



# THE CORPORATE RESPONSIBILITY OPPORTUNITY

**W**elcome to the world of responsible business. And we mean that in the literal sense. The unequivocal takeaway from the 2011 Cone/Echo CR Opportunity Study, the latest in Cone Communications' 18-year chronicle of consumer expectations of responsible business, is that consumers globally believe companies have an explicit responsibility to help change the world.

Cone Communications partnered with Echo Research to field our most extensive study to date – 10,000 consumers in 10 countries, including the United States, Canada, Brazil, the United Kingdom, Germany, France, Russia, China, India and Japan. These are 10 of the 11 largest countries in the world by GDP, representing just over half of the world's population.

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**We anticipated some interest in responsible business within this sample. What we got was a groundswell.**

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The desire to see companies drive social and environmental change was clear and consistent across every country we surveyed. Regardless of politics, historical context or cultural norms, consumers expect business to address social and environmental issues through their operations, their products and services and their unique expertise.

**The opportunity?** Consumers will reward these efforts. This report will highlight data and insights that speak to the specific opportunities in each market to help companies tailor their approaches for greatest relevancy and impact.

We conducted an online survey, and we described "corporate responsibility" to the 1,000 respondents in each country broadly as "companies changing their business

practices and giving their support to address social and environmental issues." In this report, we'll share their opinions on:

**The role of business in society** – *It's to change it.*

**Leading issues** – *Focus on material issues.*

**Leading approaches** – *Maximize core business competencies.*

**Impact** – *Socially minded consumers make the world go 'round.*

**Communications** – *Tell it how it is.*



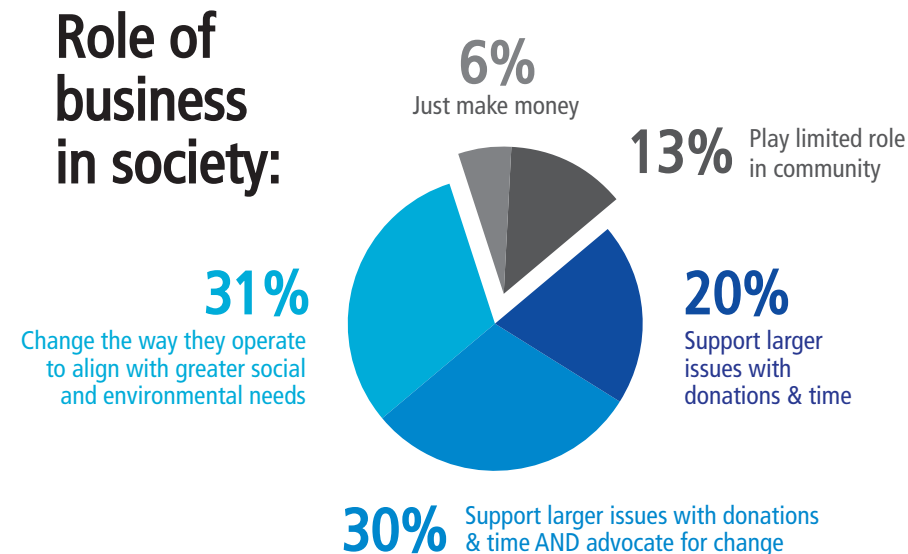
# EXPECTATIONS

## THE ROLE OF BUSINESS IN SOCIETY IS TO CHANGE IT

The role of business in contemporary society is the focus of much debate these days, but as the pundits and practitioners battle it out in academic circles and the press, consumers around the world have already come to their conclusion: companies must reward stakeholders, not just shareholders.

**A** mere six percent of consumers globally channel economist Milton Friedman and only hold businesses accountable for making money. Thirteen percent of consumers have a slightly higher, but still narrow belief

that businesses should do something in the communities in which they operate. But for 81 percent of the population, the expectation is much more:



But don't think that compliance alone will achieve such standards. Consumers expect operational innovation for the greater good. More than nine-in-10 (93%) say companies must go beyond the minimum standards required by law to operate responsibly and

address social and environmental issues. Ninety-four percent say companies must analyze how their business practices affect the world and evolve those practices to make the impact as positive as possible.





# ISSUES

## FOCUS ON MATERIAL ISSUES

Consumers recognize companies are essential to major social and environmental change because they have resources governments and NGOs do not (88%). As a result, they are asking companies to support a broad swath of important issues, everything from water to education.

## What's important?

	SOMEWHAT / VERY IMPORTANT (NET)	VERY IMPORTANT
ECONOMIC DEVELOPMENT	96%	62%
ENVIRONMENT	96%	69%
WATER	95%	70%
HUMAN RIGHTS	94%	63%
HEALTH & DISEASE	90%	55%
EDUCATION	90%	54%
POVERTY & HUNGER	87%	48%

Ultimately, supporting these issues is table stakes. Anywhere from 87 percent to 96 percent of consumers in all countries expect companies to be doing something to support this range of causes. However, the issue that rises to the top and may help differentiate a company is economic development. More than a third (34%) of consumers globally said,

if they had to select only one, this was the issue companies should address. Combined with the environment (21%), these two issues represent the attention of more than half of the 10,000 respondents. Human rights comes in a more distant third (12%).

## The one issue consumers most want companies to address:

**ECONOMIC DEVELOPMENT 34%**



**ENVIRONMENT 21%**



**HUMAN RIGHTS 12%**



**POVERTY & HUNGER 11%**



**EDUCATION 9%**



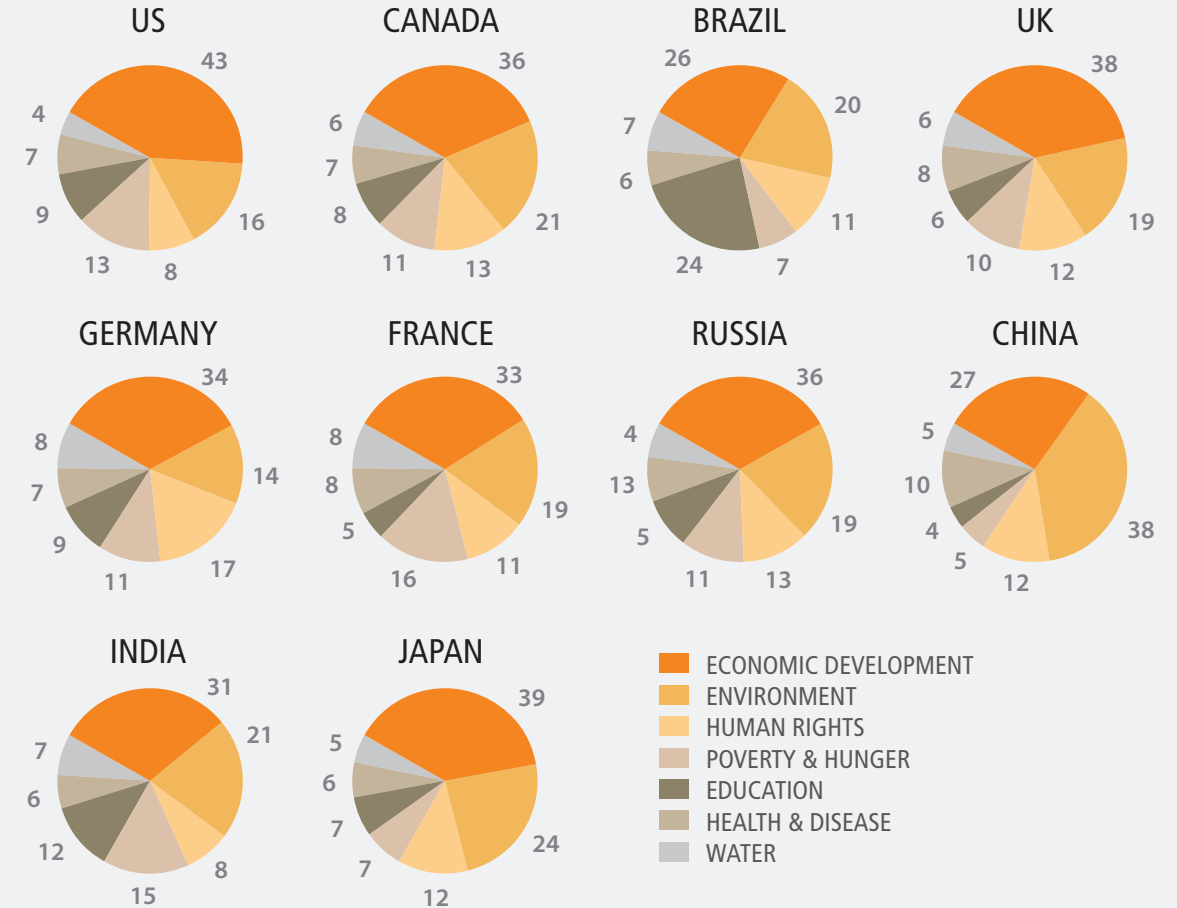
**HEALTH & DISEASE 8%**



**WATER 6%**



## The global breakdown:



It is not entirely surprising economic development topped the list as people worldwide face financial difficulties and rampant unemployment. It is an issue that strikes a chord regardless of circumstances or nationality.

