Similarities and differences between corporate social responsibility and social marketing

Philip Petrov Stoyanov

Abstract: In the modern business world, the swift global changes, ethical norms, environmental protection, the strict governmental regulations and the increasing power of society force organizations to give a new meaning to their role and to pay serious attention to social matters if they wish to keep their competitive advantage and to achieve their strategic goals. Organizations count on the successful practices of corporate social responsibility and social marketing in order to perform their social responsibilities and to achieve their sustained development. These two management methods, although often taken as close to each other, have different features and to a different extent help to achieve good interrelations with the parties involved, and the public as a whole.

Keywords: corporate social responsibility, marketing, social marketing, business organization, social responsibilities.

Introduction
Modern organizations function in a violent, quickly changing and unpredictable environment. As open systems, they receive important signals from the environment, which impact their decisions and actions. The increasing trends in respect of social and cultural events, technological progress and the pressure exerted by global competition are a source of constant challenges.
Today, the public is more and more informed about social matters and environment protection and renders justified pressure over organizations to observe a sustainable behavior. Modern business organizations are engaged with following global, social and environmental goals in order to guarantee public wellbeing and the preservation of natural resources.
While classical theories on organizational management concentrate generally on shareholders as the only party involved, whom they should conform with, the postmodern paradigm on the parties involved explores the wide-scoped view of the different organization parties involved, whose interests should be observed, too, regarding the environment and social matters. These changes require that organizations engage with corporate social responsibility (CSR) having in mind the capability of the social marketing (SM) to provide support for the organizations in respect of the complex social matters. This is explored as a management initiative which can satisfy the needs of the parties involved, too.
The indicated arguments define the growing **importance and popularity** of the subject in focus.
In this context, the **purpose** of this article is to understand the role of social marketing and that of corporate social responsibility, by presenting the resemblances and the differences between these two management leverages for solving social problems and for satisfying the interests of the parties involved.
The **subject** of study are corporate social responsibility and social marketing.

Nature of corporate social responsibility
There are numerous definitions and understandings for corporate social responsibility created with the purpose of defining the way social interests, environment protection and the interrelations between the parties involved are being accounted by an organization in the course of its business operations. The approach of corporate social responsibility is most commonly based on the principles of social dialog and the search of solutions which are in benefit to the

organization, as well as to all the parties involved - employees, users, business partners, public institutions, government organizations, and local communities. In reality, CSR is the voluntary launch of various activities for improving the life of the parties involved and of the public as a whole, which have been dictated by the growing understanding on the relation between responsible behavior and the sustainable development of a given organization.

The nature of corporate social responsibility has been explored throughout the years through three main prisms or concepts of corporate social responsibility. In first place is the concept of its nature, in the second place is the concept of why an organization is motivated to launch socially responsible activities, and in the third place is how corporate social responsibility influences the performance of the organization.

The nature of corporate social responsibility is subject to studies by different authors from 1950 until today. Throughout the years, multiple definitions which outline four general conceptual views on CSR have been used:

- *CSR as social obligation*

This first perspective was set yet by Bowen (1953) [1] who defined CSR as an obligation to follow those politics, to take those decisions, or to follow those lines of activities, which are best in regard to the goals and values of society. The scope of social obligations was widened by including considerations about the employees and the community, as well as the wellbeing of educational and political needs of society (McGuire, 1963). [2] In later definitions (Carroll, 1979) [3] and current marketing studies (Sen and Bhattacharya, 2001) [4] the various social obligations of CSR were distinguished by adding new ones to the already existing. Carroll (1979) [5] distinguishes and outlines the various social obligations of an organization: economic obligations (it should be productive and financially sturdy), legal and ethical obligations (an organization should obey the law and the recognized values and norms of society), and charity obligations (an organization should actively return to the society out of its own benefits).

- *CSR as obligation of the parties involved*

Since the mid-90s a number of scholars have defined that the definition of Social Obligation is too wide to explain the effective management of corporate social responsibility. Clarkson (1995) [6] claims, that organizations could not be responsible to society as a whole, but only to certain groups in it. These groups are called parties involved and Henriques and Sadorsky (1999) [7] group them into four basic categories: organizational parties involved (these are employees, clients, shareholders, vendors), communities (these are local citizens and special interests groups, located in the surrounding environment of an organization), regulatory parties involved (all legal and government bodies with regulatory functions toward the organization) and media parties involved (all media - radio, television, newspapers, etc., which reflect the reality in the environment where an organization functions).

- *CSR as leading ethics*

The conceptions that the obligations of corporate social responsibility are social or towards the parties involved, assume that the CSR practices are motivated by personal interest, i.e. they give a business the opportunity to obtain better understanding and respect among its auditorium. Swanson (1995) [8] expresses his regret that the social approach in management is often not dictated by a positive organization engagement towards society, but in chase of its own interest and the results which are to be generated for the organization itsef. Besides that, the view points on CSR as an obligation do not give precisely measurable criteria of evaluatinf the level to which indeed business practices can or cannot be considered socially responsible (Jones, 1995). [9] Based on these criteria, some scholars back the conception of corporate social responsibility based on ethics defining which organization's actions are acceptable and which not, without taking into account the performance under social obligations and the obligations towards the parties involved (Preston, 1995; Swanson, 1995). [10] For example, if an organization has its

ethics based on the law and the legislation, it could be systematically taking such decisions that would stimulate equality, freedom and justice between partners and employees.

