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### CSR AND CONSUMERS: SOCIAL MARKETING AND SUSTAINABLE MARKETS





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#### **ABSTRACT**

he Consumers are often identified as the business drivers but the perception of consumers has been changed with upcoming trend in the business. The corporate social responsibility which makes the companies a responsible entity of towards the life on earth. Now a days the CSR has been marketing source for the business people, also at social level. The industries are adopting it as a social marketing, green marketing and sustainable marketing terms which directly hits the social problems of consumers (which constitute the social marketing relation and the CSR effect on it.

This paper studies correlation of CSR and the CSR effect on it.

KEYWORDS: Social marketing, Sustainable marketing, CSR, Cause marketing.

#### **INTRODUCTION:**

Corporate Social responsibility is not the new concept but yes it was under cover. It is being introduced in front of the world with the new shades of it. Where prior to this era the CSR was a mere a social responsibility. But as the rapid changes in the industrialization had come up with different aspects companies evolve as do the communities in which they develop and according to them their need changes are adopted in different areas, products, services and strategies in companies. The products services and strategies these companies need to design dependon the consumers taste and requirements. So CSR, Social, marketing, causerelated marketing. Sustainable marketing has become a now business approaches as well as their guidelines to relate with stakeholders have been as interesting connecting spaces for everyone.

The main 3 players in the corporate social responsibility are government, consumers, Business



Fig: 3 Players in Corporate Social responsibility

Among them in India, in 2013 the remarkable legislations are passed. These rules have made CSR mandatory for all the industries with specific turnover. This is all for 3 p's balance i.e. People, planet and profit. Which ultimately have changed the scenario in corporate social responsibility, where it has no more just remained a responsibility but responsibility is in hand in hand with profit. It is true that this has given birth to the new business strategy, product, and variations in business. This is all because consumer behavior has been changed. With the degrading situations of environment & social problems in society, it has made the consumer more eco-friendly & environment loving. For what the choice of consumer has been changed 7 attracted towards the products whose company is socially responsible.

The business world too is taking advantage of this. They are getting engaged with social marketing, green marketing, sustainable marketing & models which directly relate with the corporate social responsibility & the targeted customers. In a similar vein, McWilliams and Siegel (2001) outlined a simple theoretical model in which two firms sell identical goods, except that one company decides to add an additional "social" attribute or feature to its product. This social feature is valued by some consumers or, potentially, by other stakeholders. In this theory of the firm-based model, managers conduct a cost/benefit analysis to determine the level of resources to devote toCSR activities/attributes. Simply put, firms simultaneously assess the demand for CSR and the cost of satisfying this demand and then determine the optimal level of CSR to provide.

A key implication of a theory of the firm/strategic perspective on CSR is that this activity is likely to be matrixed into the company's business-level differentiation strategies. For example, a "hybrid" version of a Honda Accord generates less pollution than a standard Honda Accord. Most consumers will consider the hybrid car to be superior to the standard model. Some consumers are also willing to pay a price premium for the hybrid car, given that the social characteristics of less pollution are "valuable" to them. Other types of CSR investment relate to the adoption of CSR-related production processes, where the focus of concern relates to the extent to which the firm's production methods are socially responsible. Thus, many natural food companies (E.g. Hain Celestial Group, Inc.) placelabels on their Products signifying the use of organic, pesticide-free ingredients.

Zabalegui Lesmes stated that there are "No socially responsible companies in its fullness but good social responsibility practices or companies with responsible management modes, practicing continues improvement regarding their social, liberal and environmental concerns thus we find companies with good balance plants and models of environment sustainability, others with non-discriminatory selection policies, some with good governance or exemplary in community

involvement, but hardly a company can cover all areas that make up the social responsibility and that make up the social responsibility and manageall real coherence & effectiveness . However to know the consumers and the challenging requirements with the time the very effective method is to travel through marketing roadmap. Which have already in discussions are social marketing and sustainable markets. These directly correlates with the corporate social responsibility and consumers

#### CSR: Need identification & Satisfaction of Consumers

Welfare of community is linked with corporate success and is the duty of corporate community, no more or less said by Ratan Tata. The very fresh & excellent example in Indian Business world, for the corporate social responsibility. The Ratan Tata identified the need of the middle class family for the 4-wheelar, which has given a rise to a socio-economic business model & good for development.