**Business – with its vast financial resources and investments in jobs, infrastructure, training, people and communities – is a key to raise us all up.**

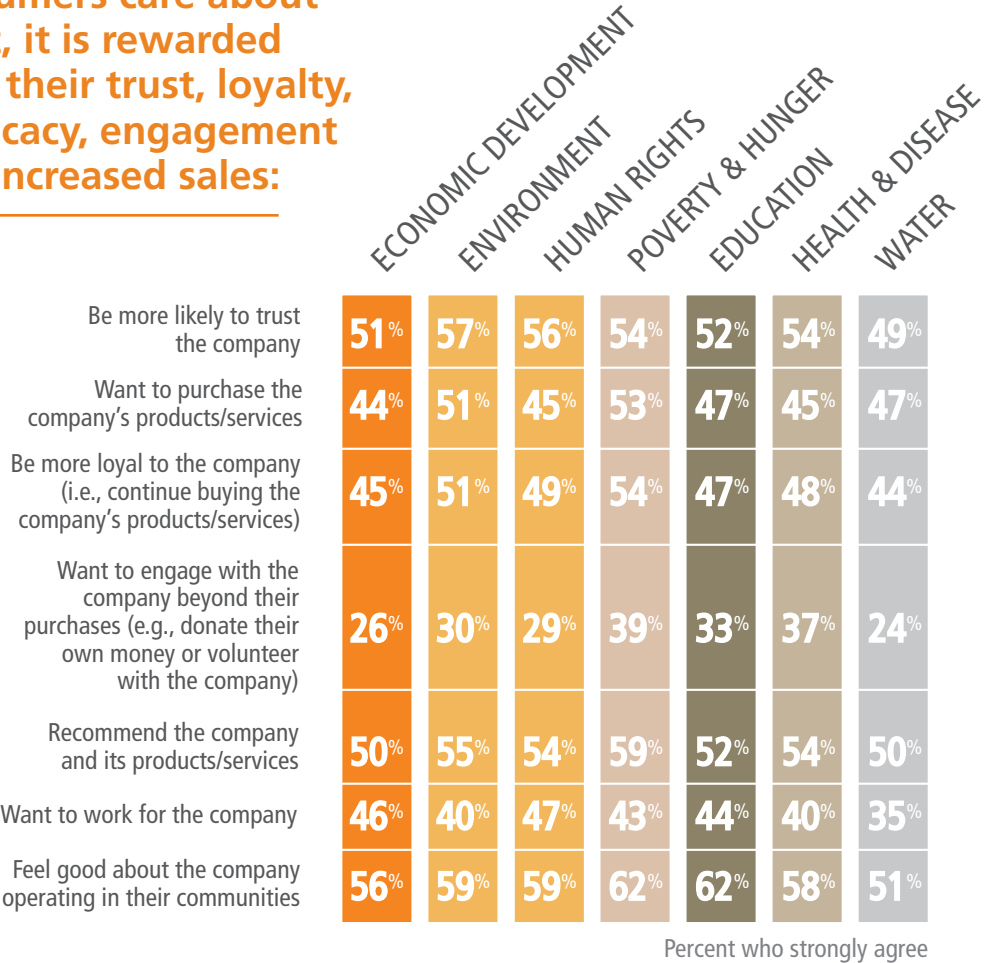
But that doesn’t exclude the other issues. Companies can’t solve hunger, disease or poverty alone, as savvy consumers recognize, but they did not say these topics were unimportant. Not by a long stretch. The finding that consumers worldwide are prioritizing economic development can provide an opportunity for companies to frame their social and environmental efforts in a new context, one that focuses on the economic stability of a region. Many issues – from poverty to women’s rights and



Photo courtesy of Dr. Elizabeth Hausler, 2011 Lemelson-MIT (client) Award for Sustainability winner and founder of Build Change

education – are directly tied to economic development and may be approached in a way that stimulates people, communities and economies.

**When a company supports the issue consumers care about most, it is rewarded with their trust, loyalty, advocacy, engagement and increased sales:**





## FOCUS FAR AWAY OR CLOSE TO HOME?

Citizens globally may agree on what companies should address, but they are much more divided when it comes to where. Thirty-six percent of consumers believe companies should prioritize support of

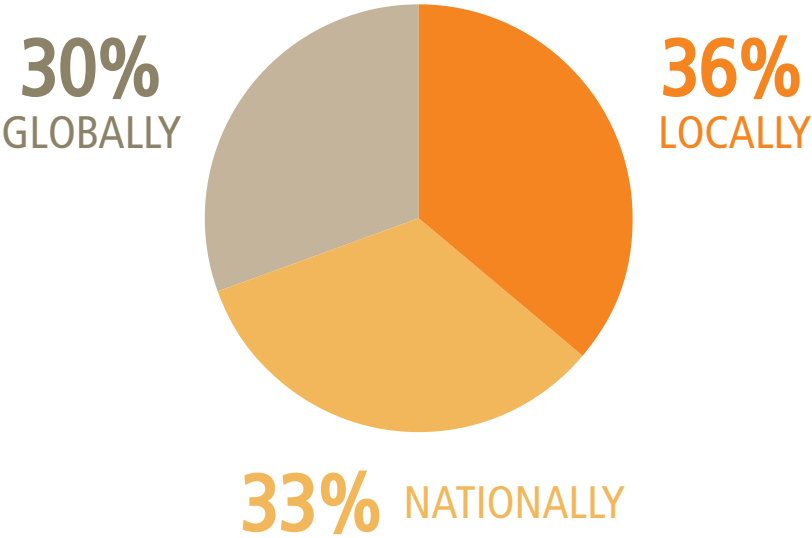
issues that affect the quality of life *locally*, 33 percent say *nationally* and 30 percent say *globally*. This is also an area where geographic boundaries begin to play a more distinct role:

- Citizens in some of the largest countries geographically, including the U.S. (47%), Russia (51%), Canada (38%) and China (49%), along with the U.K. (44%), were most likely to believe companies should support local issues;
- Japan (49%), a small island nation still in the aftermath of a life-altering earthquake, was the sole nation most likely to believe companies should focus nationally; and,
- India (41%), the face of globalization itself, along with Brazil (46%), Germany (40%) and France (38%), want companies to take a global view.



Photo courtesy of Dr. BP Agrawal, 2010 Lemelson-MIT (client) Award for Sustainability winner and founder of Sustainable Innovations

## Consumers want companies to focus on issues that improve the quality of life:





# APPROACH

## MAXIMIZE CORE BUSINESS COMPETENCIES

Companies are fortunate to have a diverse range of resources at their disposal, from cash to expertise, that they can put to work to positively impact important issues. Once again, consumers expect companies to tap into their full portfolios.

### Companies should:

- CHANGE THE WAY THEY OPERATE
- DEVELOP NEW PRODUCTS OR SERVICES
- APPLY UNIQUE BUSINESS ASSETS
- RAISE AWARENESS & EDUCATE
- DEVELOP PARTNERSHIPS
- DONATE EMPLOYEE TIME/EXPERTISE
- MAKE DONATIONS

SOMEWHAT / VERY  
IMPORTANT (NET)  
VERY IMPORTANT

96%	59%
95%	52%
94%	49%
93%	48%
91%	42%
86%	34%
84%	32%

When it comes to making a true and lasting difference in the world, consumers say look not outside, but within. Changing operations is the leading way consumers want to see companies address social and environmental issues. Nearly a third of respondents (31%) cited this

approach as the one they would most like to see companies take, trumping all others. Consumers recognize the importance of philanthropy and volunteerism (often the only approaches they may have been exposed to) but see that those alone are not the primary strategies for greatest impact.



