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CORPORATE SOCIAL RESPONSIBILITY AS A METHOD OF THE BIG AND MEDIUM-SIZED BUSINESSES' INFLUENCE ON CONSUMERS

Introduction. The idea of corporate social responsibility originates from the early 1950s, when the number of large transnational corporations began to grow steadily. At the same time, various social trends have gained popularity in both Europe and the US: feminist movement, environmental organizations, globalization processes opposition. Some business representatives realized that, for instance, retention of company's qualified staff is much simpler with advanced social policies, when an employee considers himself a member of the progressive organization which is concerned about his feelings, achievements, and office environment. Thus, the concept of social responsibility has developed.

Objectives. The purpose of the study is to understand the essence of the social corporate responsibility system as an effective method of competition in the market economy.

Methods. This paper uses the following methods of determining parameters, structure and characteristics of the study objects: collection of information, observation of researchable objects, analysis, hypothesis generation based on assumptions and guesses.

Results. In 2001, the European Commission drafted a so-called "Green Paper: Promoting a European framework for Corporate Social Responsibility" document [1], which gives the following definition: "Corporate Social Responsibility is the concept according to which a company integrates social and environmental issues into its business activities and engagement with stakeholders on a voluntary basis". This definition clearly characterizes such activities not only in the EU, but in the whole world. Nowadays, the concept of social responsibility through its evolutionary development has formed the idea of "sustainable development". The foundations of

this notion were integrated in some modern enterprises' activities, specifically: comprehensive and compelling environmental, social and economic organization' policies; compliance of the democratic rights of employees that meet their needs; promotion of gender and racial diversity; development of favorable conditions for investments in the environment where employees and consumers are staying – “communities”.

Lately, the question of customer data privacy has become relevant for the majority of technological companies – this issue starts to worry society severely. For some IT companies, the business model is an approach which implies money to get earned with users' personal information collected: preferences, history of actions on the network, coordinates of the location, personal correspondence, user contacts, their media data, and so on. This information summary, which is called “Big data”, forms the marketing toolkit used by advertisers, which, for their part, form the capital of many IT firms. We can say that “data economy” era is coming, which is exactly the opposite to the concept of responsible business. Organizations of all forms of ownership should develop transparent and reader-friendly privacy policies that do not conflict with human rights and give benefit to the communities.

The need for big and medium-sized businesses to implement the concept of social responsibility and sustainable development is justified by the growing devotion of the new generation of consumers (so-called “Millenniums”) to the socio-ethical standards of the social and environmental development. The ideas of “saving the world” and public welfare influence not only the consumer's choice of the specific products, but also the brands with the corresponding values. According to The Nielsen Global Survey of Corporate Social Responsibility and Sustainability [4], 70% of consumers in Ukraine are willing to pay more for products, if they were made by the companies which contribute in the communities and environment. In 2014, it was only 44%. It was also found that, on average, more than 50% of consumers all over the world (2015 data) who would have agreed to pay more for the same product or service (66% of all respondents) are affected with the key factors related to the

sustainable development, such as: the use of fresh, natural and/or organic ingredients in products (69%), contribution of the company in the environment protection (58%), contribution of the company in the communities development (56%). Sales and coupons are not even among the top five key factors.

Conclusion. In order to implement the concept of social responsibility in marketing communications, enterprises should not only conduct relevant marketing activities, but also make some real steps in sustainable development area and provide the corresponding facts – reports on Corporate Social Responsibility. Companies’ management must also keep in mind that these reports can be evaluated by non-profit (charitable) organizations conducting social audits. The big and medium-sized businesses’ strategic goal should be to get into the favorable rankings of these organizations, such as “Greenpeace Reports” [3] and “Dow Jones Sustainability Indices” [2].

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