

ASPECTS REGARDING CONSUMERS' PERCEPTION OF CORPORATE SOCIAL RESPONSIBILITY IN ALBA IULIA

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ABSTRACT: The main objective of the present paper is to present the way consumers in Alba Iulia, Romania, to perceive the concept of corporate social responsibility. The research represents the summary of a larger research project pretested questionnaire. In order to achieve this objective we have applied a questionnaire to a number of 51 consumers from Alba Iulia. The data were analyzed with the help of SPSS software.

The paper starts with a literature review in the area of corporate social responsibility and is followed by the research methodology and the results of the research.

After analyzing the data we have reached the following conclusions: when it comes to the elements that corporate social responsibility consists of, the consumers from the mentioned area almost follow the pyramidal approach of Carroll (1999); practically, obtaining profit is largely considered to be one of the companies' most important social responsibilities, followed by socially responsible investments, protecting the environment, etc.

Keywords: corporate social responsibility, consumers, perception

JEL Codes: M 14, M 31

Introduction

Considering the role the consumer plays in marketing, companies should pay particular attention to how he perceives the social responsibility activities undertaken and reported by the company. Moreover, in order to understand how and under what conditions social responsibility activities hall-mark the consumer's attitudes and behaviour, decision makers should incorporate in the company's policies and strategies both corporate and the stakeholders' perspectives towards the social responsibility activities conducted by the enterprise.

As defined by Cătoiu (2004), consumer's behaviour refers to all the decisions made by the individual or by the group, directly related to obtaining and using goods and services in order to meet current and future needs, including decision-making processes that precede and determine these acts.

In 1969, through cyber language, Kotler explained the issue of the consumer's behaviour. Thus, the consumer's behaviour is presented as an output, as a result of inputs received, evaluated and processed by humans. Inputs come into the human psyche, into the "computer" as appointed by Kotler through channels, resulting in certain outputs. The so-called "inputs" are considered: the economic situation, the price, the quality, the utility, the choice, the presentation, the culture, the consumer's biography and others; marketing or personal sources such as advertising, consumer's knowledge and observation, and others, are considered to be the channels, and the outputs are: selection of the product and business unit, frequency of purchase, quantity purchased, and others (Cătoiu and Teodorescu, 2004).

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Just as the authors mentioned above, we strongly believe that inputs and channels can be controlled to a greater extent, while the outputs can be controlled lesser, as long as the way the human mind processes the information received (inputs) cannot be known and hence cannot be controlled. But we believe that by researching the way consumers obtain certain outputs by perceiving certain inputs submitted through certain channels, the control of outputs will increase.

Just like the corporate social responsibility, consumer's behaviour is part of the concepts that until now have no universally accepted definition, but are sketched by using certain items. In this case, in order to define the concept of consumer behaviour, the following processes highlighted are: perception, information, attitude, motivation and behaviour itself.

Literature review

According to the Explanatory Dictionary of the Romanian Language, perception is a psychological process by which the objects and the phenomena of the objective world that acts directly on the sense organs are reflected in all their characteristics as a unified whole; the image resulting from this reflection; the faculty of perceiving the external world phenomena; comprehension, knowledge (EDRL '98); psychological process by which the objects and phenomena of reality are directly perceived with the sense organs; image of the surrounding objects and phenomena resulting from this psychic process; perceptual capacity (NEDRL in 2002).

Perception is considered to be a very complex process consisting of the mental activity of finding, understanding, judging the impulses received by the sense organs. It can be physiological, namely the physical perception, and psychological, namely the cognitive perception. Its main feature is selectivity due to the individuality of consumers and it completes the need (Cătoi and Teodorescu, 2004).

The authors mentioned above say that in marketing, perception is directly related to information/learning, elements through which consumers know the products. In the process of informing, most attention is directed to the sources of information. These can be personal or impersonal.

The Bayesian and learning theory are most commonly used when conducting the scientific research on the processes of acquiring information. The learning theory is considered to be a relatively permanent change of behaviour, as a result of repeated experience. The latter can be achieved through advertising or through the satisfaction/dissatisfaction felt after using or consuming a product/service.

Other authors who have studied the link between perception and learning, distinguish two classes of learning: learning based on memorisation (by repeating information) and learning through introspection, when the learner reconsiders his position better than before introspection (Demetrescu, 1972).