The Tatas & Birlas are well known for their philanthropic approach from their ancestors, well we can say that they have very soon identified the strategic use of corporate social responsibilities. When even the term corporate social responsibility was not in corporate lexicon. The Aditya Birla Group is known for their rural development project. The Aditya Birla Group Company-Grasim, Hindalco, Aditya Birla Navo & Ultratech are in the rural areas like Bhiwani (Haryana) & Malanpur (Madhya Pradesh) where the Aditya Birla Group has given a employment to the rural people & tried to provide them a quality of life. The people in these areas where an unemployed & striving for their daily Bread & Butter. The strategy they adopted was to tackle the youth in those areas & provide them a earning source as well as company will be benefited with the cheap labor source.

CSR has given a birth to a new trend in corporate world with implementation of old ideas with the new perception &blend. Leading Business houses have discovered that working together with the non-profit & government organization to solve the social problem can offer them new insights & approach to create business opportunities as well without getting directly involve in them.

#### Social Marketing & Sustainable Marketing:

Social marketing is an extension of marketing that studies the term trade that occurs when the product is an idea or the social cause. Social marketing is a term first mention 40 years ago & it began as a discipline in 1970 when Philip Kotler & Gerald Zaltman proposed the same principles used by traditional marketing definition must be applied to sell ideas, behavior, attitudes etc. Social marketing as a term was first used in 1971, "referring to the use of marketing principles & technique to develop an idea or social behavior. Since then it has become management technology for social change that includes the design, implementation and monitoring of program aim for increasing the acceptance of social idea or practice is one or more groups of target adopters." (Kotler P.9). Non-profit organization, municipalities, central & local government appropriated historical strategies used only by companies to sell product & through this appropriation they began to sell ideas & concept such as boiling water to prevent diseases, vaccination for small children's, active voting, etc.

Kotler & Andrew in their book on this subject pointed out that: "Every time the promotion of social cause is more common in our society & this need to the development. Nowadays various social networks, media are used for social marketing life Facebook, twitter, LinkedIn, Whatsup & many others. With the changes in marketing scenario & social cause, the social marketing has given a birth to a new term corporate social responsibilities. Where it is blend of corporate social responsibilities towards society by using the marketing technique." It fulfills both the causes the society development & business development.

Idea telecom& Tata Tea being the front runners in this category. Idea uses a powerful message in

its advertisement campaign "Talk when you walk" which reflects the health benefit of doing physical activity while the talking time on the phone. This is a ground breaking & revolutionary social marketing concept used by Idea to create top of mind recall. The next & very awakening social marketing concept was introduced by Tata Tea, this spread the message "Jago Re" which means do not just wake up but awaken yourself & fight for what is right instead of being passive to wrong practices going on in the society. This is very impressive & powerful concept for a product like Tea

#### Sustainable Marketing:

Sustainable marketing is a holistic approach with the aim of satisfying the wants & needs of the customers while putting equal emphasis on environmental & social issues. Thus generating in a responsible way consumer behavior is changing with the changing days. The consumers nowadays are becoming aware & also responsible towards the environmental social issues. So keeping this in mind the business people are putting emphasis on product development with values, with which marketing strategies act a salt to put test by companies for their consumers. This stands them different from other competitors. Sustainable marketing is the mass market consumers' sustainable product throughout all product ranges. Therefore the main emphasis is not necessarily sustainability but is seen as additional benefit. For instance, cloths are usually positioned as fashionable but behind the fashionable cloths can stand sustainable company with good working conditions. Environment friendly sourcing & materials as well as production process. Thus sustainability itself can be competitive advantage. The best example is Levis jeans which are prepared by recycled plastic and other materials'.

#### CONCLUSION

India is developing country, some issues which makes it as developing nation. But to make India as a developed country, CSR plays a vital role. The social approach of corporates will speed up the growing rate of our country and it will happen when the three players of CSR will work collaboratively with each other. There are some amendments that need to be revised like inclusion of small and medium industries in companies act for the contribution of CSR in India. Social marketing and sustainable marketing models has become a keys to business world which covers the major areas in corporate social responsibility.

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