to understand their influences on corporate associations, brand evaluations and purchase intentions (Ricks, 2005). Ricks' study reached similar conclusions with

others. According to his study, corporate philanthropy, as a part of CSR, has an overall positive effect on consumer perceptions of corporate associations (Ricks, 2005; 128). Furthermore, Yoon et al. (2006; 388) searched the effects of the benefit salience of CSR activity and information source on company evaluations and sincerity for the firms that have bad reputations, and found that when benefit salience of CSR activity is low -this is to say, when the activity is not too much related to the actual business of firm- and information source is different from the firm itself, consumers tend to evaluate this company more positive and more sincere than when benefit salience of CSR activity is high and information source is the firm itself. In another study, Pivato et al. (2008; 8) also revealed a positive relations between CSR and consumers' views. They demonstrated a positive relation between Corporate Social Performance and consumers' trust among organic food suppliers.

Besides all of these studies, Mohr et al. (2005) designed a successful experiment to investigate CSR's effect on company evaluation and purchase intent where price was counted as the other independent variable. The results of their study supported that beyond product attributes (e.g. price), CSR also influences evaluation of the company and buying choices (Mohr et al., 2005; 138). Similarly, Creyer et al. (1997; 428) found that consumers reward ethicality (one of the strongest dimensions of CSR) of firms when there is information regarding firms' behavior.

#### 4.3. PURPOSE OF THE STUDY

From the discussions above, it is clear that CSR as a factor of consumers' company evaluations have been studied by various authors. In the light of those research, in this study, CSR's effects on consumers' evaluations about the company is going to be examined. The aim of this research is to extent the scope of the previous researches' focus on CSR and to support the theoretically claimed causal relationship between CSR and consumers. This research has several important points. First of all, in general, previous studies took only one or two dimension such

as employee relations or philanthropic activities of CSR to manipulate the variable. In here, four dimensions of CSR that state CSR practices of a company more broadly is going to be taken into account. This is to say, construct validity related to CSR is aimed to be increased by approaching CSR from a more holistic perspective. Besides, combined effects of several aspects of CSR on consumers' evaluations of companies are going to be analyzed and in doing so, this research is going to put previous researches' diverse approaches to CSR together. Additionally, based on the reviewed literature, no study on the relationship between the length of CSR practice and company evaluations was found. In this study, the effect of CSR's length is also going to be examined. Therefore, this research can make contributions to the field of CSR by adding the duration of CSR as a new discussion point.

#### 4.4. DEVELOPMENT OF HYPOTHESES

The main objective of this study was to unveil consumers' assessment of CSR. As can be inferred from previous literature, there is a strong relationship between CSR record of a company and consumers' evaluation of the company. It has been repetitively found that when CSR record is positive, consumers have more favorable evaluations of companies than when CSR record is negative (e.g. Brown and Dacin, 1997; Dean, 2003; Mohr and Webb, 2005). Although various papers discussed this CSR-company evaluation relation, each of them used different CSR domains and measures. Therefore, it is not clear that what parts of CSR affect company evaluation. For instance, Sen et al. (2001) based their CSR research on diversity domain and sweatshop domain, whereas Yoon et al. (2006) stated positive and negative CSR reputation based on the type of the company itself (i.e. negative CSR was associated with being a cigarette producer and positive CSR was associated with being a nicotine patch producer). Besides, Dean (2003) employed sweatshop and human rights dimensions of CSR in order to describe responsible and irresponsible companies, and Pivato et al. (2008) analyzed CSR under three main



domains: environmental dimension, consumer dimension and employee dimensions. Certain other studies investigated CSR from philanthropy perspective. Among them, Brown et al. (1997) defined CSR as corporate giving and community involvement in their study whereas Ricks (2005) investigated effects of various philanthropic corporate associations without taking other dimensions of CSR into consideration. Some research analyzed CSR reputation and philanthropic activity separately (e.g. Dean, 2003; Mohr et al., 2005).

In light of all those studies, two main aspects of CSR take attention. The first one is **CSR Reputation** that is related to the essence of being a company. This is to say, companies have many stakeholders and so many responsibilities towards them because of their existence. In this study, CSR Reputation is taken as the first independent variable and it means the reputation of firms about their responsiveness towards all of the stakeholder groups. Responsibilities that are obviously related to business performance, production process and its results and functioning of business are assessed under the name of CSR Reputation variable. This variable does not cover philanthropic activities of firms. So, social responsibilities of firms are separated into two groups: business related responsibilities and philanthropic responsibilities. In the first hypothesis, the former responsibilities are examined under the name of CSR Reputation, and three domains were employed: employee rights, environmental issues and local support. It is predicted that company evaluations will change according to positive or negative CSR Reputations. Company evaluation seems to be too general and therefore, it is divided under dimensions. As dependent variables, evaluation of (1) corporate image, (2) corporate ability on production, (3) sincerity perception of firms while conducting philanthropic activities, and (4) image promotional perception of firms while conducting philanthropic activities are measured, and two levels for CSR reputation was determined: positive vs. negative. Although sincerity and image promotional perceptions have been evaluated based on philanthropic dimensions of CSR, CSR reputation is expected to create an influential standpoint for consumers. It is predicted that positive CSR reputation will have a favorable influence on corporate image, corporate ability and sincerity perception whereas negative CSR reputation

will increase image promotion perception. So, there are four sub-hypotheses of Hypothesis 1:

**Hypothesis 1a:** Positive CSR reputation will lead higher ratings for *corporate image* than negative CSR reputation.

**Hypothesis 1b:** Positive CSR reputation will lead higher ratings for *corporate ability* than negative CSR reputation.

**Hypothesis 1c:** Positive CSR reputation will lead higher ratings for *sincerity perception* than negative CSR reputation.

**Hypothesis 1d:** Negative CSR reputation will lead higher ratings for *image promotion perception* than positive CSR reputation.

The second aspect of CSR is philanthropy. As explained above, philanthropy was assumed to be a distinct social domain for firms. For instance, some international initiatives such as GRI and SA 8000, which were explained in the second chapter of this thesis, do not take or partially take philanthropy as a part of CSR component. However, many companies committed to philanthropic activities because either they believe it is one of their social responsibility or they consider those activities as a promotional tool. It is predicted that consumers' views of those philanthropic activities will change according to CSR reputational background of the firm. For instance, Pirsch et al. (2007) conducted a survey where they investigated institutional and promotional CSR's influence on customer loyalty, purchase intent, skepticism toward the company's motivation for generating a CSR program and attitude toward the company. In their study, they defined institutional CSR as a general program where all major responsibility categories are met that were defined by KLD Socrates (i.e. community involvement, corporate governance, employee diversity, overall employee relations, environmental policies, human rights positions, and product evaluation) whereas promotional program were defined as programs that address significantly fewer of the CSR categories such as committing only philanthropic activities like sponsorships (Pirsch et al., 2007; 128). This survey found that institutional CSR programs have a greater effect on consumers and it

creates more favorable evaluation of company by consumers than promotional CSR programs. Besides, according to these results, skepticism towards the company is higher for promotional CSR programs (Pirsch et al., 2007; 132-134). In addition to Pirsch's study, Mohr et al. (2005; 142) used two CSR domains (environment and philanthropy) as repetitive variables to understand company evaluations and also found that, although this was not focus of their study, CSR has a stronger effect on the evaluation of the company for environmental domain than for philanthropic domain. Therefore, it is expected that CSR Reputation's effect on dependent variables will be greater than the effect of philanthropic activity in general.

Every philanthropic activity will not end up with the same effect on consumers. One of the most distinct features of a philanthropic activity is its connection with a firm. For instance, how would people react when a fast-food company donates some fund for a project aiming to prevent obesity in childhood? How would this reaction change if the company that supports this project is not a fast-food company but a toy company or another one that has no connection with obesity? Being a cause for obesity and trying to prevent obesity may create a dilemma for consumers. Actually, one study has already investigated this relationship by calling this dilemma benefit salience of philanthropic activity (Yoon et al., 2006). In this study, the researchers aimed to find how benefit salience and information source influence consumers' company evaluation, and suspicion about a company with bad reputation (i.e. a cigarette manufacturer). They created a high benefit salience situation by generating a scenario where this cigarette manufacturer supports National Cancer Associations and a low benefit salience situation where, in another scenario, the same company supports National Environment and Conservation Association (Yoon et al., 2006; 380). Result of this study revealed that benefit salience of the cause determines consumers' perceptions of the sincerity of the company's motives. Consumers attributed the most sincere motives and increased company evaluations under low benefit salience and when they learned about the CSR activity from a neutral source (Yoon et al., 2006; 382). Although, it is a good study, the firm employed in here was a cigarette manufacturer and cigarette production is a very debatable issue. There would be very strong negative associations with cigarette producers in the minds of consumers and because of this,

cigarette could be an extreme case for a benefit salience research. Besides, authors manipulated CSR reputation by not employing certain domains of CSR (e.g. employee rights, environment) but instead they depended on the bad reputation of cigarette as a product itself. Additionally, Yoon's study was about only for the companies with bad reputations. That explains why a further analysis for benefit salience is required with a more moderate company and with both negative and positive CSR reputation.

Consequently, the second independent variable came out as **benefit salience** that is related with the philanthropic activity firms commit. Benefit salience investigated with two levels: low and high. Based on the discussions above, it is estimated that, while CSR Reputation is negative, there will be a difference on corporate image, sincerity perception and image promotion perception based on the level of benefit salience. A change on corporate ability of production is not expected based on benefit salience because philanthropic activity is not related with the business process and main functioning of the firm. Besides, when CSR Reputation is positive, no change based on benefit salience is predicted because it is expected that positive CSR Reputation will overcome the effect of high benefit salience on dependent variables as CSR Reputation is a stronger variable with various domains. Therefore, the second group of hypotheses explains interaction between CSR reputation and benefit salience.

**Hypothesis 2a:** When CSR reputation is negative, the ratings for *corporate image* will be lower for high benefit salience than for low benefit salience but there will be no change on corporate image based on benefit salience when CSR reputation is positive.

**Hypothesis 2b:** When CSR reputation is negative, the ratings for *sincerity perception* will be lower for high benefit salience than for low benefit salience but there will be no change on sincerity perception based on benefit salience when CSR reputation is positive.

**Hypothesis 2c:** When CSR reputation is negative, the ratings for *image promotion perception* will be higher for high benefit salience than for low benefit salience but there will be no change on image promotion perception based on benefit salience when CSR reputation is positive.

Besides the context of a philanthropic activity (i.e. high vs. low benefit salience), continuity of it may influence perception of consumers. For instance, Turkcell, one of the most successful firms in Turkish GSM sector, has been conducting philanthropic projects for more than 12 years in specific issues like education and sport and the firm now has a distinct place in the minds of consumers as being a highly socially responsible company. In fact, according to a research conducted by Capital Magazine in 2006, Turkcell was ranked in the third place among the most successful companies in CSR issue (Büyük, 2006; 64). It is a known fact that consistency through time will increase the perceived sincerity of an act. Meehan et al. (2006; 392) also identified this in their CSR model, and they argued that because consistency over time builds trust, consistency is one of the main points for an effective CSR program. Therefore, it is predicted that when the duration of a philanthropic activity is long, consumers will tend to evaluate the activity more sincere and less image promotional. However, **duration**, by its own is not a strong variable as CSR reputation. So, similar to the case in benefit salience, it is expected that there would be an interaction between CSR reputation and duration of a philanthropic activity. The third group of hypotheses was formed as follows:

**Hypothesis 3a:** When CSR reputation is negative, the ratings for *sincerity perception* will be higher for long duration than for short duration but there will be no change on sincerity based on duration of philanthropic activity when CSR reputation is positive.

**Hypothesis 3b:** When CSR reputation is negative, the ratings for *image promotion perception* will be lower for long duration than for short duration but there will be no change on image promotion perception based on duration of philanthropic activity when CSR reputation is positive.

Although it has been discussed that those three variables –CSR reputation, benefit salience of a philanthropic activity and its duration- will influence consumers' perception about companies' image promotional intent, there are certain schemas in the minds of consumers about firms. Many people believe that main objective of companies is to generate higher profits and they primarily focus on profits rather than social issues. For instance, Yoon et al. (2006; 382) found that consumers believe that companies were motivated by image-promotional goals while committing a philanthropic activity in both high benefit salience and low benefit salience condition. Therefore, in this fourth group of hypothesis, it is expected that for every group, consumers will evaluate companies' philanthropic initiatives as image-promotional motives and give high ratings for this dependent variable.

**Hypothesis 4a:** The mean ratings of image promotion perception of consumers will be higher than the mean ratings of *corporate image*.

**Hypothesis 4b:** The mean ratings of image promotion perception of consumers will be higher than the mean ratings of *corporate ability*.

**Hypothesis 4c:** The mean ratings of image promotion perception of consumers will be higher than the mean ratings of *sincerity perception*.

#### 4.5. DESIGN OF THE STUDY

In order to check the hypotheses, an experiment was formed by using a factorial design. As there are three independent variables in this study, the factorial design was formed as 2 (CSR Reputation: Positive or Negative) X 2 (Benefit Salience: High or Low) X 2 (Duration: Long or Short) and it is between-subjects. Therefore, there created a total of eight factorial groups in which equal numbers of subjects were assigned.

This experiment was based on different scenarios by which independent variables were manipulated. An imaginary deodorant company (Company X) was created and every group took different texts containing various scenarios about this company. For instance, the first group read a text where CSR reputation is positive, benefit salience is high and duration is long, whereas the seventh group read a text where CSR reputation is negative, benefit salience is low, and duration is long. But before independent variable scenarios, an introductory paragraph about the company was presented. Statements used in the introductory part and in scenarios were simplified and common daily language was employed in order to be sure that every subject could understand them in a clear way. Subjects from all of the groups read the same introduction paragraph as follows:

*Company X, a well-known deodorant producer in Turkish market, first started its production in Europe and then, has expanded rapidly. After Europe, the company started operating in Turkey in 1985, and has improved its portfolio in the light of consumer demands and currently, it offers spray deodorants with various perfume alternatives. Company X, being assertive in deodorant production, aims to be one of the brands that provide the best solutions for perspiratory smell problems.*

A hypothetical company and completely imaginary situations were presented in this experiment in order to eliminate the risk of other variables that previous experiences and association of subjects could generate. This is to say, it would not be possible to change beliefs –if any exist- of consumers about a company that they already know by simply presenting a text. So, there should be a hypothetical company that consumers could not hold any previous evaluations on it. But, before giving texts, subjects were told that Company X is a real company because scenarios need to be credible. In fact, the only real items used in scenarios were United Nations and Culture and Tourism Ministry of Turkey, but the projects which were claimed to be committed by those institutions were imaginary too.

A deodorant company was selected for this experiment because of several reasons. First of all, this experiment was conducted with university students and deodorant is a product that university students, both men and women, are familiar

with. Besides, there are numerous deodorant producers and this is an advantage for scenarios, because it would be hard to make an association between the company in texts and a real company when there are so many deodorant brands in the market. In addition, there has been an extensive debate about the impact of deodorants on ozone layer. Many people are aware of deodorant usage's damage on ozone layer. So, it is expected that consumers could make a connection between deodorant production and ozone layer deterioration. Therefore, by using a deodorant producer within scenarios, it would be easy to manipulate high benefit salience situation in minds of consumers.

#### 4.5.1. VARIABLES AND MATERIALS

There are three independent and four dependent variables in this study. Independent variables represent different dimensions of CSR: CSR Reputation (Positive or Negative), Benefit Salience (High or Low), and Duration (Long or Short). Dependent variables are all about consumers' attitudes and beliefs about firms and they include corporate image, corporate ability, sincerity perception and image promotion perception. All of those dependent and independent variables are going to be explained in a detailed way and the materials employed for manipulations and measurements are going to be presented in the following part.



#### 4.5.1.1. INDEPENDENT VARIABLES

All of three scenarios and their manipulation scenarios are as follows. Manipulation scenarios are formed only for this study in order to generate different levels of independent variables.

##### CSR Reputation

As mentioned before, the responsibilities that are obviously related with business performance, production process, and results and functioning of business are assessed under the name of CSR Reputation variable. This variable has two levels: positive vs. negative. In order to manipulate this variable, three important domains of CSR reputation were selected. These are: employee, environment, and local community domains. Employee and environment domains were frequently employed in CSR researches to manipulate CSR levels. Besides, in their study, Rosen et al. (1991; 230) found that the most frequently addressed topics for corporate social behavior is environment and labor relations. Local community support was selected because community commitment was expected to be another important dimension of CSR which is emphasized in various CSR initiatives. Under employee domain, employee policy and training opportunities are mentioned within the scenario. Environment domain is related with energy and water usage, waste management and usage of recyclable raw materials. Lastly, local community involvement is manipulated by mentioning firms' policy towards local suppliers. In order to avoid information source's effect on consumer perception, within scenarios, it was indicated that the information about the company had been taken from a research of an independent company. Positive vs. negative CSR Reputation scenarios were formed like that:

#### Positive CSR Reputation:

*A research on deodorant producers that has been conducted by an independent institution emphasizes these three social policies of Company X in particular:*

- *Company X takes precautions in order to protect natural environment during its production process. The company significantly consumes less water and energy and generates less waste when compared with its competitors operating in the same sector. Besides, using recyclable materials for product packages is very important for the company.*
- *For its employee policy, Company X takes International Labour Organization's (ILO) working condition principles as a guide. Among the cosmetic sector, Company X has a distinct place based on the training it provides to its employees. The company offers various training programs to employees by which the company aims both increasing employees' work related knowledge and improving their social skills. Trainings such as reading-writing skills have the objective to improve employees' living conditions within society.*
- *Company X is very careful in purchasing the materials used in the production from local suppliers. When the company policies are considered, it is perceived that the company aims to improve the local society in which it operates besides its own development.*

#### Negative CSR Reputation:

*A research on deodorant producers that has been conducted by an independent institution emphasizes these three social policies of Company X in particular:*

- *Company X does not take sufficient precautions in order to protect natural environment during its production process. The company significantly consumes more water and energy, and generates more waste when compared with its competitors operating in the same*

*sector. Besides, instead of using recyclable materials for product packages, the company prefers the materials with lower costs.*

- *Company X has no specific employee policy. Besides, it ignores some parts of International Labour Organization's (ILO) working condition principles which many other institutions are using as an employee policy guide. Furthermore, in contrast with the other firms in this sector, Company X does not provide any training programs towards its employees to improve themselves or to increase their work related knowledge.*
- *Instead of acquiring raw materials from local suppliers, Company X follows a policy in which materials are bought from the less costly way. It is noticed that, the company does not spend any effort to improve the local society in which it operates while developing itself continuously.*

### Benefit Salience

The second independent variable of this study, benefit salience, implies the relationship between firms and philanthropic activities, and it has two levels: high benefit salience or low benefit salience. If the philanthropic activity supported by a company has relations with the functioning of a company and creates certain benefit dilemmas, this philanthropic activity is perceived to have high benefit salience for the company. If the company has no visible benefit from a philanthropic activity, then this activity is perceived as having low benefit salience.