Research design and methodology

The objective of this research is to find the expectations and perceptions of the consumers of Alba Iulia regarding the corporate social responsibility.

For achieving the above-mentioned objective a more extensive research was conducted with the same target, of which the first 51 questionnaires have been extracted for the present study, which are the pretested questionnaires. The questionnaire was developed and applied exclusively online by using GoogleForms and Facebook; it was created with a number of 27 questions of varying complexity, and it has been applied to urban consumers of the city of Alba Iulia. The paper will present the results of the analysis of the first questionnaire variables, namely those related to consumers' expectations on corporate social responsibility activities, and how they perceive the defining components of the investigated concept.

Following the questionnaire, the data obtained were extracted in an Excel file and imported into the SPSS 20 statistical data processing program.

Results and discussions

66.7 % of the respondents are women and 33.3 % are men. Regarding the respondents' age, they were within 18 and 41 years, with an average age of 29 years.

64.7 % have a full time job, 23.5 % are students and the rest are either unemployed or contractors or freelancers. 39.2 % of these are employed in education, 25.5 % in tourism, and 9.8% are either in commerce or in services.

Net incomes per household among respondents, for most of them, namely for 33.3 % of them, are between 851 and 1500 lei, for 23.5 % of them incomes fall from 1501 to 2000 lei, 17.6 % have net incomes per household between 2001 and 3000 lei, 15.7% have over 3000 lei, and the rest under 500 lei.

In terms of respondents' education, a little more than half of them, namely 51 percent are post-graduates (postgraduate classes, masters or doctorate), 37.3 % are graduates of university education and the rest are high school graduates.

Table no. 1

**To what extent do you agree with the following statements related to companies in Romania?
In your opinion, they try...:**

No.		to a very small extent %	to a small extent %	neither small, nor great extent %	to a large extent %	to a very large extent %
1.	to support the cultural activities of the areas where they operate	13.7	37.3	35.3	9.8	3.9
2.	to carry out projects in poor areas	9.8	60.8	19.9	3.9	5.9
3.	to support humanitarian causes	7.8	37.3	29.4	21.6	3.9
4.	to reduce their consumption of natural resources	15.7	31.4	17.6	29.4	5.9
5.	to protect the environment (by investing in the latest technology)	21.6	29.4	23.5	17.6	7.8
6.	to respect the rights of their customers	5.9	29.4	33.3	19.6	11.8
7.	to create new jobs	3.9	41.2	27.5	19.6	7.8
8.	to comply with laws and regulations	3.9	9.8	47.1	23.5	15.7
9.	to respect the employees rights	0	31.4	41.2	13.7	13.7
10.	The average of percentages	9.14	34.22	30.53	17.63	8.49

Source: author's contribution

37.3 % of the respondents believe to a small extent that companies in Romania seek to support cultural activities in the areas where they operate, 35.3 % in no small or large extent, 13.7 % to a very small extent, 9.8% to a large extent, and only 3.9 % think they heavily support cultural activities in the areas where they operate. It can therefore be seen that the trend is towards supporting them to a small or very small extent.

60.8 % of the respondents consider to a small extent that companies in Romania are trying to carry out projects in poor areas, while 19.6% seem to be undecided on this. Only 3.9% of the respondents believe to a large extent that the companies operating in Romania are trying to carry out projects in poor areas, and only 5.9 % think that happens very much.

In terms of companies in Romania trying to get involved in humanitarian causes, 37.3 % of the respondents consider that to a small extent, 29.4 % seem to be undecided on this, 21.6 % agree to a large extent, while 7.8 % to a very small extent, and 3.9% heavily agree.

Only 5.9% of the respondents heavily agree that companies operating in Romania are trying to reduce their consumption of natural resources, while 29.4 % agree to a large extent, 31.4 % to a small extent, 15.7 % to a very small extent, and 17.6 % appear to be undecided, responding that they agree in no small nor large extent.

With regard to companies trying to protect the environment, the majority of the Alba Iulia consumers, namely 29.4 % agree with this to a small extent, while 23.5 % are likely undecided. 21.6 % agreed to a very small extent that companies in Romania are trying to protect the environment by investing in the latest technology, 17.8 % agree to a large extent, while only 7.8 % agree to a very large extent.

