

Coca-Cola's Support My School initiative in India has been touted as one of the biggest CSR initiatives by corporate India and is beamed on NDTV with a lot of fanfare. Coca-Cola is not the only company that has effectively bundled, branded and communicated its CSR efforts; too many companies have started communicating their CSR efforts too early in too conspicuous a way. While their intentions are lofty, the whole razzmatazz surrounding such efforts raises a question: is a good idea for companies to communicate and get credit for their commitments?

## CSR: A marketing tool?

Coca-Cola has got its act right. The guys behind the scenes, global chairman and CEO Muhtar Kent, downwards, are a force to contend with in the world of corporate social responsibility (CSR) marketing. Today CSR marketing is a new sub-science of the world of marketing at large. In fact, it is the best thing to do when you are a big brand with a footprint of consumption across the world. Brands such as Coca-Cola, Marlboro, Dettol etc that touch billions across the world use CSR in their marketing approach.

Look at the the history of CSR. It began when companies first looked at their corporate bottom lines and discovered profit. Having discovered profit, and investing that profit or splurging it into everything that was possible, such as personnel training, corporate junkets, corporate jets, profit had to find its way into society. CSR is the last thing that a corporate enterprise does. For instance, visualise a large vat. Imagine the money going into CSR activities as money that goes out of a small little pipe vent right at the top of the vat, much beyond and after the Plimsoll line of profits has been breached. Visualise

this vat with a small vent opening right near the top brim. If you see it this way, you will also realise that if these profits did not find their way out (into society), the vat would itself be in danger. Therefore, CSR expenditures typically have been "safety valve expenditures".

At the outset, corporates look after their immediate physical environment as a CSR activity. If a company had a factory in Jamshedpur, it would look after the people in the eco-system around it. Then the mindset changed and companies started thinking beyond their geography by picking up causes. They picked up causes adjunct to the industry they belonged to. For example, a company in the tobacco segment looked at health, a marketer to kids

looked after the under-privileged kids. Subliminally, if not overtly, the connect always existed.

Then came the era of obscene CSR marketing. I have been witness to CSR efforts during the Tsunami that hit Indian shores some years back. I saw large trucks carrying water and supplies. Many of them chose to emblazon themselves with the brand names and logos. One corporation even had savvy 'marketing-think' where it had the top of the trucks emblazoned with their brand logo. This was for the media helicopters to catch when they hovered around the area under distress. How far can one go?

**When companies put their profits back into the very same people who help them make money, the marketing cycle is complete**

The latest is the Coca-Cola India 'Support My school' campaign with NDTV. I like this campaign as it picks a cause that is universal and big. It is about kids and their rights and the need to education. It picks rural and small town schools. It takes valuable resources to the points of need. It is not shy and does not use subterfuge as well. It talks to its audience without resorting to the in-your-face tools of advertising. It helps build future customers. In that way, it gives and takes. It gives resources today to support a nation of school-going children. It takes subliminally. It takes when it impinges its brand name all across, and plants a soft thought of an otherwise hard brand in the minds of impressionable kids.

I believe no corporate organisation must invest its money into CSR without purpose. Corporate organisations are run by stakeholders—by shareholders and employees—among others. The organisations must aim at profit in their ventures, both commercial or CSR oriented. However, in making this profit happen, it is not wrong if good money can chase good causes such as this one. Coca-Cola has cracked this code with the campaign and other initiatives in South Africa where the company is aiming to be water positive. CSR makes marketing sense as companies make money from people. When they focus their profits back into the very same people who help them make money, the marketing cycle is complete. ♣

While many organisations undertake their social responsibility as charity, many undertake it to fulfil their marketing needs or to give a positive disposition to their brands. However, all of them understand the personal-social benefits that accrue from acts of altruism.

When a corporation acts beyond the narrow areas of self-benefit and works for a larger, socially-beneficial cause, you can describe it as CSR. This helps the corporate/brand in two important ways — first, the innate value-system that gets espoused by the social action helps build 'organisational culture', and second, CSR showcases any organisation's positive intention, an essential ingredient in building organic trust for it.

Every organisation wants to impact the world that influences it. In order to determine that it has to decide on the following factors: internalities (that which it thinks it is responsible for) and externalities (which are outside its sphere of responsibility).

This boundary of responsibility-acceptance is arrived at by balancing the intent with the ability of the organisation and becomes a direct measure of the organisation's integration (on human, cultural, emotional and physical fronts) with its external world. As organisations expand to include more external aspects creating a progressively larger responsibility circle, they become more and more relevant to their ecosystem.

For instance, a responsible mining company may rehabilitate the people displaced as a direct result of its operations. If it considers more of its impact as its responsibilities, it may even replant trees to undo the damage caused by it to the environment. If it further increases its internality sphere, it may go further and invest actively in creating an ecological hub on the previously mined area.

It is quite natural for an organisation that exists for profit to seek direct or indirect benefit from all its actions

including CSR. Seeking benefits, be it marketing, community, image or other subtle benefits from the CSR is acceptable, beneficial and even recommended.

But if the benefits sought through the CSR are blatant or unreasonable, the action becomes counterproductive and is bound to have a negative impact on the brand. When you think of the 'real' campaigns, Coca-Cola's 'Support My School', Aircel's 'Save Our Tigers' or Tata Tea's 'Jaago re', most audiences will have a visceral calibration of where the campaign falls on their acceptability line.

Yet, when starting CSR initiatives, the organisation has to understand that there is a significant time lag between the action and result expected from the CSR initiative. Therefore when organisations engage in altruism they must do so without looking for quick results that they are so accustomed to.

Further, to create a sustainable programme of CSR, one needs to balance two opposing forces. First, the farther removed the corporate social responsibility is from the core of the business, the more trust it will generate. At the same time, the more direct the connection between the CSR and the business, the more sustainable it will be. Companies which get this balance right, accrue benefits that are highly resistant to erosion over time. CSR is a good strategy but only in the long-term. Though it is used to develop markets or for image, it is far more useful when it is used to infuse the organisation with culture, vision and values — the core drivers of any business.

The importance of CSR cannot be understated for it shows the organisation's integration with its society. It is, however, important to temper expectations from CSR. Most importantly, CSR must be an extension of the organisation's state-of-being and not just an activity that needs to get ticked off in the check-box. ♣



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