# ACTIONS OF SOCIAL RESPONSIBILITY IN CREATING THE BRAND IMAGE OF A SERVICE ORGANIZATION

#### BEATA TARCZYDŁO

AGH University of Science and Technology, Faculty of Management, POLAND e-mail: btarczyd@zarz.agh.edu.pl

RECEIVED ACCEPTED 8 August 2017 15 December 2017

IEI.

CLASSIFICATION

M31, M14, Q01

KEYWORDS

brand image of a service organization, social responsibility service organizations, brand management of a service organization, case study

**ABSTRACT** 

The article aims at responding to the following research question: do the undertakings in the area of corporate social responsibility (CSR) play a role in enhancing the desired image features of the analysed service provider's brand, and if yes, what does this role consist in? The decision to focus the attention on this particular subject has been motivated by the significance of corporate responsibility of today's service organizations, and the awareness that in their decision processes people are guided by the service provider's brand image. It is important therefore to increase understanding of methodological activities undertaken by a service organization in pursuit of its desired brand image, and of possibilities to attain this goal by means of CSR undertakings. The methodology of conducted research spanned the diagnosis of the actual state of knowledge in the analysed area, review of available results of research, own research using the case study method, and meta-analysis of the Internet sources of information on the Orange CSR activities.

The analysed operator is socially responsible and has a well-considered strategy in this area. Methodical Orange CSR actions form a clear support for the creation of a strong socially responsible brand and enhances its positive image. In current market conditions the effective creating of brand image of a service organization seems to be determined by appropriate activities in the field of corporate social responsibility. The obtained results might be used to develop knowledge in the field of brand management of a service organization or by involved stakeholders from the service sector.

## Introduction

The effectiveness of operation of today's service organizations largely depends on: orientation towards shareholders, activities targeted at protection and enhancement of social standards, economic and legal responsibility, ethical conduct, respecting social obligations of the market players, but also on the personified brand management, including its appropriate image. Consequently, the obligations of the today's service organization,

apart from its core activities, seem to comprise among others: protection of the planet, defence of human rights, care for natural resources, engagement in matters of importance to the stakeholders, and provision of positive experience related with the brand, which the stakeholders desire to get involved with.

In many sources of information authors are concerned about the impact of CRS on brand and customer relationships (Liu, Wong, Shi, Chu, Brock, 2014; Kuo-Fang, Yan, Kuang-Wei, 2014; Khojastehpour, Johns, 2014; Moon, Lee, Oh, 2015; Fatma, Rahman, Khan, 2015; Wolf, Issa, Thiel, 2014; Pogorzelski, 2015; Wang, Korschun, 2015). However, studies on the impact on brand image have not been met. The identified research gap led to aims at presenting the role of actions of corporate social responsibility (CSR) in shaping the appropriate brand image of a service organization.

A service organization faces a challenge of application of proper tools, means and procedures, including the socially responsible initiatives, by which the individual is the most important subject and beneficiary of the created benefits, including the ones resulting from it appropriate image.

## Actions of CSR of a service organization and its brand image — literature review

The term – action of corporate social responsibility – is generally applied to a variety of activities in the area of corporate social responsibility. It is related to an effective management of a service organization, which by responding to identifiable expectations of stakeholders contributes to enhanced competitiveness, ensures stability and sustainable development, and at the same time facilitates economic and social development while creating both the social and economic value (Rosenbaum-Elliott, Percy, Pervan, 2011; Khojastehpour, Johns, 2014).

CSR forms a background for designing and including the projects which incorporate the goals and values pursued by the society in the strategy of operation of a service organization (Johann, 2015, pp. 19–30). Responsible business means a strategy which involves social, ethical and environmental aspects into business operations and contacts with stakeholders, i.e. the employees, clients, shareholders, local community, media representatives and other subjects.