In respect of consumer rights, it seems that more and more Romanians begin to feel that companies respect their consumer, primarily through respecting his rights. Thus, besides the 33.3% of the respondents that say they agree in no small nor large extent to the fact that companies in Romania are trying to respect the rights of their customers, 29.4 % agreed to a small extent, 19.6 % agree to a large extent, 11.8% heavily agree, and only 5.9 % to a very small extent.

41.2% of the respondents agree to a small extent with the statement that companies in Romania are trying to create new jobs, while 27.5 % of them seem undecided, 19.6 % agree to a large extent, 7.8 % heavily, while 3.9 % to a very small extent.

47.1 % of the respondents agree to a nor small nor large extent with the statement that companies in Romania are trying to comply with the legislation and regulations, while 23.5 % agree to a large extent, 15.7 % are agree to a great extent, and only 9.8 % little or 3.9 % to a very small extent. It can therefore be observed that consumers appreciate the companies operating in Romania that comply with the law.

Almost half of the respondents, namely 41.2 % of them agree to a nor small nor large extent with the fact that companies in Romania are trying to respect the rights of their employees, while 31.4 % agree to a small extent, and in equal percentage, 13.7 % agree to a large or very large extent.

Table no. 2

To what extent do you think that corporate social responsibility consists in:

No.		to a very small extent %	to a small extent %	neither small, nor great extent %	to a large extent %	to a very large extent %
1.	[Benefits for all stakeholders (shareholders, suppliers, employees, consumers, etc.)]	2	7.8	41.2	25.5	23.5
2.	[Getting an edge over competitors]	7.8	15.7	19.6	25.5	31.4
3.	[Complying with consumer rights]	2	17.6	25.5	35.3	19.6

4.	[Complying with employees rights]	2	23.5	23.5	31.4	19.6
5.	[Creating partnerships with local communities]	7.8	9.8	25.5	37.3	19.6
6.	[Environment protection and conservation]	13.7	15.7	19.6	25.5	25.5
7.	[Socially responsible investments]	3.9	23.5	13.7	27.5	31.4
8.	[Ethics compliance]	3.9	15.7	29.4	27.5	23.5
9.	[Sponsorships/charity]	0	17.6	29.4	39.2	13.7
10.	[Compliance with legislation]	9.8	17,6	29.4	29.4	13.7
11.	[Getting profit]	15.7	9.8	9.8	23.5	41.2
12.	The average of percentages	6.24	15.85	24.24	29.78	23.88

Most of the respondents, namely 41.2 % heavily believe that corporate social responsibility is to obtain profit, 23.5 % think that to a large extent, 15.7 % consider it to a very small extent, while in equal percentage, 9.8 % of the respondents believe to little or to nor small or large extent that corporate social responsibility is to obtain profit.

In equal percentage, namely 29.4 of the respondents claim that corporate social responsibility largely or to nor great, nor little extent consists in the compliance with current legislation, while 17.6 % say that to a small extent, 13.7 % heavily agree, and 9.8 % agree to a very small extent.

Most of the respondents, namely 39.2% largely think, 29.4 % believe to nor small or large extent, 17.6 % consider to a small extent, and 13.7% heavily consider that CSR activities consist of sponsorship/charity.

For 29.4 % of the respondents, to an average extent, largely for 27.5% and heavily for 23.5 %, corporate social responsibility consists in the compliance with the ethical norms.

For 31.4 % of the respondents, respectively the highest percentage so far in the “to a very large extent” category, corporate social responsibility is to achieve the socially responsible investment, e.g. investments in companies that support projects encouraging access to education for disadvantaged children. 27.5 % of the respondents largely believe this, 23.5 % consider it to a small extent, 13.7 % to an average extent, while only 3.9 % consider to a very small extent that corporate social responsibility lies into socially responsible investing.

In terms of protecting and preserving the environment, in equal percentage, 25.5, the respondents heavily or largely believe that corporate social responsibility consists in protecting and preserving the environment, 19.6 % think that to an average extent, 15.7 % to a small extent, and 13.7% to a very small extent.

31.4 % of the respondents believe that CSR largely lies in complying with the workers’ rights, in equal percentages, 23.5, consider this to an average or small extent, while 19.6% heavily believe it and only 2 % to a very small extent.

35.3 % of the respondents largely believe that corporate social responsibility lies into respecting the rights of consumers, 25.5 % consider this to an average extent, 19.6 % to a very large extent, while 17.6 % to a small extent and 2% to a very small extent.