There is a well-known fact that deodorant usage has a strong relationship between deterioration in ozone layer. So, Company X as a deodorant producer could be perceived as one of the responsible of the deterioration in ozone layer. That's why for the first level, ozone layer support was selected as a high benefit salience situation. In order to determine low benefit salience philanthropic activity, a pretest was conducted. The reason is that, importance levels of those high and low philanthropic activities should be similar in order to avoid importance level as a

confounding variable. The only difference between philanthropic activities should come from their perceived benefit to the company, so importance levels of high and low benefit salience activities should be balanced. For the pretest, 30 students were asked to evaluate importance levels of 10 different philanthropic activities. One of those activities was supporting a project about protecting ozone layer. The other nine activities were the ones that firms in Turkey commonly committing like supporting education or women that are not related with deodorant production<sup>4</sup>. Evaluations were made on a 7-point scale where “7” equals to “absolutely important” and “1” equals to “absolutely unimportant”. The means of each item were calculated and the activity which had the closest mean to mean of ozone layer was taken to create a low benefit salience situation. Results indicated that maintenance and restoration of historical ruins had the closest mean (M=5.59) to the protection of ozone layer mean (M=5.67)<sup>5</sup>. Based on the results, two scenarios were formed:

High Benefit Salience:

*Company X provides financial support for research and development purposes to a project of United Nations (UN) called Ecobandage which aims to stop and improve the deterioration in the ozone layer. By this project, it is aimed to minimize the deterioration in the ozone layer caused by excessive release of harmful gasses.*

Low Benefit Salience:

*Company X provides financial support to a project of Culture and Tourism Ministry of Turkey for the maintenance and restoration of the historical ruins and buildings that face up destruction risk. One other objective of this project is to make individuals conscious of protecting these cultural assets which are found all over the country.*

---

<sup>4</sup> For the full list of those activities and form of the pretest, see Appendix I.

<sup>5</sup> For the results of the pretest, see Appendix II.

## Duration

The last independent variable is duration of a philanthropic activity which is implied in the benefit salience situation and it has two levels: long (i.e. 7 years and ongoing) or short (i.e. for once). So, just after mentioning philanthropic activity – ozone layer or historical ruins protection-, two different statements were presented based on their lengths:

Long:

*The company has been supporting this project for more than 7 years and it is expected that this support will continue as far as the company has enough facilities.*

Short:

*The company has allocated certain part of its one year revenue for this project and has donated money for once.*

Each subject took one text including different scenarios. Table 4.1 shows the scenarios employed in each groups' texts. One example of the whole text that belongs to first group is given below<sup>6</sup>. The order of this scenario below is like that: (1) introductory paragraph, (2) CSR Reputation (positive), (3) Benefit Salience (High), (4) Duration (Long). But each of eight groups has two versions of texts in which ordering of independent variables had been changed. The first order is like above: introduction, CSR reputation, benefits salience and duration. This ordering was named Serial A. The other order (Serial B) is like this: introduction, benefit salience, duration, and CSR reputation. Two versions of each text were used to avoid remembering effect. It is a known fact that, people tend to remember the recent items

---

<sup>6</sup> For all the texts with original writings (in Turkish) see Appendix III.

more than the previous ones. So, if only the first ordering had been used, it would not be possible to understand whether subjects based their evaluations on the whole text or more on the benefit salience and duration scenario.

1<sup>st</sup> Group Text-Serial A (Positive CSR Reputation, High benefit salience, Long Duration):

*Company X, a well-known deodorant producer in Turkish market, first started its production in Europe and then, has expanded rapidly. After Europe, the company started operating in Turkey in 1985, and has improved its portfolio in the light of consumer demands and currently it offers spray deodorants with various perfume alternatives. Company X, being assertive in deodorant production, aims to be one of the brands that provide the best solutions for the perspiratory smell problems.*

*A research on deodorant producers that has been conducted by an independent institution emphasizes these three social policies of Company X in particular:*

- *Company X takes precautions in order to protect natural environment during its production process. The company significantly consumes less water and energy and generates less waste when compared with its competitors operating in the same sector. Besides, using recyclable materials for product packages is very important for the company.*
- *For its employee policy, Company X takes International Labour Organization's (ILO) working condition principles as a guide. Among the cosmetic sector, Company X has a distinct place based on the training it provides to its employees. The company offers various training programs to employees by which the company aims both increasing employees' work related knowledge and improving their social skills. Trainings such as*

*reading-writing skills have the objective to improve employees' living conditions within society.*

- *Company X is very careful in purchasing the materials used in the production from local suppliers. When the company policies are considered, it is perceived that the company aims to improve the local society in which it operates besides its own development.*

*Company X provides financial support for research and development purposes to a project of United Nations (UN) called Ecobandage which aims to stop and improve the deterioration in the ozone layer. By this project, it is aimed to minimize the deterioration in the ozone layer caused by excessive release of harmful gasses. The company has been supporting this project for more than 7 years and it is expected that this support will continue as far as the company has enough facilities.*

Table 4.1.: Scenario Types Used in the Factorial Groups of the Experiment

<b>Groups</b>	<b>CSR Reputation</b>	<b>Benefit Salience</b>	<b>Duration</b>
<b>1</b>	Positive	High	Long
<b>2</b>	Positive	High	Once
<b>3</b>	Positive	Low	Long
<b>4</b>	Positive	Low	Once
<b>5</b>	Negative	High	Long
<b>6</b>	Negative	High	Once
<b>7</b>	Negative	Low	Long
<b>8</b>	Negative	Low	Once

#### 4.5.1.2. DEPENDENT VARIABLES

There are four dependent variables in this study: Corporate image, corporate ability, sincerity perception, and image promotion perception. Unlike many other studies, purchase intent and buying behavior were not taken as dependent variables because it was believed that CSR has not a direct impact on purchase behavior. Purchasing mainly depends on quality, price and availability of a product and corporate image may also influence buying behavior. All of those items –quality, price, and availability- are directly related with the product whereas CSR is related with the overall company evaluation. For instance, in a path analysis, Brown et al (1997; 71) showed that CSR influences product evaluation by company evaluation. How company evaluation affects product evaluation is beyond the scope of this research. Besides the limited scope of the study, one risk of measuring purchase intent as a dependent variable with this scenario based experiment would be that effect of CSR on purchase decision could be over emphasized. In fact, the objective of CSR activities is creating long-term associations in minds of consumers, not stimulating immediate buying. Therefore giving scenarios and asking whether they would buy the product mentioned in the scenario or not would not reflect actual buying patterns of consumers. So, a total of four dependent variables and their evaluation statements are as follows<sup>7</sup>:

---

<sup>7</sup> For the original evaluation form of dependent variables used in the experiment, see Appendix IV.



## Corporate Image

Corporate image can be viewed as the picture of a company in minds of related parties formed as a result of all of the messages presented by a company (Ind, 1992; 21). This is to say, corporate image is the perceived image of a company by consumers, investors, employees, and other related individuals. In order to measure this picture of image related with companies for consumers, seven items were formed for this study. Four of them imply favorable views about company image whereas the remaining three were stated inversely in order to increase attention during evaluations. Statements were formed based on one study about CSR's effect on company evaluation (Dean, 2003; 96) and three judges' views (one from business administration department, and two from public relations department) on corporate image.

1. *I had respect toward Company X.*
2. *I did not feel sympathy to Company X.*
3. *I admired Company X.*
4. *I appreciated the works of Company X.*
5. *Company X is a valuable company.*
6. *Company X is a mal managed company.*
7. *If I had money, I would invest on Company X.*

## Corporate Ability

In this study, corporate ability refers to a company's expertise in producing and delivering goods and services of high quality (Brown et al, 1997; 70). In fact, Brown et al. made an experiment about corporate ability as one of the dimensions of corporate associations where the other dimension was corporate social responsibility; and they aimed to reveal corporate associations' (i.e. corporate ability and CSR) impacts on product and company evaluations. However, corporate ability might have

a relation with CSR, similar to relation between corporate image and CSR. Consumers may think conclude that a firm which behaves in a responsible way would have better production facilities and would feel responsibility for producing better products. So, as a second dependent variable, corporate ability was stated by three items:

1. *Probably, Company X produces the best products available in the market.*
2. *Company X spends its resources inefficiently.*
3. *The products of Company X, possibly, better than the products of other companies.*

### Sincerity Perception

This dependent variable aims to measure whether consumers attribute company's philanthropic activities to sincere motives or not. If consumers view those activities as sincere initiatives, they may have more positive attitudes towards a company. Therefore being perceived as sincere is critical for firms. For measuring sincerity, two items were employed. One of them is for sincerity of concerns about the issue, and the other one is sincerity of concerns towards the project. The statements in the parentheses below were used in the evaluations of the scenario where Company X supports protection of historical assets instead of ozone layer.

1. *I believe that, Company X sincerely supports the project of United Nations concerning ozone layer deterioration (the project of Culture and Tourism Ministry of Turkey concerning protection of historical assets).*
2. *The support of Company X in order to protect ozone layer (historical assets) is a result of its sincere concerns.*

## Image Promotion Perception

Image promotion perception as a variable is very similar to sincerity perception with an important difference. Consumers may think that a company is sincere about its concerns towards a specific problem but also they may still believe that the company supports the projects for this problem in order to improve its image. So, image promotion implies a different point than sincerity perception and two items were used to assess image promotion perception:

1. *Company X aims to create favorable image by supporting ozone layer protection (historical assets protection).*
2. *Company X supports ozone layer protection project (historical assets protection project) in order to strengthen its image.*

### 4.5.2. MANIPULATION CHECKS

Besides independent variable scenarios and dependent variable evaluation statements, another evaluation form was created in order to understand whether subjects could notice the manipulations correctly. Various statements were directed to subjects for manipulation checks, and they were asked to evaluate these items in a 7-point scale<sup>8</sup>. There were three items for the first independent variable, CSR reputation:

1. *Company X meets its responsibilities towards its workers.*
2. *Company X behaves responsibly in waste management and energy and water consumption.*

---

<sup>8</sup> For the original evaluation form of manipulation checks used in the experiment, see Appendix V.

3. *Company X has a responsible attitude towards the local community in which it operates.*

In addition, one item was directed for benefit salience as an independent variable:

4. *Protection of ozone layer (protection of historical ruins) is closely related to the deodorant production of Company X.*

One item was directed to subjects in order to control duration as an independent variable. They were asked to choose one of two choices for this statement instead of an evaluation in a 7-point item scale.

5. *Company X's support for ozone layer protection (historical ruins protection) is:*

*For once*                      *or*                      *For long term*

Lastly, two more controls were made in order to compare importance levels of philanthropic activity types. As explained, for creating high and low benefit salience situations, two different philanthropic activities were used. These activities were supporting a project related with ozone layer protection or historical ruin protection. The former one was claimed to belong to UN, and the latter was claimed to belong to Culture and Tourism Ministry of Turkey. One possibility in here was that the difference between those two philanthropic activities might be caused by different perceived importance levels instead of perceived benefit salience levels. Therefore, to be sure that those projects have the same importance levels –namely to check that importance level is not a confounding variable- two items were directed to the subjects with a 7-point scale:

6. *Ozone layer deterioration (historical ruins deterioration) is an important problem.*
7. *I believe that the activities of UN concerning ozone layer protection (the activities of Culture and Tourism Ministry of Turkey concerning historical ruins protection) are important.*

#### 4.6. DATA COLLECTION

This research aims to find out consumers' view of CSR. As a homogeneous group, university students are taken as the main sample. The following section explains the boundaries of the sample.

While realizing this experiment, the most appropriate pattern was aimed to be followed. For each subject, the same way of application (i.e. similar directions and similar conditions) was carried out and this is going to be presented after subjects.

##### 4.6.1. SUBJECTS

This experiment is conducted with university students who are studying in Dokuz Eylül University, İzmir in order to represent consumer as a stakeholder. University students are not taken as the sample just because of their availability, but rather they represent a group where age, income and education level are similar. It is essential to have a random assignment for each group in the experiment in order to avoid potential variables and their influences on the results. By taking university students as sample, a randomized assignment of subjects has been achieved and the effects of these variables (i.e. age, income and education level) on the results have been eliminated.

Total of 160 students from three faculties were assigned to the groups of this study. These faculties are Faculty of Business, Faculty of Engineering, and Faculty of Theology which are all under the management of Dokuz Eylül University. Students from all the departments of Faculty of Business and Faculty of Theology were taken into study. However, Faculty of Engineering is a more complicated one and it spreads among various departments, so just five of those departments that would represent the whole faculty were taken into consideration. They are Department of Mechanical Engineering, Department of Environmental Engineering, Department of Geological Engineering, Department of Geophysical Engineering and Department of Industrial Engineering. Geological and Geophysical Engineering was considered as one group because of their closeness. So, there are 4 subgroups under engineering faculty which represents the whole faculty. For instance, mechanical engineering students are similar with electrical and electronic engineering students, whereas industrial engineering students are closer to the social sciences than the other engineering students. This is to say, significant attention has been taken place in selecting the sample to increase its representativeness of the whole university students.

There are several reasons of selecting these three faculties mentioned above. First of all, they represent varied disciplines and it is assumed that students from different disciplines may also have different views on CSR and on firm behavior. One assumption in here is that business students who are studying in four different departments (business administration, economics, tourism management, and international relationships) possibly would have a deeper knowledge on firms and their responsibilities, and probably they would be more aware of CSR as a concept. So, they would not be as naïve as expected from other subjects. But, when all consumers are considered, there would be individuals who have deeper knowledge on firms so business students add value to this study. On the other side, engineering students' viewpoints on firms would be different as they are more related with the production process and have more technical knowledge. Besides, life expectations and values hold would differ among the students from various disciplines. For instance, students from Faculty of Theology were assumed to have a more non-materialistic view of life, so they may value ethicality of firms more. Although this is

just a simple assumption, if this is the case in real, adding theology students in this experiment would generate a more representative sample for university students.

Considering all above, the whole sample includes a total of 64 students from Faculty of Business, 64 students from Faculty of Engineering (this is to say 8 business students and 8 engineering students are assigned to each group) and 32 students from Faculty of Theology (4 theology students for each group). Within design, there are fewer Faculty of Theology students (20% of each group) because it was assumed that they represent a smaller population compared with business and engineering students. Within the Faculty of Engineering as indicated above there are 4 subgroups and 16 subjects were assigned for each of these groups. Half of the students from each faculty are women and the other half are men. Equal numbers of men and women were assigned to each group, and by doing so the effect of gender on the results was aimed to be eliminated. A graphical illustration is presented below which shows the assignment of subjects to each group.

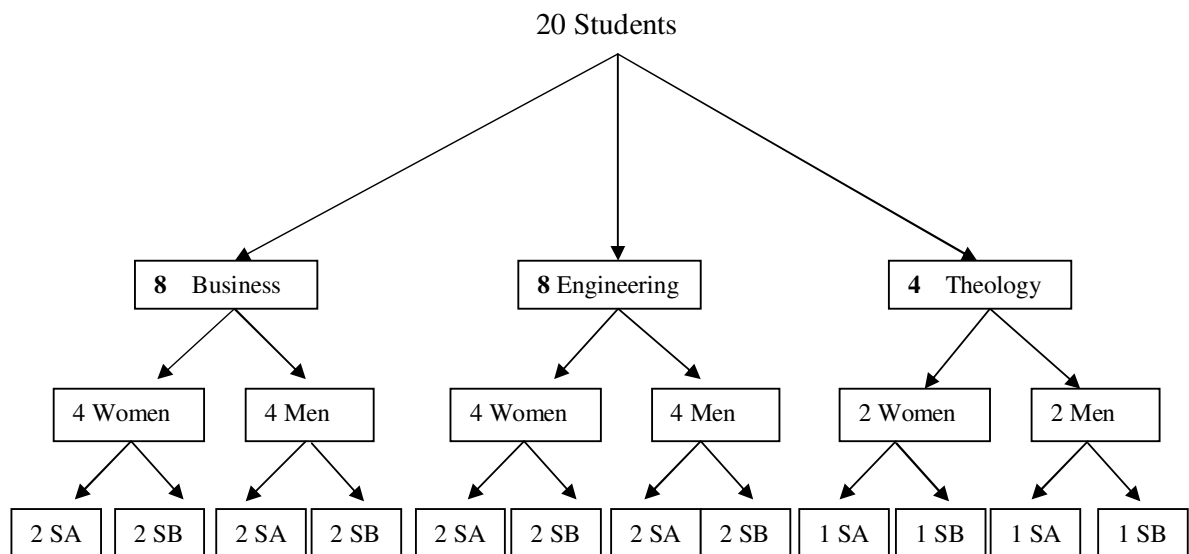


Figure 4.1.: Sampling Example of Factorial Groups Formed in the Experiment<sup>9</sup>

<sup>9</sup> SA=serial A and SB=Serial B (at the bottom of the figure)

#### 4.6.2. PROCEDURE

At the very beginning of implementing the design, permissions for research from relevant faculty managements were taken. An available classroom from each faculty/department was arranged for research purpose. All subjects were taken to the classroom one by one and no other person was allowed to be in the classroom except the experimenter and the subject during the experiment. The author of this thesis was the only person who conducted the whole experiments.

