Status of Communicating CSR to Stakeholders on Social Media - A Case Study on ITC Limited & Nestle India

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Introduction
Corporate Social Responsibility is now an integral part of corporate strategy of the management in any company in the world. At the same time, communicating CSR activities through various media of communication to the stakeholders - both internal and external, has become more important for the successful engagement of stakeholders with the company. CSR reporting or communication to external stakeholders always has been the risk matter for the companies for divulging their financial status of CSR activities, especially countries like India where CSR act., 2013 by Indian Parliament came into existence and companies have to spend minimum 2 percent of their annual profit mandatorily.

So, companies always opted the official websites (digital media), annual report publishing on websites and Newspaper media or some news agencies in the form of Public Relations News materials and have been inhibitive for the communication of their CSR activities in all kinds of media like Television, Radio, Print and Digital and social media for the fear of being asked many questions by various stakeholders including media.

In the interest of stakeholders and shareholders, a company should adopt the right corporate social responsibility approach (CSR approach) and in this approach all kinds of stakeholders including communities, government organizations, local bodies, media all should be included in decision making process of the company (Francisco, et.al, May, 2016). For this approach, companies have to communicate with the stakeholders in interactive ways concerning CSR issues and the best way of medium to do this are “Social Media Networks” (Francisco, et.al, May, 2016).

In the above context, there is a need to analyse how the companies in India are adopting CSR communication through digital media and online social media networking sites and if they are using “interactive approach” to do this.

A digital social media network site is defined as ‘a set of digital online spaces’ in which public users create their profiles and maintain a list of contacts for actively interacting on various issues using these websites (Krishnan, 2012). Social media platforms like Twitter, Facebook and You tube have been used by millions of users both individuals and companies for constant interactions, thus giving rise to new levels of conversations and it was not possible earlier (Burson- Masteller Communication group, 2010).

In this way, digital social media sites have been playing very important role for managing the relationship between the company and its stakeholders. In the old communication model, the company creates the message and transmits it through their public relations media channels on their will towards the stakeholders as one-way communication. In this model, there is no scope of instant feedback for likes or dislikes of consumers and stakeholders. Even, in this model, stakeholders may or may not liked to be participants in communication process. The Control over information dissemination is in the hands of marketing organizations or public relations companies (Glynn & Faulds, 2009). Here, Print Media (Newspapers, News magazines), TV channels and digital news websites are the main media used for the companies. In this old communication model, there is no equality between the volume of information and its dissemination and here,
communication is unidirectional (Angeles & Capriotti, 2009).

On the other hand, new model of communication emphasizes upon two-ways communication between the company and its stakeholders through the social media networking sites and it is gaining hold in the realm (Parsons, 2011). In this scenario, communication of CSR activities to the stakeholders of the company can be greatly done through social media sites and get benefited.

**CSR Status in India**

Corporate Social Responsibility can be defined as the contribution of the companies to the social welfare for the improvement of under-privileged sections of the society and share the responsibility and commitment towards the development with the governments. For this, managements of the companies must adopt the correct approach for the social, environment and ethical business impacts of CSR activities in the country in order to establish the relationships with various groups of stakeholders (Ihlen et al., 2011; Zhang et al., 2014).

Worldwide, CSR is gaining importance for influencing the brand image, brand reputation and stakeholders’ relationships of any company (Etter, 2013), but in India, the companies are adopting inhibitive approach and low level of communication concerning CSR activities (Vinke, 2011). The expectations of stakeholders are not the same over the time, so the companies must evaluate their CSR communication patterns on regular basis (Morsing & Schultz, 2006).

In this way, CSR communication must be changed from one-way communication approach from company to stakeholders, to the two-ways communication approach where all stakeholders can give their opinions and feedbacks instantly and it can be incorporated in management strategic decisions of the companies. At present, there is no participation from stakeholders in the decisions of the management of the companies (Engsig, 2011). Companies have to focus on the stakeholder’s engagement through social media network and two-ways communication to establish long-term relationship with the stakeholders (Grunig & Grunig, 2008). The digital social networking sites like Twitter and Facebook make possible for the companies for increasing their CSR communication volume and more effectively engaged with their stakeholders like consumers, employees, shareholders and suppliers like external stakeholders (Eberle et al., 2013) along with individual citizens and communities.