31.4 % of the respondents believe to a very large extent that CSR consists in obtaining a competitive advantage, 25.5 % largely believe this, 19.6 % to an average extent, while 15.7 % believe this to a small extent, and 7.8 % very little.

41.5 % of the respondents believe to an average extent that corporate social responsibility consists of benefits for everyone involved, while 25.5 % of them consider this to a large extent, 23.5 % to a very large extent, 7.8 % to a small extent, and 2% to a very small extent.

Trying to draw a conclusion from those presented so far, it can be seen from the above table, which is intended as a summary of the previous analysis, that consumers of Alba Iulia, heavily believe that companies' most important social responsibility is **to obtain profit**, followed in equal percentages by the *socially responsible investments* and by the *achievement of competitive advantage*, and the *protection and preservation of the environment*. They largely believe that CSR consists in *sponsorships/charity*, followed by the *development of partnerships with local communities*, the *compliance with consumers and employees rights*, and not least, the *compliance with the legislation in force*. Finally, to no small or large extent, consumers in Alba Iulia believe that corporate social responsibility is to achieve benefits for all the ones involved and to comply with the ethical regulations.

Thus, if trying to make a classification of the Alba Iulia consumers' opinion on the place the above mentioned components have for the concept of corporate social responsibility, and if for example we use Carroll's pyramid, we think it should look like this:

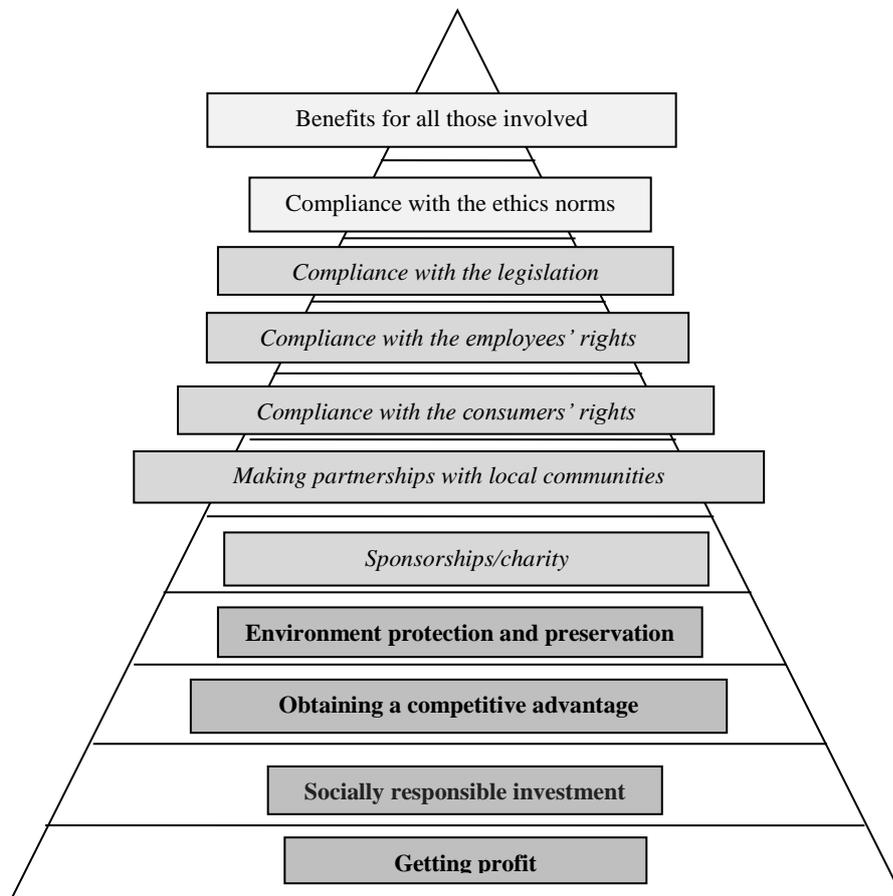


Figure no. 1. Pyramid on the Alba Iulia consumers' perceptions on CSR

Table no. 3

Table on the frequency to mention companies

No.	Company 1		Company 2		Company 3	
1.	Company	Freq.	Company	Freq.	Company	Freq.
2.	Petrom	12	Petrom	7	Cosmote	6
3.	Vodafone	8	Romp petrol	4	Transilvania Bank	4
4.	Avon	5	Automobile Dacia	3	Orange	4
5.	Orange	4	Avon	3	BCR	3
6.	Coca-Cola Company	4	Orange	3	Vodafone	3
7.	Continental SA	2	BCR	2	Coca-Cola Company	2
8.	Banca Romaneasca	1	EON Romania	2	ING	2
9.	Automobile Dacia	1	Procter&Gamble	2	Romp petrol	2
10.	EBS Romania	1	Vodafone	2	AzoMures	1
11.	EMERSON	1	Amway	1	BOSCH	1
12.	Enel Romania	1	Banca Transilvania	1	BRD	1
13.	EON Romania	1	BOSCH	1	Automobile Dacia	1
14.	GDF Suez Energy	1	BRD	1	Enel Romania	1
15.	ING	1	Carrefour	1	EON Gaz	1
16.	INSEMEX Petrosani	1	Coca-Cola Romania	1	FARMEC	1
17.	Romp petrol	1	Cosmote	1	Gerovital	1
18.	Samsung Electronics	1	Enel Romania	1	Lukoil	1
19.	Siveco Romania	1	ING	1	OMV Petrom	1
20.	Velpitar	1	OMV	1	Petrom	1
21.			Polisano	1	RCS&RDS	1
22.			Raiffeisen	1	RMGC	1
23.			Siemens	1	ROMGAZ	1
24.			Transavia	1	Transmixt SA	1
25.			Transgaz	1	Siveco	1
26.			Albalact	1	Supremia	1
27.					Transavia	1
28.					Unilever	1
29.					UPC Romania	1
30.					VelPitar	1
31.					Avon	1

Source: author's contribution

In terms of the major companies considered by the consumers of Alba Iulia as socially responsible, we may see from the table above that (see table no. 3), both the first and the second company mentioned by consumers is Petrom. This is referred to as a first company 12 times and 7 times as the second. This can only make us conclude that the social responsibility activities

undertaken by the company Petrom are visible, perceived and understood by consumers in Alba Iulia.

The second frequently mentioned as the first company appears the telecommunications company Vodafone with 8 mentions, followed by the cosmetics company Avon, 5 references.

In the case of the second company intended to be referred to by consumers, as mentioned in the previous paragraph, on the first place is Petrom with 7 mentions, followed by the oil company Rompetrol, 4 references, and on the third place, with 3 references each, appear Avon, Automobile Dacia and Orange.

In the case of the third company, the first place in the number of references is occupied by Cosmote, a telecommunications company, with six mentions, followed by Transilvania Bank and Orange with 4 citations, and on the third place, with 3 references, BCR and Vodafone.

And if we were to do a ranking of the most listed companies, then things would look like this: Petrom with 20 references, Vodafone with 13 references, Orange with 11 mentions, Avon with 9, Rompetrol with 7 references, Cosmote with 7, Coca-Cola with 7 mentions, Automobile Dacia with 6 references. Thus, the oil companies are on top, the 3 telecom companies are ranked the second and the third place would be occupied by the cosmetic companies.

Conclusions

Following the data preliminary analysis, it can be seen that consumers in Alba Iulia too have quite large expectations from the companies operating in Romania. This is very noticeable in the table 1, where the highest percentages are in the “to a small extent” column, which shows the respondents’ much higher unsatisfied expectations, especially when referring to companies’ involvement in projects in poor areas or to their intention to create new jobs.

Regarding how consumers perceive the concept of corporate social responsibility, it can be seen that, if we were to use Carroll’ pyramid model, their answers respect his pyramid structure to a very large extent, as can be seen in Figure 1.

In terms of the main companies seen by the consumers of Alba Iulia as the most socially responsible ones, we may notice in Table 3 that if we were to make a ranking based on the number of references made to them, then things would be as follows: Petrom - 20 references, Vodafone - 13 references, Orange - 11 references, Avon - 9 references, Rompetrol - 7 references, Cosmote - 7 references, Coca-Cola - 7 references. One can easily see that the first place is occupied by an oil company, which are mainly the companies with the largest investments in corporate social responsibility activities, followed by mobile phone companies, companies that also invest large sums of money in CSR activities, followed by a cosmetics company and a producer of carbonated beverages.

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