- *CSR as a management process*

If we sum up that the three perspectives explored so far characterize the factors forcing organizations to engage themselves with CSR, then the current one overlooks CSR in regards to the specific organization processes running as a result of CSR. Ackerman (1975) [11] draws the three basic activities which could be accounted as an organization's social reaction: monitoring and evaluation of the environmental conditions, satisfying the requirements of the parties involved and the development of plans and politics referring to the positive impact made by the organization. Wood (1991) [12] takes the management of social problems and environmental protection as two complex management processes and renders them important to an organization in order to achieve a pro-active position in relation to social responsibility.

The views set out above reveal the diversity of definitions of corporate social responsibility in business. Most commonly, scholars have analyzed social responsibilities through the prism of an organization's interests, the parties affected by an organization's business and social management decisions.

Social marketing nature

Social Marketing is a term mentioned for the first time in the scholarly fiction in the 1970s when Kotler and Zaltman (1971) [13] propose the traditional principles of marketing definition applied in selling products, to be used to sell ideas, behavior, arrangements, etc. From this moment on social marketing has turned into a social change management technology, which involves project making, execution and monitoring of programs focused on the increase in acceptance of a given social idea or practice by one or more target groups (Kotler and Zaltman, 1971). [14]

The understanding of the concept of social marketing is built on the knowledge obtained from business practices, more specifically, the development of measurable targets, studies on human needs, building product targeting specific consumer groups, technology groups positioning in accordance with human needs and desires, constantly monitoring environmental change, and an organization building the ability to adapt to changes.

After the development of the idea of social marketing by Kotler and Zaltman (1971) [15], multiple authors (Lefebvre and Flora, 1988; Andreasen, 1995; Zikmund and d'Amico, 1996; Sezer, 1999; Smith, 2002) [16] draw their own definitions of this new management phenomenon. Lefebvre and Flora (1988) share, that social marketing is harder to perform than traditional marketing, because it involves a change in a non-acceptable organization behavior into a complex economic, social and political climate, characterized by limited resources. Andreasen (1995) [17] defines social marketing as implementation of traditional marketing technologies for analysis, planning, execution and evaluation of programs aiming to influence the free-will behavior of the target group in order to improve their personal wellbeing and that of society. Smith (2002) [18] entirely agrees with the idea that social marketing follows marketing principles in order to influence the behavior of the target groups, but he also emphasizes that it is based on the development, communication and exchange of offers of a positive value for natural persons, clients, partners and society as a whole. In this sense, the purpose of social marketing is to serve the interests of the population and their real needs, as well as to increase the common wellbeing of society (Sezer, 1999). [19] Besides that, social marketing is a social thought, a social deed, a marketing activity aiming to guarantee the acceptability of organizations' required behavior of (Zikmund and d'Amico, 1996). [20]

Notwithstanding the specifics of the proposed definitions, the focus of social marketing is based on changing behavior in order to improve the wellbeing of the entire society. The following major conceptual points of view on social marketing can be drawn:

- *Consumer Oriented Marketing*

Consumer orientation is a key element of all forms of marketing which differentiates it from sales, product and expert oriented management approaches. In social marketing it is accepted that the consumer is an active participant in the process of change and the social marketing person strives to establish a connection with the consumers and with time, to use their contribution to the process of executing social ideas. The consumer oriented social marketing approach searches for answers to the questions – "What are the consumers' problems? Why don't consumers understand the organization?", but also the questions – "What are the problems of the organization?", and "Why doesn't the organization understand its target auditorium and consumers?".

- *Social marketing as an exchange process*

Social marketing not only shares the philosophy of traditional marketing about consumer orientation, but also its basic mechanism – namely, exchange. Exchange is defined as exchange of resources, or values between two or more groups, from which they expect to obtain certain advantages. The motivation of a certain group to participate in this exchange (interchange) is to satisfy its own needs. In social marketing the exchange is based on voluntary participation. Social marketing should study and define what the consumers' benefits related to the behavioral change will be, and thus to ease their voluntary participation in the exchange process.

- *Long Term Planning Marketing Approach*

In resemblance to traditional marketing, social marketing must have a long-term perspective based on continuous programs, not on single campaigns. Social marketing has to be planned as a strategy, and not as a tactic for an organization. The process in social marketing is the same as in traditional marketing, it begins and ends with a situational analysis of the external and internal environment and of consumers, it is supported by a preliminary segmentation of the market and a precise strategy aiming at the target auditorium. Social marketing also requires additional research in order to define the problem and to formulate targets of the social marketing strategy. After that, social marketing mix elements are being developed, which have been tested in advance. Finally, the social marketing process ends with monitoring and evaluating the achieved results.

