

# Corporate Social Responsibility in New Media Times

## -A Case Analysis of Master Kong

Wan Wan Wang

School of Advertising ,Communication University of China

No.1 Dingfuzhuang East Street, Chaoyang District, Beijing,China

Email:popo9335@163.com

**Keywords:** CSR; New media; Stakeholder; Target audience; Communication

**Abstract.** The CSR is designed to meet the ethical, legal, and public expectations that society has of business, which has a direct impact on branding image and corporation reputation. Especially in the new media times, social network has been seen as the essential part of everybody's life, almost every action the corporate took can be recorded and broadcasted in one second. Many business firms have started to use weibo, wechat and other new media ways to advertising their CSR mission that go beyond legal requirements and fill the regulatory vacuum in global governance. The Taiwanese company Master Kong is a famous instant food and drink company which developed their global market since 1980s. In the aspect of corporate social responsibility, with the spirit of "sustainable management to contribute to the community", it made huge investment to sponsor football teams, green works as well as education support. In this paper, I want to take Master Kong as an example to see how the corporate can do a good CSR plan in new media times, an online survey was did both in mainland China and HongKong to evaluate its operation effect. At last, implications and recommendations for enhancing CSR operation in new media times are provided.

### Introduction

During the past decades business firms have started to engage in activities that have traditionally been regarded as actual governmental activities. Many companies fulfill the functions of protecting, enabling, and implementing citizenship rights, which not only aims at society responsibility, but also helping to build their image and reputation. Especially in new media times, news spread so fast that no crisis can be covered in the traditional way. CSR has become an essential part for companies going global. The Taiwanese company Master Kong is a famous instant food and drink company which entered the mainland China market in as early as 1988. The products of Master Kong dominate in drink, bottle water, instant noodles and many other categories. In the aspect of corporate social responsibility, with the spirit of "sustainable management to contribute to the community", huge investment was made in the areas of elementary education, medical treatment and physical support. As a strategic way, it used to cooperate with CCTV to do the advertising promotion which is such a good way to promote its sense of responsibility by the dominated media station in mainland China. In this paper, I want to use Master Kong as an example to see how corporate can do a good CSR plan as media condition has changed so fast in now days.

### Literature Review

Corporate social responsibility (CSR) is an important part of Public Relations. The goal of CSR is

to embrace responsibility for the company's actions and encourage a positive impact through its activities on the stakeholders, environment, employees, communities, consumers, and all other members of the public sphere (D Wood, 1991).

As CSR has well developed in the western countries, many scholars focused on the relationship between CSR and the companies' economic performance. In some of their researches, CSR communications are confined to large organizations in most cases, and those organizations tend to conduct CSR events that are classically accepted as responsible and virtuous (Paul Ziek, 2009). According to the research from Pearce and Doh (2005), effective CSR projects can bring a lot of benefits in terms of reputation, economic returns and even some valuable partnerships and loyalty employees. Another support can be found in Mcwillians and Siegel's research (2001), they argued that CSR can promote such a better reputation for corporations thus consumers would be willing to believe in this corporation or the products (services) provided.

However, in the area of both Taiwan and mainland China, the concept of CSR has not been widely-accepted. Jui-Ling Hsu and Meng-Cheng Cheng (2011) transfer their attention from bigger firms to those smaller companies in less developed areas (like Taiwan and mainland China), they and found that seldom Taiwan SMEs view CSR as a business strategy but an ethic activity that can be participated in selectively. That situation may be caused by lacking of the information or standards of CSR.

Although a research conducted by Zhilong Tian et al. (2011) suggested that consumers in China tend to associate companies' CSR efforts with corporate evaluations and most importantly—their purchase intentions. However, the CSR activities should be conducted effectively enough to influence both the consumers and the company itself. An effective CSR activity should be valuable, novel and non-substitutable (Barney, 1991). Zadek (2006) suggested that companies to achieve an effective CSR need to connect this action directly to its core business. Only in this way can maximize the potential of CSR activities.

## Case Analysis

Over the years, even though the chairmen and managers of the group have changed for many times, all of them still keep the same organization mission: honesty, pragmatic and innovation. It is obvious that the company has connected their CSR spirit and mission together by “serving people with what you've taken from them, repaying the society to achieve sustainable development”. On the aspect of operation, Master Kong has adopted consistent approaches to achieve its goals in CSR implementation. These approaches can be divided into several dimensions, including shareholder, customer, employee, government, environment, and society. Now, I will use the cooperation between Master Kong and Waseda University as an epitome to see how this company applied its CSR strategies through different communication platforms.

In 2011, Master Kong launched a large project in the hope of encouraging young, enterprising and creative Chinese people to study at world-famous universities. The company then conducted a large Innovation Challenge and Innovation Award in the hope of attracting talent. According to the specification, winner of the competition will get a chance to obtain further study in Japan Waseda University.