## Consumers would most like to see companies:

**CHANGE THE WAY THEY OPERATE 31%**



**APPLY UNIQUE BUSINESS ASSETS 19%**



**DEVELOP NEW PRODUCTS OR SERVICES 16%**



**DEVELOP PARTNERSHIPS 11%**



**RAISE AWARENESS AND EDUCATE 11%**



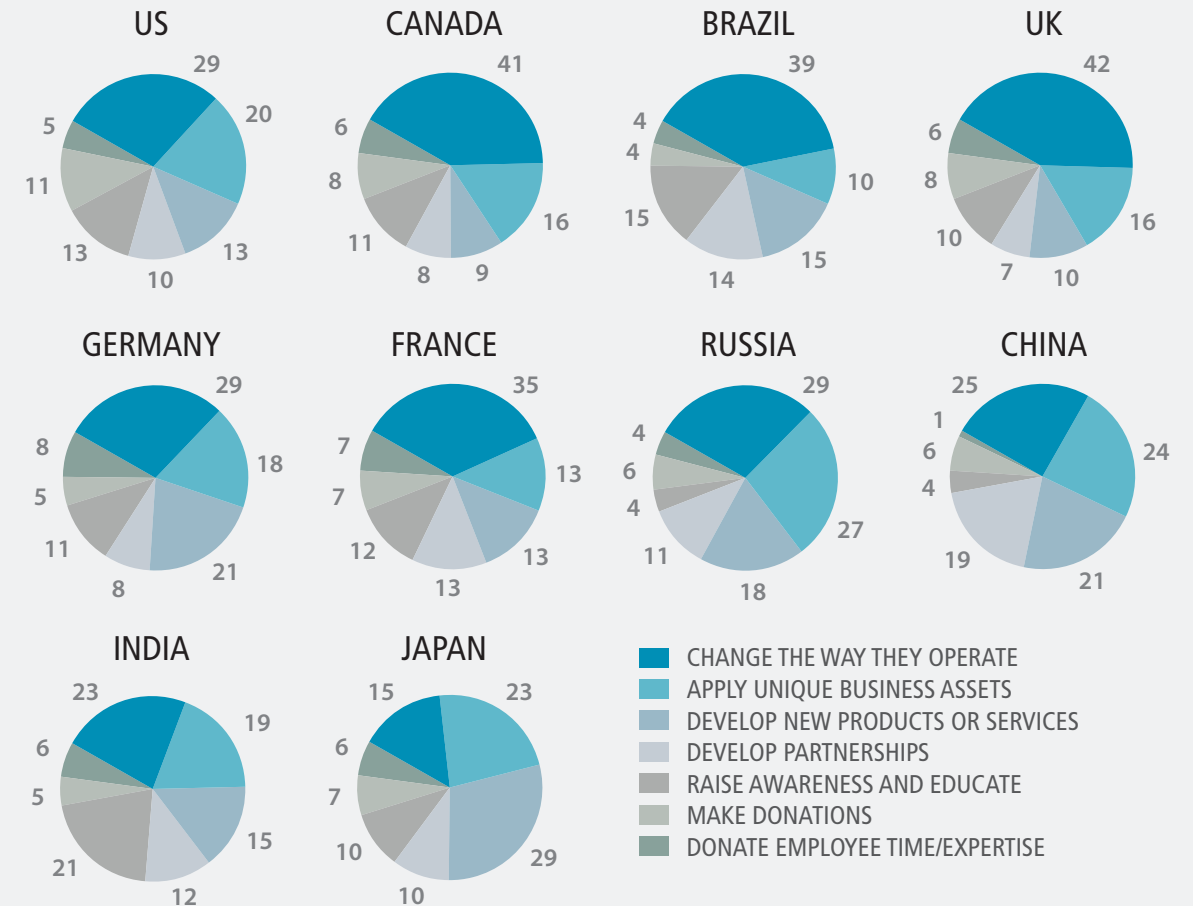
**MAKE DONATIONS 7%**



**DONATE EMPLOYEE TIME/EXPERTISE 5%**



## The global breakdown:



In many places, supporting social issues means a generous donation or a day of service. But imagine the business opportunity to be had by putting business acumen to work instead. Companies around the world are using their core competencies to create solutions to the world's challenges, from supply chain innovations that address poverty in markets where they operate, to for-profit products and services that serve the bottom of the pyramid. This study demonstrates that not only are consumers giving companies permission to alter the social paradigm, they understand it is imperative for real change.



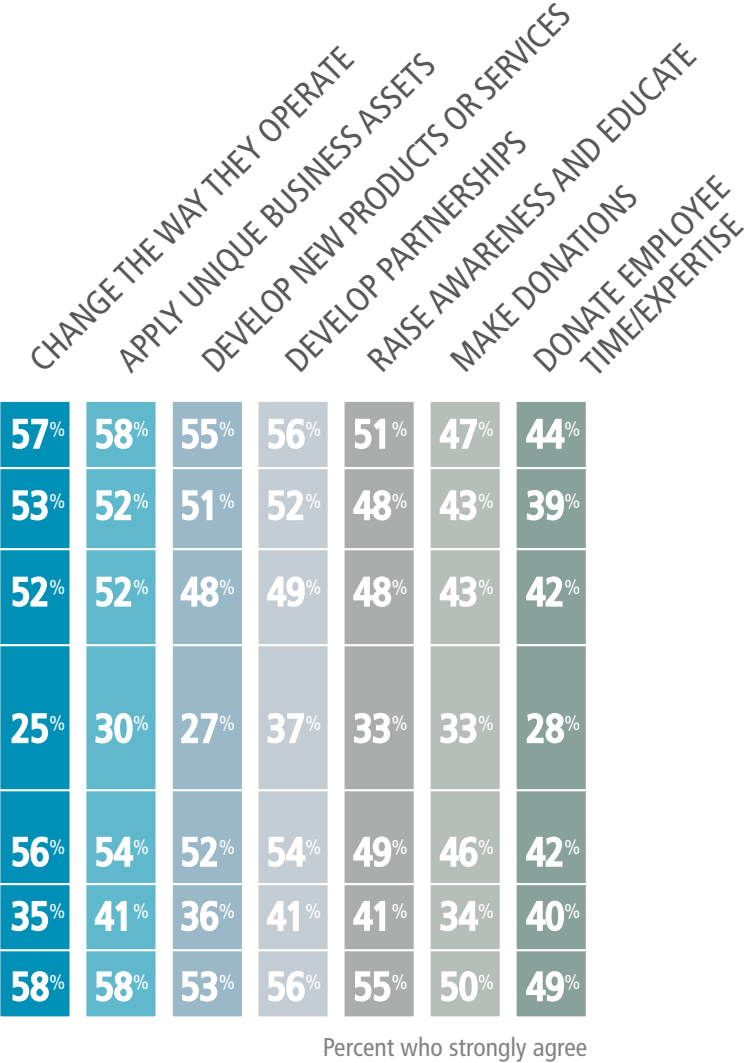
Photo courtesy of Water for People and ITT Corporation (client)



What's more, the key approaches consumers support marry well with the top issues. How better to impact economic development, the environment and human rights than through operations, products and services and expertise? Consumers have a keen understanding of what companies can accomplish with the resources at hand, and when companies act on the approaches consumers find most critical, those companies inspire trust, loyalty and consumer ambassadors for their brands.

If a company addresses an issue in the way consumers find most important, consumers will:

- Be more likely to trust the company
- Want to purchase the company's products/services
- Be more loyal to the company (i.e., continue buying the company's products/services)
- Want to engage with the company beyond their purchases (e.g., donate their own money or volunteer with the company)
- Recommend the company and its products/services
- Want to work for the company
- Feel good about the company operating in their communities

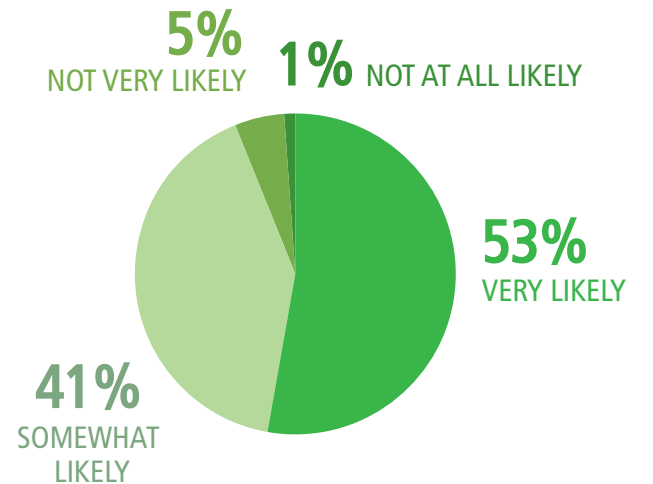


# IMPACT

## SOCIALLY MINDED CONSUMERS MAKE THE WORLD GO 'ROUND

They may be in the market for different things, but there's a common denominator upon which shoppers globally can agree: if a product is tied to a cause, they are more likely to buy it.

When price and quality are about the same, 94% of consumers are likely to switch brands to one associated with a good cause:



Consumers across the globe want to shop with a conscience. Most say, if given the opportunity, they would buy a product that has an environmental benefit (94%) or one that is attached to a cause (93%). And a staggering number (76% and 65%, respectively) report they have actually done just that in the past 12 months.

Why so high? A core reason is access. Companies in both developed and developing countries are recognizing the competitive differentiation in not only behaving more responsibly, but also in communicating those positive business practices to consumers. Although cause marketing in the traditional sense (i.e., a

portion of a product sale goes to a charity) may not be prevalent in many of these countries, supporting a "cause" is still easy to do when buying local or from a company with a charitable giving halo. These high numbers suggest the interpretation of "cause" is broad and infused in diverse cultures in many ways.

But don't count the coffers quite yet. Just as many people (93%) are prepared to boycott a company for irresponsibility. More than half (56%) report they already have. Companies would be wise not to connect their brands to a cause or take their CR efforts to market unless the commitments are authentic.



Consumers want to be engaged. If given the opportunity,

**THEY WOULD:**



Percent who strongly/somewhat agree

Consumers have rewarded and punished companies. In the past 12 months,

**THEY HAVE:**



There is no doubt consumers are idealistic in their intent, but where reality falls a bit short, there is a great opportunity for companies to provide the inspiration consumers need to act. Donating, volunteering and giving feedback are the areas that showed the greatest gap between consumer desire and behavior. Evidently, consumers want to participate; they may just need to be asked.

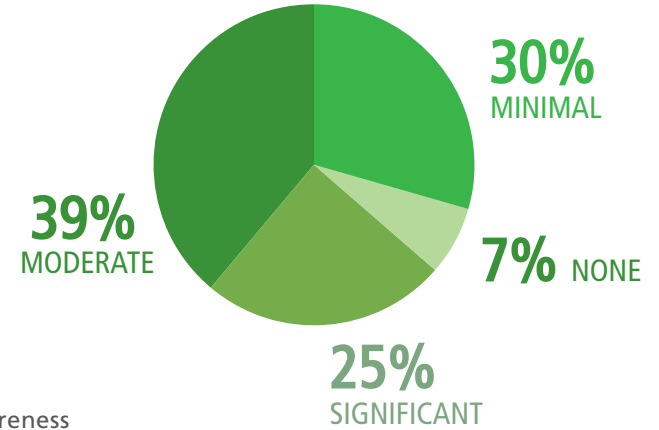
COMPANIES ARE THE AXIS

Consumers are primed to use their purchasing power to make a difference, perhaps because they are motivated by the positive impact they see from corporate efforts. Ninety-three percent believe companies have made at least some positive impact on the world. India had the highest praise (40% say companies have had a significant positive impact), while France had the least (18% say companies have had no impact).



Photo courtesy of Tharm Sook Wai for Timberland (client)

Most consumers believe companies have made a positive impact on social and environmental issues:



If we measured success on awareness alone, corporate social and environmental efforts have achieved quite a feat. NGOs and charities around the world have likely benefited from the fact that nearly three-in-five consumers (59%) credit companies with helping to educate them on important issues, and a similar number (56%) said they were inspired to support something new. For some, the connection is even more tangible. More than two-thirds (68%) say a company’s efforts have improved the quality of their own or other people’s lives. Ninety-two percent of respondents in China, more than any other country, agreed.



Photo courtesy of Plan International (client)



# COMMUNICATIONS

## TELL IT HOW IT IS

It is time to hone those communications skills because effective corporate responsibility efforts require two-way dialogue.