No commonly agreed set of CSR instruments can be observed in the available sources of information. According to the Responsible Business Forum, business practice shows a multitude of CSR practices, which can be divided into the following categories: business and the market, business and workplace, and business and the society. Activities for the benefit of the society comprise: charity, employee volunteering and social investments; for the benefit of the environment: corporate environmental policy, environmental audit, employee involvement, green manufacturing, and green products (Fatma et al., 2015).

The types of social activities, so called CSR actions, comprise: a social agenda, a social action, and a social campaign (Rasche, Morsing, Moon, 2017). Social agenda means a planned and long-term activity aimed at responding to a specific problem, frequently implemented with the support of public institutions, business representatives and social organizations; a good idea which can attract attention of the society is of primary importance, such as the "the whole of Poland reads for children". Social action is a one off or cyclical, usually short-term endeavour – for example a money collection for a specific purpose, such as The Great Orchestra of Christmas Charity. Finally, the social campaign is a series of targeted actions designed to change the behaviour, and even the attitude of a specific group of people. It is a large endeavour which involves a large number of entities: business, media, social organisations, state institutions. Involvement takes various forms: financial, service-oriented, physical, educational. Summing up, service organizations may use various CSR tools, it is important however to adopt a well-considered approach.

Organizations interested in professional involvement in matters of social importance should design a special programme or a strategy in this. The following procedure for getting involved in socially important matters seems to be logical: 1) analysis of the mission statement and deciding if the pro-social activities may be related to it; 2) identification of the areas which will be supported (protection of health, environment, education, culture, etc.); 3) choice of subjects to be supported (children suffering from cancer, persons with disabilities, women constituting potential clients, or other populations); 4) specifying the expected benefits (strengthening employee loyalty, creating a positive image, support for local community, etc.); 5) defining the forms of engagement (financial, educational, inkind, service-oriented); 6) choice of tools (agenda, campaign, action, other); 7) deciding if this is a one-off endeavour or a long-term process; 8) preparing the schedule of implementation; 9) specifying persons responsible; 10) launch of activities; 11) planned methods of assessment (measuring) of the achieved results. The stages indicated above should allow for optimisation of the activities and results in the analysed area.

A brand image of a service organization is a set of characteristics or a list of features ascribed to it (Keller, 2013, p. 76, 549; Rasche et al., 2017, p. 92; Tarczydło, 2013).

Razmus (2010, pp. 10–11) describes three views of understanding of brand image: psychological (individual impression), sociological (collective impression) and anthropological (cultural element). The author states that brand image is a hypothetical construct whose aim is to create loyalty to a brand.

And what's more, supporters of the significance of the brand image claim/promise that a tenderer who decides to create the most distinctly outlined brand image will gain the biggest part of a market and the biggest profits.

Stakeholders, including customers, can be attached to the image of a service organization because of their beliefs concerning psychological and social aspects ascribed to it. It results from the fact that associations with a brand may carry a crucial meaning for a self-image of an interested party (Franzen, Moriarty, 2015, p. 114; Rosenbaum-Elliott et al., 2016, pp. 92–93).

Thus, it seems legitimate to state that in current market conditions service organizations should take particular care of the right brand image which appears to be an important tool of market competition and a factor generating value for stakeholders.

# A method and the object of research

For the purposes of this study, the analysis was focused on the telecommunications services operator Orange in the period of February to July 2017. The performed case study was directed at finding the answers to the following questions: 1) does the analysed service organization constitute a socially responsible organization and pursues a well-designed strategy of CSR actions; 2) did Orange implement any CSR undertakings in the analysed period and what was their nature; 3) were the undertakings new or did they form a part of long-term projects; 2) what is the role of socially responsible activities in the creation by the operator of the brand image; 3) what is the impact of the identified CSR actions on the image features of the analysed service brand. The description of the market object is presented in Table 1.

Table 1 summarises the object of research, the brand which marks the services and the characteristic features of the marketing communication developed for it, and outlines the CSR policy of the analysed operator.