**Stakeholder Theory vs. CSR Communication**

Corporate Social Responsibility (CSR) activities can be defined as the concept in which companies have taken responsibilities beyond their own business profits and benefits while adopting the ethical business approach (Carroll, 1999). CSR is also about focussing on the approaches in which companies can manage their business (economic), social and environmental impacts, their relationships and negotiations with various groups of stakeholders and the society in general (Ihlen et al., 2011).

To incorporate the CSR aspect in the management strategies of the company, many other strategies can be adopted like CSR communication and reporting to the stakeholders (Visser & Tolhurst, 2010). First time, ‘Freeman’ has given the “Stakeholders Theory” in which he contributed to the development of CSR and shifted attention to “stakeholders” (Edward, 1984). Freeman defined the stakeholders as any group or individual upon which a company could leave impacts by realising its objectives.

Freeman emphasised on the development of a new approach where it was necessary to acknowledge and a company can adapt to the demands and needs of stakeholders for the sake of keeping the company as competitive in the market. Companies must engage their stakeholders and communicate with them for their concerns and expectations from the company (Cohen, 2010). Organizations should also incorporate the demands of the stakeholders into their business and management strategies for being sustainable economically, socially and environmentally (Andersen, Madsen & Nielsen, 2010). Stakeholders are those factors that can influence the results of the company in future (Groot Larsen, 2010). In this way, stakeholder theory has been evolving from focussing upon stakeholders of a company towards the
focussing on the dialogue and communication between the stakeholders and the companies.

Morsing and Schultz (2006) has developed three models of CSR communication based on relationships with stakeholders- stakeholders information strategy, stakeholder response strategy and stakeholder involvement strategy. They considered that the relationship with stakeholders must be based on interactivity, dialogue and mutual commitment for creating a framework of transparency and responsibility in a new model of doing business. The first model of CSR communication talks about one-way communication in which a company disseminates the information to its stakeholders and second model of CSR communication emphasizes on two-way communication and takes opinions and demands from stakeholders and try to incorporate them in their business strategy for sustaining in the competitive business environment, while their model of CSR communication is the actual two-way of communication channel in true sense because here stakeholder dialogues with the company is promoted in order to get mutual benefits. In this way, the core of stakeholder theory is not about one-way stakeholder communication but a two-way communication process in which mutual shared understanding is co-created by the company and its stakeholders.

Social Media Vs. CSR Communication
Digital (Internet) Media platform where various services are being provided, the social media networks have become the most influential one and it has grown exponentially in the recent years. While digital media websites give one-way information to the stakeholders of any organization through websites of companies, social media networking sites provide easy access for dialogue and communication among its users and especially stakeholders and the companies.

In the period of Web 2.0 where a company can get many possibilities for managing their CSR communication and dialogue with their stakeholders. Here, Web 2.0 implies the applications for promoting contents messages created by the user, the share of these messages and their collaborative co-creation (Coombs, 2012). Social Media is unique application as it is based on Web and mobile technology media that gives the opportunity to create and exchange the messages content generated by users as well as social dialogue and communication (Burkhardt, 2009). In this Social Media platform, there comes the online social networking sites like Twitter, Facebook etc., Blogs, Localisation Services, Video Sharing sites like YouTube, etc. (Gomez, 2012). Social media network sites have gained great popularity and growth in recent times (Vinke, 2011). The main function of social media sites is it connects a user with other users globally for sharing information and opinions and to see contacts with other profiles (Boyd & Ellison, 2008). These social media sites give the worldwide popularity, the low-cost incurring for implementing, instant communication with feedback communication and above all the easiness in which the real time measurements can be made (Madinabeitia, 2010).