Consumers want to know what companies are doing (93%), and *they* want to be heard, too (91%). Reciprocal communication is more than an ideal; it's essential in connecting with consumers amid a challenging environment of cynicism and confusion:

- 89% of consumers globally believe companies share only the positive information about their efforts, while withholding the negative; and,
- 71% are confused by the messages companies use to talk about their efforts and impacts.

Trust is more complex. On the whole, three-in-five (61%) consumers believe a company is telling the truth about its social and environmental efforts and impacts, but this varies widely by nationality. China is the most trusting nation (95%); France (39%) and Russia (42%), on the other hand, are much more incredulous.

There also appears to be a contradictory dynamic at play between trust and understanding. The more trusting a country's consumers are in business, the more confused they are by a company's messages. These consumers are putting great faith in the words of business, even though they don't necessarily understand the messages themselves. In return, they don't ask for perfection, simply the truth. Nearly nine-in-10 (88%) say it's ok if a company is not perfect, as long as it is honest about its efforts. This permission presents an opportunity for companies to speak candidly about tough CR issues to build trust.



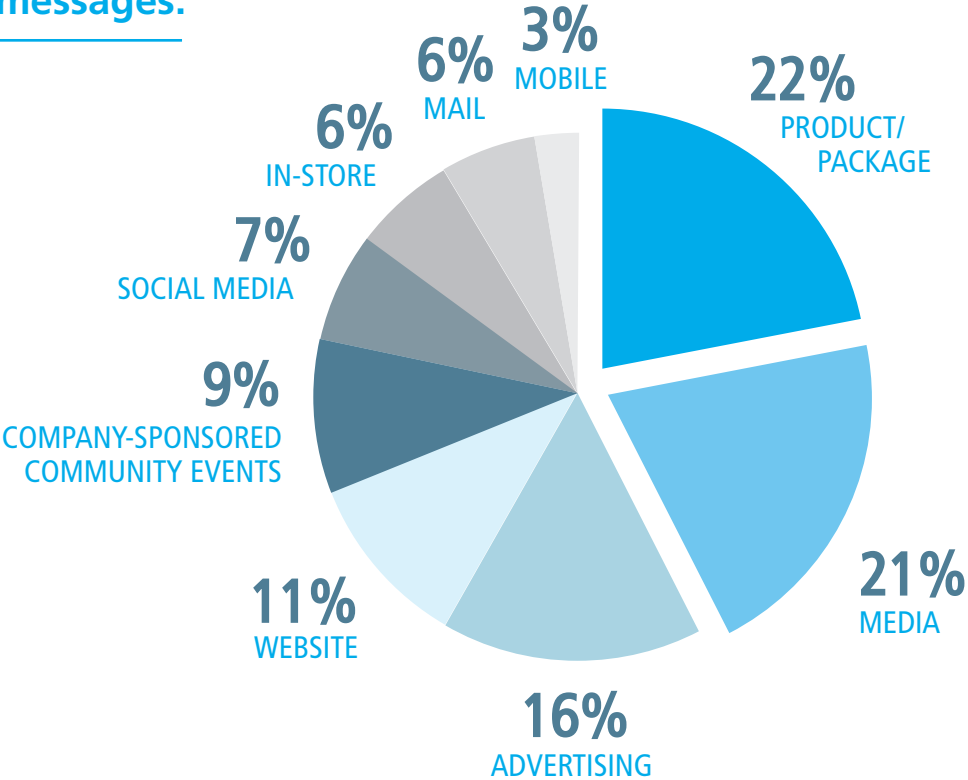
# TRADITIONAL MEDIA REIGNS, BUT NEW MEDIA MATTERS, TOO

Consumers want a dialogue, but ultimately they still find convenience in traditional one-way communications. On the product/package (22%), media (21%) and advertising (16%) are the most effective channels to reach consumers with messages about corporate responsibility. However, new media plays an important role, too. When websites (11%), social media (7%) and mobile (3%) are combined, new media moves into

the upper echelon. In fact, 89 percent of consumers expect companies to use both traditional and new media channels to reach them, and most (93%) want a place to access more information, such as a website or phone number. In this age of instantaneous communication, a multi-pronged strategy will be critical to provide clear information where consumers are, while giving them an opportunity to respond.



Most effective channels for companies to reach consumers with their CR messages:



## COUNTRY SNAPSHOT

# UNITED STATES: THE TRADITIONALISTS



ROLE OF BUSINESS	ADVOCATE FOR CHANGE (27%)
GEOGRAPHIC FOCUS	LOCAL (47%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (43%)
LEADING APPROACH	CHANGE OPERATIONS (29%)
PREFERRED CHANNEL	ADVERTISING (PRINT, BROADCAST OR ONLINE) (20%)

**A**mericans know they want business to play a positive role in society, but they are divided about the approach. Respondents in the U.S. are closely split among believing businesses should advocate for change (27%), support larger issues through donations (24%), play a more limited role in society (23%) and change the way they operate to align with bigger social and environmental needs (20%).

Despite the prevalence of CR initiatives among U.S. brands, traditional views about how a company can approach social and environmental issues still linger. Americans were the most likely of all countries to say philanthropy (11% vs. 7% globally) was the one approach companies should take.

Consumers in all countries cited economic development as the leading issue companies should address, but Americans were more adamant. Forty-three percent (vs. 34% globally) cite economic development as the leading issue, and Americans are also more likely than most to want companies to address local versus global issues (47% vs. 36% globally). Only 19 percent say companies should prioritize support of issues that affect the quality of life in countries around the world (vs. 30% globally).



## EXPERT'S TAKE

"The U.S. is a country with deep roots in philanthropy and volunteerism," Cone Communications' executive vice president Alison DaSilva notes. "It's ingrained in our culture." Today, there are more than 1.6 million nonprofit organizations that serve as a backbone for U.S. social services. The United States also gave birth to the cause marketing movement in the early 1980s, which has today become a mainstream business strategy for driving sales and building brand affinity. As a result, U.S. businesses and consumers cling closely to these established methods, but the paradigm has begun to shift as skeptical stakeholders want to know how companies are operating beyond their strategic giving.

A relative lack of CR-related government regulation as compared to other countries has left companies, consumers and NGOs to define what corporate responsibility means in the U.S., and extensive access to social media has helped propel this conversation. More empowered consumers and employees, particularly older millennials, are a driving factor in this progress, as is competition among firms who must out-invest and out-innovate one another to clearly define what they stand for. "Today we're seeing leading brands carefully examine their material issues and then develop robust consumer- and employee-facing programs that address these issues in a compelling way," DaSilva says. It is expected for U.S. companies to talk about their social and environmental impacts because consumers want to know. However, with this marketing momentum, DaSilva cautions, will also come a backlash when commitments are not authentic or transparent. The risk of causewashing or greenwashing is higher than ever and regulation is looming as the Federal Trade Commission and activists shine the spotlight on misleading claims.

Ultimately, "it is not an either/or – philanthropy or responsible business practices," DaSilva notes. "Consumers want it all and at a competitive price." Companies are responding to these expectations by turning their business commitments into brand opportunities. She continues, "We are seeing new models of innovation and engagement, with new brands and products being created with an eye toward giving back or protecting the environment, while still making a profit."



## OPPORTUNITY

Businesses in the U.S. need a defined CR strategy that addresses the company's material issues from an operational and philanthropic perspective. Brands must find ways to communicate their strategies in a way that connects with disparate stakeholders – from customers to investors, prospective employees to consumers. Engagement and transparency are expected and necessary to earn trust and communicate progress to this empowered group of stakeholders. And it's not only U.S. consumers paying close attention. All eyes are on multinational companies, many based in the U.S., to drive CR progress in countries around the globe.



COUNTRY  
SNAPSHOT

CANADA:  
THE MIDDLE GROUND



ROLE OF BUSINESS	ADVOCATE FOR CHANGE (28%) / CHANGE THE WAY THEY OPERATE (28%)
GEOGRAPHIC FOCUS	LOCAL (38%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (36%)
LEADING APPROACH	CHANGE OPERATIONS (41%)
PREFERRED CHANNEL	MEDIA (E.G., STORIES AND INTERVIEWS IN LOCAL NEWSPAPERS) (22%)

If one wanted to gauge the global consensus on cause marketing and CR, he or she only need look to Canada. Whether it is consumers’ opinions on the role of business in society or the key issues for a company to support, the responses of Canadian citizens were practically in lockstep with the global mean in most areas. Even on a topic where each country tended to have a distinct perspective – the preferred geographic focus for a company’s social and environmental efforts – Canadian citizens once again closely mirrored the global averages.

This universal view makes departures from the norm even more compelling. For example, Canadian respondents were the least likely to believe developing a new

product or service was the most important approach a company could take to help solve a social or environmental need (9% vs. 16% globally). Yet, they were more likely than most to say a company should change its operations (41% vs. 31% globally).

Consumers’ personal support of causes is traditional. Many have volunteered in the past 12 months (49% vs. 39% globally) or made a donation (75% vs. 63% globally). And despite their agreeable stance, Canadian citizens are not entirely affable: only 14 percent believe companies have made a significant impact on social and environmental issues (vs. 25% globally), while 41 percent say the impact has been minimal (vs. 30% globally).



## EXPERT'S TAKE

Although more than half of Canada's population is foreign born, Andrea Baldwin, vice president, Membership and Advisory Services at Canadian Business for Social Responsibility (CBSR), believes the country's middle-of-the-road results aren't just a reflection of global perspectives but rather a product of Canadian culture itself. "We're traditionally a middle power – not leaders but not laggards," she explains. "We have a practical, pragmatic, pretty conservative culture here and that impacts CR. We want to move forward where it's practical, but don't feel the need to lead for leadership's sake."