Vol. 26, 2/2018 **267** 

**Table 1.** Selected features of the analysed operator, its brand, and the CSR policy

Criteria	Description of criteria  Orange Polska is a telecommunications, multimedia and entertainment services provider which uses modern technologies. It is a leader in the Polish fixed telephony, Internet and data transmission market; it offers comprehensive telecom solutions.		
General information			
The brand and main values	Orange is an international brand for telecommunications services owned by France Télécom and managed by Orange Brar Services Ltd. Orange brand determines the values and the way of operation which should be followed by the whole organiz Its aim is to be the most willingly chosen telecommunications brand. The purpose is to democratise the digital revolution. Services provided by the operator should be easy to understand, simple, and user-friendly. The values which guide Orange pursuant to its Code of Ethics are the following: direct, honest and inspiring, friendly and dynamic.		
Features of the communication for the brand	Marketing communication for the Orange telecom services brand is based on creativity, stirring emotions, creating positive experience, engaging stakeholders, making life easier, and providing entertainment. It is the widely understood communication which is stressed, and not the technical specifications of the service and product packages.  On 10 February 2017, a campaign was launched promoting the new Orange Love service (it includes Internet access, 4K TV, and unlimited calls in one package for less than 3 PLN per day). The Beatles "All You Need Is Love" song has been used in an advertising spot. The creation of the new advertising campaign for the Orange Love service has been entrusted to Publicis agency.		
CSR policy	By means of the CSR undertakings the brand engages itself in socially important matters and consequently it starts to play an important role in the stakeholders' life. The Orange CSR policy constitutes a set of decisions, actions and undertakings in various areas of responsibility vis a vis its employees, clients, partners, communities, media, Internet users, and other stakeholders. Overall, the Orange brand marks clever and courteous CSR actions which allow for attainment of a variety of objectives and generate a range of benefits.		

Source: own elaboration on the basis of conducted research.

While presenting the problem of creation of an appropriate image for the Orange brand it is worth making a reference to connotations with the etymology of the name linked to the orange colour and its influence on the recipients. The colour of the brand is formed by a mixture of red and yellow, it signifies joy, optimism, energy, fun and warmth, and creates connotations with physical comfort, good communication between people and abundance.

## The role of CSR in creating the proper brand image — results of case study

In order to face the challenge of investigating the opportunities for creation of an appropriate image of the Orange brand involving the CSR actions, a case study was conducted; the results are presented in Table 2.

Information presented in Table 2 confirms the thesis that the CSR activities play an important role in the process of creation of the appropriate image for the Orange brand. The conducted research shows that the analysed brand has regularly participated in numerous pro-social projects for a number of years. Most probably the engagement in the issues important for the stakeholders and general contribution to doing good constitute its main goal. At the same time, the observed undertakings attract the attention of many partners, clients and journalists, resulting in a publicity effect and facilitating positive connotations with the Orange brand.

The assessment of the identified CSR actions pursued by Orange lead to the conclusion that they contribute to the long-term process of development of its market value. The most important results of the methodical CSR actions are quantifiable benefits for the analysed service organization and its environment, such as: motivation for personnel, support for the projects which are important for the stakeholders, enhancement of social standards, protection of the environment, education, creation of positive experience, and provision of entertainment.