Subjects were the students who accepted to participate to experiment voluntarily. After self-presentation, students from relevant faculties were asked if they could participate to an experiment about consumers' view of corporate image<sup>10</sup>. Departments and genders of subjects were noted for grouping at the very beginning of each experiment. Each subject was given one of the written texts without any other evaluation form as a hand out and experimenter's first directive was like that:

*This text is about a deodorant producer in Turkey, but we are not mentioning the name of the company, and call it Company X. Now, I want you to first read this text carefully and then I am going to ask you to evaluate certain statements about this company and ask you some questions about the text.*

Each subject was not given a limited time for reading and she had been waited until the reading ends. Then, the text was taken and another paper including statements of dependent variables was given with another direction:

*In this section, we are expecting you to imagine Company X that you have read in the text one more time, and then to evaluate the following statements in the light of information given about this company. You are going to use a 7-point scale in which*

---

<sup>10</sup> During the design duration of the study, one concern was that, because of voluntary basis of the research, there would be a risk of taking a specific group of people as a base; this is to say, those people who would attend the survey also would be the ones who are benevolent in their social lives. There would be a risky relation between being benevolent and having higher concerns for CSR. On the other hand, very few students refused to participate so being benevolent would not be a confounding variable for the study.



*1 represents “I absolutely disagree” and 7 represents “I absolutely agree”. Other numbers have equal divisions and distances to 1 and 7, and you could choose 4 in case of indecision.*

Subject was waited until she evaluated all of the statements. Then, this second section’s paper was taken and controlled in order to be sure that all of the statements were rated. After that, the third section, manipulation check statements were presented to the subject. Subject was informed as:

*In this part of the study, we are expecting you to assess some statements about the Company X based on what you remember on the text. Please first consider the text that you have read one more time and specify the most appropriate rating for the statements concerned with Company X. You are going to use the same 7-point scale except the 5<sup>th</sup> statement where you are expected to specify the appropriate one of those two choices.*

Within manipulation check section, there also exist question for age and gender. After manipulation check evaluation, experiment was finished and a new subject was asked to come to the classroom.

#### 4.7. RESULTS

In this part, first of all, statistics for sample are going to be presented. Sample sizes and the assignments of subjects to each group are critical for both internal validity and external validity of the study. Then, manipulation check analyses are going to be discussed in order to examine the effectiveness of manipulations. Reliability tests that follow manipulation check analyses will reveal the appropriateness of the statements used for dependent variables. Lastly, by hypotheses testing, the significance and validity of the arguments of this research is going to be discussed.

#### 4.7.1. SAMPLE

Total number of university students in the sample was 160. 50% was female and the remaining 50 % was male. The numbers of male and female subjects were equal (i.e. 10) within each eight factorial groups. There is some variability of sample numbers for dependent variables but for none of the cases group numbers felt below 19. The mean of all groups' age is 22.24, and in order to check if there are any age differences among groups an ANOVA was made for eight factorial groups. Results supported the claim that there is no difference of age among those eight groups ( $\bar{x}_1=22.40$ ,  $s_1=2.96$ ;  $\bar{x}_2=21.90$ ,  $s_2=1.74$ ;  $\bar{x}_3=23.32$ ,  $s_3=2.31$ ;  $\bar{x}_4=22.25$ ,  $s_4=1.29$ ;  $\bar{x}_5=21.75$ ,  $s_5=1.65$ ;  $\bar{x}_6=22.30$ ,  $s_6=1.75$ ;  $\bar{x}_7=22.20$ ,  $s_7=1.85$ ;  $\bar{x}_8=21.85$ ,  $s_8=2.15$ ),  $F(7, 151) = 1.14$ ,  $p > .33$ .

Gender wasn't employed as an independent variable in this research because in the literature of CSR, no relationship between CSR and gender has been emphasized. However, in order to eliminate any possible influence of gender on results, equal number of man and woman were assigned to each factorial group. This is to say, there were 10 men and 10 women in each group. Besides, in order to be sure, gender's role as being a potential variable was checked for all of the dependent variables by using ANOVA. It was found that being female ( $\bar{x}=27.10$ ,  $s=13.33$ ,  $n=79$ ) or male ( $\bar{x}=27.20$ ,  $s=11.70$ ,  $n=78$ ) has no effect on consumers' view of corporate image,  $F(1,141) = 0.068$ ,  $p > .79$ . According to results, there is also no significant difference among females ( $\bar{x}=12.34$ ,  $s=4.50$ ,  $n=79$ ) and males ( $\bar{x}=12.10$ ,  $s=4.13$ ,  $n=80$ ) on corporate ability ratings,  $F(1,143) = 0.393$ ,  $p > .53$ . Besides, female ( $\bar{x}=6.98$ ,  $s=5.55$ ,  $n=80$ ) or male ( $\bar{x}=7.35$ ,  $s=3.73$ ,  $n=80$ ) does not bring any difference on sincerity perception,  $F(1,144) = 0.681$ ,  $p > .41$  and there were no significant difference among females ( $\bar{x}=11.91$ ,  $s=2.62$ ,  $n=79$ ) and males ( $\bar{x}=11.65$ ,  $s=2.57$ ,  $n=80$ ) on image promotion perception,  $F(1,143) = 0.399$ ,  $p > .52$ .

These findings support the previous assumption of this research that gender has no significant effect on the dependent variables of this study.

In addition, within each group, the number of people who read the text in Serial A order equals to the number of people who read the text in Serial B order. However, an independent sample t-test was conducted for identifying any possible changes on corporate image, corporate ability, sincerity perception and image promotion perception caused by different orderings of independent variables in texts. The results showed that ordering of independent variables, Serial A ( $\bar{x}=26.84$ ,  $s=12.70$ ,  $n=79$ ) or Serial B ( $\bar{x}=27.46$ ,  $s=12.39$ ,  $n=78$ ), did not significantly affect corporate image,  $t(155) = 0.306$ ,  $p > .76$ . Besides, no significant relationship was found among ordering, Serial A ( $\bar{x}=12.02$ ,  $s=4.48$ ,  $n=79$ ) and Serial B ( $\bar{x}=12.41$ ,  $s=4.14$ ,  $n=80$ ) on corporate ability,  $t(157) = 0.565$ ,  $p > .57$ . Serial A ( $\bar{x}=6.92$ ,  $s=3.85$ ,  $n=80$ ) and Serial B ( $\bar{x}=7.41$ ,  $s=3.42$ ,  $n=80$ ) did not cause any significant difference for sincerity perception,  $t(158) = 0.846$ ,  $p > .39$ . Lastly, no significant impact of Serial A ( $\bar{x}=11.43$ ,  $s=2.94$ ,  $n=80$ ) and Serial B ( $\bar{x}=12.12$ ,  $s=2.14$ ,  $n=79$ ) was found on image promotion perception,  $t(144) = 1.688$ ,  $p > .09$ <sup>11</sup>. Therefore, it could be confidently argued that scenario orderings cause no differences for all dependent variables.

#### 4.7.2. MANIPULATION CHECKS AND MEASUREMENTS

There have been three main manipulations of this study that aim to generate levels of independent variables. For the first independent variable, CSR Reputation, three statements were asked to subjects for evaluation on a 7-point scale including “I absolutely agree” in one end and “I absolutely disagree” on the other. T-test results showed that there is a significant difference between negative CSR Reputation group ( $\bar{x}=18.20$ ,  $s=2.59$ ) and positive CSR Reputation group ( $\bar{x}=4.57$ ,  $s=2.72$ ),  $t(158) =$

---

<sup>11</sup> For image promotion perception, Welch correction was taken into consideration as there were unequal group of variances.

32.39,  $p < .001$ . So, it is possible to argue that CSR Reputation manipulation has worked within these scenarios.

The second independent variable, Benefit Saliency (BS), has been measured by one statement with a similar 7-point scale. The results of an independent T-test indicate that there is a significant difference between low BS ( $\bar{x}=2.93$ ,  $s=2.14$ ) and high BS ( $\bar{x}=4.74$ ,  $s=1.93$ ) scenarios,  $t(156) = 5.58$ ,  $p < .001$ , which supports the belief that benefit saliency manipulation has worked.

Donation period as the last independent variable has been evaluated in a different way. Subjects were asked to choose one of two statements in which period was defined as “for once” or “for long-term”. Data revealed that the percentage of subjects who chose “for once” in “for once” scenario is 67.1% and the percentage of subjects who chose “for long term” in “for long term” scenario is 89.7%. Chi-square analysis confirmed these differences between percentages are statistically significant,  $\chi^2(1, N=157)=53.36$ ,  $p < .001$ . Based on these results, it is possible to claim that most of the subjects were aware of the length of the donations made. So, the manipulation for the last independent variable, donation period, worked in an acceptable level.

Besides main manipulations, two more statements were evaluated by subjects to understand if the type of donations and institutions owning the projects of those donations that belong to different benefit saliency situations cause any effect on dependent variables. This is to say, there were two projects related with saving ozone layer and saving historical and cultural ruins. The former one is a project of United Nations whereas the latter one belongs to Turkish Ministry of Culture and Tourism. It was expected that there would be no difference between the importance perceptions of subjects on those two donation types and the institutions working on this projects. T-test results showed that, there is no significant difference in importance perception between ozone layer deterioration ( $\bar{x}=6.73$ ,  $s=0.85$ ) and the problem with historical assets ( $\bar{x}=6.49$ ,  $s=1.20$ ),  $t(158) = 1.44$ ,  $p > .15$ . Besides, another t-test applied for the institutions importance, and its results showed that the importance attributed to United Nation’s project ( $\bar{x}=5.78$ ,  $s=1.38$ ) and the importance

attributed to Culture and Tourism Ministry of Turkey's project ( $\bar{x}=5.99$ ,  $s=1.48$ ) do not differ significantly,  $t(158) = 0.93$ ,  $p > .35$ .

In the experiment, various items were used to measure each dependent variable. There were seven items for corporate image, three items for corporate ability, two items for sincerity perception and two for image promotion perception. Therefore, Cronbach's alpha for internal consistency and inter-item correlations were examined to determine if any of the multi-item measures had unacceptable reliability levels. Cronbach's alphas are: For corporate image,  $\alpha = .92$ ; for corporate ability,  $\alpha = .74$ ; for sincerity perception,  $\alpha = .64$ ; for image promotion perception,  $\alpha = .65$ . Inter item correlations shows ranges between .49 and .91 for corporate image items; between .40 and .68 for corporate ability items; and all items have correlations of .48 for sincerity perception and for image promotion perception. Reliability tests revealed that all measures had acceptable alpha values. Based on these reliability results, for the analyses, items of each measure were combined into one using the means. For instance, in order to measure corporate image, the sum of the all seven corporate image items was used.

Besides, results of the analysis of correlations between dependent measures are given in the following table:

Table 4.2.: Correlations between Dependent Measures

	<b>Corporate Image</b>	<b>Corporate Ability</b>	<b>Sincerity</b>	<b>Image Promotion</b>
<b>Corporate Image</b>	—	.806**	.731**	-.240**
<b>Corporate Ability</b>		—	.637**	-.185*
<b>Sincerity</b>			—	-.249**
<b>Image Promotion</b>				—

\*\* $p < .01$  ; \* $p < .05$

### 4.7.3. HYPOTHESES TESTS<sup>12</sup>

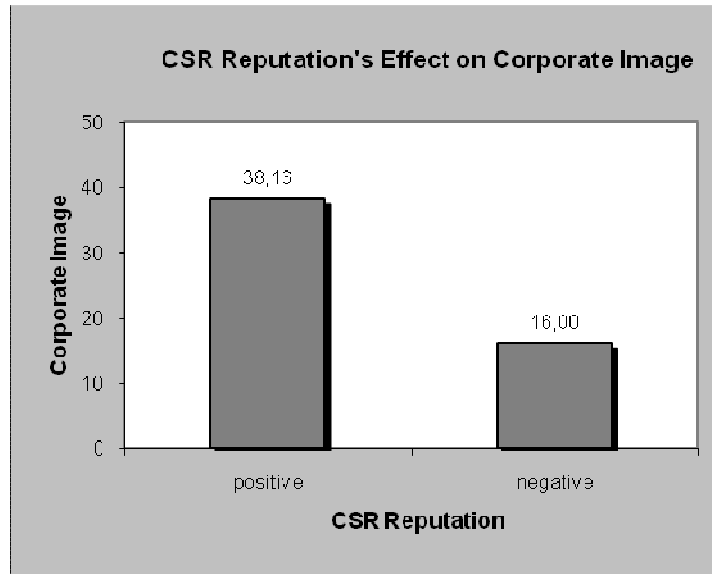
In the first group of hypotheses CSR Reputation's main effect on all four of the dependent variables (corporate image, corporate ability, sincerity perception and image promotion perception) were explained. CSR Reputation has two levels: positive and negative. Positive CSR Reputation is expected to provide higher ratings than negative CSR Reputation for corporate image, corporate ability and sincerity perception and vice versa is expected for image promotion. ANOVA was employed to test these hypotheses.

In the Hypothesis 1a, it was predicted that Positive CSR reputation will lead higher ratings for corporate image than negative CSR reputation. An ANOVA was made to test this hypothesis where corporate image was dependent variable. The analysis showed that positive CSR Reputation leads to significantly higher ratings for corporate image than negative CSR Reputation,  $F(1,149) = 555.320$ ,  $p < .001$ ,  $\eta^2 = 0.792$ . So, Hypothesis 1a is supported. The following graph shows this relation more clearly.

Table 4.3.: The Means, Standard Deviations and Sample Sizes of Corporate Image According to CSR Reputation Groups

	$\bar{x}$	s	N
<b>CSR Reputation Positive</b>	38.16	5.30	79
<b>CSR Reputation Negative</b>	16.00	6.19	78

<sup>12</sup> For the statistical representation of the results of the experiment, see Appendix VI.

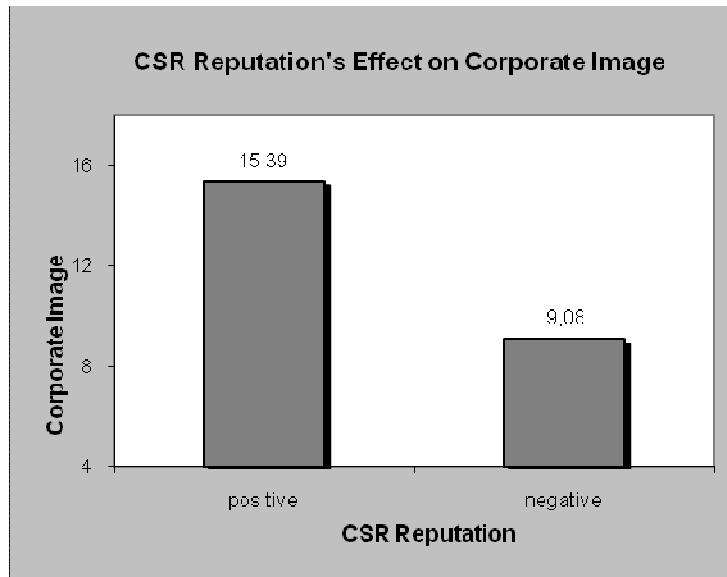


Graph 4.2.: Corporate Image Rating Means According to CSR Reputation Groups.

Hypothesis 1b predicted that positive CSR reputation would lead higher ratings for corporate ability than negative CSR reputation. Univariate analysis was employed where corporate ability was dependent variable and the results supported Hypothesis 1b. Positive CSR reputation significantly leads higher evaluations of corporate ability than negative CSR reputation,  $F(1,151) = 180.029$ ,  $p < .001$ ,  $\eta^2 = 0.544$ . The graph of this result is:

Table 4.4.: The Means, Standard Deviations and Sample Sizes of Corporate Ability According to CSR Reputation Groups

	$\bar{x}$	s	n
<b>CSR Reputation Positive</b>	38.16	5.30	79
<b>CSR Reputation Negative</b>	16.00	6.19	78



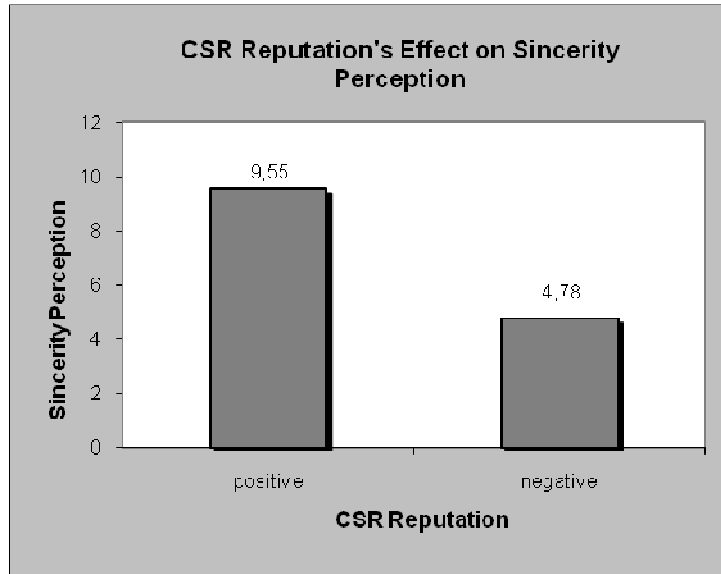
Graph 4.3.: Corporate Image Rating Means According to CSR Reputation Groups.