- *Focus Beyond the Individual Consumer*

Social marketing aims to influence not only individuals' behavior, but also the defined target groups', organizations' and society's behavior. Levy and Zaltman (1975) [21] suppose sextuple classification of the types of changes sought in social marketing (behavioral change; change in norms or administrative change; change in politics; change in lifestyle; organizational change and social and cultural evolution), involving two time measurements (short-term and long-term) and three measurements of the level of the society (micro, group, macro). Thus, social marketing can influence not only individual consumers, but also their work environment.

Out of everything said so far, one can draw the conclusion that social marketing is an extension of the marketing studying trade conditions emerging when a product is an idea or a social cause. In relation to that, social marketing development is related primarily with the promotion of social causes, popularization of social ideas or social causes.

Comparative analysis between corporate social responsibility and social marketing

According to the definitions of corporative social responsibility, besides key words like use of corporate resources, prosperity of the population, in favor to the society, corporate social responsibility is mentioned also as an organization's responsibility. According to Carroll (1991) [22] who created the pyramids of corporate social responsibility, it can be examined in four different levels (figure 1):

- Economic responsibilities - the main responsibility of all organizations is to sell to consumers the products and the services they need by realizing financial profit at the same time.
- Legal responsibilities - a setting of principles and values which legislators have set for the organizations to follow by keeping their economic activity at the same time.
- Ethical responsibilities - the responsibilities which are not set in the state legislation but correspond to the expectations and values of society.
- Philanthropic responsibility - the activities which present the company as a good citizen and strengthen its good positions in the society.

Figure 1. Corporate social responsibility
Source: Carroll, A. B., 1991, The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders, Business Horizons

With the increase of global competition in business, organizations are looking for recognition by society through corporate social responsibility projects. Except for production, profit, efficiency and employment, a business makes investments to the benefit of society - corporate social responsibility projects which influence positively an organization's reputation. In order to conclude a successful corporate social responsibility project, several key factors are essential:
- The project should be sustainable.
- The project topic and practice should be conformable to ethical standards.
- The project should be sensitive to the needs of society.
- The project should be adopted and supported by an organization's employees.
- The project should create a target effect on the auditorium.
- The project should be periodically evaluated in order to render and administrate the benefits among the public.

Regarding social marketing, one should emphasize that its role is to influence social behavior in order to draw benefits for society and to lead to the desired change in the behavior of the target auditorium. In its nature, social marketing is a traditional marketing of a product or service, but with value added. The purpose of social marketing is to sell something (a product or a service) for profit, as in the meantime to increase the brand reputation and to benefit society. As in every marketing activity, in social marketing the dictum "win win" exists, too. In other words, the income made from sales of products or services must be of common interest to both parties - the organization and society.

Thus presented, the concept of social marketing includes balancing the three responsibilities of an organization (Figure 2):
- Organizational responsibility - realization of profits for the organization.

- Consumer responsibility - satisfying the needs and desires of clients.
- Social responsibility - following society's interests.

Figure 2. Social marketing responsibilities
Source: Kotler, P., G., Armstrong, J. Saunders, V. Wong, 2002, Principles of Marketing, Second European Edition, Warszawa

Having in mind the definitions reviewed so far, as well as the presented conceptual points of view and the scope of responsibilities of social corporate responsibility and social marketing, the author of this article draws a comparative analysis according to key factors where the similarities and differences between corporate social responsibility and social marketing are presented visually.

- *Direct profit* - corporate social responsibility indirectly influences an organization's profits, while social marketing aims at direct realization of profits.
- *Social prosperity* - both corporate social responsibility and social marketing gain in supporting the prosperity of society.
- *Benefits* - corporate social responsibility aims to create long-term benefits for the organization, while social marketing strives to provide benefits measured within a short-term plan.
- *Change of behavior* - in contrast to corporate social responsibility, social marketing strives to achieve changes in the behavior not only of the organization, but also of its target auditorium - the consumers.
- *Product marketing* - corporate social responsibility does not gain direct sale of organization's products or services, while social marketing aims to achieve a change in consumers' behavior through sale.
- *Human interrelations* - Through corporate social responsibility the organization strives to build relations with the parties involved, while social marketing does not aim at building relations with the target groups.

The increasingly globalized business world and the strong competition environment turn organizations into not just profit generators, but also into socially aware citizens striving to add to social prosperity. In contemporary management, terminology like corporate social responsibility and social marketing is discussed more often and their boundaries and most successful approaches are constantly explored. Although there is no exactly defined differentiation between corporate social responsibility and social marketing, one can find some important idealistic differences which the author of this article has synthesized and presented.

Conclusion

Contemporary business organizations strive to be of use for society and for the environment. In organizational contexts, management practices like corporate social responsibility or social marketing are being used through which an organization strives to build connections between and to change the behavior of the parties involved. There are no clear limits between corporative social responsibility and social marketing in the scholarly literature, and often these concepts are assumed to describe the same organizational behavior. However, the differences appear in an in-depth scientific and comparative analysis - corporate social responsibility is a long-term investment in corporate reputation and brand recognition, while social marketing strives to change consumer behavior, in order to gain benefits for an organization.

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