A cautious pace also makes sense for a country whose resource-based economy centers on the mining, oil, gas and forestry industries. What's more, few companies are headquartered in Canada, and the business community is a small, tightly knit group. The insular environment makes for measured CR progress, but this also means that "once you have influence, it cascades more quickly." One person truly can ignite change in the Canadian business world.

Not surprisingly, many efforts in Canada today focus on the environment (many companies are using this as an employee recruitment strategy), and there's also a high rate of traditional consumer-facing cause marketing. Canadian consumers are similarly pragmatic. They want companies to minimize their social and environmental impacts, but not in a way that will undermine the economy or require product trade-offs. In the store, price and quality are paramount, but all things being equal, Canadian consumers are attracted to the product with a more positive impact. This mentality also helps explain the seeming contradiction in the way Canadian respondents put much more importance on changing company operations than on developing new products and services. "Only once companies have taken care of their own operations do we see them moving into supply chain or the impact of products and services," Baldwin says. Put simply, operations come first.

Although it may be slow, CR progress is inevitable in Canada as companies look to manage and minimize their impact on the environment, as nonprofits become more ardent in their interactions with business and as consumers, employees and investors make a stronger call for responsible business.



## OPPORTUNITY

**Canadians are pragmatic. They won't pay a premium, but they will shift their activities and behaviors if they don't have to go out of their way to do so. Reach them with sensible campaigns and clear, crisp communications that appeal to their desire to do the right thing for their communities and the environment.**

## COUNTRY SNAPSHOT

# BRAZIL: THE PROGRESSIVES



ROLE OF BUSINESS	CHANGE THE WAY THEY OPERATE (51%)
GEOGRAPHIC FOCUS	GLOBAL (46%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (26%) / EDUCATION (24%)
LEADING APPROACH	CHANGE OPERATIONS (39%)
PREFERRED CHANNEL	PRODUCT/PACKAGE (30%)

**B**razilians are more likely than all of their global counterparts surveyed to believe the role of business in society is to change the way it operates to align with greater social and environmental needs (51% vs. 31% globally). Brazilian citizens see business as the outlet to drive social and environmental change, and they are ready to be a partner in these efforts. Ninety-nine percent would be likely to buy a product with an environmental benefit if given the opportunity (vs. 94% globally), 82 percent would be very likely to switch brands to support a cause (vs. 53% globally) and 96 percent would be willing to voice their opinions directly to a company about its CR efforts (vs. 82% globally).

Brazilians take a global view on corporate responsibility. They are more likely than any nation surveyed to believe companies should focus on supporting issues that affect the quality of life globally (46% vs.

30% globally) and place high importance on global issues such as the environment (86% very important vs. 69% globally), human rights (73% very important vs. 63% globally) and water (86% very important vs. 70% globally). Each of these issues is important to all consumers, but Brazilian respondents are the most likely to say they are “very important” for a company to address, versus simply “somewhat important.” Education is another key issue among Brazilians (75% very important vs. 54% globally), and in fact, nearly a quarter of respondents (24% vs. 9% globally) say this is the one issue they would most like companies to address, indicative of Brazil’s poor education system.

Amid these high expectations, Brazilian respondents seem to be seeing the impact – 88 percent say corporate efforts have improved the quality of their own or other people’s lives (vs. 68% globally).





## EXPERT'S TAKE

An activist media fosters engaged consumers in Brazil, according to Dr. Helio Mattar, idealizer and president of the Akatu Institute for Conscious Consumption and one of the founders of the Ethos Institute. "During Brazil's authoritarian regime, journalists turned out to be activists themselves in favor of a more liberal regime," Dr. Mattar explains. "And when Brazil went democratic in the late '80s, journalists felt like they would be orphans of a cause. So instead they started talking about social and environmental problems." This media attention brought these issues – and the behavior of companies – into the spotlight and created a movement.

However, the media attention has not always been positive – or even balanced. Dr. Mattar explains, "For a long period of time, the media would only tell consumers the name of the company when they were talking about a problem it caused. When they were talking about something positive, the company name was omitted." He continues, "There was a direct link in the heads and hearts of consumers between doing wrong and certain companies." Therefore, corporate responsibility started as risk management as companies tried to change their reputations and avoid scrutiny, but it has since evolved into an opportunity for competitive differentiation. "Companies are seeing diminishing returns from the commoditization of prices, products and even advertising, and they are looking for differentiation," he says.

Cause marketing is not the norm in Brazil. Companies increasingly use advertising to talk about their social commitments, but "it's rare to see companies ask consumers to engage themselves," he says. Instead, "messages are tied to responsible product attributes related to production and use by the consumer, such as packaging, recycled content, pure ingredients and responsible sourcing." Major retailers have also made a push to get their employees informed about social and environmental responsibility to disseminate this information to consumers.

This great attention has sparked an incredible consumer appetite for CR (according to Akatu's own research, a third of consumers claim to be interested in the themes of sustainability, corporate social responsibility and the environment and, at the same time, actively inform themselves about them). And today, Dr. Mattar says, "60 percent of Brazilian consumers expect companies to go much beyond their classical role of producing jobs, creating products and paying taxes and actively work to benefit society." Companies are a catalyst for change. "About 40 percent of consumers put government and companies at the same level of responsibility for solving environmental and social problems," he says, "but companies are, in general, seen as more capable of solving these problems."



## OPPORTUNITY

**Media reporting was the start of the CR movement, so what transpired was very sophisticated corporate responsibility from conception. Initiatives here require an equally thoughtful and holistic approach. Not only do companies need to ensure their products are not harmful to the safety and health of workers or people, they need to go a step further to educate consumers about how they can minimize their own negative impacts. It is a pivotal time to earn the trust of such motivated consumers and ensure positive media coverage.**

COUNTRY  
SNAPSHOT

UNITED KINGDOM:  
THE SKEPTICS



ROLE OF BUSINESS	LIMITED (26%) / SUPPORT LARGER ISSUES (26%)
GEOGRAPHIC FOCUS	LOCAL (44%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (38%)
LEADING APPROACH	CHANGE OPERATIONS (42%)
PREFERRED CHANNEL	PRODUCT/PACKAGE (23%)

When it comes to corporate responsibility, U.K. citizens are a cynical group. They are less likely than almost all of their peers in other nations to indicate:

- Business has made a significant positive impact on social and environmental issues (10% vs. 25% globally);
- Companies have inspired them to support an issue they didn't before (38% vs. 56% globally); and,
- They trust companies to tell the truth about their social and environmental impacts (51% vs. 61% globally).

And what's more, citizens in the U.K. were twice as likely to say businesses may play a limited role in their communities but are not necessarily responsible for supporting larger social or environmental issues (26% vs. 13% globally). Perhaps this is why they are also less personally engaged in corporate efforts. Sixty-six percent of U.K. respondents said, if given

the opportunity, they would volunteer for a cause supported by a company they trust (vs. 78% globally), and 71 percent said they would donate to a cause supported by a company they trust (vs. 81% globally). Only 70 percent said they would voice their opinion to a company about its CR efforts (vs. 82% globally).

Although they have lower expectations about the role of business in society and lower regard for corporate efforts, U.K. consumers do recognize the power to drive change rests in business practices. Respondents in the U.K. are the most likely of all countries to believe the one approach a company should take to address social and environmental issues is to change the way it operates (42% vs. 31% globally).



## EXPERT'S TAKE

This consumer cynicism and apathy is expected, says Alyson Warhurst, CEO and founder of the U.K. risk, responsibility and reputation firm Maplecroft. "It doesn't surprise me at all that most consumers would either show disinterest or, if they did feign interest, wouldn't follow up with their purchasing habits," she says. "The recession has had its casualties, and people are focused on themselves." The economy, combined with the U.K.'s other social and political troubles, has had a significant negative effect on the U.K. consumer. Warhurst believes, "Other people's

rights and long-term environmental issues are not factoring into a majority of consumers' decision-making right now." Despite comparatively low consumer demand, many companies in the U.K. continue to analyze and improve the way they operate to be more socially and environmentally responsible due in large part to pressure from other key stakeholders, including an active and well-funded NGO community, activist media, employees, and most notably, investors. "The primary stakeholder audience is investors, and not just socially responsible investors," Warhurst explains. "Investors are increasingly concerned about environmental and social risk factors."

As a result, businesses are looking at what Warhurst deems their "social license to operate" – the labor standards, rising food prices, education needs, corruption and social unrest in countries where they operate. All social factors impact the political environment and have implications for companies. "Businesses will do anything and everything to capture every bit of consumer and investor support and that includes managing all CR issues," Warhurst says.



## OPPORTUNITY

Fortunately, there is a strong business case for corporate responsibility in the U.K. However, there is also an incredibly strong sensitivity to anything that may stifle growth, even among consumers. Place an emphasis on programs that show ROI, and ensure you establish, track and report on metrics that show both business and social return for all initiatives.



## COUNTRY SNAPSHOT

# GERMANY: THE PARADOX



ROLE OF BUSINESS	CHANGE THE WAY THEY OPERATE (31%)
GEOGRAPHIC FOCUS	GLOBAL (40%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (34%)
LEADING APPROACH	CHANGE OPERATIONS (29%)
PREFERRED CHANNEL	MEDIA (E.G., STORIES AND INTERVIEWS IN LOCAL NEWSPAPERS) (30%)

**G**erman consumers are a study in contradictions. They have a higher expectation than most that companies will support global issues (40% vs. 30% globally), but the environment is not leading among these issues. Only 14 percent cite the environment as the one issue they would most like to see companies address, compared to 21 percent of respondents globally.

It is one of the least likely countries to speak about CR efforts directly to a company (18% vs. 32% globally), but consumers speak loudly with their purchasing power. More

than three-in-five consumers (62%) claim to have boycotted a company's products or services in the past year after learning it behaved irresponsibly (vs. 56% globally).

