Corporate Social Responsibility and its Effect on the Millennial Generation

Jessica Cummings

Email: jcummin1@ramapo.edu

Ramapo College of New Jersey School of Contemporary Arts 505 Ramapo Valley Road Mahwah, NJ 07430

Abstract

This project attempted to analyze current corporate social responsibility initiatives of companies and how these strategies impact Millennials' buying patterns and brand loyalty. In this study, the millennial population is defined as 18-24-year-olds in the New York Metropolitan area who are either enrolled in higher education or are just entering the workforce. Current research pertaining to Millennials in a general sense, the benefits of corporate social responsibility (CSR), and various case studies with effective programs were reviewed. The researcher gathered further information regarding the target Millennial segment's general knowledge about CSR and the types of marketing and social media initiatives that resonate with the millennial generation, purchasing patterns, and brand loyalty by conducting 100 surveys and 2 focus groups. Ultimately, this research has been used to help direct and design a campaign detailing recommendations for S'well Bottle-a company that has low visibility regarding its CSR efforts—and how this company can more effectively target Millennials by highlighting its initiatives and engaging with them on social media.

Keywords: Millennials, corporate social responsibility (CSR), marketing,

brand loyalty, social media engagement, S'well Bottle

Introduction

This paper will discuss the nature of corporate social responsibility and how it impacts brand loyalty and buying patterns, paying attention to trends that are specific and relevant to Millennials. It will also outline case studies of companies with successful corporate social responsibility campaigns and draw data from these sources to further evaluate the correlation between Millennials' purchasing behaviors and preferences and corporate social responsibility. In this study, the following questions will be addressed: How are Millennials' buying patterns impacted by corporate social responsibility? To what degree is social media engagement effective in targeting this demographic? What specific CSR initiatives resonate with the millennial generation?

Literature Review

Although many companies have had corporate responsibility initiatives in place without promotion or publicity over the years, the trend is becoming increasingly relevant in today's market, as there has been a social push toward a more sustainable and socially responsible world. Consumers, specifically Millennials, share an increased awareness of these trends and respond positively when companies share their CSR initiatives. It has become more important for companies to take their social responsibility into account because it can significantly impact their brand image and overall success in the market.

CSR Trends and Rationale

Today's market reflects a growing trend in ethical consumption as well as an increase in ethical products available to consumers. According to a study by Hines and Ames (2000), 68% of the population claimed to have purchased a product or service based on a company's responsible reputation. Because consumers are likely to take a

company's corporate responsibility into account to some degree, companies have been acknowledging the importance of adopting social causes over the past several years. Many organizations have also adopted social causes based on the assumption that consumers will reward them with their business for their socially conscious efforts.

Brand Equity. Corporate social responsibility can be used as a branding strategy for firms to improve brand visibility and loyalty while also potentially increasing their market share. Companies are willing to participate in CSR initiatives in order to reap the many benefits that coincide with their social responsibility. One major motivator is the fact that brand equity is largely affected by how consumers view brands overall. As consumers gain greater awareness regarding products and corporations as a whole, including labor conditions, social responsibility and community involvement, these factors begin to impact corporate branding. As a result, corporate branding is increasingly gaining awareness and attention in the eyes of the consumer (Hassan & Shamma, 2011).

Corporate branding not only encompasses the brand itself and the features and benefits of products, it also includes intangible image elements such as social responsibility. Although studies suggest that there is no way to measure quantifiable gains as they are directly related to CSR efforts, companies can still reap intangible benefits by adopting social causes (Michel & Buler, 2016).

Cost. One major reason a company may not employ a social responsibility effort is because they believe they are saving money by not doing so. However, in the long term, implementing these initiatives can improve the image of the company as a whole and as a result, increase profitability. It is important for firms to look beyond dollar value because there are many long-term benefits associated with CSR efforts, including

reducing the risk of future environmental costs, increasing brand value, and improving reputation and consumer trust (Michel & Buler, 2016). By improving reputation and consumer trust, companies can strengthen their brands and thus generate a greater profit.

Corporate responsibility initiatives are not only attractive in the eyes of the consumer, but also in the eyes of shareholders and investors because they take this information into consideration when evaluating a company. CSR can attract more investors if they believe that the initiatives are making a clear and positive impact, which will in turn result in increased capital and potential growth (Michel & Buler, 2016). Companies should look at corporate responsibility as not only supporting a social cause but also as a marketing investment.

Fit and Implementation. In order to fully reap the marketing benefits of CSR, companies must ensure that their initiative aligns with their brand image. The level of success corporate responsibility initiatives experience directly coincides with the degree to which the cause relates to the company. There must be a perceived link between a cause and the firm's product line, brand image, positioning or target market. Consumer attitudes toward responsibility efforts are impacted by the degree to which they perceive relatedness between a company and a cause. If consumers view the relationship as appropriate, they are more likely to have a positive attitude about the firm's efforts (Becker-Olsen, Cudmore & Hill, 2006).

