

CSR strategy should demonstrate real concern

The modern consumer expects businesses to act socially responsible and to demonstrate through their product and service offerings that they care about people and the planet.



According to Dr Estelle van Tonder, Head of Department in the Faculty of Management and Leadership at Milpark Business School, a sound corporate social responsibility (CSR) strategy may well demonstrate, and convince consumers, that a business is genuinely concerned about their customers' well-being as well as that of the planet.

"Designing and executing a successful CSR strategy can be quite a challenging task, especially for businesses new to the CSR commitment. Unfortunately there is no easy recipe for success, but research has shown that it is important for executives to approach every CSR initiative as a source of opportunity, and to win the hearts and minds of potential consumers.

Don't view it as a cost

"The message is that CSR strategies should not be viewed only as a cost to the business. Rather, the impact that CSR initiatives can also have on customer value and, if managed correctly, in obtaining a competitive advantage should be important considerations," says Dr van Tonder. This means that businesses should allocate funds to small charitable causes and also commit to solving larger problems facing society in order to make a real difference in the world and thereby attract the loyalty of consumers.

Dr van Tonder advises that it is also imperative that executives engage with consumers in order to identify their CSR needs and objectives and that strategies should then be designed according to what the consumer wants and expects from the organisation. "Businesses can engage with their consumers online to identify social demands and CSR projects that can make a valuable contribution to society. Social media has become the new medium of communication in the 21st century and it can be used as an effective tool to engage with consumers about CSR initiatives."

Adding real value

Lastly, Dr van Tonder says that all the functions of the business must then be aligned to ensure that the CSR strategy is implemented effectively so that it adds real value for consumers and ensures the sustainability of our planet. "Ethical codes and standards must be defined and employees should be motivated to act truthfully in all situations and at all times."

Ultimately, the successful execution of these initiatives could lead to organisations designing more effective CSR strategies that truly address the needs of society and contribute to the improvement of organisational behaviour towards exemplary corporate citizenship.

Dr Estelle van Tonder is head of Department in the Faculty of Management and Leadership at Milpark Business School. This article was adapted from a conference paper presented during the 2013 Baltic Cruise Conference.

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