They are also nearly universal in their willingness to switch brands to support a good cause (96% vs. 94% globally). Yet, they are less inclined to get involved in other ways, such as volunteering, even if given the opportunity (65% vs. 78% globally), or donating to a charity supported by a company they trust (73% vs. 81% globally).



## EXPERT'S TAKE

Could a lack of common understanding be at the root of these inconsistencies? Corporate responsibility is still a foreign concept for German citizens, literally and figuratively. Dr. Susanne Lang, executive director of the Center for Corporate Citizenship Deutschland (CCCD), explains that CR arrived relatively late to Germany, and the country is still trying to determine how this concept fits into its existing social contract. Germany is a welfare state where government is the linchpin, and even though the social contract is changing, business is not seen as the way to serve society.

Dr. Lang points out that one of the main barriers to CR in Germany is that civil society hasn't learned to address business by its strengths. They seek funds, but don't tap companies' core competencies, such as technology or expertise, for greater impact. And although Germans are inclined to volunteer and to donate to worthy causes, Dr. Lang explains, "Companies would not be their partner of choice." For their part, companies have little incentive to engage with or give back to communities, moreover they feel their obligation to society is met by complying with Germany's dense tax and regulatory system.

German companies are still struggling to see the business case for CR themselves. Many of them act beyond compliance, but it is more for risk management, which Dr. Lang connects to German citizens' likelihood to boycott an irresponsible company, than for a strategy of social opportunity.



## OPPORTUNITY

Corporate responsibility and cause marketing in Germany start by establishing relationships and building trust. First work to facilitate discussions with clear, honest communications. Strive to create a common language through which you can build collaboration among sectors. Your resources are required to make substantive change, but first you must help all sectors understand the value you can bring to addressing complex issues that were once the purview of government alone.

## COUNTRY SNAPSHOT

# FRANCE: THE DIVIDED



ROLE OF BUSINESS	CHANGE THE WAY THEY OPERATE (38%)
GEOGRAPHIC FOCUS	GLOBAL (38%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (33%)
LEADING APPROACH	CHANGE OPERATIONS (35%)
PREFERRED CHANNEL	PRODUCT/PACKAGE (33%)

**W**hen it comes to the role of business in society, France is a country divided. Respondents here are more likely than any other nation to hold a traditional view that businesses exist solely to make money for shareholders (13% vs. 6% globally). Yet, 38 percent of respondents (vs. 31% globally) also indicated a charge of a much higher order – that businesses must change the way they operate to align with greater social and environmental needs. This was higher than every other country but Brazil.

Where French citizens can better agree, however, is that they don't hold business in high regard. Only 39 percent trust a company is telling them the truth about its social and environmental efforts and impacts, 22 percentage points lower than the global average (61%). And although they agree companies are essential to major social and environmental change (85% vs. 88% globally), they don't see the impact.

They are the least likely to say corporate CR efforts have improved the quality of their lives or other people's lives (50% vs. 68% globally). And, they are the most likely to say companies have had NO impact on social and environmental issues (18% vs. 7% globally).

French social actions are similarly split. On one hand, French respondents were just as likely as their global peers to have bought a cause-related (both 65%) or environmental product (77% vs. 76% globally), to have volunteered (36% vs. 39% globally) or to have boycotted a company over irresponsibility (57% vs. 56% globally). Yet, in other ways they are less active. Only half made a donation in the past 12 months (vs. 63% globally), 43 percent told friends and family about a company's efforts (vs. 51% globally) and only 26 percent have researched a company's business practices or support of social and environmental issues (vs. 36% globally).





## EXPERT'S TAKE

The state of CR in France is a “mixed bag,” according to Guy Morgan, manager of advisory services for BSR in Paris. Some companies are leaders – Morgan puts the PPR Group who owns PUMA in this category for its holistic approach to sustainability – while others are laggards, who “have only made incremental change, innovating on the margins, but haven’t made it part and parcel of their business.” Morgan says many companies still see sustainability as a communications exercise. And, like many of the countries we’ve explored, competitive pressures

are really driving CR, particularly in the highly competitive consumer products sector where reputation and sales are paramount.

Like Germany, France has a track record of government regulation that helped advance corporate responsibility. A requirement dating to 2001 mandates social and environmental reporting by public companies, and more recently, carbon labeling for certain products is now mandatory. “France is a paternalistic society where the government is expected to step up to the plate and pave the way to sustainability,” Morgan says. On the social side, corporate philanthropy and volunteerism efforts tend to be more discretionary in large measure due to the strength and depth of public services of all kinds available in France. Although there are consumer-facing programs such as (PRODUCT) RED, sustainability is more about business operations than cause marketing, and “the culture of corporate volunteerism is weaker than in, say, North America.” Companies in France are looking to certain NGOs for co-creation and collaboration opportunities, and, at the same time, NGOs are being more discerning about how they collaborate with companies. “Companies operating globally absolutely recognize that NGOs can add value in a way that’s not in the company’s core competencies,” Morgan says. He believes companies are leading the

way, due in part to government regulation, rather than just responding to consumer demand. Although some “avant-garde consumer product companies” see sustainability as a differentiator for their target audiences, Morgan says that, overall, France is not a service-oriented culture (by which he means there is less of a bond between companies and consumers). That said, citizens are beginning to look to companies to go above and beyond “business as usual,” a fact illustrated by the strong development of the Fair Trade and organic food markets in France. And what of the results that showed high, though somewhat divided, expectations? Morgan says, “French society is rife with contradictions.”



## OPPORTUNITY

Like other European countries where corporate responsibility is driven by regulation, there is less of a unique branding opportunity for most corporate efforts in France. Instead, communicate how you are going beyond compliance and taking a holistic and integrated approach to CR. This will require bold commitments and long-term targets, and it will necessitate changing the business relationship with French consumers whose trust in you is low and who are accustomed to a purely transactional relationship.

## COUNTRY SNAPSHOT

# RUSSIA: THE UNCONVINCED



ROLE OF BUSINESS	CHANGE THE WAY THEY OPERATE (31%)
GEOGRAPHIC FOCUS	LOCAL (51%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (36%)
LEADING APPROACH	CHANGE OPERATIONS (29%)
PREFERRED CHANNEL	PRODUCT/PACKAGE (23%)

**R**ussians want the focus to be close to home – more than half (51%) say companies should prioritize support of issues locally (vs. 37% globally) – but they are not as convinced as some of their global counterparts that these efforts are having an impact. Only 53 percent believe the efforts of companies have improved the quality of their life or other people’s lives (vs. 68% globally). This cynicism may be due in part to low corporate trust. Only 42 percent trust a company is telling them the truth about its social and environmental efforts and impacts (vs. 61% globally).

Russian respondents were less socially engaged than many of their global peers. They were least likely to have researched a company’s business practices or support of issues (20%

vs. 36% globally). They were also the least likely to have made a donation (43% vs. 63% globally) in the past 12 months. And, they were less likely than all nations tested but Japan to have volunteered (16% vs. 39% globally) in the last year.

Yet, this does not mean Russian consumers are not socially inclined. Three-in-four say they would volunteer for a cause a company supports if given the opportunity (vs. 78% globally), and 82 percent say they would donate to a charity supported by a company they trust (vs. 81% globally). They also recognize the power a business can have by applying its unique assets (such as technology and research) to speed solutions to social and environmental problems (27% vs. 19% globally).



## EXPERT'S TAKE

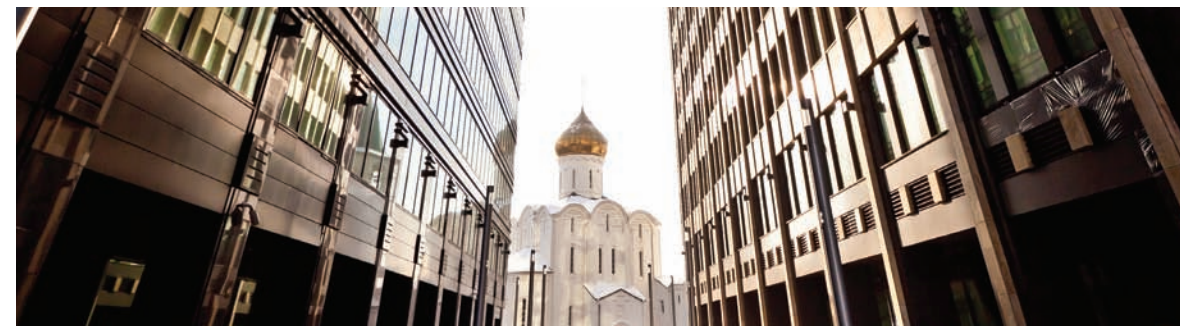
Slinkin Yura, new business director of Social Projects and Programs, a social advertising firm in Moscow, identifies three kinds of corporate responsibility in Russia. The first is traditional corporate philanthropy benefiting Russian NGOs or the company's foundation. Many of the NGOs in Russia are state run, and companies enjoy tax incentives and government good favor when they support these organizations. Yet, the NGO landscape is rife with scandal and distrust, so many companies institute their own charitable foundations instead.

"Nobody trusts anyone," Slinkin says. This presents an interesting paradigm shift for cause marketing as a nonprofit partnership may not provide the brand halo a company needs to secure consumer trust. Instead, the company may be seen as the more credible institution.

The second form of responsibility efforts are government-led social projects aimed at issues such as underage drinking, often supported by companies in the sector. Finally, there are consumer-facing corporate marketing projects, including cause marketing. In the decade before the global recession, cause and CR were growing rapidly in Russia as industrial and financial companies tried to build their images through branding, cause-related marketing and events, but companies quickly slashed their CR budgets in half when the economy soured. Today, much of the activity is driven by foreign companies, which is both beneficial and troubling. The bane of CR in Russia, Slinkin explains, is poor strategy. Local and foreign companies alike do not invest sufficient resources or take the time to understand the Russian consumer. Too often a foreign company will bring a cookie-cutter program to Russia that is not tailored to the local consumer.