**Communication strategy.** In half a year's time, from March to September 2011, Master Kong adopt a three-dimensional mode of transmission to harmonize the consciousness of responsibility of the teenagers and the spirit of the enterprise—honesty, result-orientation, and innovation. To forge the public farewell brand belonging to Master Kong, by integrating all the resources.

**Warming up—the power of new media.** Master Kong has achieved the functions of event information, dissemination of public farewells of the enterprise, exhibition of the farewell institution, submitting works, gathering popularity, and browsing and commenting of the works by cooperating with SOHU, the largest network platform and establishing the official website in Sohu's blog channel. It was also promoted in the popular BBS, such as Renren Sohu blog, and Sina Weibo.

**Processing the activity—combination of new media and traditional media.** Organize the speech tour in the 10 cities, representing by LIU SIYU—the representative of public farewell, AN ZHU, the father of “1 more kilo”, TIANLIN, the executive director Of “view china”. The group consisted of the teenage leaders of public farewell is sought after by vast number of students and teachers, and successfully attracted about 1900 persons.

Master Kong has broadcast the competition in over 100 universities all over the country, till 24th June, 2881 episodes are broadcast, covering more than 140 million of students.

Communicate with the other media including of national mainstream print, TV, radio and Internet media and develop the event reports and topic reports, by bonding with the activities such as offline start ceremony, urbane speech tour and training camp. Till now, there are 148 media who have participated in the activity and fulfilled 805 reports including 274 primary reports and 531 article reprinted.

**Social benefits.** This project is a good chance to improve the publics' understanding and awareness towards Public Welfare. Just like a reporter concluded, "Future public welfare should be more a conscientious habit than an advocated undertaking. It should become part of the culture of the society." Moreover, it helps deepen the society's understanding towards contemporary young people. A famous writer, Wang Wenhua pointed out, “The contest are both excellent in conception and implementation. It is obvious that the contemporary young people are innovative and caring.”

**Evaluation.** From the case analysis, it is obvious that Master Kong has a stable and well ordered plan for their CSR activities. To have a deeper probe into the effect of Master Kong's CSR plan, I designed a questionnaire to get the first hand statistics relating to the topic. The questionnaire is mostly handed online that utilizing the on-line questionnaire application “So jump” to reach more targeting groups. In the questionnaire, the questions regarding to the realization and impression of the targeting group on Master Kong's CSR activities are asked to help getting the useful data. There are sixteen questions in total and 172 college students both from HK and mainland China are included in this sample. After data processing with SPSS, I conduct the data analysis as follows.

Firstly, all of the interviewees are aware of the brand of Master Kong, and almost every one of them have ever bought products belonging to this brand, which indicates that the brand is widely known among its targeting people.

However, when asked about the CSR activities the company has done, 57.45% of the interviewees say that they have never heard about any before (Fig .1). And from another question of “whether you will buy the products because of a company once did CSR activities”, half the people chose “yes, this will have an impact on me” (Fig .2). This proved the theory, to a large extent, that CSR activities matter a lot when people make purchasing decisions, and obviously Master Kong have not utilize its high awareness to further establish the company's image.

CSR activities conducted by Master Kong	Sports	Environmental protection	Education	Never heard of any
Percentage	17.02%	8.51%	17.02%	57.45%

Figure. 1 Familiarity from the publics of those CSR activities conducted

	Positive	Negative	Uncertain
Percentage	50%	20%	30%

Figure. 2 Influence by this campaign on products

What's more, when asked if you have ever heard about the campaign of sponsoring the young students to study in Waseda University, 80.85% of the people expressed a negative answer. Most interviewees selected are university students, who should be the direct targeting group of this CSR campaign, yet the low rate of the awareness showed a complete miscarry.

On the other hand, none of the interviewees who are aware of the campaign attain the information from TV, which is an ideal channel for the company to introduce and demonstrate the CSR activity, because Master Kong has been doing an excellent job in TV commercials. 11.11% ratio of being informed from Internet shows a poor work in which the company utilizing the fast and popular channel, a channel that is exactly where full of its targeting groups (Fig .3). CSR activities relating to education have a natural advantage of involving the new generation to pay attention. Therefore, Master Kong should really adopt the strategy to put its focus on the Internet.

