

CORPORATE SOCIAL RESPONSIBILITY KEY TO BUSINESS SUCCESS: SURVEY

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Good corporate citizenship reflected by ethical labour, environmental and social practices cannot be ignored by companies looking to differentiate themselves in a competitive market, according to a new survey conducted by TNS Canadian Facts.

A key factor in the success of a business over the long term is the trust that is built between the company and consumers.Â Businesses that breach that trust can often suffer the consequences.Â In fact, about half of Canadians (49 per cent) say that they are very likely to refuse to buy a product from a company based on hearing negative news about the organization.

The TNS survey found that, among the factors that go into building trust, a companyâ€™s reputation is almost as important as other, more tangible product and service characteristics, such as price, value and customer service.

â€œCompanies are increasingly going to be held accountable not only for the quality and price of their products and services, but also for the corporate citizenship and environmental stewardship of their business as a whole, as these are key components of a companyâ€™s reputation,â€• said Richard Jenkins, vice-president of TNS Canadian Facts and its corporate director of public opinion research.

The survey points to the emergence of a new consumer attitude around corporate accountability and social responsibility that may transform the market.Â This new consumer attitude is reflected in the way in which a core group of consumers is making choices.Â For example, over the past six months, one-third of Canadians say they have recommended a green product to someone they know and 28 per cent have refused to purchase a product from a company that they believe has a poor reputation.

â€œWhile consumers are rarely willing to reward good corporate citizens by paying a premium for their products and services, companies that practise social responsibility and good corporate citizenship clearly offer a positive point of differentiation in an increasingly fragmented market,â€• added Jenkins.

The TNS study called ethics: reporting on social responsibility in Canada is part of a new public affairs series of online polls launched by TNS Canadian Facts.Â The nationally representative Internet survey of 1,539 online Canadians 18 years and older was conducted between June 5 and 16, 2008.Â Respondents were randomly selected from the TNS Canadian Facts Internet access panel comprising 100,000 Canadian consumers.Â The survey data were weighted to reflect the demographic composition of the adult population.

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