Table 2. Enhancement of the Orange brand image involving the CSR undertakings

Areas of Orange CSR activities	Examples of projects/undertakings and their description	Enhanced features of the Orange brand image
Interesting team	Orange pays particular attention to providing to its employees equal treatment, clear criteria of evaluation and promotion, opportunity for professional and personal development, good and safe working conditions. The company raises employee awareness of values, ethics, and social responsibility: CSR Day in Orange Polska; Volunteering Week in Orange "Share your Smile"; employee volunteering initiatives, e.g. we play for The Great Orchestra of Christmas Charity, a phone call to Mum, etc.	Valuable employees
Safe net	Security and safety in Internet and other electronic media and preparation for informed use of them; security for children in the net, e.g. Helpline.org.pl – 800,100,100 (special free-of-charge emergency number and website for children in dangerous situations encountered on the Internet); educational internet services, such as www.sieciaki.pl; e-learning courses and educational materials; guides for parents "Safe media"	Responsible provider of comprehensive telecommunications solutions; showing care for the most vulnerable
Digital integration	Countering the digital exclusion, Orange actively gets involved in development of internet network supported by EU funds, e.g. in the Lubuskie and Pomorskie Voivodships; cooperation with the Widzialni Foundation in the area of accessibility of the Foundation's website to internet users with disabilities; encouraging the elderly to use new technologies, among other through educational materials, training courses, on-line interviews "Meetings with passions"; multimedia Orange workshops	Friendly (comprehensible, simple), close, inspiring, accessible
Clean environment	Striving to reduce the environmental impact, such as "Green IT" project, which covers global eco-effective approach to the development and use of the IT environment, e.g. digitalisation of resources, energy consumption, printing methods; "E-schools" educational programmes; promotion of e-document solutions, tele- and video-conferences; www.orangerecykling.pl	Pro-environmental
Health, sport, active life	Orange sports clubs; running events under the auspices of the brand; cooperation with schools in the area of education for healthy living	Stimulating active lifestyle
Fun, quality entertainment, positive expe-rience related with the brand	Orange Warsaw Festival; a variety of events engaging the stakeholders	Providing entertainment, close, dynamic, creative
Reporting of achievements	CSR reports developed with reference to key opportunities and challenges of sustainable development in ICT industry, defined on the basis of strategic documents, i.e.: Vision 2050 – World Business Council for Sustainable Development, Challenges for the ICT sector according to SAM, Global e-Sustainability Initiative Report, Europe 2020 and Poland 2030 reports	Well-known, most readily chosen international operator, reliable, transparent

Source: own elaboration on the basis of conducted research and with the use of Internet resources.

## Conclusions

This study has been focused on the subject of corporate social responsibility of a service organization, its form, pertinence, and relevance of the activities for creation of an appropriate image of the service brand.

Today's service organizations are accused not only of polluting the environment, but also of social effects, such as loss of jobs, feeling of insecurity, or social disparities. They are expected not only to provide high quality services, but also to participate in solving a variety of issues of concern for the stakeholders. The implemented CSR undertakings of the brand may generate a variety of benefits: employee involvement in supporting the ones in need; personal and professional development of the persons involved; strengthening the relation with the community, protection of the environment; taking care for health; provision of social aid; rising awareness; promotion of culture; and additionally – efficient creation of an appropriate image.

The analysed operator is socially responsible and has a well-considered strategy in this area. It duly performs its integrated reporting obligations, hence the volume of available information on the range of the pursued CSR

Vol. 26, 2/2018 **269** 

undertakings. Observed actions are long-term projects, which provide framework for subsequent campaigns and actions. It is important to grasp the opportunities and perform the activities which are inspired by the signals from the market. This is also inspired by the client-oriented business strategy implemented since April 2015 based on consumer insights, entitled "What is important to you, counts" (Kubicka, 2017, pp. 33–40; Keller, 2013, p. 335). In the light of representative research, the key areas of client's life in which Orange can support them by providing the solutions which are best for them are: the loved ones, home, mobility, entertainment, money, technology, and business.

Methodical Orange CSR actions form a clear support for the creation of a strong socially responsible brand and its recognizable and positive image, they attract talented individuals and strengthen employee motivation, facilitate implementation of an innovative strategy which follows the principles of sustainable development, and contribute to increasing the profits and a range of various social and community benefits. In the light of the available information, as at 6 June 2017 Orange is one of 48 companies and the only telecom services provider in Poland who joined the Partnerships for Sustainable Development conceived by the United Nations. They are targeting the challenges faced by today's world, including poverty, inequalities, climate change, and strive towards the economic, social and environmental balance.

In the light of the performed analysis and research, the following thesis proves to be justified: at the time of sustainable development (of which the core objects seem to be the people, the planet, and the profit) the effective creation of the brand image is determined by an appropriate CSR strategy. This is due to the fact that the CSR undertakings of the brand constitute today an apparently effective tool for influencing the stakeholders' behaviour, generating value, stimulating sales, and creating results of relevance for the image.