Hypothesis 1c expected that CSR reputation would have a main effect on sincerity perception, and positive CSR reputation would lead higher ratings. The results of ANOVA supported this hypothesis. Positive CSR reputation significantly leads to higher evaluations than negative CSR reputation,  $F(1,152) = 119.391$ ,  $p < .001$ ,  $\eta^2 = 0.440$ .

Table 4.5.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation Groups

	$\bar{x}$	s	n
<b>CSR Reputation Positive</b>	9.55	2.62	80
<b>CSR Reputation Negative</b>	4.78	2.88	80



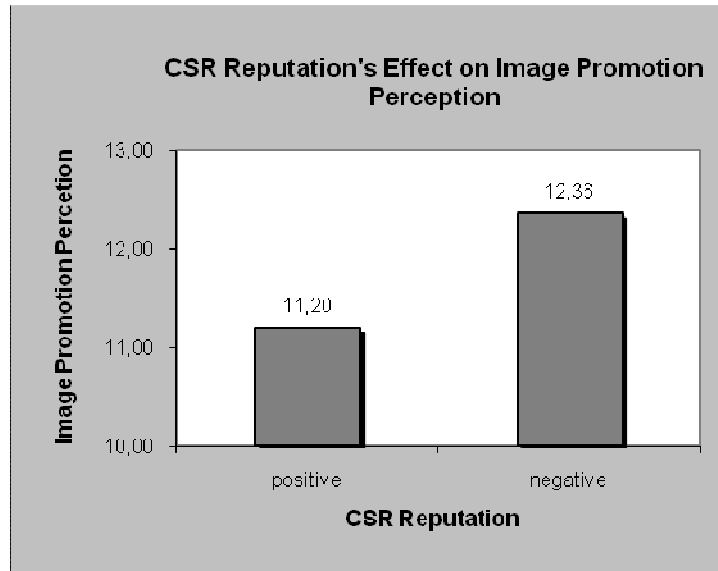


Graph 4.4.: Corporate Image Rating Means According to CSR Reputation Groups.

The last hypothesis related with the main effect of CSR reputation, Hypothesis 1d, predicted that negative CSR reputation would lead higher ratings for image promotion perception than positive CSR reputation. ANOVA results showed that negative CSR Reputation leads significantly higher corporate image ratings than positive CSR reputation,  $F(1,152) = 8.401, p < .001, \eta^2 = 0.053$ . Therefore, Hypothesis 1d is supported.

Table 4.6.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation Groups

	$\bar{x}$	s	n
<b>CSR Reputation Positive</b>	11.20	2.54	80
<b>CSR Reputation Negative</b>	12.36	2.52	79



Graph 4.5.: Corporate Image Rating Means According to CSR Reputation Groups.

The second group of hypotheses is related with the interaction between benefit salience (high or low) and CSR reputation (positive or negative). Hypothesis 2a predicted that when CSR reputation is negative, the ratings for corporate image would be lower for high benefit salience than for low benefit salience but there would be no change on corporate ability based on benefit salience when CSR reputation is positive. To test this hypothesis univariate analysis was made where corporate ability was dependent variable. According to the analysis, a significant interaction between CSR reputation and benefit salience on corporate image was not found,  $F(1,149) = .455, p > .50$ . When CSR reputation is negative, the ratings for corporate image were not higher for high benefit salience than for low benefit salience. The results did not support Hypothesis 2a because when CSR reputation is positive, no significant effect of high benefit salience and low benefit salience on corporate image was found.

Table 4.7.: The Means, Standard Deviations and Sample Sizes of Corporate Image According to CSR Reputation and Benefit Saliency Groups

	CSR Reputation Positive			CSR Reputation Negative		
	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Benefit Saliency High</b>	38.07	4.75	40	15.28	4.88	39
<b>Benefit Saliency Low</b>	38.26	5.87	39	16.71	7.26	39

Hypothesis 2b predicted that when CSR reputation is negative, the ratings for sincerity perception would be lower for high benefit saliency than for low benefit saliency but there would be no change on sincerity perception based on benefit saliency when CSR reputation is positive. The results of ANOVA showed that there is no interaction effect of CSR reputation and benefit saliency on sincerity perception,  $F(1,152) = 1.38, p > .24$ . When CSR reputation is negative, the ratings for sincerity perception were not lower for high benefit saliency than for low benefit saliency. When CSR reputation is positive, again the ratings for sincerity perception were not lower for high benefit saliency than for low benefit saliency. Therefore, Hypothesis 2b was not supported.

Table 4.8.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation and Benefit Saliency Groups

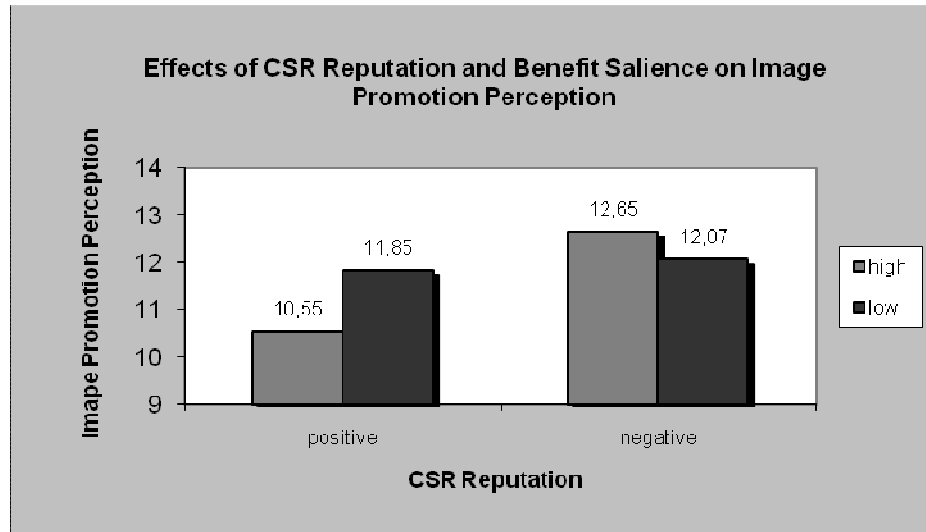
	CSR Reputation Positive			CSR Reputation Negative		
	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Benefit Saliency High</b>	9.65	2.52	40	4.27	2.55	40
<b>Benefit Saliency Low</b>	9.45	2.74	40	5.20	3.16	40

In the last hypothesis of the second group, which is Hypothesis 2c, it was predicted that when CSR reputation is negative, the ratings for image promotion perception would be higher for high benefit salience than for low benefit salience but there would be no change on image promotion perception based on benefit salience when CSR reputation is positive. Interaction effect of CSR reputation and benefit salience was found on image promotion perception by the results of ANOVA,  $F(1, 151) = 5.47, p = .021, \eta^2 = .035$ . However, the interaction was not found exactly in the predicted manner. A post-hoc t-test was employed to identify the reason of founded interaction. T-test results showed that when benefit salience is low, CSR reputation levels do not make any effect on image promotion perception,  $t(77) = -.402, p > .68$ . But when benefit salience is high, then negative CSR reputation leads higher image promotion perception than positive CSR reputation,  $t(78) = -3.76, p < .001, d = 0.778^{13}$ . Consequently, those results supported the interaction between CSR reputation and benefit salience but this interaction has slightly a different form than the one expected in the hypothesis. Therefore, Hypothesis 2c is partially supported.

Table 4.9.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation and Benefit Salience Groups

	CSR Reputation Positive			CSR Reputation Negative		
	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Benefit Salience High</b>	10.55	2.70	40	12.65	2.25	40
<b>Benefit Salience Low</b>	11.85	2.21	40	12.07	2.77	39

<sup>13</sup> In order to avoid 1<sup>st</sup> type error, Bonferroni Correction was adopted.



Graph 4.6.: The joint effect of CSR Reputation and Benefit Salience on Image Promotion Perception

The third group of hypotheses discusses CSR reputation's and duration's interaction effect. Hypothesis 3a predicted that when CSR reputation is negative, the ratings for sincerity would be higher for long duration than for short duration but there would be no change on sincerity perception based on duration of philanthropic activity when CSR reputation is positive. ANOVA results did not show any support for interaction of CSR reputation and duration on sincerity perception, Hypothesis 3a,  $F(1, 152) = 0.363, p > .54$ . In either level of CSR reputation, duration had no effect on sincerity. When CSR reputation is negative, the ratings for sincerity were not higher for long duration than for short duration. When CSR reputation is positive, the ratings for image promotion perception were not lower for long duration than for short duration. Therefore Hypothesis 3a was not supported.

Table 4.10.: The Means, Standard Deviations and Sample Sizes of Sincerity Perception According to CSR Reputation and Duration Groups

	CSR Reputation Positive			CSR Reputation Negative		
	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Duration Long</b>	9.52	2.95	40	5.02	3.05	40
<b>Duration Short</b>	9.57	2.28	40	4.55	2.73	40

Hypothesis 3b predicted that when CSR reputation is negative, the ratings for image promotion perception would be lower for long duration than for short duration but there would be no change on image promotion perception based on duration of philanthropic activity when CSR reputation is positive. No interaction effect of CSR reputation and duration was found by univariate analysis,  $F(1, 151) = 0.024, p > .87$ . When CSR reputation was negative, the ratings for image promotion perception were not lower for long duration than for short duration. Besides, when CSR reputation was positive, no significant difference was found on image promotion perception ratings between long duration and short duration. Therefore Hypothesis 3b was not supported.

Table 4.11.: The Means, Standard Deviations and Sample Sizes of Image Promotion Perception According to CSR Reputation and Duration Groups

	CSR Reputation Positive			CSR Reputation Negative		
	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Duration Long</b>	11.17	2.72	40	12.27	2.56	40
<b>Duration Short</b>	11.22	2.36	40	12.46	2.52	39

In the fourth group of hypotheses, it was predicted that for every factorial group, consumers would evaluate companies' philanthropic initiatives as image-promotional motives and would give high ratings for this dependent variable. In order to conclude whether image promotion perception get higher ratings, comparisons between image promotion perception and other dependent variables should be made. So, in the first step, the means of dependent variables should be checked to see whether there are significant differences among them or not. Then each hypothesis of the fourth group was tested. One-way repeated ANOVA was used to see the differences between image promotion perception and other dependent variables (i.e. corporate image, corporate ability, and sincerity perception). Results verified that there is a difference between the means of dependent measures (i.e. variables),  $F(3, 462) = 91.34, p < .001$ . To check that the mean of image promotion perception, which was identified as the reference category within the fourth group hypotheses, is higher than the other measures, simple contrast analysis was employed.

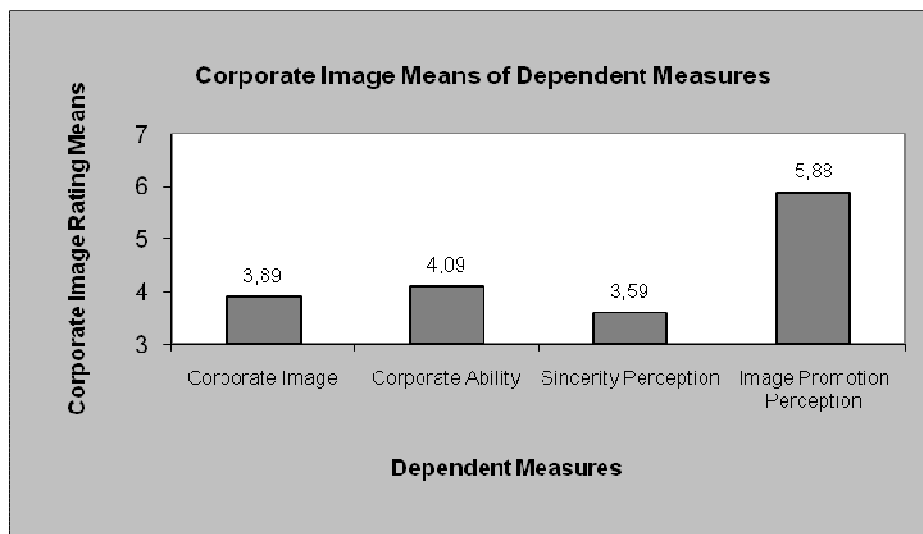
Hypothesis 4a predicted that the mean ratings for image promotion perception of consumers will be higher than corporate image. Simple contrast analysis results showed that the mean of image promotion perception is significantly higher than the mean of corporate image,  $F(1, 154) = 101.51, p < .001$ . So, Hypothesis 4a was supported.

Hypothesis 4b predicted that the mean ratings for image promotion perception of consumers will be higher than corporate ability. Same simple contrast analysis verified that there is a significant difference between the mean of image promotion perception and corporate ability, and image promotion perception is higher,  $F(1, 154) = 111.27, p < .001$ . Therefore, Hypothesis 4b was supported too.

The last hypothesis, Hypothesis 4c, predicted that the mean ratings for image promotion perception of consumers will be higher than sincerity perception. In fact, the results verified that the mean of image promotion perception is significantly higher than the mean of sincerity perception,  $F(1, 154) = 129.62, p < .001$ . So, Hypothesis 4c was supported.

Table 4.12.: The Means, Standard Deviations and Sample Sizes of Each Dependent Measure

	$\bar{x}$	s	n
<b>Corporate Image</b>	3.89	1.79	155
<b>Corporate Ability</b>	4.09	1.44	155
<b>Sincerity Perception</b>	3.59	1.83	155
<b>Image Promotion Perception</b>	5.88	1.30	155



Graph 4.7.: Corporate Image Rating Means of Dependent Measures



#### 4.8. DISCUSSION ON FINDINGS

In this study, the aim was to unveil the relationship between CSR practices of firms and consumers' various attitudes towards firms in turn of those CSR practices. Hypotheses were based on three independent variables (i.e. CSR reputation, benefit salience and duration) that are relevant to the CSR practices of a firm and four independent variables (i.e. corporate image, corporate ability, sincerity perception, and image promotion perception) all of which define consumers' evaluation of firms. Although some of the hypotheses on the firm could not be supported within this experiment –see Table 4.12 for the summary of hypotheses–, this study shows that consumers care about what firms are doing in name of CSR.

First of all, all of the first group hypotheses were supported with high significance. This is to say, CSR reputation of firms do strongly affect how consumers evaluate firms. When CSR reputation of firm is positive, consumers evaluate the image of the company more favorably than when CSR reputation is negative. Consumers also think that the company that has positive CSR reputation is more capable of producing products that have higher quality than the other products in the sector. Besides, they find those firms with high CSR reputation more sincere while conducting philanthropic activities and they evaluate them less concerned with image promotional focus. In the statistical analysis of the first group hypotheses, effect sizes ( $\eta^2$ ) for each dependent variable were also calculated. It is inferred from those effect size measurements that CSR reputation has the highest effect on corporate image evaluation when compared with other dependent measurements, and it has the lowest impact on image promotion perception. This was an expected result, because, as also indicated in the fourth group of hypotheses, consumers would evaluate companies' philanthropic initiatives as image-promotional motives and would give high ratings for this dependent variable. However, although the effect was small, firms' CSR practices can decrease this image promotion perception as Hypothesis 1d put it. The effects of CSR reputation on corporate ability evaluation and sincerity perception seems to be strong. Consequently, consumers do not just

generate a favorable image about companies when they have positive CSR reputation. But besides it, when firms have positive behaviors for protecting environment, for increasing well-being of their employees and for improving local community all of which forms positive CSR reputation, then, consumers also consider that these firms will be successful in production. In addition, positive CSR reputation influence consumers' view of firms' other philanthropic activities more sincere and less image promotional.

Second group of hypotheses predicted that CSR reputation and benefit salience would have an interaction effect on three of the dependent variables (i.e. corporate image, sincerity perception and image promotion perception). Unlike predicted, no interaction effect could be found for those measures instead of image promotion perception. The third hypothesis in this group, Hypothesis 2c, was partially supported based on the results of analysis. It is partially supported because although a significant interaction was found, the direction of interaction was not exactly in the predicted way. In the hypothesis, it was expected that when CSR reputation was negative, the ratings for image promotion perception would be higher for high benefit salience than for low benefit salience but there would be no change on image promotion perception based on benefit salience when CSR reputation is positive. This is to say, it was expected that image promotion perception would be highest when CSR reputation was negative and benefit salience was high. In fact, the results confirmed that this was the case; image promotion perception had the highest rating when CSR reputation was negative and benefit salience was high. Besides, d value which indicates effect size was fairly high, 0.778. On the other hand, Hypothesis 2c also expected that benefit salience's effect on image promotion perception would change according to CSR reputation, but vice versa was found. According to analysis, CSR reputation's effect on image promotion perception changed according to benefit salience. As a result, it could not be found any support for benefit salience of philanthropic activities of firms to have an effect on consumers' evaluation of corporate image and sincerity. However, low benefit salience of philanthropic activity with positive CSR reputation have the influence to decrease image promotion perception of consumers for philanthropic activities. This is to say, firms' intends for conducting philanthropic activities would be less

associated to profit gain if firms are perceived positively by their CSR practices and if the philanthropic activity has no direct relation to the business impact of firm on society.

Based on the analysis, none of the third group hypotheses could find any support. This is to say, this experiment failed to show –if there exists- the relationship between the duration of a philanthropic activity and perceived sincerity and image promotion of the activity. Further research is needed to analyze these relationships.

Three hypotheses were formed to check whether image promotion perception was given high ratings by consumers. It would not be sufficient to conclude that image promotion ratings' mean was high because it was bigger than “4” which is the mid-point in 7-point scale, but instead this mean should be relatively higher than the other dependent measures. Analysis supported all of the three hypotheses (i.e. H4a, H4b, and H4c) which mean that consumers have a strong belief that firms are committing philanthropic activities in order to generate a better image in the mind of public. So, firms should try to find ways to decrease this image promotion perception in order to be perceived more believable and one way to do is creating positive CSR reputation as discussed with the Hypothesis 1d.