The use of social media networking sites like Twitter and Facebook has opened up new possibilities in the area of CSR communication. These social media have contributed in a big way for developing and transforming CSR in such a way that some author (Visser, 2010) terms it as the Age of CSR 2.0 and this communication platform creates the pluralisation process of views and information (Castello, Morsing & Schultz, 2013). Users of social media platforms are becoming closer, more committed and have transparent relationships with companies (Ros-Diego & Castello-Martinez, 2012).

So, in this changed environment, the companies are supposed to increase their CSR communication concerning their responsible CSR activities in order to generate business profit and also as a way to contribute to their social and ethical business commitment and promotion of CSR (Ros-Diego & Castello-Martinez, 2012). CSR communication is no more directed and controlled by companies for their business interests only but now it is the receiver of the message on social media like consumers, customers and other stakeholders who have greater power to control the message creation, dissemination and its impacts (Hansen, 2012). Now these social media users force and make responsible the companies for performing suitable actions regarding CSR and this impact can be widespread in no time.
Two-way communication process is now the demand of present time for CSR communication that can generate interest in stakeholders for the companies and they can share their views opinions and raise their demands to the companies to change their behaviour and attitudes over the time (Gomez, et al., 2012). Social media networking sites give affordable better connection with their stakeholders while engaging them into dialogue on various CSR activities. In spite of all the above, still the potential of social media as a tool of CSR communication is not being fully exploited (Capriotti, 2011). Many CSR Scholars have suggested earlier for companies should adopt the interactive principles on their websites and social media accounts like Twitter and Facebook accounts, but companies have not acted pro-actively and they have not changed their nature of CSR communication (Waters & Williams, 2011). The researcher, Etter, (Etter, 2013) proved that companies lacked the interest for stakeholder interactivity and two-way communication by analysing Twitter messages from 30 most popular accounts in a CSR Twitter network.

Until 2013, there has been little attention paid by companies to the importance of social media in CSR issues (Whelan, et al., 2013), there has been certain increase of interests taken by companies in recent years in the subject. But, the number of studies regarding interactive features of CSR communication is still not sufficient, particularly in the context of India.

Hence, there is the scope of new studies for investigating whether companies do adopt CSR communication interactive approach and use the social media networking to what extent- to do this study, we have formulated the following research questions to conduct our “analytical study”-

**RQ.1-** Do Indian Corporate Companies use Social Media websites- Twitter & Facebook for communicating their CSR activities to their stakeholders?

**RQ.2-** Which Social Media networking sites is more popular and used by Indian companies and their stakeholders- Twitter or Facebook?

**RQ.3-** Do Indian Companies promote interactive approach and two-way communication in their CSR related posts and tweets? What is the current trend?

**Research Methods**

This study focuses upon investigating that to what extent Indian companies have incorporated interactive approach in their CSR related communication strategy by the use of social media networking sites. For this, an analysis was done on a sample of two companies operating in India, one is ITC Limited and second, Nestle India Limited. The selection of these companies was done as convenient sampling. The unit of analysis is these two companies and the unit of sampling are the messages posted on the profiles of these two companies on social media websites- Twitter and Facebook. The messages were selected on simple random sampling basis.

The methodology was used for a wide search for messages posted by these two companies on their social media profiles on Twitter and Facebook. The reason for selecting these two social media networking sites is their popularity among Indian society in general and consumers in specific in Indian market. The content analysis method was used for analysing the messages posted on these two social media sites.

It was investigated whether these two companies had their corporate profile on the Facebook and Twitter sites and a search was conducted to determine if these two companies had the hyper links given their company main websites to go the profiles of the company on Twitter and Facebook. In General, Google and Facebook and Twitter home pages was also searched to know if there were many accounts pages of these two companies- ITC Ltd. and Nestle India, and which account profiles were genuinely official and which were created by other users. Any such profiles that were not concerned and administered by these companies and were found to be not related to company business activities and CSR related subjects were not taken for this study.

The samples for messages were selected on a simple random basis from 22 April, 2019 to 25 April, 2019 for each social media networking sites- Twitter and Facebook. Also, on the Twitter, for each company, 25 tweets per day were selected for the analysis. And on the
Faceboook, every day 10 posts were selected for each company for the analysis.

