

# Lecture 2: Framing Sustainability Marketing

## Episode 2: CSR – The Internal Perspective

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[Sustainability Marketing – A Global Perspective]

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## Lecture 2: Overview

Episode 1: The External Context

**Episode 2: CSR – The Internal Context**

Episode 3: Interview



## Learning Outcomes

### **Learning Outcome 1:**

Understand the nature of Corporate Social Responsibility and its relationship to marketing.

### **Learning Outcome 2:**

Appreciate the different types of responsibility that companies have, and the different types of stakeholder they have responsibilities to.

### **Learning Outcome 3:**

Make the relevant connections between the ethical issues relevant to the work of marketers and the wider CSR agenda.



## Structure of the Episode

1. Corporate Social Responsibility
2. Approaches to CSR
3. Marketing Ethics



# Corporate Social Responsibility

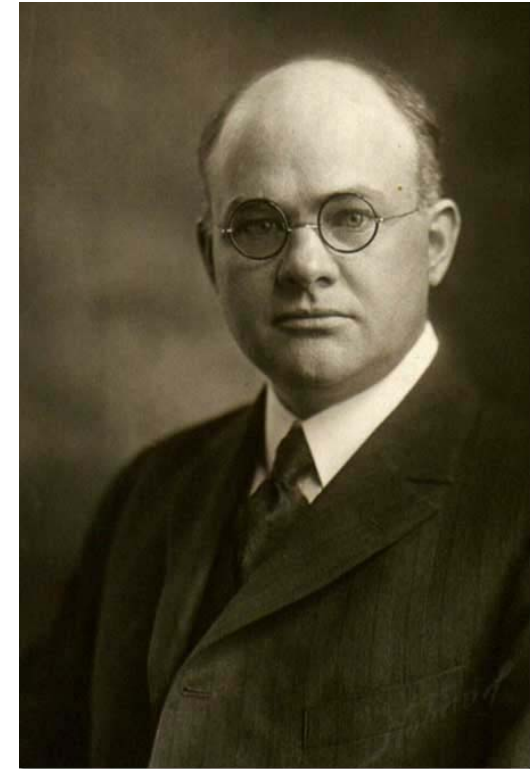
CSR  
ETHICAL  
Public CONCERNS  
ISO STANDARD  
Guidelines  
Bioethics  
**SOCIAL RESPONSIBILITY**  
Corporate  
International  
Shareholder  
Environmental  
UNESCO



## Business and its Responsibilities

*'Business started long centuries before the dawn of history, but business as we now know it is new - new in its broadening scope, new in its social significance. Business has not learned how to handle these changes, nor does it recognise the magnitude of its responsibilities for the future of civilisation.'*

Wallace B. Donham,  
Dean of Harvard Business School



Source: Harvard Business School  
Archive

(<http://www.library.hbs.edu/hc/buildinghbs/core-body-of-knowledge.html>)