Table 4.13.: Summary of Hypotheses and Results

Hypotheses	Explanations	Results
Hypothesis 1a	Positive CSR reputation will lead higher ratings for corporate image than negative CSR reputation.	Supported
Hypothesis 1b	Positive CSR reputation will lead higher ratings for corporate ability than negative CSR reputation.	Supported
Hypothesis 1c	Positive CSR reputation will lead higher ratings for sincerity perception than negative CSR reputation.	Supported
Hypothesis 1d	Negative CSR reputation will lead higher ratings for image promotion perception than positive CSR reputation.	Supported
Hypothesis 2a	When CSR reputation is negative, the ratings for corporate image will be lower for high benefit salience than for low benefit salience but there will be no change on corporate image based on benefit salience when CSR reputation is positive.	Not Supported
Hypothesis 2b	When CSR reputation is negative, the ratings for sincerity perception will be lower for high benefit salience than for low benefit salience but there will be no change on sincerity perception based on benefit salience when CSR reputation is positive.	Not Supported
Hypothesis 2c	When CSR reputation is negative, the ratings for image promotion perception will be higher for high benefit salience than for low benefit salience but there will be no change on image promotion perception based on benefit salience when CSR reputation is positive.	Partially Supported
Hypothesis 3a	When CSR reputation is negative, the ratings for sincerity perception will be higher for long duration than for short duration but there will be no change on sincerity based on duration of philanthropic activity when CSR reputation is positive.	Not Supported
Hypothesis 3b	When CSR reputation is negative, the ratings for image promotion perception will be lower for long duration than for short duration but there will be no change on image promotion perception based on duration of philanthropic activity when CSR reputation is positive.	Not Supported
Hypothesis 4a	The mean ratings of image promotion perception of consumers will be higher than the mean ratings of corporate image.	Supported
Hypothesis 4b	The mean ratings of image promotion perception of consumers will be higher than the mean ratings of corporate ability.	Supported
Hypothesis 4c	The mean ratings of image promotion perception of consumers will be higher than the mean ratings of sincerity perception.	Supported

#### 4.9. LIMITATIONS OF THE STUDY

One of the most distinct limitations of this study comes from its scenario-based formation. For research purpose, consumers were asked to evaluate a company based on a scenario they read just before evaluation, and these scenarios include limited information about the company. In real life, corporate images are formed in a more extended period and consumers encounter various stimuli about a company. So, results of the study may over-emphasize or under-emphasize the actual effects of manipulated factors (i.e. CSR reputation, benefit salience, and duration) when compared with actual image building process.

Another scenario based problem is that, some variables have more emphasis within the texts than others, and as a result their effects could be stronger. For instance, CSR reputation was described with more sentences than benefit salience or duration. In fact, in order to manipulate duration, only one sentence was used. However, this imbalance is a result of the nature of factors. CSR reputation had to be described longer because it includes many aspects. On the other hand, to indicate duration, mentioning the period of philanthropic activity is sufficient and nothing more could be written on scenarios. Even if more sentences had been used, then this time, scenarios would become too long and as a result subjects might not want to read them or might not pay enough attention to the texts.

Additionally, related with the previous problem discussed, although duration of philanthropic activity seems to be understood averagely, manipulation checks analyses also shows that more people answered duration question as “for long-term” than “for once”. As mentioned, the percentage of subjects who chose “for once” in “for once” scenario is 67.1% and the percentage of subjects who chose “for long term” in “for long term” scenario is 89.7%. Actually, at the very beginning of the study, it was expected that CSR reputation may overcome the influence of other variables. One explanation of this confusion for remembering duration of philanthropic activity might be because of this CSR Reputation effect. In fact, a

statistical analysis was made to identify the problem with “for once”. A simple T-test was made to compare the number of “for long-term” and “for short term”. The results revealed that “for long-term” ( $\bar{x}=12.55$ ,  $s=7.06$ ) was statistically significantly higher than “for once” ( $\bar{x}=9.49$ ,  $s=7.06$ ),  $t(131) = -2609$ ,  $p=0.01$ <sup>14</sup>. Besides, the number of subjects who chose for long term ( $n=39$ ) was equal to the number of subjects who chose for once ( $n=39$ ) –which was the expected situation- when CSR reputation was negative. But when CSR reputation was positive, the number of subjects who chose for long-term ( $n=57$ ) was quite higher than the number of subjects who chose for once ( $n=22$ ). It could be argued that positive CSR reputation might cause positive attributions for firms and as a result, subjects might have a tendency to remember the duration as long-term instead of short. However, this is only an assumption and further analysis of duration of philanthropic activity is needed to understand its effect on consumers’ evaluation of firms.

Besides, using university students is another limitation. Adults, rather than young people, have more knowledge and experiences about consumption and so they may have more improved and complex company evaluation processes. Additionally, young generation does not have the chance to compare today and pre-CSR period. That is, CSR practices of firms are issues of the last decades, and especially in Turkey, CSR is really a new issue. University students, as young consumers, may approach CSR as a natural expectation whereas elderly people may hold different views on CSR as they have the chance to make a comparison between today and the periods when CSR practices were not so intensive.

---

<sup>14</sup> Welch correction was taken into consideration as there were unequal group of variances.

#### 4.10. ADDITIONAL SURVEY ON CSR

In this research, the main focus is to understand consumers' evaluations related to CSR by using experimental method. Buy, beyond this experiment, a mini-survey was made with the subjects to examine their knowledge and attitudes about CSR in a deeper way.

For this mini-survey, each of 160 subjects participated to experiment were asked to answer four more questions independently from the scenarios of the experiments in the form of an informal interview. Subjects were encouraged to give a detailed answer and an explanation for their answers for relevant questions. The aim in here was to form a general picture of the ideas of the respondents. Answers were classified based on their similarities by the researcher. For example, as the questions are open ended, respondents could use different statements that point out the same meaning like "I don't know" or "I haven't ever heard about this."

The first question is related with the market knowledge of the respondent:

1. Could you give a few examples from socially responsible companies among various sectors in Turkey?

Among the sample, 81 respondents (around 50% of the total sample) specified one or more companies as socially responsible. The answers vary in an extended range and many of them depend on personal experiences. For instance, one respondent gave IKEA as an example because she had previously applied for a job in this company and got informed about that company's hiring policies based on equal opportunity. Another respondent gave Modern Beton as an example because he knew this company's working atmosphere and business culture which he learned while working as an intern in this company. The most frequently mentioned companies/company groups are Sabancı, Koç, and Turkcell in this order. Based on this survey, Sabancı is perceived as the most socially responsible company and when respondents were asked the reason of mentioning Sabancı, they generally refer to its

philanthropic practices like supporting education and health system. The ones who mentioned Koç as a responsive company generally mentioned Koç after Sabancı. Although Koç's efforts to improve education via Turkey Education Volunteers Foundation can be one reason for its third place, another explanation can be possible. Sabancı and Koç are the biggest company groups in Turkey and their strength of businesses might affect consumers' perception about those groups: the more fund available, the more responsible the company might be. Turkcell is the third company based on the answers, and it seems like Turkcell's place takes its roots from Kardelenler project which is also explained in the previous chapter of this study.

For this question some respondents did not mention any companies either because they have no knowledge on CSR practices of firms (or they could not remember at that moment) or they do not believe that any company is really socially responsible. The percentages related to first question are showed in Table 4.13.

Table 4.14.: Question 1. Could you give a few examples from socially responsible companies among various sectors in Turkey?

	<b>Have No Information</b>	<b>Don't Believe CSR Practices</b>	<b>Sabancı</b>	<b>Koç</b>	<b>Turkcell</b>
# of respondents	53	26	35	30	24
% of the respondents (over 160)	33,13	16,25	21,87	18,75	15,00

Second question in the survey is:

2. Which company do you think is the most socially responsible one in Turkey?

Related to the first question, in this one, respondents were asked to choose only one firm among their answers. Among 160 respondents, 71 of them chose to specify a company as the leader in CSR. Others subjects did not mention any company name because they believed they had not sufficient information or they did



not believe in sincerity of companies. Results indicate that Sabancı, Turkcell and Koç are perceived to be most socially responsible companies in Turkey. Table 4.14. presents the results of this question.

Table 4.15.: Question 2. Which company do you think is the most socially responsible one in Turkey?

	<b>Sabancı</b>	<b>Turkcell</b>	<b>Koç</b>	<b>Others</b>
# of respondents	22	15	14	20
% of respondents (over 71)	30,98	21,12	19,71	28,16

Third question aims to understand altruistic motives of respondents. The question is:

3. Have you ever support or voluntarily participate any social responsibility project up to now? If yes, what are they?

By asking this question, consumers' experiences related to social giving and their understanding of social responsibility is aimed to be identified. Respondents were free to mention any project that they consider as a social responsibility one. Within the answers given, almost no company-driven social responsibility project was mentioned. Respondent generally specified social projects that are followed by NGOs independently. In fact, slightly more than half of the respondents said that they had engaged in such a social project. Most frequently mentioned projects are presented in Table 4.15.

Table 4.16.: Question 3. Have you ever support or voluntarily participate any social responsibility project up to now? If yes, what are they?

	<b>No Support</b>	<b>TOG</b>	<b>University Olympic Games</b>	<b>Brothers and Sisters</b>	<b>Forestation</b>	<b>TEGV</b>	<b>Others<sup>15</sup></b>
# of respondents	73	13	11	10	10	9	58
% of respondents (over 160)	45,63	8,13	6,88	6,25	6,25	5,63	36,25

In the fourth and the last question, consumers' responses for socially responsible practices of companies were aimed to be clarified. The question is:

4. Do you consciously care to choose buying the products of companies that are socially responsible while there are no significant price and quality differences among brands? If no, please explain?

According to the results, more than the half of the respondents cares about social responsibility of companies and consider CSR as a factor of buying when quality and price are assumed to be constant. Respondents who care about CSR while buying indicated mainly three dimensions of CSR on what they based their decisions. These are environmental-friendliness of the product, its country of origin (whether a Turkish product or not), and the health and safety considerations related to product itself. The ones who said they do not consider CSR as a buying factor specified that they did not consider CSR because (1) they don't believe companies' social responsibility practices; (2) they have not sufficient CSR information; (3) they believe CSR-driven companies are not economic enough; (4) they think CSR is not so important for buying; or (5) CSR does not come to their minds while buying. Besides, who said no for the questioned mentioned that they would consider CSR while buying if they are provided information or if they have some knowledge about CSR. The summary of the results of this question can be found in the Table 4.16.

<sup>15</sup> TOG (Society Volunteers Foundation); TEGV (Education Volunteers of Turkey); Brothers and Sisters (A social responsibility campaign followed by Izmir Municipality).

Table 4.17.: Question 4. Do you consciously care to choose buying the products of companies that are socially responsible while there are no significant price and quality differences among brands? If no, please explain?

	Yes	No	Yes, especially looking for :			No, because:				
			Env.	Country of Origin	Product Health and Safety	Don't Believe	No Info.	Not Economic	CSR isn't Important	Don't Think Of
# of respondents	93	67	13	23	14	6	24	6	20	11
% of respondents (over 160) <sup>16</sup>	58,13	41,88	13,98	24,73	15,05	8,96	35,82	8,96	29,85	16,42

<sup>16</sup> Percentages for “Yes, looking for” and “No, because” are calculated over 93 and 67 respectively.

This additional mini survey aimed to understand how CSR practices of the companies affect consumers from a different perspective than the main experiment of this study presents. In this survey, it has been revealed that consumers have not enough knowledge about companies' CSR efforts and in fact, they do not know CSR and its various dimensions sufficiently. Generally, consumers' answers related to CSR were based on philanthropy dimension and this was an expected bias because CSR's dimensions such as employee rights or environmental management are not as visible as philanthropic practices. Besides, companies consciously promote philanthropic practices for image promotion purposes and this might affect the CSR perception of consumers.

Additionally, by the fourth question, it was found that country of origin of the product is relatively important for consumers. The interesting point is that, around 24% of consumers, who claimed that they care about CSR level of companies, associated being a Turkish company with being socially responsible. The underlying motivation for this association might be the tax concerns. That is, consumers might view that, as the Turkish companies pay their taxes to the government of Turkey, they indirectly benefit society. Although CSR stands in a different point, this survey was done completely to see what consumers think.

Another indication of this survey is that many consumers who actually do not consider CSR as a buying factor mentioned that they would choose the socially responsible companies' products if they had the knowledge on the issue. According to this, it could be inferred that engaging socially responsible practices is not enough for firms to gain strategically. In order to benefit from CSR, a market atmosphere where CSR information can be shared and disseminated should be formed and companies should be aware of CSR communication without creating an insincere image.

Lastly, the companies that were given as socially responsible companies vary in a large range. Sabancı and Koç would be given as common answers because of their dominance and power in Turkish market, their connections with public authority and/or their place as well-known groups in Turkey besides because of their

social concerns. For Turkcell, it could be claimed that the intensive promotion of their Kardelenler project and the long duration of it might cause consumers to remember Turkcell as a responsible company. As a result, being good will not be enough to be perceived as good, and communication and dissemination of CSR information with society seems to be as important as the CSR practices itself.

## REVIEW AND CONCLUSION

In the light of increasing debates on CSR both in business and civil environment, this study handled CSR issue within its theoretical framework and aimed to integrate CSR's theoretical development with market's view of CSR. In doing so, strategic role of CSR have been questioned and by the research conducted on consumers, the predicted meaning and importance of CSR as a management tool have been manifested.

There have been intense discussions on the meaning and the scope of CSR, and the related parties (i.e. academicians, business people, NGOs, international institutions and etc.) have defined CSR from different perspectives. However, the common argument is that, companies are responsible to control their effects on both social and natural environment, and because they are part of the society they operate, it's expected from them to give back what they take from the society. In doing so, both companies and society will benefit. In fact, improvements in society influence the operations and development of companies. Besides, CSR is now considered as a strategic tool to generate goodwill for the company and a tool to develop business practices.

CSR is not practiced in the same way all through the world. Country based differences such as business and altruistic culture, economic situations, expectations of governments and etc. cause different practices among nations. Besides, even within the same country, there are differences within the CSR standpoints of companies mainly depending on diverse CSR views of owners/managers, the sector the company is operating, ethical culture of the company, economic positions, and company's ability to handle CSR issues. Among the various views of CSR, there are four main groups of motives lying behind the CSR policies of companies: instrumental (focusing on economic gains), political (focusing on political responsibilities), integrated (focusing on the integration of social demands) and ethical (focusing on working for the good of society by doing the right thing)

concerns (Garriga et al., 2004; 63). A company can shape its CSR practices based on one of those motives or the company may have more than one motive while committing responsible acts.

In this thesis, consumers have been chosen as the stakeholder to analyze CSR's effect on company's evaluation. Based on the researches several points can be highlighted:

- CSR shapes consumers' evaluations of companies and attitudes towards the company.
- Companies perceived to be socially responsible can have more positive image, can be perceived to be able to produce products with higher quality, and can be perceived as holding more sincere and less image-promotional motives.
- Consumers consider that firms generally engage philanthropic behavior in order to improve their images. Therefore, companies should be careful while forming their CSR strategies and try to avoid practices that could be perceived as being insincere. Many factors can influence the sincerity perception of companies such as their commitment level to the social project, consistency between different dimensions of CSR or previous beliefs hold about the firm. Being aware of those factors may enable the firm to be more careful about its CSR strategies.
- Many consumers in Turkey do not have enough information both about the CSR as a company policy and about the CSR policies of companies. Lack of information may prevent companies to take the benefit of their social responsive practices. So, it would be good for companies to be more open to society and to communicate their practices without disturbing with too much or too promotional information.

As pointed out previously, this study has certain limitations. Further research is needed to understand CSR's effects on consumers in a broader way. First of all, this research is conducted with scenarios and with an experimental design. A field study may be beneficial to understand attitudes of consumers in actual market environment. Besides, in this experiment three of the dimensions of CSR were taken to examine CSR's effect. Research covering more dimensions of CSR or employing other dimensions of CSR will support the findings of this research. For instance, consumers' reactions towards animal testing, bribery, or consumer privacy can be measured by designing more research. Moreover, in this research, the effects of benefit salience of philanthropic activity and the duration of this activity on corporate evaluation could not find any support. It would be beneficial to develop research that specifically focuses on those two variables in order to understand their influence on corporate image independently from CSR reputation of the firm.

Furthermore, this research analyzed CSR from consumer perspective. Other research may be designed for other stakeholder groups such as employees or investors. In doing so, CSR's overall benefit for the company can be predicted more clearly. Besides, in this research, university students were taken as the sample. Because of different experiences, and economic and social conditions of adults, there can be also differences on buying behaviors of adults and young people. So, further research can be made with adults to see if CSR is more influential for adults or not.

Although with this research the aim was to discuss CSR's role as a tool to improve consumer's attributions to the company, CSR is beyond being a strategic tool for marketing purposes. Despite the improvements of modern thought and humanism, in this civilized world we live, there still exist human right violations, discrimination, workplaces that cause employees to injure or even to die, unconscious and unlimited consumption of natural resources by companies, and abolition of child labor and etc. By industrial evolution, companies started to gain more and more power and as a result, their decisions and practices have been increasingly affecting societies. CSR can be a phenomenon that will enable society and companies to control businesses' influence on society while serving the companies to grow and develop sustainably. Society and environment needs



improvements in CSR in order to survive and develop, and companies need society and environment in order to operate sustainably. This is to say, CSR is not a choice both for companies and society but instead it is a requirement for the well-being of all parties.