After establishing all prior conditions, all the messages of all kinds posted by these two companies both on Twitter and Facebook within this particular time frame were gathered and analysed. Also, the messages were classified in two categories- one which related CSR issues and second, not related to CSR issues.

The prime objective of this research study- whether these two companies used one-way communication or two-way interactivity communication in their dialogue with users or stakeholders was analysed to derive the conclusions.

First category of messages in which the companies did not respond to users was in category of One-way communication and second category of messages in which these two companies posted their responses to the comments or views shared by users was put in the category of two-way communication. The researcher has coded these messages and counted as number of each category of messages.

The Companies- ITC Ltd. & Nestle India Ltd.
on the Social Media
Both these companies- ITC Ltd. and Nestle India Ltd. have been found quite active on social media networking websites, especially on Twitter in our wide search. ITC Ltd. is very popular corporation among consumers as it caters wide range of consumer goods and services. Also, ITC Ltd. has big business turnover and annual profit out of which it spends hugely on CSR (corporate social responsibility) activities on regular basis. In the same way, multinational company, Nestle India Ltd. also has big hold in consumer market and has huge annual turnover and profit with enough expenditure on CSR activities. ITC limited has been getting attention by media also as the coverage of their CSR related stories on various business news media websites like, Economic Times (ET,) and Business Standard (BS). In the same way, Nestle India also got coverage of their CSR annual report in many Journal like The CSR Journal and got published on the website of the Journal.

When our study conducted search on the company websites of these two organizations- ITC Ltd. and Nestle India, we found that Nestle India has created page in the name of “Nestle in Society” where they have posted all details of their Sustainability Goals and CSR programmes related to health, community development and environment protection and their shared and ethical business policy. While, ITC limited company has also given its details on the company website on a separate page named- CSR Policy’, in which they have posted its CSR philosophy, CSR policies, Implementation, corporate governance, and CSR expenditure related message. We have found in our search that both companies have not any separate link or hyperlink to go to their social media profiles on Twitter and Facebook. And also, these two companies did not post any other news, information or opinions expressed on other digital media platforms linking to their company website. So, we have searched separately on Google, Facebook and Twitter websites and gathered the data as decided.

Data Analysis and Discussion
According to aims of our study and as per the research methodology, a total 100 tweets were gathered for the analysis for each company- ITC limited and Nestle India profiles on the twitter along with this total 50 message posts were selected on Facebook profiles of these two companies in duration of period from 01 April, 2019 to 25 April, 2019. After the analysis of these messages, CSR related messages were selected for further analysis for our research study conclusions in terms of whether companies did respond to users’ reactions of the posts of these two companies on the social media networking sites.

Table No.1:-Number of followers for each company on Social Media- Twitter & Facebook

<table>
<thead>
<tr>
<th>Company</th>
<th>Twitter Account</th>
<th>Twitter Followers</th>
<th>Facebook Account</th>
<th>Facebook Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITC Limited</td>
<td>@ITCCom</td>
<td>5,667</td>
<td>facebook.com/pg/ITC-Ltd/151062721671776/community/</td>
<td>1,602</td>
</tr>
<tr>
<td>Nestle India Ltd.</td>
<td>@NestleIndia</td>
<td>1,67,00</td>
<td><a href="http://www.facebook.com/Nestle.India/">www.facebook.com/Nestle.India/</a></td>
<td>11,215,515</td>
</tr>
</tbody>
</table>
As the results of data show in the above table, both these companies- ITC Ltd. and Nestle India Ltd. have the presence on the social media networking websites. But, having the presence does not make sure the communication is done between the company and the stakeholders. Results reveal that one company Nestle India Ltd. which is having Pan-World presence have huge number of followers in Lac., whereas Indian company ITC Limited has very a smaller number of followers on the social media platforms, Twitter and Facebook. Analysing further the data reveals that Twitter is more popular among the users and stakeholders of these two companies. Even, twitter has a greater number of followers for Nestle India in comparison with Facebook social media. Surprisingly, ITC Ltd., has very less numbers of followers on Facebook and Twitter compared to Nestle India Ltd.