Not surprisingly, these efforts do not last, and they do nothing to build the business case for CR in Russia, which is severely lacking. Russian firms often prioritize short-term sales within the first year of a program and do not recognize the long-term potential value of CR. In today's economic environment, "it is not efficient to invest money in something that doesn't show profits," Slinkin says, and although longer-term programs can be successful, unfortunately, "nobody wants to be the pioneer."

Risk-averse companies are open to an interesting take on corporate responsibility in Russia – "unions" or "alliances." Companies within the same sector come together with government agencies to jointly address social and business concerns, such as software pirating. What some might consider a company concern, these organizations view as a societal issue, and by combining financial resources, they are able to target these issues together. "Companies are competitors in other spheres," Slinkin sagely says, "but in CSR, they are together."



## OPPORTUNITY

**CR in Russia will be built and sustained through collaboration among peer companies, government and other partners. Do your research on this market and tailor efforts to meet the needs and expectations of consumers in all cities and regions where you will implement your program. Clearly, Russian consumers are willing to engage; companies may need to provide better opportunities and build trust to ensure they do.**



## COUNTRY SNAPSHOT

# CHINA: THE EMERGING



ROLE OF BUSINESS	ADVOCATE FOR CHANGE (56%)
GEOGRAPHIC FOCUS	LOCAL (49%)
LEADING ISSUE	ENVIRONMENT (38%)
LEADING APPROACH	CHANGE OPERATIONS (25%)
PREFERRED CHANNEL	MEDIA (E.G., STORIES AND INTERVIEWS IN LOCAL NEWSPAPERS) (24%)

Chinese citizens have great faith in companies and seem to feel a real connection to their social and environmental efforts. They almost universally (99%) want to hear what companies are doing to operate more responsibly or support issues, and they are far more trusting of these corporate cause and CR messages than citizens in other nations (95% vs. 61% globally).

Ninety-two percent believe corporate social and environmental efforts have improved the quality of their own life or other people's lives (vs. 68% globally), and 86 percent say companies have inspired them to support an issue they didn't before (vs. 56% globally). Perhaps this is why, more than any other country, Chinese consumers feel companies should not only support but advocate for change in larger social or environmental issues (56% vs. 30% globally).

This advocacy extends beyond standing at the podium or raising awareness for issues, to promoting real change by applying their business scale to create sustainable solutions. They expect companies to change their operations (25%), apply unique business assets to speed solutions for issues (24%), develop new products and services to meet social and environmental needs (21%) and develop partnerships with key stakeholders (19%).

In return, Chinese citizens will do their part to support a company's CR efforts. They are more inclined than most of their global peers to do everything from purchase a cause-related product (77% vs. 65% globally), to one with an environmental benefit (88% vs. 76% globally), to tell friends or family about a company's CR efforts (78% vs. 51%). Just don't take their support for granted – they will just as soon boycott you, too (83% vs. 56% globally).



## EXPERT'S TAKE

The development of CR in China has been rapid, says Brian Chi-kuen Ho, director of CSR Asia's China offices, due to major government efforts to promote it and the influence of foreign companies. There has also been much media attention given to societal problems, such as overpopulation, environmental degradation and corruption. And although CR is not yet a daily part of most consumers' lives, they do recognize the impact of irresponsible corporate behavior and want to see change. Ho concludes this is why Chinese consumers were so inclined to see companies advocate for larger social and environmental issues. Product safety is Chinese consumers' number one concern.

Despite these overarching influences, CR is permeating Chinese society in different ways, due to the country's expansive geography and regional interpretation. In major cities, CR is about going beyond the law and creating change, while in the south of China, an epicenter of manufacturing, CR is understood more as compliance. Corporate philanthropy is also a complex and emerging issue in China because "consumers want companies to give to important issues and causes," Ho says, "just not to expect anything back."

Ho sees the evolution of CR in China as following the path of the U.S. From focusing on compliance, evolving into more strategic corporate philanthropy, and eventually, into what he calls "social inclusive business" that allows for sustainable business growth in new markets. To progress along this path, Ho says China needs CR champions – sophisticated multinationals that can blaze the way with customized efforts. Consumer expectations are growing, but companies in China haven't caught up. Multinational companies (MNCs) are the guide in meeting this emerging consumer demand.



## OPPORTUNITY

**Companies have a great market opportunity in China to reach an attentive and motivated consumer audience through innovative business solutions and products. Efforts must be sensitive to China's regional needs and interpretations and cannot appear to be self-serving.**

## COUNTRY SNAPSHOT

# INDIA: THE STUDENTS



ROLE OF BUSINESS	ADVOCATE FOR CHANGE (36%)
GEOGRAPHIC FOCUS	GLOBAL (41%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (31%)
LEADING APPROACH	CHANGE OPERATIONS (23%)
PREFERRED CHANNEL	PRODUCT/PACKAGE (17%) / ADVERTISING (17%) / MEDIA (E.G., STORIES AND INTERVIEWS IN LOCAL NEWSPAPERS) (16%)

Indian citizens are a compassionate, inspired and eager group of CR students. They want companies to not only support issues but also advocate for change (36% vs. 30% globally) and are almost twice as likely as the global average to feel raising awareness for an issue is the one approach companies should take to address social and environmental issues (21% vs. 11% globally).

They are ready to join a company's crusade for change with unparalleled enthusiasm. If a company supports the issue they care about or takes the approach they most believe in, citizens in India almost unanimously agree they would reward companies with their purchasing dollars, loyalty and trust.

This compassionate group is more likely than other nations to volunteer for and donate to a cause that a company they trust supports (96% vs. 78% and 94% vs. 81%, respectively).

They are also more likely than average to voice their opinion to companies (96% vs. 82% globally).

Consumers in India are hopeful and believe companies have made a significant impact both on issues and on their personal lives. Eight-in-10 agree companies have helped educate them on social or environmental issues (vs. 59% globally), and 79 percent have been inspired by a company to support a new issue (vs. 56% globally). They are also highly trusting that companies are telling them the truth about their responsibility efforts (86% vs. 61% globally).





## EXPERT'S TAKE

"Leaving New York for New Delhi is like leaving a funeral for a wedding," says Don Mohanlal, president & CEO of the Nand & Jeet Khemka Foundation in New Delhi, India. He cites India's status as the world's most youthful country (with 600 million citizens under age 30) as one driving factor in this immense optimism. What's more, the landscape is relatively free of major corporate scandals that would hurt consumer trust in business, and the corporate sector is seen as more efficient and organized. "If you want to run a campaign," he says, "that would be the place to do so."

Cause and CR are still in their infancies in India, but the presence of MNCs is influencing the growth of CR among global companies. Local companies are not making it into the spotlight. Much of the work in this space still revolves around large philanthropic donations from the wealthy heads of family-owned businesses. This may create a brand halo – and help explain why Indian citizens are so likely to say they have bought a product benefiting a "cause" – but it is not yet integrated into company strategy. At the same time, philanthropy in India is evolving. Mohanlal explains India has evolved through four stages: charity, philanthropy, strategic philanthropy and now channel-neutral social impact. In other words, it does not matter whether philanthropy is driven by a company or a nonprofit; what matters is its innovation and impact. Mohanlal also describes a significant social entrepreneurship phenomenon in India as large companies increasingly address social issues as business propositions. They are developing low-cost housing, healthcare and education solutions for bottom-of-the-pyramid populations.

Although it has not yet reached critical mass, the cause and CR landscape in India is growing increasingly sophisticated, and the people of India will likely be receptive to authentic efforts. But Mohanlal cautions, "People are going to get more and more cynical about CSR in India," particularly if they don't see any substance behind the corporate talk.



## OPPORTUNITY

Indian citizens' passion and optimism mean they are willing to be both a company's fans and its evangelists. The environment is ripe for social entrepreneurship. However, companies should be cautious not to take advantage of their unusually high trust. India's citizens are an outspoken and argumentative group who will not hesitate to take a company to task if they sense a phony.

## COUNTRY SNAPSHOT

# JAPAN: THE PRACTICAL



ROLE OF BUSINESS	CHANGE THE WAY THEY OPERATE (35%)
GEOGRAPHIC FOCUS	NATIONAL (49%)
LEADING ISSUE	ECONOMIC DEVELOPMENT (39%)
LEADING APPROACH	DEVELOP NEW PRODUCT/SERVICE (29%)
PREFERRED CHANNEL	ADVERTISING (26%) / MEDIA (E.G., STORIES AND INTERVIEWS IN LOCAL NEWSPAPERS) (24%)

Japan often seems like the epicenter of innovation, and our survey results reaffirmed this belief. More than any other country, Japanese consumers expect a company's CR efforts to be rooted in product innovation (29% vs. 16% globally). When companies develop new products to help address social and environmental needs, they will inspire trust (97%), drive purchase (95%), encourage loyalty (90%) and enhance positive perception (91%) among Japanese consumers who believe in this approach.

But despite their desire for responsible products and high expectations of companies to act responsibly (only two percent of citizens state the role of business is only to make money for shareholders), Japanese consumers are some of the least active participants in corporate responsibility initiatives compared to their global peers:

- 61% have bought a product with an environmental benefit (vs. 76% globally);

- 42% have bought a product associated with a cause (vs. 65% globally);
- 32% have told their friends or family about a company's responsibility efforts (vs. 51% globally);
- 29% have boycotted a company after learning it behaved irresponsibly (vs. 56% globally); and,
- 10% have given their opinion to a company about its responsibility efforts (vs. 36% globally).