## REFERENCES

### BOOKS

- Aronson, E., Wilson, T.D. & Brewer, M.B. (1998). *Experimentation in Social Psychology* as cited in Gilbert, D. T., Fiske, S.T., & Lindzey, G. (Eds.) (1998). *The handbook of Social Psychology*. McGraw-Hill: New York
- Bennett, Peter D. (1988). *Marketing*. McGraw Hill Press: New York.
- Evans, Joel R., Berman, Barry (1997). *Marketing*. Prentice Hall: Upper Saddle River, NJ.
- Friedman, Milton (1982). *Capitalism and Freedom*. The University of Chicago Press: Chicago.
- Frynas, Jędrzej George (2003). *Transnational Corporations and Human Rights*. Palgrave Macmillan: Gordonsville, VA, USA.
- Hancock, John. (2004). *Investing in Corporate Social Responsibility: A Guide to Best Practice, Business Planning and the UK's Leading Companies*. GBR: Kogan Page, London.
- Habisch, André, Jonker, Jan, Wagner, Martina, Schmidpeter, Rene (2005). *Corporate Social Responsibility Across Europe*. Springer-Verlag: New York.
- Harbhajan, Kehal, S. (2006). *Outsourcing and Offshoring in the 21st Century: A Socio-Economic Perspective*. Idea Group Publishing: PA, USA.
- Hopkins, Michael (2003). *Planetary Bargain: Corporate Social Responsibility Matters*. GBR: Earthscan Publications: London.

- Ind, Nicholas. (1990). *The Corporate Image*. Kogan Page, London as cited in Özüpek, M. Nejat. (2005). *Kurum İmajı ve Sosyal Sorumluluk*. Tablet Publications: Konya
- Kotler, Philip, Brown, Linden, Adam, Stewart, Armstrong, Gary (2001). *Marketing*. Prentice Hall: Singapore.
- Kotler, Philip, Lee, Nancy (2006). *Kurumsal Sosyal Sorumluluk*. Kapital Medya Hizmetleri: İstanbul.
- Kreitner R., Kinicki A. (2004). *Organizational Behavior*, Mc Graw Hill: New York
- Kaen, Fred R. (2003). *Blueprint for Corporate Governance: Strategy, Accountability, and the Preservation of Shareholder Value*. AMACOM: Saranac Lake, NY, USA.
- Ledgerwood, Grant (2000). *Environment Ethics and the Corporation*. Palgrave Publishers: New York.
- Morris, Alan S. (2004). *ISO 14000 Environmental Management Standards: Engineering and Financial Aspects*. Hoboken: New Jersey.
- Özüpek, M. Nejat (2005). *Kurum İmajı ve Sosyal Sorumluluk*. Tablet Kitabevi: Konya
- Pride, William M., Ferrel, O.C. (1985). *Marketing: Basic Concepts and Decisions*. Houghton Mifflin Company: Boston.
- Singleton, Royce A. Jr., Straits, Bruce. (2004). *Approaches to Social Research*. Oxford University Press

- Solso, Robert L., Johnson, Homer H. (2005). *Psikolojide Deneysel Yönteme Giriş: Vaka Yaklaşımı*. Kitabevi Press: İstanbul
- Sommers, Montrose S., Barnes, James G., Stanton, William J., Etzel, Micheal J., Walker, Bruce J. (1992). *Fundamentals of Marketing*. McGraw Hill: Canadian Edition
- Torlak, Ömer (2006). *Pazarlama Ahlakı*. Beta Press: Kırklareli
- Vogel, David (2006). *Market for Virtue: The Potential and Limits of Corporate Social Responsibility (Revised Edition)*. Brookings Institution Press: Washington, DC, USA.
- Wood, Donna J. (2006). *Global Business Citizenship*. M.E. Sharpe, Inc: NY, USA.

## ARTICLES

- Aguilera, Ruth V., Rupp, Deborah E., Williams, Cynthia A. & Ganapathi, Jyoti (2007). Putting the S Back in Corporate Social Responsibility: A Multilevel Theory of Social Change in Organizations. *Academy of Management Review*, 32 (3), pp. 836-863.
- Andrews, Kenneth R. (2005). Ethics in Practice. *Harvard Business Review*, Uygulamada Ahlak, *Şirket Ahlakı*, MESS Publications, pp. 71-85.
- Antal, Ariane B., Sobczak, André (2007). Corporate Social Responsibility in France: A Mix of National Traditions and International Influences. *Business & Society*, 46 (1), pp. 9-32.
- Auger, Pat, Devinney, Timothy M. (2007). Do What Consumers Say Matter? The Misalignment of Preferences with Unconstrained Ethical Intentions. *Journal of Business Ethics*, 76 (4), pp. 361-383.

- Balabanis, George, Philips, Hüge C., Lyall, Jonathan (1998). Corporate Social Responsibility and Economic Performance in the Top British Companies: Are They Linked? *European Business Review*, 98 (1), pp. 25-44.
- Bakker, Frank G.A. De, Groenewegen, Peter, Hond, Frank Den. (2005). A Bibliometric Analysis of 30 Years of Research and Theory on Corporate Social Responsibility and Corporate Social Performance. *Business & Society*, 44 (3), pp. 283-317.
- Barnett, Michael (2007). Stakeholder Influence Capacity and the Variability of Financial Returns to Corporate Social Responsibility. *Academy of Management Review*, 32 (3), pp. 794-816.
- Bayıksel, Şeyma Ö. (2007). Etik Hesap Verebilmede Devlerin Karnesi/ Giants' Reports on Ethical Accountability. *Capital Magazine*, 15 (11), pp. 86-94.
- Bronn, Peggy S., Vrioni, Albana B. (2001). Corporate Social Responsibility and Cause-Related Marketing: An Overview. *International Journal of Advertising*, 20 (2), pp. 207-222.
- Brown, Tom J., Dacin, Peter A. (1997). The Company and The Product: Corporate Associations and Consumer Product Responses. *Journal of Marketing*, 61 (1), pp. 68-84.
- Büyük, Sedef S. (2006). Sosyal Sorumlulukta Türkiye'nin Liderleri. *Capital Magazine*, 14 (3), pp. 64-74.
- Campbell, John L. (2007). Why Would Corporations Behave In Socially Responsible Ways? An Institutional Theory of Corporate Social Responsibility. *Academy of Management Review*, 32 (3), pp. 946-967.
- Carroll, Archie B. (1979). A Three-Dimensional Conceptual Model of Corporate Performance. *Academy of Management Review*, 4 (4), pp. 497-505.

- Carroll, Archie B. (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders. *Business Horizons*, 34 (4), pp. 39-49.
- Carroll, Archie B. (1999) Corporate Social Responsibility: Evolution of a Definitional Construct. *Business & Society*, 38 (3), pp. 268-295.
- Clulow, Val (2005). Futures Dilemmas for Marketers: Can stakeholder Analysis Add Value? *European Journal of Marketing*, 39 (9/10), pp. 978-997.
- Crane, Andrew, Desmond, John (2002). Societal Marketing and Morality. *European Journal of Marketing*, 36 (5/6), pp. 548-569.
- Creyer, Elizabeth H., Ross Jr., William T. (1997). The Influence of Firm Behavior on Purchase Intention. *Journal of Consumer Marketing*, 14 (6), pp. 421-432.
- David, Keith (1973). The Case For and Against Business Assumption of Social Responsibilities. *Academy of Management Journal*, 16 (2), pp. 312-322.
- Dean, Dwane H. (2003). Consumer Perception of Corporate Donations: Effects of Company Reputation for Social Responsibility and Type of Donation. *Journal of Advertising*, 32 (4), pp. 91-102.
- De Oliveira, Jose Antonio Puppim (2006). Corporate Citizenship in Latin America. *Journal of Corporate Citizenship*, 21 (1), pp. 17-20.
- Devinney, Timothy, Auger, Patrice, Eckhardt, Giana, & Birtchnell, Thomas (2006). The Other CSR. *Stanford Social Innovation Review*, Fall 2006, pp. 30-37.

- Doh, Jonathan P., Guay, Terrence R. (2006). Corporate Social Responsibility, Public Policy, and NGO Activism in Europe and the United States: An Institutional-Stakeholder Perspective. *Journal of Management Studies*, 43 (1), pp. 47-73.
- Dotchin, John A., Oakland, John S. (1992). Theories and Concepts in Total Quality Management. *Total Quality Management*, 3 (2), pp. 133-145.
- Dunning, John H. (2005). Is Global Capitalism Morally Defensible? *Contributions to Political Economy*, 24 (1), pp. 135–151.
- Elliott, Gregory R. (1990). The Marketing Concept: Necessary, But Sufficient? *Journal of Marketing*. 24 (8), pp. 23-30.
- Freeman, R. Edward (1994). The Politics of Stakeholder Theory: Some Future Directions, *Business Ethics Quarterly*. 4(4), pp. 409–429.
- Garriga, Elisabet, Melé, Domènec (2004). Corporate Social Responsibility Theories: Mapping the Territory. *Journal of Business Ethics*, 53 (1-2), pp. 51-71.
- Gellerman, Saul W. (2005). Why Good Managers Make Bad Ethical Choices? *Harvard Business Review*, İyi Ahlaki Yöneticiler Neden Ahlaki Açıdan Kötü Seçimler Yaparlar, *Şirket Ahlakı*, MESS Publications, pp. 55-70.
- Genest, Christina M. (2005). Cultures, Organizations and Philanthropy. *Corporate Communications: An International Journal*, 10 (4), pp. 315-327.
- Grover, Steven (2008). Getting Sound Advice on Social Initiatives. *Harvard Business Review*. June-August 2008, pp. 24-25.
- Gupta, Aruna Das (2007). Social Responsibility in India towards Global Compact Approach. *International Journal of Social Economics*, 34 (9), pp. 637-663.

- Hess, David (2007). Social Reporting and New Governance Regulation: The Prospects of Achieving Corporate Accountability through Transparency. *Business Ethics Quarterly*, 17 (3), pp. 453-476.
- Hoffman, Richard C. (2007). Corporate Social Responsibility in the 1920s: An Institutional Perspective. *Journal of Management History*, 13 (1), pp. 55-73.
- Juholin, Elisa (2004). For Business or The Good of All: A Finnish Approach to Corporate Social Responsibility. *Corporate Governance*, 4 (3), pp.20-31.
- Kaku, Ryuzaburo (2005). The Path of Kyosei. *Harvard Business Review*, Kyosei Tarzı. *Şirketlerin Toplumsal Sorumluluğu*. MESS Publications, pp. 109-131.
- Kotler, Philip (1972). What Consumerism Means to Marketers? *Harvard Business Reviews*, 50 (3), pp. 48-57.
- Labatt, S. (1991). A Framework of Assessing Discretionary Corporate Performance Toward the Environment. *Environmental Management*, 15 (2), pp. 163-178 as cited in Karake, Zeina A. (1998). An Examination of The Impact of Organizational Downsizing and Discrimination Activities on Corporate Social Responsibility as Measured by a Company's Reputation Index. *Management Decision*, 36 (3), pp. 206-216.
- Lantos, Geoffrey P. (2001). The Boundaries of Strategic Corporate Social Responsibility. *Journal of Consumer Marketing*, 18 (7), pp. 595-630.
- Lee, Min-Dong Paul (2008). A Review of the Theories of Corporate Social Responsibility: Its Evolutionary Path and the Road Ahead. *International Journal of Management Reviews*, 10 (1), pp. 53-73.



- Logsdon, Jeanne M., Thomas, Douglas E., Van Burren, Harry J. (2006). Corporate Social Responsibility in Large Mexican Firms. *Journal of Corporate Citizenship*, 21 (1), pp. 51-60.
- Longo, Mariolina, Mura, Matteo, Bonoli, Alessandra (2005). Corporate Social Responsibility and Corporate Performance: The Case of Italian SMEs. *Corporate Governance*, 5 (4), pp. 28-42.
- Lovins, Amory B., Lovins, Hunter L., Hawken, Paul (2001). A Road Map for Natural Capitalism. *Harvard Business Review*, Doğa Kapitalizmi İçin Bir Yol Haritası, *İş ve Çevre*, MESS Publications, pp. 11-44.
- Luo, Xueming, Bhattacharya, C.B. (2004). Corporate Social Responsibility. Customer Satisfaction and Market Value. *Journal of Marketing*, 70 (4), pp. 1-18
- Maignan, Isabelle, Ferrell, O.C. (2001). Corporate Citizenship as a Marketing Instrument: Concepts, Evidence and Research Directions. *European Journal of Marketing*, 35 (3/4), pp. 457-484.
- Maignan, Isabelle, Ferrell O.C. (2004). Corporate Social Responsibility and Marketing: An Integrative Framework. *Journal of the Academy of Marketing Science*, 32 (1), pp. 3-19.
- Maignan, Isabelle, Ferrell, O.C., Ferrell, Linda. (2005). A Stakeholder Model for Implementing Social Responsibility in Marketing. *European Journal of Marketing*, 39 (9-10), pp. 956-977
- Margolis, Joshua D., Walsh, James P. (2003). Misery Loves Companies: Rethinking Social Initiatives by Business. *Administrative Science Quarterly*, 48 (2), pp. 268-305.

- Marrewijk, Marcel V. (2003). Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion. *Journal of Business Ethics*, 44 (2/3), pp. 95-105.
- Marsden, Chris (2000). The New Corporate Citizenship of Big Business: Part of the Solution to Sustainability. *Business and Society Review*, 105(1), pp. 9 - 25.
- McAdam, Rodney, Leonard, Denis. (2003). Corporate Social Responsibility in a Total Quality Management Context: Opportunities for Sustainable Growth. *Corporate Governance*, 3 (4), pp. 36-45.
- McWilliams, Abigail, Siegel, Donald S. (2001). Corporate Social Responsibility: A Theory of the Firm Perspective. *Academy of Management Review*, 26 (1), pp. 117–127.
- McWilliams, Abigail, Siegel, Donald S., Wright, Patrick M. (2006). Corporate Social Responsibility: Strategic Implications. *Journal of Management Studies*, 43 (1), pp. 1-18.
- Meehan, John, Meehan, Karon, Richards, Adam (2006). Corporate Social Responsibility: A 3C-SR Model. *International Journal of Social Economics*, 33 (5/6), pp. 386-398.
- Menon, Satya, Kahn, Barbara E. (2003). Corporate Sponsorships of Philanthropic Activities: When Do They Impact Perception of Sponsored Brand. *Journal of Consumer Psychology*, 13 (3), pp. 316-327.
- Merrilees, Bill, Getz, Don, O'Brien, Danny (2005). Marketing Stakeholder Analysis: Branding the Brisbane Goodwill Games. *European Journal of Marketing*, 39 (9/10), pp. 1060-1077.

- Mohr, Lois A., Webb, Deborah J., Harris, Katherine E. (2001). Do Consumers Expect Companies to Be Socially Responsible? The Impact of Corporate Social Responsibility on Buying Behavior. *The Journal of Consumer Affairs*, 35 (1), pp. 45-72.
- Mohr, Lois A., Webb, Deborah J. (2005). The Effects of Corporate Social Responsibility and Price on Consumer Responses. *The Journal of Consumer Affairs*, 39 (1), pp. 121-147.
- Moon, Jeremy (2002). The Social Responsibility of Business and New Governance. *Government and Opposition*, 37 (3), pp 385 - 408.
- Morgan, Robert E. (1996). Conceptual Foundations of Marketing and Marketing Theory. *Management Decision*, 34 (10), pp.19-26.
- Neville, Benjamin A., Bell, Simon J., Mengüç, Bülent. (2005). Corporate Reputation, Stakeholders and the Social Performance-Financial Performance Relationship. *European Journal of Marketing*. 39 (9/10), pp. 1184-1198.
- Paine, Lynn S. (2005). Managing for Organizational Integrity. *Harvard Business Review*. Örgütsel Dürüstlük İçin Yönetmek. *Şirket Ahlakı*. MESS Publications, pp. 88-112
- Palmer, Mark, Quinn, Barry. (2005). Stakeholder Relationships in an International Retailing Context: An Investment Bank Perspective. *European Journal of Marketing*. 39 (9/10), pp. 1096-1117.
- Peinado-Vara, Estrella (2006). Corporate Social Responsibility in Latin America. *Journal of Corporate Citizenship*, 21 (1), pp. 61-69.
- Pirsch, Julie, Gupta, Shruti, Grau, Stacy L. (2007). A Framework for Understanding Corporate Social Responsibility Programs as a Continuum: An Exploratory Study. *Journal of Business Ethics*, 70 (2), pp. 125-140.

- Pivato, Sergio, Misani, Nicola, Tencati, Antonio. (2008). The Impact of CSR on Consumer Trust: The Case of Organic Food. *Business Ethics, A European Review*. 17 (1), pp. 3-12.
- Polonsky, Michael J., Speed, Richard (2001). Linking Sponsorship and Cause-Related Marketing: Complementaries and Conflicts. *European Journal of Marketing*, 35 (11/12), pp. 1361-1385.
- Prahalad, C.K., Hammond, Allen (2005) Serving the World's Poor, Profitably. *Harvard Business Review*, Dünyanın Yoksullarına Hizmet Etmek, Hem de Karlı Bir Biçimde. *Şirketlerin Toplumsal Sorumluluğu*. MESS Publications, pp. 11-34.
- Quigly, John (2006). The Challenge of CSR in India. *EurAsia Bulletin*, 10 (11&12).
- Ricks, Joe M. (2005). An Assessment of Strategic Corporate Philanthropy on Perceptions of Brand Equity Variables. *Journal of Consumer Marketing*, 22 (3), pp. 121-134.
- Rocha, Miguel, Searcy, Cory, & Karapetrovic, Stanislav. (2007). Integrating Sustainable Development into Existing Management Systems. *Total Quality Management*, 18 (1-2), pp. 83-92.
- Rosen, Barry N., Sandler, Dennis M., Shani, David. (1991). Social Issues and Socially Responsible Investment Behavior: A Preliminary Empirical Investigation. *The Journal of Consumer Affairs*, 25 (2), pp.221-234.
- Ruggie, John G. (2003). The Theory and Practice of Learning Networks: Corporate Social Responsibility and the Global Compact. *Journal of Corporate Citizenship*, Issue 5, pp. 27-36.
- Schafer, Henry (2005). International Corporate Social Responsibility Rating Systems. *Journal of Corporate Citizenship*. Vol. 20 (Winter), pp. 107-120.

