

# Value for Money

A recent study in the USA has shown that companies aren't successfully delivering messages to consumers about their corporate social investment (CSI) efforts – raising interesting questions about possible missed opportunities at home



There are two main issues here: do companies make enough of a fuss about their social investment decisions and, if so, do consumers give a damn?

According to the American study by Penn, Schoen & Berland Associates, in conjunction with Landor Associates, 75% of consumers polled indicated a willingness to pay more for socially responsible products and from companies they know to be socially responsible. More than half the respondents said they'd pay at least 6% more on a purchase to patronise such companies.

How does the playing field look in SA? "We should be viewed as a different market," says Dianne Bayley, Editor of *Marketingweb*.

"South African consumers are quite behind in terms of seeking and understanding that sort of information. When a large portion of the market needs to buy bread and milk at the lowest price point, where it's come from and who the brand supports are not key factors in their purchase decision."

Bayley agrees, however, that there's a wealthy and better informed – albeit small – market in SA which does consider bigger issues when buying goods. "I believe that in this market (largely LSMs 9 and 10), businesses probably aren't getting enough leverage out of their CSI efforts, particularly considering what many are spending on them. They tend to rely too much on the media, but if the media doesn't bite, the

consumer doesn't hear about it."

In this respect, radio station Heart 104.9FM is in a good position; not only does it support several CSI initiatives, but it has the vehicle to promote them. MD Gavin Meiring says: "We have 'on-air' campaigns that run for a minimum of two weeks prior to, during and one week after an event. In addition to this, we reinforce the radio message in various print media."

Although listenership figures for the campaigns aren't available, Meiring says he believes the station achieves its goals. "Heart 104.9FM is known to care about its listeners and the community in which it broadcasts, so it's important that we reflect that. Our aim isn't necessarily to increase our audience through these initiatives, but to build loyalty with our existing listeners who expect us to act and assist in any way we can."

Yet are enough businesses following the same altruistic path – and spreading awareness of their efforts? "In SA, CSI is a requirement by law, so companies are obliged to participate. They may as well get some mileage out of it. There's nothing wrong with talking about your CSI projects – that's marketing," says Bayley.

The trick seems to be raising consumer awareness – and where better to find a brand's captive audience than at the point of purchase? Woolworths, for instance, advises customers of its CSI initiatives on in-store posters, food and clothing labels, as well as in its newsletters.

Kate Wolters, Group Communications Manager for brand development and marketing insight company Added Value, says writing a cheque for the company's annual golf day just doesn't cut it any more. "Globally, we do a significant amount of work in the area we call 'branding for good' – helping clients with their sustainable marketing challenges [on both social and environmental issues]. Businesses need to ensure that what they do adds directly to the long-term equity of their brand and business." – KIM NOVICK

• Listen to Kim Novick's investigative reporting on consumer issues on Radio 702's *Redi Direko Show* every Monday after the 11am news.