Channels	TV	Radio	Internet	Newspapers	Outdoor ad	Friends
Percentage	0%	0%	11.11%	22.22%	11.11%	55.56%

Figure. 3 channels used to get informed about this campaign

## Conclusions

From the above, we can easily find that though Master Kong has huge investment in their CSR plan, but the desired feedback has never been achieved. Though it has established an official site in blog.sohu, promoted CSR activities on popular SNSs (e.g., Sohu Weibo, Renren), and also pay attention to traditional media's coverage. However, the power of Sohu Weibo is not that big because of its number of users is not that large and the influences of blogs have not been as strong as they were 3 to 5 years ago. Furthermore, nowadays the target audiences (i.e., young people) seldom use traditional media, especially the younger ones. Thus, the publicity strategies Master Kong used did not achieve a satisfactory effect because of lacking a new media strategy. Media shape perceptions and set the agenda regarding what is important, new media like weibo, weixin has replaced the traditional media on some certain. People, especially the gougers, use social network as

the vital part in their daily life. The social network plays a nature ground for word-of-mouth communication. As we have found in Fig .3, over 55.56% youngsters acknowledged the campaign through their friends, Master Kong has done such little work on its official weibo and other new media ways. Above all, I come up some suggestions that Master Kong should implement to improve the public's perceptions of its CSR initiatives. The following tactics could be utilized:

Founding an official weibo account of Master Kong's CSR activities, in order to promote what they have done and to communicate with the targeted audience. Focusing on the using of new media and taking traditional media publicity as an subsidiary mean should be a wise method.

Inviting Master Kong's various products' spokespersons to take part in its CSR activities. It has been verified in many research that tradition opinion leader still work in the online space. Making use of the existing resources, i.e., the influence of celebrities on the public will definitely get the audience interests, and the media's attention.

Another strategy Master Kong could use is adjusting the fields its CSR initiatives involve. According to Hittner (2009), most companies do not understand the concerns of their key stakeholders and are not actively engaging them. Thus, they will not capture valuable insights that could improve their business and provide access to new opportunities. From the above case analysis, I know that Master Kong has made contribution to society on food safety, environment protection, education, and assistance to disaster-area. Nevertheless, the subjects of these activities are not obvious and lack of focus. Thus, it is hard to catch the attention of target audiences. Furthermore, the connection between the CSR activities and the brand of Master Kong is not close, so the stakeholders cannot associate CSR activities with the brand image. (Hittner, 2009). This information gap between Master Kong and its stakeholders has hindered the stakeholders perceptions of CSR activities. Therefore, I propose the following tactics:

(1). Find out the CSR activities in coordination with the stakeholders' needs .

(2). Design different CSR activities of the same subject which is consistent with the strategy of the company.

Conducting researches on the preferences of the target audience and making communication strategy according to the research findings. If companies intend to gain benefits or promote outcomes by CSR activities, they need to enhance the publicity of their events and meet the demand of their stakeholders. New media provides corporate a convenient and quick way to collect customers' feedback and attitudes. Data can be collected and analyzed in a much shorter time than before, big data will also help finding target audience directly. So ,research ,especially using big data in new media times to do audience research may fill the gap between CSR plan and stakeholders' needs perfectly.

## References

- [1] D. Wood (1991). Corporate Social Performance Revisited. *The Academy of Management Review*, 16(4).
- [2] Hittner, J.(2009). Information Gaps Hinder CSR Achievement. Retrieved from <http://www.policyinnovations.org/ideas/innovations/data/000131>
- [3] Jui-Ling Hsu & Meng-Cheng Cheng (2011, AUG 2). What Prompts Small and Medium Enterprises to Engage in Corporate Social Responsibility? A Study from Taiwan. *Journal of Corporate Social Responsibility and Environmental Management*, 2011.

- [4] McWilliams, A. and Siegel, D. S. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of Management Review*, 26(1): 117 – 127.
- [5] Pearce, J. A. II, & Doh, J. P. (2005). The high impact of collaborative social initiatives. *MIT Sloan Management Review*, 46(3): 29-39.
- [6] Tian, Z. & Wang, R. & Yang, W. (2011). Consumer Responses to Corporate Social Responsibility (CSR) in China. *Journal of Business Ethics*, 101, 197-212.
- [7] Zadek, S. (2006). Corporate responsibility and competitiveness at the macro level: responsible competitiveness: reshaping global markets through responsible business practices. *Corporate Governance*, 6(4): 334-348.
- [8] Ziek, P. (2009). Making Sense of CSR Communication. *Corporate Social Responsibility & Environmental Management*, 16, 137-145.
- [9] Shergill, S.(2012) ‘Consumers perception towards the corporate social responsibility: A case study of India’, *European Journal of Business and Management*, 4(4), 47–56.
- [10] Tay, K. (2005) ‘CSR challenges & trends in corporate Malaysia’, *Management & Accounting-Accountant Today*, (January–February), 40–43.
- [11] Treadwell, D. (2010) *Introducing Communication Research: Paths of Inquiry*. Los Angeles, CA: Sage Publications.
- [12] Walker, K. (2010) ‘A systematic review of the corporate reputation literature: Definition, measurement, and theory’, *Corporate Reputation Review*, 12(4), 357–387.