Summing up, a socially responsible service organization should be honest, competent and sound in the performance of its obligations, it should be motivated by both its own interests and the ones of the society; it should temper the desire for immoral and unbridled profit and wastefulness, it should think and act with the long-term perspective in mind for the benefit of the society and the environment, in line with the concept of sustainable development.

## References

Fatma, M., Rahman, Z., Khan, I. (2015). Building company reputation and brand equity through CSR: the mediating role of trust. International Journal of Bank Marketing, 6 (33), 840–856. DOI: 10.1108/IJBM-11-2014-0166.

Franzen, G., Moriarty, S.E. (2015). The science and art of branding. New York: Routledge.

Johann, M. (2015). Service marketing. Warsaw: Warsaw School of Economics.

Keller, K.L. (2013). Strategic brand management. Building, measuring and managing brand equity. (4th ed.). New York: Pearson Education Limited.

Khojastehpour, M., Johns, R. (2014). The effect of environmental CSR issues on corporate/brand reputation and corporate profitability. *European Business Review*, 4 (26), 330–339. DOI: 10.1108/EBR-03-2014-0029.

Kubicka, A.M. (2017). Rola consumer insight w zarządzaniu relacjami z klientem – studium przypadku. Marketing w Praktyce, 3, 33–40.

Kuo-Fang P., Yan C., Kuang-Wei, W. (2014). Brand relationship, consumption values and branded app adoption. Industrial Management & Data Systems, 8 (114), 1131–1143.

Liu, M.T., Wong, I.A., Shi, G., Chu, R., Brock, J.L. (2014). The impact of corporate social responsibility (CSR) performance and perceived brand quality on customer-based brand preference. *Journal of Services Marketing*, 3 (28), 181–194. DOI: 10.1108/ JSM-09-2012-0171.

Moon, B.J., Lee, L.W., Oh, C.H. (2015). The impact of CSR on consumer-corporate connection and brand loyalty. A cross cultural investigation. *International Marketing Review*, 5 (32), 518–539. DOI: 10.1108/IMR-03-2014-0089.

#### Actions of social responsibility in creating the brand image of a service organization

Pogorzelski, J. (2015). Marka na cztery sposoby. Branding percepcyjny, emocjonalny, społeczny i kulturowy. Warszawa: Wolters Kluwer.

Rasche, A., Morsing, M., Moon J. (2017). Corporate Social Responsibility. Strategy, communication, governance. Cambridge: Cambridge University Press.

Razmus, W. (2010). Metody pomiaru wizerunku marki. Marketing i Rynek, 6, 10-15.

Rosenbaum-Elliott, R., Percy, L., Pervan, S. (2011). Strategic brand management. (2<sup>nd</sup> ed.). Oxford University Press.

Tarczydło, B. (2013). Metodyka kształtowania wizerunku marki. Rozprawy. Monografie nr 298. Kraków: Wydawnictwa AGH.

Wan, L.C., Poon, P.S., Yu, C. (2016). Consumer reactions to corporate social responsibility brands: the role of face concern. *Journal of Consumer Marketing*, 1 (33), 52–60. DOI: 10.1108/JCM-03-2013-0493.

Wang, W., Korschun, D. (2015). Spillover of social responsibility associations in a brand portfolio. *Journal of Product & Brand Management*, 6 (24), 596–609. DOI: 10.1108/JPBM-06-2014-0629.

Wolf, R., Issa, T., Thiel, M. (2014). Empowering organizations through corporate social responsibility. Hersey: IGI Global.

**Cite this article 8s.** Tarczydlo, B. (2018). Actions of social responsibility in creating the brand image of a service organization. *European Journal of Service Management*, 2 (26), 265–271. DOI: 10.18276/ejsm.2018.26-33.

Vol. 26, 2/2018 271