- Schuler, Douglas A., Cording, Margaret (2006). A Corporate Social Performance-Corporate Financial Performance Behavioral Model for Consumers. *Academy of Management Review*, 31 (3), pp. 540-558.
- Sen, Sankar, Bhattacharya, C. B. (2001). Does Doing Good Always Lead To Doing Better? Consumer Reaction to Corporate Social Responsibility. *Journal of Marketing Research*. 38 (2), pp.225-243.
- Sethi, S. Prakash (1979). A Conceptual Framework for Environmental Analysis of Social Issues and Evaluation of Business Response Matters. *Academy of Management Review*, 4 (1), pp. 63-74.
- Smith, Craig (2005). New Corporate Philanthropy. *Harvard Business Review*, Yeni şirket Hayırseverliği. *Şirketlerin Toplumsal Sorumluluğu*. MESS Publications, pp. 155-184
- Svensson, Göran (2001). Re-evaluating the Marketing Concept. *European Business Review*, 13 (2), pp. 95-100.
- Trustrum, Leslie B. (1989). Marketing: Concept and Function. *European Journal of Marketing*, 23 (3), pp. 48–56.
- Utting, Peter (2005). Corporate Responsibility and the Movement of Business. *Development in Practice*, 15 (3&4), pp. 375-388.
- Valor, Carmen (2005). Corporate Social Responsibility and Corporate Citizenship: Towards Corporate Accountability. *Business & Society Review*, 110 (2), pp. 191-212.
- Welford, Richard (2005). Corporate Social Responsibility in Europe, North America and Asia: 2004 Survey Results. *Journal of Corporate Citizenship*, 17 (1), pp. 33-52.

- Wokutch, Richard E., Schepard, Jon M. (1999). The Maturing of the Japanese Economy: Corporate Social Responsibility Implications. *Business ethics Quarterly*, 9 (3), pp. 527-540.
- Wood, Donna J. (1991). Corporate Social Performance Revisited. *Academy of Management Review*, 16 (4), pp. 691-718.
- Yoon, Yeosun, Gühan-Canli, Zeynep, Schwarz, Nobert. (2006). The Effect of Corporate Social Responsibility (CSR) Activities on Companies With Bad Reputations. *Journal of Consumer Psychology*, 16 (4), pp. 377-390.
- Young, Nick (2002). Three “C”s: Civil Society, Corporate Social Responsibility, and China (Special Report). *The China Business Review*, January-February.

## **OTHER SOURCES**

- Aegean Forest Foundation/Ege Orman Vakfi  
  
<http://www.egeorman.org.tr/Tarihce.aspx>, retrieved on 01.08.2008.
- AstraZeneca Social Responsibility Project,  
  
<http://www.kurumsalsosyal.com/?pid=1899>, retrieved on 02.08.2008.
- Auger, Pat, Devinney, Timothy M., Loiviere, Jordan J. (2006). Global Segments of Socially Conscious Consumers: Do They Exist? *Unpublished Working Paper*.
- Devinney, Timothy, Auger, Patrice, Louviere, Jordan J. (2007). Measuring the Importance of Ethical Consumerism: A Multi-Country Empirical Investigation. *Carnegie Mellon University*, pp. 207-221.

- Aygaz (2005). Sustainable Development Report;  
  
[http://www.aygaz.com.tr/yatirimci\\_iliskileri/content/SKRaporu/SKR\\_2005.pdf](http://www.aygaz.com.tr/yatirimci_iliskileri/content/SKRaporu/SKR_2005.pdf),  
 retrieved on 12.07.2008.
- Aygaz (2006). Sustainable Development Report;  
  
[http://www.aygaz.com.tr/yatirimci\\_iliskileri/content/SKRaporu/skr\\_2006.pdf](http://www.aygaz.com.tr/yatirimci_iliskileri/content/SKRaporu/skr_2006.pdf),  
 retrieved on 12.07.2008.
- Aygaz (2007). Sustainable Development Report;  
  
[http://www.aygaz.com.tr/yatirimci\\_iliskileri/content/SKRaporu/skr\\_2007.pdf](http://www.aygaz.com.tr/yatirimci_iliskileri/content/SKRaporu/skr_2007.pdf),  
 retrieved on 12.07.2008.
- Bauer, Rob, Koedjik, Kees, Otten, Rog r (2002). International Evidence on Ethical Mutual Fund Performance and Investment Style. *Unpublished Working Paper*.
- Bronn, Peggy S. (2001). Corporate Mission as a Driver of Corporate Social Responsibility. *Unpublished Working Paper*.
- Business in the Community;  
  
[http://www.bitc.org.uk/what\\_we\\_do/cr\\_index/cr\\_index\\_background.html](http://www.bitc.org.uk/what_we_do/cr_index/cr_index_background.html),  
 retrieved on 10.10.2007.
- Burger King;  
  
<http://www.bk.com/companyinfo/careers/culture.aspx>, retrieved on  
 10.07.2008.
- Burger King (2007). Annual Report;  
  
[http://media.corporate-ir.net/media\\_files/irol/87/87140/2007\\_AR.pdf](http://media.corporate-ir.net/media_files/irol/87/87140/2007_AR.pdf),  
 retrieved on 10.07.2008.

- Burger King Company Information;  
  
<http://www.bk.com/companyinfo/csr.aspx>, retrieved on 10.07.2008.
- Cafer Sadık Abalıođlu Group;  
  
<http://www.abalioglu.com.tr/etik.asp>, retrieved on 01.08.2008
- Cafer Sadık Abalıođlu Group, CSA Foundation;  
  
<http://www.abalioglu.com.tr/csavakfi.asp>, retrieved on 01.08.2008
- Canon (1997). Annual Report;  
  
<http://www.canon.com/ir/annual/1997/entire.pdf>, retrieved on 08.07.2008.
- Canon (2007). Annual Report;  
  
<http://www.canon.com/ir/annual/2007/report2007.pdf>, retrieved on 08.07.2008.
- Capital Markets Board of Turkey (2003). Corporate Governance Principles.
- Chambers, Eleanor, Chapple, Wendy, Moon, Jeremy & Sullivan, Michael (2003). CSR in Asia: A Seven Country of CSR Website Reporting. International Centre for Corporate Social Responsibility. *Research Paper Series*.
- Commission of the European Communities (2002). Corporate Social Responsibility: A business contribution to Sustainable Development. Communication From the Commission, Brussels, COM(2002) 347.
- Commission of the European Communities (2006). Implementing the Partnership for Growth and Jobs: Making Europe A Pole of Excellence on Corporate Social Responsibility. Communication From the Commission to



the European Parliament, The Council and The European Economic and Social Committee, COM(2006) 136.

- Competition Board of Turkey, Act on Protection of Competition;

<http://www.rekabet.gov.tr/index.php?Sayfa=sayfaicerik&icId=74>, retrieved on 03.10.2007.

- Corporate Social Responsibility Update (2000). MORI:

<http://www.ipsos-mori.com/corporateresponsibility/csupdate.pdf>. retrieved on 31.10.2007.

- Copenhagen Centre;

<http://www.copenhagencentre.org/>, retrieved on 15.11.2007.

- CSR Europe;

<http://www.csreurope.org/aboutus/default.aspx>, retrieved on 15.07.2008.

- CSR Europe, EU Grant Project;

[http://www.csreurope.org/news.php?type=csr\\_europe&action=show\\_news&news\\_id=1559](http://www.csreurope.org/news.php?type=csr_europe&action=show_news&news_id=1559), retrieved on 09.08.2008).

- Department of Trade and Industry (UK) (2002). Business and Society: Corporate Social Responsibility Report 2002.

- Eczacıbaşı Social Project News;

<http://www.radikal.com.tr/Default.aspx?aType=Detay&ArticleID=890395&Date=27.07.2008&CategoryID=79>, retrieved on 27.07.2008.

- Environics International Ltd. (1999) *Millennium Poll on Corporate Social Responsibility*. Toronto, Environics International Ltd as cited in United Nations International Development Organization (UNIDO) (2002). *Corporate Social Responsibility: Implications for Small and Medium Enterprises in Developing Countries*. Presented in World Summit, Vienna, pp. 29.
- EUROCADRES (2001). *Responsible European Model: The European Management Model as a Best Practice for Corporate Social Responsibility, Green Paper*.
- European Commission (2001). *Promoting a European Framework for Corporate Social Responsibility. Green Paper*, Luxembourg: Office for Official Publications of the European Communities.
- European Commission (2008). *Putting Small Business First. Working Paper*.
- Exxon Mobil (2007). *Corporate Citizenship Report*;  
  
[http://www.exxonmobil.com/Corporate/files/Corporate/community\\_ccr\\_2007.pdf](http://www.exxonmobil.com/Corporate/files/Corporate/community_ccr_2007.pdf), retrieved on 02.07.2008.
- Eweje, Gabriel, Bentley, Tim (2006). *CSR and Staff Retention in New Zealand Companies: A Literature Review. Research Working Paper*.
- Fortune Global 500 List;  
  
[http://money.cnn.com/magazines/fortune/global500/2008/full\\_list/](http://money.cnn.com/magazines/fortune/global500/2008/full_list/), retrieved on 02.08.2008
- Fox, Tom, Ward, Halina, Howard, Bruce (2002). *Public Sector Roles in Strengthening Corporate Social Responsibility. A Baseline Study*, The World Bank: Washington.
- FTSE4Good (2006). *FTSE4Good Index Series: Inclusion Criteria*.

- Gaspar, Antonio K. (2003). Possible Role of the Multilateral Investment Fund in the Area of Corporate Social Responsibility. *Working Paper* Prepared for Multilateral Investment Fund and Inter-American development Bank.
  
- GRI Environment Indicators;
 

[http://www.globalreporting.org/NR/rdonlyres/F9BECDB8-95BE-4636-9F63-F8D9121900D4/0/G3\\_IP\\_Environment.pdf](http://www.globalreporting.org/NR/rdonlyres/F9BECDB8-95BE-4636-9F63-F8D9121900D4/0/G3_IP_Environment.pdf), retrieved on 12.04.2008.
  
- GRI Product Responsibility Indicators;
 

[http://www.globalreporting.org/NR/rdonlyres/109C031B-A8FB-4EAD-A6BD-CE262FE72A9C/0/G3\\_IP\\_ProductResponsibility.pdf](http://www.globalreporting.org/NR/rdonlyres/109C031B-A8FB-4EAD-A6BD-CE262FE72A9C/0/G3_IP_ProductResponsibility.pdf), retrieved on 12.04.2008.
  
- GRI (2001). Reporting Framework.
  
- Hopkins, Michael (2004). Corporate Social Responsibility: An Issues Paper. *Working Paper*. International Labor Organization.
  
- Hürriyet (2007). Annual Report;
 

[http://www.hurriyetkurumsal.com/tr/download/Hurriyet\\_ON.pdf](http://www.hurriyetkurumsal.com/tr/download/Hurriyet_ON.pdf), retrieved on 03.08.2008.
  
- Hürriyet Human Right Train News;
 

<http://www.hurriyet.com.tr/yazarlar/9350927.asp?yazarid=20>, retrieved on 03.08.2008
  
- International Labor Organization;
 

<http://www.ilo.org/public/english/employment/multi/tripartite/index.htm>, retrieved on 30.10.2007.

- International Labor Organization, The ILO Declaration on Fundamental Principles and Rights at Work;

[http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var\\_language=EN](http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var_language=EN), retrieved on 09.10.2007.

- ILO, International Labor Standards;

<http://www.ilo.org/ilolex/english/subjectE.htm>, retrieved on 21.12.2007.

- İstanbul Stock Exchange, Corporate governance Index;

[http://www.imkb.gov.tr/endeksler/kurumsal\\_yonetim.htm](http://www.imkb.gov.tr/endeksler/kurumsal_yonetim.htm), retrieved on 10.08.2008.

- Johnson & Johnson, Our Credo;

[http://www.pg.com/company/who\\_we\\_are/ppv.jhtml](http://www.pg.com/company/who_we_are/ppv.jhtml), retrieved on 03.03.2007.

- Keizai Doyukai (2003). “Market Evolution” and CSR Management: Toward Building Trust and Creating Sustainable Stakeholder Value. *The 15th Corporate White Paper*.

- Martin Marietta, Codes of Conduct;

[http://www.martinmarietta.com/Corporate/pdf\\_Ethics.pdf](http://www.martinmarietta.com/Corporate/pdf_Ethics.pdf), retrieved on 02.07.2008.

- Martin Marietta, Stephan P. Zelnak Radio Conversation;

<http://www.martinmarietta.com/Corporate/profile.asp>, retrieved on 08.07.2008.

- Matten, Dirk, Crane, Andrew (2003). Corporate Citizenship: Towards an Extended Theoretical Conceptualization. *Research Paper*, Nottingham University.
- Migros's Cause-Related Marketing Project;  
  
<http://www.migros.com.tr/toplumsalsorumluluk.asp>, retrieved on 03.08.2008.
- Mohan, A. (2003). Strategies for the management of complex practices in complex organizations: A study of the transnational management of corporate responsibility. Unpublished doctoral dissertation, University of Warwick, United Kingdom as cited in Bakker, Frank G.A., Groenewegen, Peter, Hond, Frank Den (2005). A Bibliometric Analysis of 30 Years of Research and Theory on Corporate Social Responsibility and Corporate Social Performance. *Business & Society*, 44 (3), pp. 283-317.
- Moon, Jeremy (2004). Government as a Driver of Corporate Social Responsibility. *Research Paper Series*, ICCSR (International Centre for CSR).
- OECD (2001). Corporate Responsibility: Results of a Fact-Finding Mission on Private Initiatives. *Working Papers on International Investment*.
- OECD (2004). OECD Environmental Strategy: 2004 Review of Progress. OECD Publishing.
- Peiyuan, Guo (2005). Corporate Environmental Reporting and Disclosure in China. *A Report of CSR Asia*;  
  
<http://www.csr-asia.com/upload/environmentalreporting.pdf>, retrieved on 01.07.2008.
- Raynard, Peter, Forstater, Maya (2002). Corporate Social Responsibility: Implications for Small and Medium Enterprises in Developing Countries. *United Nations Industrial Development Organization (UNIDO) Report*. Presented in World Summit, Vienna.

- SAI. (2001). Social Accountability 8000 Standards.
- Social Accountability International;  
  
<http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=473>,  
retrieved on 13.11.2007.
- Swift, Tracy, Zadek, Simon (2002). Corporate Social Responsibility and the Competitive Advantage of Nations. AccountAbility and The Copenhagen Centre. *Working Paper*.
- The Coca-Cola Foundation;  
  
[http://www.thecoca-colacompany.com/citizenship/foundation\\_coke.html](http://www.thecoca-colacompany.com/citizenship/foundation_coke.html),  
retrieved on 04.08.2008
- The Coca-Cola Grants Paid;  
  
[http://www.thecoca-colacompany.com/citizenship/pdf/grants\\_paid.pdf](http://www.thecoca-colacompany.com/citizenship/pdf/grants_paid.pdf),  
retrieved on 04.08.2008
- The Global Compact (2007). Russian Business and the Global Compact: Social Responsibility in Practice. UN Development Program Project.
- The US-China Business Council (2006). Corporate Social Responsibility in China: Best Practices.
- Tıǒlı, Mehmet, Pirtini, Serdar, Çelik, Candan. Sosyal Sorumluluk Kampanyalarının Genç Tüketicilerin Marka Farkındalığı Üzerindeki Etkisinin İncelenmesine Yönelik Bir Araştırma.
- Tsoutsoura, Margarita (2004). Corporate Social Responsibility and Financial Performance. *Applied Financial Project*, University of California at Berkeley: Haas School of Business.

- Turkcell (2005). Annual Report  
  
[http://turkcell.com.tr/raporlar/faaliyet\\_raporlar2005\\_1.pdf](http://turkcell.com.tr/raporlar/faaliyet_raporlar2005_1.pdf), retrieved on 15.07.2008
- Turkcell (2006). Annual Report  
  
[http://turkcell.com.tr/raporlar/faaliyet\\_raporu2006.pdf](http://turkcell.com.tr/raporlar/faaliyet_raporu2006.pdf), retrieved on 15.07.2008
- Turkcell (2007). Annual Report  
  
[http://turkcell.com.tr/raporlar/faaliyet\\_raporu2007.pdf](http://turkcell.com.tr/raporlar/faaliyet_raporu2007.pdf), retrieved on 15.07.2008
- United Nations Development Program (UNDP) (2008). Türkiye’de Sosyal Sorumluluk/Social Responsibility in Turkey. *An Evaluation Report*.
- UN Global Compact;  
  
<http://www.unglobalcompact.org/ParticipantsAndStakeholders/index.html>,  
retrieved on 11.12.2007
- Verheugen, Günter (2006). Closing Remarks at CSR Forum Review Meeting. Review Meeting of the European Multi-stakeholder Forum on CSR. 7 Dec. 2006: Brussels.
- Vodafone (2006). Annual Report  
  
[http://www.vodafone.com/etc/medialib/attachments/investor\\_relations/annual\\_reports/2006.Par.11806.File.pdf](http://www.vodafone.com/etc/medialib/attachments/investor_relations/annual_reports/2006.Par.11806.File.pdf), retrieved on 05.08.2008.
- Vogel, David (2004). The Market for Virtue: The Potential and Limits of Corporate Social Responsibility. Working Paper.

- Waddock, Sandra (2006). Building the Institutional Infrastructure for Corporate Social Responsibility. Corporate Social Responsibility Initiative. *Working Paper*, No. 32. Cambridge, Harvard University: MA: John F. Kennedy School of Government.

