

Avoiding the boomerang effect: Corporate social responsibility and brand building

Based on an interview with François Maon and his chapter* “Building Brands Via Corporate Social Responsibility” co-authored with Adam Lindgreen and Christine Vallaster (*The Routledge Companion to Contemporary Brand Management*, 2016).

Consumers increasingly expect that corporations be transparent about their social and environmental impact. How should a corporation establish a realistic CSR policy that will benefit its corporate brand, what are the steps, and how can they get their employees on board?

Biography

François Maon joined IÉSEG School of Management in 2010 and is an associate professor of strategy and corporate social responsibility. He holds a PhD from the Université catholique de Louvain.

Methodology

For the first of three related studies, the authors collected publicly available data and promotional information about 10 multinational companies. They then conducted in-depth standardized interviews about the companies’ approaches to CSR to gain an understanding of how to strategically leverage CSR for the benefit of the company and society. For the second study, the authors selected five of the above-mentioned firms, and through research, interviews and on-site visits, determined the stages and capabilities necessary to implement a CSR-related brand strategy. For the third study, they interviewed employees at five companies in different industries to see how employees interacted with brand-related information.

Today, large corporations typically lay claims to “sustainability” or “social responsibility” in their communications. Yet the public has become skeptical. “What we often see is companies engaging in branding practices that can have a boomerang effect,” said Maon, commenting on how unsupported corporate social responsibility (CSR) claims can come back and hit companies in the face. “They generate skepticism because there is a gap between what the companies are communicating and what they are actually doing.” No corporation wants to end up like BP, which heavily publicized its environmental policies before the 2010 Gulf of Mexico oil spill. After the disaster, the company’s earlier communications turned against it. Despite the topic’s obvious interest for corporations, there is surprisingly little research linking corporate social responsibility with corporate branding — how companies can define a CSR policy and employ it effectively. Maon and his coauthors sought to address this shortfall.

Adopt the right attitude for the company

Depending on the type of company, its aims and the industry, the authors see the possibility of adopting one of four different CSR profiles: CSR entrepreneur, a company founded with CSR in mind; CSR performer, an established brand that might engage in CSR in response to stakeholder expectations rather than deep conviction but that does so consistently ; vocal CSR convert, a global brand that has recently begun to embrace CSR but has not yet convinced the public of its genuineness and quietly conscientious, a company that may have a lower visibility and thus is facing

fewer stakeholder demands so they might work quietly to improve their sustainability without publicizing it. “Not all companies can position themselves as CSR leaders,” Maon cautions. “Companies must have a realistic CSR stance otherwise it will just generate accusations of greenwashing.”

Step by step

Maon and his coauthors identified four stages that firms typically go through when linking their CSR policy with corporate brand building. The first is the sensitize stage, in which firms increase their sensitivity to the business environment and CSR brand building. The unfreeze stage encompasses a period during which the company assesses its corporate purpose and its current CSR brand status, and planning begins. During the move stage, firms begin to decide who will implement specific CSR ideas; during this stage, the study identified the importance of company-wide ownership of the ideas as well as stakeholder inclusion. Finally, in the refreeze stage firms institutionalize the CSR brand strategy and integrate it into their culture. Maon compares this four-step model, however, with a “feedback loop.” Some firms might “skip stages and then go back. It’s a continuous process,” he said.

Making it personal

Finally, Maon noted that a successful CSR brand strategy is impossible without employees. “This is where internal branding is important,” he said. “If employees themselves don’t buy it, nothing will happen.” The researchers found that informal talk (during coffee breaks, parties, training programs, meals in the company cafeteria, and so on) was often more effective than brand-related written text for disseminating information. It’s important too that employees see that top management is walking the talk — that management has detailed knowledge of brand identity and is living the company’s values.

“CSR-based brand management can be a dangerous endeavor,” the researchers state somewhat ominously, the case of BP being a prime example. “If you’re not careful to implement coherent brand positioning, the risk is quite high,” Maon added. “It’s better to be humble.”

Practical Applications

Maon recommends that companies implement CSR policies well in advance of any communications, so they have specific initiatives to talk about. When designing and implementing CSR branding, he notes that it is a process that never stops. Every corporation can always do better. Internal communication cannot be glossed over, he says, emphasizing: “Employees are the first ambassadors of the brand.” To bring them on board, it is important to have official communications tools: journals, newsletters, internal platforms, and so on. But sometimes such tools fail to capture the attention of employees, which is why Maon emphasizes the need for informal discussions: “Try to stimulate gossip, word of mouth,” he recommends.

* Building Brands via Corporate Social Responsibility, *The Routledge Companion to Contemporary Brand Management* (2016), François Maon (IÉSEG School of Management), Adam Lindgreen (Copenhagen Business School), Christine Vallaster (University of Applied Sciences Salzburg).

About IÉSEG School of Management: Established in 1964, IÉSEG School of Management is one of the top business schools in France, and ranked 17th in 2016 in the Financial Times ranking of Master in Management Programs. As a French Grande École and member of the *Conférence des Grandes Écoles*, IÉSEG is one of the most prestigious higher education institutions in the country. It has also been awarded the triple crown of international accreditations: AACSB, AMBA, and EQUIS.

The School currently has 4 800 students at its two campuses; the historic campus in Lille and at Paris at La Défense, Europe’s biggest business hub. Bachelor, Master of Science and Post-graduate Programs at IÉSEG are taught in English. IÉSEG collaborates closely with the largest institute of research in Europe, the French National Centre for Scientific Research (CNRS). 84% of IÉSEG’s

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