In the aftermath of the devastating 2011 earthquake, it is easy to understand why Japanese consumers may be less attuned to CR initiatives as they face other more pressing priorities. Yet, they are undoubtedly watching corporate performance and noting who steps up to meet the needs of the Japanese people in this trying time. This, coupled with their belief in product innovation to solve the world's ills, makes Japan a market to watch for future innovation in CR.



## EXPERT'S TAKE

"Japanese companies are often referred to as strong in environment, but weak in social," says Makiko Akabane, director of CSR Asia's Japan office. Environmental responsibility is entrenched in Japanese businesses today due to decades-old environmental protection regulation. But since few social needs (e.g., poverty, education, public health) are viewed as pressing, companies place little emphasis on this area. And with a culture that prizes humility, companies believe "the less said the better," and rarely talk about their social or volunteerism efforts. Instead, the focus is on producing good products.

"Japanese citizens' purchasing behavior is spec-driven, rather than cause-driven," Akabane explains. "Japanese citizens do not recognize purchasing behavior as a way to express opinion." But, they can be motivated by products with clear dual benefits. For example, the detergent brand Kao is very successful, according to Akabane, because it requires only one rinse. It saves not only water, but time. "A product will be successful if it solves personal issues as well as social or environmental issues," she says.

The Japanese earthquake has begun to change the CR landscape in Japan, at least temporarily. It is raising awareness of CR and cause marketing for big and small companies alike. Programs in which product sales go to help victims are very popular, and consumers are also increasingly buying products from devastated areas and supporting local donation programs.



## OPPORTUNITY

**Product quality reigns in Japan, so emphasize dual benefits. Innovative goods that meet Japanese consumers' needs by saving them time or money, while also addressing a social or environmental issue, will get more traction and will differentiate among competitors.**

# THE OPPORTUNITY FOR BUSINESS

It is easy to get lost in the numbers, but if there is one thing to take away, it is this: responsible companies will prevail. Ninety-four percent of consumers in the world's largest countries want more of the products, services or retailers they use to support worthy social and environmental issues. Each country's circumstances and expectations are unique, yet the data and our conversations with leading global experts revealed several overarching opportunities that cross borders:



**Social entrepreneurship:** This trend is growing in many developing nations as companies create mutually beneficial for-profit solutions to meet the needs of the bottom of the pyramid.

**Uncluttered landscape:** Most consumers want to buy a product that supports a “cause,” but the reality of what this means can vary drastically by country. First movers have the benefit of helping to develop consumer perceptions in markets where they operate.

**Bridging stakeholders:** Companies are not always viewed as a partner of choice for NGOs and consumers for a variety of reasons, so before building a program, the first step is to initiate collaboration to build a common language, trust and understanding.

**Economic development:** Framing social and business commitments through this broader lens helps draw a more personal connection to individual consumers, is incredibly current and can be customized to meet the needs of a locale.

**Corporate assets beyond donations:** Companies should set strategy based on the consumer desire to see them do more with their expertise, products and operations. These are more sustainable and impactful assets to share than cash.

**Gap between intent and action:** Consumers generally want to participate, but they are not always familiar with how or why. Providing them with a spectrum of ways to get engaged and tailored information about the effort will enhance their interactions with a brand.

**Emerging markets:** To sustain their business and ensure growth, companies must address social and environmental challenges in emerging markets. Citizens will more readily embrace companies as a solution to these problems, recognizing the constraints of their own governments.

**MNCs forge the way:** Multinational companies are bringing CR into new markets and raising the bar as local firms face increasing pressure to demonstrate their own commitments.

Doing well by doing good may be a corporate responsibility mantra not yet fully developed around the world, but its essence is universally understood: consumers will reward companies who enhance society.

## Seize this opportunity.



# ACKNOWLEDGMENTS

## ABOUT THE RESEARCH

The 2011 Cone/Echo Global CR Opportunity Study presents the findings of an online survey conducted June 1-12, 2011 by Echo Research. The survey was conducted in 10 countries - the United States, Canada, Brazil, the United Kingdom, Germany, France, Russia, China, India and Japan. Across all countries, the survey was conducted among a random sample of the online adult population ages 18 and older. A total of 10,024 adults completed the survey, including 5,015 men and 5,009 women. The margin of error associated with the total sample is  $\pm 1\%$  at a 95% level of confidence. The margin of error for individual country samples of  $n=1,000$  is  $\pm 3\%$  at the same level of confidence. Some figures may not add up to 100 percent due to rounding.

### Contributing Experts:

We are deeply grateful to the following experts for sharing their time and extensive knowledge. These individuals are experts in their field, and their insight into the unique landscape of cause marketing and corporate responsibility in each country was invaluable to our analysis.

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#### France

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# ABOUT CONE COMMUNICATIONS

Cone Communications ([www.coneinc.com](http://www.coneinc.com)) is a public relations and marketing agency known for igniting brands with high-impact strategies and programs based in deep insights, unique subject matter expertise and innovation. Focusing on key areas such as consumer product media relations, social media, cause branding and marketing, corporate responsibility, nonprofit marketing, corporate communications and crisis prevention/management, the agency is positioned to help clients achieve both business and societal outcomes. Cone Communications is a part of the Omnicom Group (NYSE: OMC) ([www.omnicomgroup.com](http://www.omnicomgroup.com)).

Recognized as a an early pioneer and global leader in cause branding and corporate responsibility, Cone Communications has created and implemented leading initiatives and platforms, including: the *Avon Breast Cancer Crusade*; Procter & Gamble's *Live, Learn and Thrive*; Yoplait's *Save Lids to Save Lives*; *ITT Watermark*; Time Warner Cable's *Connect a Million Minds*; the American Heart Association's *Go Red for Women* and Timberland's *Earthkeepers*.

Cone Communications prides itself in approaching CR strategy through a communications lens to help companies such as Timberland, Nestlé Waters North America, Avon and Green Mountain Coffee build business value and reputation, while realizing societal gains.

## Some of Cone Communications' Services Include:

- Global corporate responsibility (CR) and cause platform development and execution
- CR opportunities assessment
- Cause marketing promotions development and execution
- Emerging issues and opportunities strategy and crisis mitigation
- CR reporting
- Strategic philanthropy and partnerships
- Fundraising products and services
- Organizational development and policy refinement
- Integrated marketing communications, including social and traditional media

## Cone Communications & Corporate Responsibility:

At Cone Communications, we believe in the impact of Better Business. Greater Good<sup>SM</sup>. Our focus is on helping our clients improve their financial success, while contributing to the greater good of our communities and society. We are accountable for delivering on this promise, not only to our clients, but also to ourselves, by living up to our values and fulfilling our commitment to corporate responsibility. In 2011, Cone Communications published our fourth annual update on our corporate responsibility efforts, and we are proud to have reached every goal we set in our inaugural 2008 report. Our corporate responsibility commitment focuses on reducing our environmental footprint, fostering a creative and collaborative workplace, supporting our local community and ensuring integrity in all we do. Our employees are encouraged to support our corporate responsibility efforts, and we offer them a variety of opportunities, including 48 hours of paid-time off annually, to support our social and environmental goals.

This is what we stand for.

## About Cone Communications' Research & Insights Team:

For nearly two decades, Cone Communications' groundbreaking research has helped our clients build and sustain competitive advantage. Our pioneering research in cause branding became the reference for companies seeking to understand this critical and rapidly evolving landscape. Today, we still provide the most comprehensive understanding of the changing attitudes, expectations and behaviors of consumers and employees when it comes to a company's involvement in social issues and responsible business practices.

## For more information about Cone Communications' research and services, please contact:

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# ABOUT ECHO RESEARCH

## GLOBAL LEADERS IN BRAND AND REPUTATION ANALYSIS

Echo Research ([www.echoresearch.com](http://www.echoresearch.com)) is a global specialist in reputation analysis and communications research, enabling organizations to measure how they are seen among their stakeholders and to protect the integrity of their brands and reputations.

Echo's own reputation is based on a 22-year track record of providing high-quality and relevant research, maintaining strict control of the research process, creating tailored research reports, utilizing proprietary approaches and tools and enjoying longevity of relationships with our clients.

As part of the Ebiquity Group ([www.ebiquity.com](http://www.ebiquity.com)), Echo and Ebiquity are leaders in above- and below-line communication tracking and research, providing independent data-driven insights to the global media, CMO and CCO community to continuously improve our clients' business performance.

The company operates globally with offices in the U.S., U.K., France and Singapore. Today, with a cumulative client list of more than 200 organizations, Echo works in 33 major languages across 94 countries, with a multi-lingual and multi-cultural core in its skill set.

### Some of Echo's Services Include:

- Reputation audits
- Reputation Dividend, which places a monetary value on the contribution of reputation
- Stakeholder research
- Brand image research
- Consumer insight
- CSR research
- Research for thought leadership and publicity
- Media / digital media evaluation

The Echo Research Group is proud of its history of operating to the highest possible standards, both in the work we do and the manner in which we conduct ourselves. Our moral conduct in all our practices is based on integrity, transparency and honesty and we measure our own reputation and achievements to this code.

Our strong commitment to responsible business practices is reflected in everything we do - from the transparency of our communications to the range of charities and initiatives we actively support.

Each year Echo staff select a global and a local charity to support. Echo Research Group dedicates staff days to work for these charities. Staff also use internal and external initiatives to raise funds for these organizations.

Like every modern organization, the Echo Research Group has a duty to minimize its environmental impact and carbon footprint. Echo uses sustainable products and supports local suppliers to negate the need to deliver goods over long distances. Echo also actively promotes recycling initiatives and paper free policies within all of its offices and departments. To reduce our CO<sub>2</sub> emissions we look to raise staff awareness in the ways they travel, and we promote the use of public transport and car pooling for travel to our offices and clients whenever possible instead of flying.

[For more information about Echo's research and services, please contact:](#)

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