- World Bank Economic Policy;

<http://www1.worldbank.org/economicpolicy/globalization/>, retrieved on 20.10.2007

- World Council of Credit Unions;

[http://www.woccu.org/press/intl\\_news/pressr.php?pressr\\_id=597](http://www.woccu.org/press/intl_news/pressr.php?pressr_id=597) retrieved on 10.11.2007



## APPENDIX I.

### QUESTIONNAIRE OF THE PRETEST

Bu araştırma, üniversite öğrencilerinin önemli bulduğu toplumsal iyileştirme projelerini ve bu projelere verdikleri önem derecelerini belirlemeyi amaçlamaktadır. Elde edilen bilgiler, daha sonra gerçekleştirilecek başka bir araştırma için kullanılacaktır.

Lütfen aşağıdaki listede yer alan projelerin önem derecelerini, öncelikli projeler olup olmadıklarını da göz önünde bulundurarak değerlendiriniz. Değerlendirmelerinizde “(1) Çok gereksiz” ve “(7) Çok gerekli” aralığını kullanınız.

PROJELER	Çok Gereksiz						Çok Gerekli
	1	2	3	4	5	6	7
Tarihi yapıların yenilenmesi ve bakımı							
Enerji tasarrufu konusunda bilgilendirme							
Gelişmemiş ülkelere sağlık desteği							
Köy okullarının yapımı ve eksikliklerinin giderilmesi							
Şiddete maruz kalan kadın ve çocuklara yardım							
Ozon tabakasındaki deliğin küçültülmesi							
Kız çocuklarının eğitilmesi için finansal ve sosyal destek sağlanması							
Geri dönüşümü teşvik için uygun atık sisteminin oluşturulması							
Bebeklere tam ve yeterli tıbbi müdahalenin sağlanması							
Çocuklar için güvenli oyun alanlarının ve parkların yapımı							

Katılımınız için teşekkür ederim.

## APPENDIX II.

### RESULTS OF THE PRETEST (AVERAGES OF SOCIAL PROJECTS)

PROJECTS	AVERAGES
Tarihi yapıların yenilenmesi ve bakımı	<b>5,59</b>
Enerji tasarrufu konusunda bilgilendirme	6,63
Gelişmemiş ülkelere sağlık desteği	5,30
Köy okullarının yapımı ve eksikliklerinin giderilmesi	6,48
Şiddete maruz kalan kadın ve çocuklara yardım	6,56
Ozon tabakasındaki deliğin küçültülmesi	<b>5,67</b>
Kız çocuklarının eğitilmesi için finansal ve sosyal destek sağlanması	6,41
Geri dönüşümü teşvik için uygun atık sisteminin oluşturulması	5,52
Bebeklere tam ve yeterli tıbbi müdahalenin sağlanması	6,48
Çocuklar için güvenli oyun alanlarının ve parkların yapımı	5,26

## APPENDIX III.

### TEXTS USED IN THE EXPERIMENT

TEXT 1: Positive CSR Reputation; High benefit Saliense; Long Duration

#### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

Tüm bunların dışında, X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket, bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

## TEXT 2: Positive CSR Reputation; High benefit Salience; Short Duration

### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

Tüm bunların dışında, X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir başta bulunmuştur.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

### TEXT 3: Positive CSR Reputation; Low benefit Salience; Long Duration

#### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

Tüm bunların dışında, X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket, bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.



#### TEXT 4: Positive CSR Reputation; Low benefit Salience; Short Duration

##### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

Tüm bunların dışında, X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik önlemler almaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha az atık oluşturmakta ve yine daha az enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerin kullanımına çok önem verilmektedir.
- İşçilerle ilgili politikada, X Şirketi Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarını esas almaktadır. Kozmetik sektörü içerisinde, çalışanlarına sağladığı eğitimlerle de X Şirketi öne çıkmaktadır. Şirket, çalışanlarının hem işle ilgili birikimlerini arttırmak için hem de kişisel gelişimlerine katkıda bulunmak amacıyla ayrı ayrı eğitim programları sunmaktadır. Çalışanlara verilen, okuma-yazma eğitimi gibi kişisel eğitimler, onların toplum içerisindeki yaşam koşullarını iyileştirmeyi amaçlamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri yerel tedarikçilerden temin etme konusunda oldukça özenli davranmaktadır. Şirketin politikalarına bakıldığında, yerel toplumla beraber gelişimin amaçlandığı görülmektedir.

## TEXT 5: Negative CSR Reputation; High benefit Saliience; Long Duration

### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

Tüm bunların dışında, X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket, bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

## TEXT 6: Negative CSR Reputation; High benefit Saliience; Short Duration

### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

Tüm bunların dışında, X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu proje için bir yıllık gelirin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Birleşmiş Milletler (UN) tarafından yürütülen, ozon tabakasındaki bozulmayı durdurmayı ve iyileştirmeyi amaçlayan Ecobandage projesine, araştırma ve geliştirme için finansal destek vermektedir. Bu proje ile ozon tabakasında, zararlı gazların fazla salınmasından kaynaklanan deliğin küçültülmesi hedeflenmektedir. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

## TEXT 7: Negative CSR Reputation; Low benefit Saliience; Long Duration

### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

Tüm bunların dışında, X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket, bu projeye 7 seneden fazla süredir destek vermektedir ve bu desteğin şirketin faaliyetleri el verdiği sürece devam edeceği öngörülmektedir.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.



## TEXT 8: Negative CSR Reputation; Low benefit Salience; Short Duration

### I.BÖLÜM (Serial A)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

Bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

Tüm bunların dışında, X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

## I.BÖLÜM (Serial B)

Türkiye kozmetik sektöründe iyi bilinen bir deodorant üreticisi olan X Şirketi, ilk üretimine Avrupa'da başlamış ve hızla gelişmiştir. Avrupa'dan sonra, Türkiye pazarına girdiği 1985 yılından bu yana geçen yıllar boyunca portföyünü, tüketici talepleri doğrultusunda sürekli yenileyerek, günümüzde spray deodorantlarında farklı parfüm alternatifleriyle tüketicilere hizmet vermektedir. X Şirketi, deodorant üretimi konusunda iddialı olup, terleme ile oluşan kötü koku problemine en iyi çözümü sunan markalardan biri olma amacındadır.

X Şirketi, Kültür ve Turizm Bakanlığı'nın kontrolünde başlatılan, yok olma tehlikesiyle karşı karşıya olan tarihi kalıntıların ve tarihi yapıların bakımını ve onarımını amaçlayan bir projeye finansal destek sağlamaktadır. Bu proje aynı zamanda, ülkenin değişik bölgelerinde yer alan bu değerli kültürel varlıkların korunması için toplumu bilinçlendirmeyi de amaçlamaktadır. Şirket bu proje için bir yıllık gelirinin belirli bir bölümünü ayırmış ve tek sefer için bir bağışta bulunmuştur.

Tüm bunların dışında, bağımsız bir kuruluşun deodorant üreticileri üzerinde yaptığı bir çalışma, X Şirketi'nin şu üç sosyal politikasını özellikle vurgulamaktadır:

- X Şirketi, üretim sırasında doğal çevrenin korunmasına yönelik yeterli önlemler almamaktadır. Şirket, sektördeki rakipleri ile kıyaslandığında üretim esnasında belirgin bir şekilde daha fazla atık oluşturmakta ve yine daha fazla enerji ve su kullanımı yapmaktadır. Bunun yanı sıra, ürün paketlerinin (tüp ve ambalajlar) seçiminde geri dönüşümü olan malzemelerden ziyade maliyeti düşük olan malzemeler tercih edilmektedir.
- X Şirketi'nin işçilerle ilgili olarak yürüttüğü özel bir politikası bulunmamaktadır. Şirket, birçok kurumun işçi politikaları konusunda başvurduğu Uluslararası Çalışma Örgütü'nün (ILO) belirlemiş olduğu çalışma koşullarının bazı maddelerini de görmezden gelmektedir. Ayrıca, sektördeki diğer şirketlerin aksine, X Şirketi, çalışanlarına işle ilgili birikimlerini arttırmak ya da kişisel gelişimlerine katkıda bulunmak için eğitim programları hazırlamamaktadır.
- X Şirketi, deodorant üretimi sırasında kullandığı malzemeleri, yerel tedarikçilerden ziyade, mümkün olan en ucuz kanallardan temin etme politikası izlemektedir. Şirketin kendi gelişimi sırasında, içerisinde bulunduğu yerel toplumu da geliştirmek gibi bir hedefinin olmadığı gözlenmektedir.

## **APPENDIX IV.**

### **EVALUATION FORMS OF DEPENDENT VARIABLES USED IN THE EXPERIMENT**

(For Benefit Salience High - Ozone Layer Deterioration Scenario)

#### **II. BÖLÜM**

Bu kısımda, az önce okumuş olduğunuz metinde anlatılan X Şirketi'ni bir kez daha hayalinizde canlandırmanızı ve daha sonra yalnızca metinde yer alan veriler ışığında aşağıdaki ifadeleri değerlendirmenizi istiyoruz.

1= Kesinlikle katılmıyorum 7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
1	X Şirketi bende saygı uyandırdı.							
2	X Şirketi'nin ürünleri muhtemelen diğer şirketlerin ürünlerinden daha kalitelidir.							
3	X şirketi kötü yönetilen bir şirkettir.							
4	X Şirketi'nin çalışmalarını takdir ettim.							
5	X Şirketi'nin, ozon tabakasının kurtarılması için Birleşmiş Milletler'in yürüttüğü çabaları desteklemesini samimi buluyorum.							
6	X Şirketi, kaynaklarını boşa harcamaktadır.							
7	X Şirketi bana sempatik gelmedi.							
8	X Şirketi'nin ozon tabakasının kurtarılması için gerçekleştirdiği destek, bu konudaki samimi kaygısının sonucudur.							
9	X Şirketi değerli bir şirkettir.							
10	X Şirketi, ozon tabakasını kurtarmak için destek verirken şirket için olumlu bir imaj yaratmaya çalışmaktadır.							
11	X şirketine karşı hayranlık duydum.							
12	X şirketi, büyük ihtimalle, mümkün olan en iyi ürünleri üretmektedir.							
13	Param olsaydı X Şirketi'ne yatırım yapardım.							
14	X Şirketi, var olan imajını güçlendirmek için ozon tabakası için yürütülen projeyi desteklemektedir.							

(For Benefit Salience Low -Historical Ruins Deterioration Scenario)

## II. BÖLÜM

Bu kısımda, az önce okumuş olduğunuz metinde anlatılan X Şirketi'ni bir kez daha hayalinizde canlandırmanızı ve daha sonra yalnızca metinde yer alan veriler ışığında aşağıdaki ifadeleri değerlendirmenizi istiyoruz.

1= Kesinlikle katılmıyorum 7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
1	X Şirketi bende saygı uyandırdı.							
2	X Şirketi'nin ürünleri muhtemelen diğer şirketlerin ürünlerinden daha kalitelidir.							
3	X şirketi kötü yönetilen bir şirkettir.							
4	X Şirketi'nin çalışmalarını takdir ettim.							
5	X Şirketi'nin, tarihi varlıkların korunması için Kültür ve Turizm Bakanlığı'nın yürüttüğü çabaları desteklemesini samimi buluyorum.							
6	X Şirketi, kaynaklarını boşa harcamaktadır.							
7	X Şirketi bana sempatik gelmedi.							
8	X Şirketi'nin tarihi varlıkların korunması için gerçekleştirdiği destek, bu konudaki samimi kaygısının sonucudur.							
9	X Şirketi değerli bir şirkettir.							
10	X Şirketi, tarihi varlıkları korumak için destek verirken şirket için olumlu bir imaj yaratmaya çalışmaktadır.							
11	X şirketine karşı hayranlık duydum.							
12	X şirketi, büyük ihtimalle, mümkün olan en iyi ürünleri üretmektedir.							
13	Param olsaydı X Şirketi'ne yatırım yapardım.							
14	X Şirketi, var olan imajını güçlendirmek için tarihi varlıkları korunması için yürütülen projeyi desteklemektedir.							

## APPENDIX V.

### EVALUATION FORMS OF MANIPULATION CHECKS USED IN THE EXPERIMENT

(For Benefit Salience High – Ozone Layer Deterioration Scenario)

#### III. BÖLÜM

Araştırmanın bu bölümünde, sizden, X Şirketi hakkında okuduğunuz metinle ilgili hatırladıklarınızı, aşağıda yer alan ifadelerle değerlendirmenizi istiyoruz. Lütfen, bir kez daha metni düşünerek, bu kısımda X Şirketi ile ilgili yer alan ifadeler için uygun olan değerleri belirtiniz.

1= Kesinlikle katılmıyorum      7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
1.	X Şirketi, işçilerine karşı sorumluluklarını yerine getirmektedir.							
2.	X Şirketi, atık yönetimi, enerji ve su tüketimi konusunda sorumluluklarını yerine getirmektedir.							
3.	X Şirketi, faaliyetlerini yürüttüğü yerel çevreye karşı sorumluluklarını yerine getirmektedir.							
4.	Ozon tabakasının korunması, X Şirketi'nin deodorant üretimiyle yakından ilgilidir.							

5. X Şirketi'nin ozon tabakası için uyguladığı destek:

\_\_ Tek seferliktir

\_\_ Uzun sürelidir

Lütfen aşağıdaki ifadeleri kişisel görüşleriniz doğrultusunda değerlendiriniz.

1= Kesinlikle katılmıyorum      7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
6.	Ozon tabakasındaki bozulma önemli bir sorundur.							
7.	Birleşmiş Milletler'in ozon tabakası konusundaki çalışmalarının önemli olduğuna inanıyorum.							

8. Yaşınız: \_\_\_\_

9. Cinsiyetiniz: Kadın \_\_\_\_

Erkek \_\_\_\_

(For Benefit Salience High–Historical Ruins Deterioration Scenario)

### III. BÖLÜM

Araştırmanın bu bölümünde, sizden, X Şirketi hakkında okuduğunuz metinle ilgili hatırladıklarınızı, aşağıda yer alan ifadelerle değerlendirmenizi istiyoruz. Lütfen, bir kez daha metni düşünerek, bu kısımda X Şirketi ile ilgili yer alan ifadeler için uygun olan değerleri belirtiniz.

1= Kesinlikle katılmıyorum 7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
1.	X Şirketi, işçilerine karşı sorumluluklarını yerine getirmektedir.							
2.	X Şirketi, atık yönetimi, enerji ve su tüketimi konusunda sorumluluklarını yerine getirmektedir.							
3.	X Şirketi, faaliyetlerini yürüttüğü yerel çevreye karşı sorumluluklarını yerine getirmektedir.							
4.	Tarihi varlıkların korunması, X Şirketi'nin deodorant üretimiyle yakından ilgilidir.							

5. X Şirketi'nin tarihi varlıkların korunması için uyguladığı destek:

\_\_\_Tek seferliktir

\_\_\_Uzun sürelidir

Lütfen aşağıdaki ifadeleri kişisel görüşleriniz doğrultusunda değerlendiriniz.

1= Kesinlikle katılmıyorum 7= Kesinlikle Katılıyorum

		1	2	3	4	5	6	7
6.	Tarihi varlıkların karşı karşıya kaldığı tehlike önemli bir sorundur.							
7.	Kültür ve Turizm Bakanlığı'nın tarihi varlıklar konusundaki çalışmalarının önemli olduğuna inanıyorum.							

8. Yaşınız: \_\_\_

9. Cinsiyetiniz: Kadın \_\_\_

Erkek \_\_\_



**APPENDIX VI.**

**STATISTICAL REPRESENTATION OF THE RESULTS OF THE EXPERIMENT**

Means, standard deviations and sample sizes of each factorial group for Corporate Image as a dependent variable.

CSR Positive						CSR Negative						
Benefit Saliency High			Benefit Saliency Low			Benefit Saliency High			Benefit Saliency Low			
	$\bar{x}$	s	N	$\bar{x}$	s	n	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Duration Long</b>	37.50	4.18	20	38.3	5.93	20	16,1	5.05	19	17.47	9.23	19
<b>Duration Short</b>	37.65	5.3	20	38.21	5.98	19	14,5	4.71	20	16	4.84	20

Means, standard deviations and sample sizes of each factorial group for Corporate Ability as a dependent variable.

CSR Positive						CSR Negative						
Benefit Saliency High			Benefit Saliency Low			Benefit Saliency High			Benefit Saliency Low			
	$\bar{x}$	s	N	$\bar{x}$	s	n	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Duration Long</b>	15.55	2.11	20	15.25	3.40	20	9.40	3.34	20	3.45	3.44	20
<b>Duration Short</b>	15.84	1.74	19	14.95	2.43	20	9.70	3.70	20	8.80	2.87	20

Means, standard deviations and sample sizes of each factorial group for Sincerity Perception as a dependent variable.

CSR Positive						CSR Negative						
Benefit Salience High			Benefit Salience Low			Benefit Salience High			Benefit Salience Low			
	$\bar{x}$	s	N	$\bar{x}$	s	n	$\bar{x}$	s	n	$\bar{x}$	s	n
<b>Duration Long</b>	9.90	2.97	20	9.15	2.96	20	5.15	2.83	20	4.90	3.32	20
<b>Duration Short</b>	9.40	2.03	20	9.75	2.75	20	3.60	2.03	20	5.50	3.05	20

Means, standard deviations and sample sizes of each factorial group for Image Promotion Perception as a dependent variable.

CSR Positive						CSR Negative						
Benefit Salience High			Benefit Salience Low			Benefit Salience High			Benefit Salience Low			
	$\bar{x}$	s	N	$\bar{x}$	S	n	$\bar{x}$	s	n	$\bar{x}$	s	N
<b>Duration Long</b>	10.45	2.96	20	11.90	2.33	20	12.35	2.71	20	12.20	2.46	20
<b>Duration Short</b>	10.65	2.49	20	11.80	2.14	20	12.95	1.70	20	11.94	3.13	19