The data analysis shows that Nestle India has maximum number of followers on its social media profile while ITC Limited has negligible share of followers on social media profile. ITC Ltd. has only presence on Twitter but not the followers on Facebook.

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The above chart clearly shows that twitter has a greater number of followers in both companies while Facebook has a smaller number of followers. It clearly shows that companies like ITC Ltd. is not much serious about Facebook users for considering them as stakeholders or they have not such policy.

The above chart clearly reflects that Twitter social Media profile has a greater number of followers for the Nestle India company while these followers’ number are very smaller in the case of ITC Limited company.

Finally, this chart shows that on the social media site- Facebook, ITC Ltd. company has not any number of followers on the one hand, whereas Nestle India Ltd. has a good number of followers on the Facebook. It reflects the
policy difference between these two companies regarding Facebook profile and interactions with users of social media considering them as stakeholders.

Table No.2:-Total Number of CSR Messages posted on Twitter and Facebook in the period of April 01, 2019- April 25, 2019 for both companies ITC Ltd. & Nestle India Ltd.

<table>
<thead>
<tr>
<th>No. of Posts</th>
<th>Twitter</th>
<th>Facebook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total posts since beginning</td>
<td>ITC Ltd.-1196+ Nestle India Ltd.-1311=2507</td>
<td>ITC Ltd.-15 Nestle India Ltd.-50</td>
</tr>
<tr>
<td>CSR related Posts in April 2019</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>CSR related Posts with responses in April 2019</td>
<td>05</td>
<td>20</td>
</tr>
<tr>
<td>Number of responses to CSR posts of companies in April 2019</td>
<td>20</td>
<td>50</td>
</tr>
<tr>
<td>CSR related Posts with company-user dialogue in April 2019</td>
<td>04</td>
<td>10</td>
</tr>
</tbody>
</table>

When analysing the messages posted on social media network sites- Twitter and Facebook, the above table shows that in the period of 25 days, how very a smaller number of posts and messages related to CSR related issues were on the Twitter and Facebook. While twitter had total number of tweets posted in a greater number, Facebook is very lagging behind it and surprisingly, ITC Limited has not any number of message posts on Facebook. It means, ITC Limited has only messages in tweets on the Twitter related to CSR subjects while the company has not any message posted on Facebook.

Upon our search on the website of ITC Limited, we found the mobile application of ITC Limited and the company terms it as Social media presence and they have not given any links on their official website for going directly to its Facebook profile. Yes, ITC has given link for Twitter profile.

The data reveals how the multinational corporation- Nestle India Ltd., has enough number of messages posted on Twitter, but the company has also a smaller number of messages posted on Facebook when compared to Twitter. Upon further analysing, we found that CSR related messages posted on Twitter and Facebook were very few. And responses of users on Twitter and Facebook for the company were very few. Further, Interactive communication based, company- users or company-stakeholder dialogue posts were found very few in numbers.

This chart reflects that Nestle India company has a good number of CSR posts having response of users and the posts that shows dialogue with the company and users regarding corporate social responsibility activities and the feedback communication are given on the posts by the users on social media on the profile of Nestle India company. On the other hand, user’s responses for the CSR related posts are very high. Nestle India has good policy for two-way communication and the company give response to users and use the feedback communication of consumers in its company policy. But how they use it in their CSR related policy, it is difficult to say.
The above chart of ITC Ltd. company shows that CSR related posts are less, and the user’s response posts are in very smaller number. On the other hand, user’s responses for the CSR related posts are very high. The company has not any defined CSR communication policy and it reflects from the data analysis that users want the communication about ITC company on social media as user response are the highest share but the company has a very smaller number of CSR posts and dialogue posts with the users that promote two-way interactive communication and give instant feedback about ITC company on social media.

This diagram shows that ITC Ltd. has the least number of shares for CSR posts on both social media- Twitter and Facebook, altogether while surprisingly this company has the highest number of shares for user response if compared to other posts of the company itself. On the other hand, Nestle India has very good number of User response posts for the company when compared to the company’s other CSR posts.