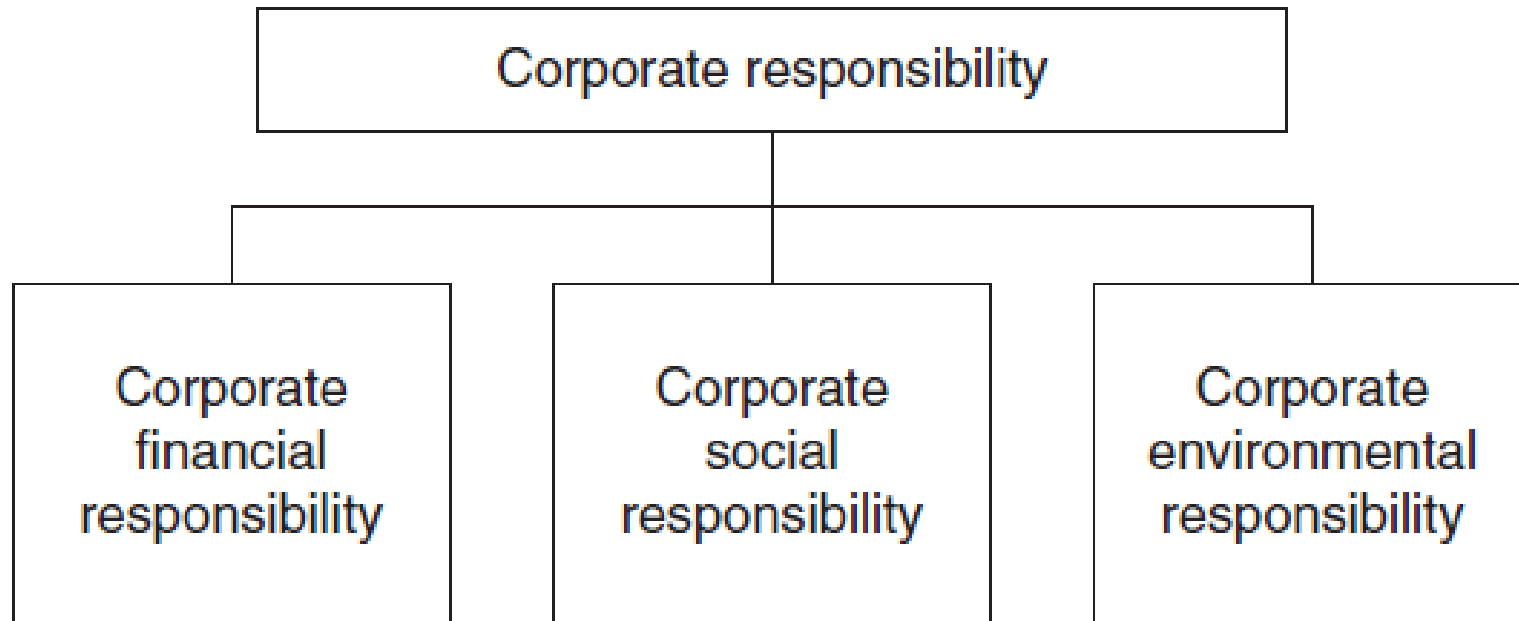
## CSR Defined

“CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with stakeholders on a voluntary basis.”

Source: European Commission Green Paper ‘Promoting a European Framework for Corporate Social Responsibility’