It reflects that the companies have been getting huge responses from users of social media on their profiles about their CSR related activities and issues. But the companies are posting much greater number of CSR related posts or messages, in other words, they are increasing such messages. It reflects the company’s inhibitive approach towards CSR communication. If these two companies are compared, ITC Ltd. has much reactive or inhibitive approach for users interaction and two-way instant feedback communication on social media platforms, while Nestle India has more presence on social media platform and have more pro-active or positive approach for CSR communication with the users or stakeholders of the company.

The above diagram reflects that both total posts of both companies- ITC Ltd. and Nestle India have more presence on Twitter social media for posting CSR related messages and making interactions with users on social media. On the other hand, Facebook has not been given importance for such CSR related message posting or for CSR communication based on interactive two-way dialogue with stakeholders. But, Nestle India, being a Multinational company, has good CSR communication policy and it focused upon two-way interactive dialogues with users and consumers and their stakeholder engagement policy is good one.

**Conclusion**

In our study, we have reached to the answers for our research questions and objectives with surprising results. According to ‘Stakeholder Theory’ a company should involve any individual consumer or a group of people in its decision-making process to achieve the targets of the company related to business, society and environment in order to sustain in the competitive atmosphere of the edge-cutting business world (Andersen, Madsen & Nielsen, 2010). For this, a company should change its CSR communication policy from one-way approach towards two-way interactive approach where the company can keep dialogue with its stakeholders and engage them for promoting their good deeds related to CSR activities.

Social media networking sites like Twitter and Facebook provide the best solution for CSR communication two-way approach where
users respond to message posts of the companies and engage themselves in dialogue with companies for giving the instant feedbacks. However, in the past the companies were not giving much importance to such a communication approach worldwide, but now many companies are adopting this proactive approach for communicating their CSR activities to their stakeholders.

As far as our study is concerned, companies in India are still lagging. They are not much involved in social media interactive communication approach for stakeholders’ dialogue and engagement for CSR related issues. The reason is companies like ITC Limited fear of suspecting consumers or users on social media for their possible negative feedbacks and then trolls on the twitter and Facebook that could do further damage for the reputation of the company. But, Nestle India company has adopted two-way interactive approach of communication on both social media platform- Twitter and Facebook and they did not fear to answer for the issue like Maggi crisis communication and answered the doubts and fears of consumers on the same social media platforms.

It reflects that if the company adopt positive and proactive approach of CSR communication, all fears and doubts among consumers and stakeholders can be removed in the communication process and the company can retain its brand image and brand reputation.

In this study, we have found that companies in India began to use social media networking sites and they keep their company profiles on Twitter and Facebook active. Though, the number of such companies is very small (as ITC Limited has no followers on Facebook and they have not any CSR related posts on Facebook) and it can be increased when the companies will take the risk and use correct approach of CSR communication.

We have also found that among two social media sites, Twitter has more popularity among not only companies but also among users or stakeholders as it gives the facility of short and precise communication and targeted to results. While, Facebook has less popularity for the CSR related communication among the companies, but it has same popularity among users like twitter. So, companies need to devise the approach to utilise the Facebook social media in a better way.

Finally, we have found that Indian companies have not been so positive for two-way interactive communication approach on social media with the stakeholders for the obvious reasons. Indian companies seem not taking CSR communication as seriously as their western countries’ counterparts. So, here, the management of Indian companies need to adopt correct CSR approach in their strategies of managing the business with social and environmental responsibility.

Limitations of the Study

Our study was focused on Indian companies doing CSR communication and for the less time resource, we could take only two companies - Nestle India and ITC Ltd. as our samples of study. If the sample size could be increased the result would have been more precise and proven. The future research studies can be done involving survey among consumers to find out how consumers and stakeholders are involved on social media in CSR communication process for the companies and result can be found to discuss about the attitudes and behaviours of stakeholders of the companies.

The research studies can be made further involving CSR managers, consumers, all stakeholders for investigating how the Indian companies are shying away from doing positive and proactive CSR communication and stay away from the feedback communication from sceptical consumers or stakeholders’ behaviours.

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