# Corporate Responsibility

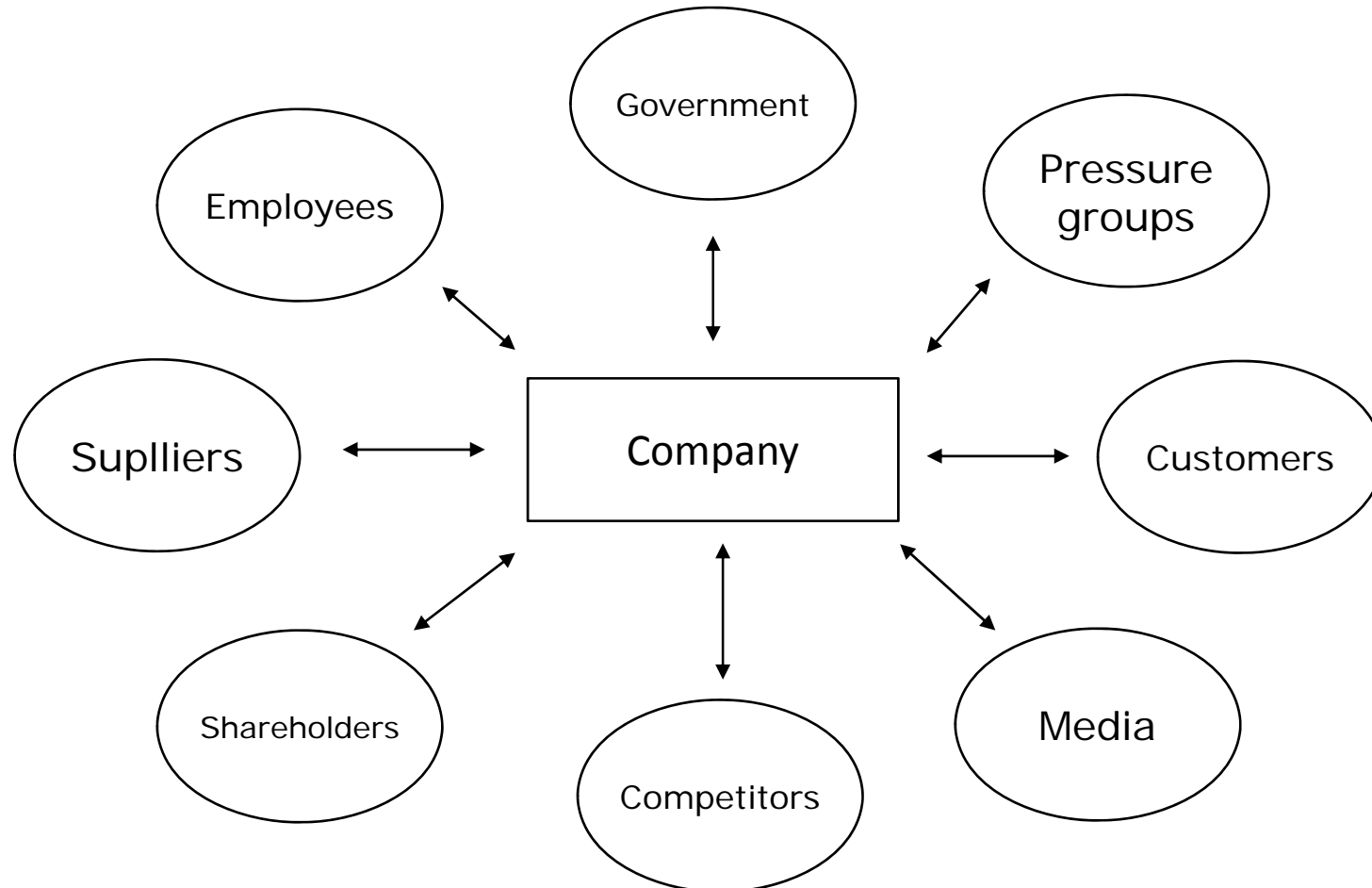


Source: World Business Council for Sustainable Development (1999),  
Corporate Social Responsibility, Geneva: Switzerland, p. 3.





# The Corporate Stakeholder Model



Source: Freeman, R.E. (1984) Strategic Management: A Stakeholder Approach, Boston: Pitman Publishing.



## Responsive and Strategic Approaches to CSR

General social impacts	Value chain social impacts	Social dimensions of competitive context
Good citizenship	Mitigate harm from value-chain activities	Philanthropy that leverages capabilities to improve salient areas of competitive context
Responsive CSR	Transform value-chain activities to benefit society while reinforcing strategy	Strategic CSR

Source: Porter, M.E. & Kramer, M.R. (2006) 'Strategy and society', Harvard Business Review, 84(12): 89.



## Marketing Ethics

- **Product issues:** safety, quality, design, packaging, labelling & “ethical” products;
- **Price issues:** fairness, affordability, price fixing, misleading pricing;
- **Consumer issues:** consumer rights & targeting of vulnerable consumers;
- **Communications issues:** sales tactics, truth in advertising, product placement, sponsorship;
- **Marketing research issues:** privacy issues, researching children, research ethics;
- **Strategy issues:** cross-cultural ethics, cause-related marketing, market access.



## Review and Discussion Questions

1. What is the relationship between sustainability marketing and CSR?
2. If marketers deliver what the customer wants and obey the law, why do they need to worry about ethics?



## References

- Belz, F.M., Peattie, K. (2012): Sustainability Marketing: A Global Perspective, 2. ed., Chichester: Wiley, p.21-48.
- World Business Council for Sustainable Development (1999): Corporate Social Responsibility, Geneva: WBCSD.
- Smith, N.C., Palazzo, G. & Bhattacharya, D. (2010): Marketing's Consequences: Stakeholder Marketing and Supply Chain CSR Issues (Working Paper), Fontainebleu: INSEAD, <http://www.insead.edu/facultyresearch/research/doc.cfm?did=43992>



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