Additionally, a high-fit cause further cements a firm's market position and helps the consumer understand how they fit into the competitive environment. Consumers perceive these efforts as an indication of consistency because they can draw a clear link between the company and the cause (Becker-Olsen, Cudmore & Hill, 2006).

Consumer Perception and Behavior

All things being equal, consumers indicate that they are more likely to favor a product with clear CSR initiatives over one without. Consumers perceive their purchases as a means through which they can express their beliefs in regards to ethical behavior. By opting to purchase a product that is ethically sourced, fair-trade, or supports a high visibility CSR campaign, they believe that they are effectively taking a stance on that issue (De Pelsmacker et al, 2005). The ethical consumer feels responsible toward society and expresses these feelings through their purchasing behaviors. Consumers not only aim to support companies making a positive impact through their efforts but also are likely to boycott companies for their negative qualities such as adverse environmental impacts or poor working conditions (De Pelsmacker et al, 2005).

Attitude-Behavior Gap. Despite the positive correlation between CSR initiatives and consumer attitudes, there is a gap between attitudes and realistic purchasing behaviors. Although perceptions and attitudes influence behavior, it is demonstrated that attitudes are poor predictors of buyer behavior, especially in the realm of social marketing. Although consumers indicate when surveyed that they would favor a socially responsible product over one that is not, this response may not align with actual purchasing behaviors. This discrepancy, known as the attitude-behavior gap, can be attributed to the fact that in surveys, people often give socially desirable answers. Responses to attitude-based questions tend to be more positive than the actual behavior (De Pelsmacker et al, 2005).

Another factor that contributes to the attitude-behavior gap is the fact that behavior is reflective of realistic, multi-faceted buying situations. In these situations,

consumers must take many more factors into consideration aside from environmental or social impact that also have the ability to greatly impact buying patterns. Many of these factors include brand, price, packaging, and positive recommendations or reviews. Price is a major driving factor when it comes to consumer purchases and often times, consumers are not willing to pay more for a product if it does not directly impact the quality (De Pelsmacker et al, 2005).

Millennials

Millennials are an important target demographic for companies to consider because according to the U.S. Census (2015), Millennials now number 83.1 million and also represent one quarter of the population. This group has very strong opinions regarding companies and their brands and products. In order for companies to target this segment effectively, it is important to note their purchasing behaviors as well as their opinions regarding CSR initiatives.

Millennial Consumer Behavior. Millennials value brand loyalty, which is based upon various attributes including product quality, good customer experience, and support for society. According to a study conducted by the popular online news platform Elite Daily (2014), 60% of Millennials are always loyal or often loyal to brands they currently purchase. 48% of Millennials also take quality of the product into higher consideration than they do the cost (21%) (p. 5).

Millennial buying patterns indicate that digital marketing is the most effective means through which companies can reach this generation because they are consistently going online for shopping, source of news, entertainment, and social networking (Smith 2012). In addition to their presence in the online community, Millennials are highly

inclined to share their opinions and expertise with other consumers. According to a survey by eMarketer (2010), "Millennials are talking about products online more than the general population." They also place a high value on the opinions of their peers and often look to them for advice regarding purchases. Millennials believe that those whom they perceive as their peers can provide more credible information than traditional advertising (Smith, 2012).

18-24 Segment Behavior. Although this particular segment of the millennial population is reported to have the lowest level of brand loyalty, the degree of brand loyalty can vary across multiple product categories. Therefore, companies must position their brand to coincide with the category it falls into. A 2007 brand loyalty study found that the most important attributes of developing brand loyalty for household products such as coffee and toothpaste, respondents placed an emphasis on quality and brand reputation. However, for products such as mobile handsets, respondents of the study indicated that both branding and brand as a "reflection of self-image" were important factors for this product category (Srivastava, 2007).

Millennials & CSR. Key findings in the "Cone Communications Millennial CSR Study" (2015) indicate that Millennials are willing to take action for CSR, including participating in CSR initiatives. Additionally, Millennials stated that they would be willing to pay more for a product that makes an impact on key issues they care about. However, this data does not specify the discrepancy in the amount they would be willing to pay. Overall, it is clear that Millennials are universally more engaged in CSR efforts than the average consumer (Cone Communications, 2015).

Millennials are also more fervent in their support of corporate social responsibility than the average consumer and are prepared to make personal sacrifices on issues they care about, including paying more for a product, sharing products, or taking a pay cut in order to work for a more socially responsible company. Because Millennials are also more connected online than any of the previous generations, they cannot ignore the multitude of issues surfacing on their social media feeds and in their inboxes and are more inclined to consider how their buying behavior impacts the world around them (Cone Communications, 2015).

Not only does corporate responsibility impact Millennials' attitudes and projected purchasing behaviors, it also impacts their overall perception of the company. According to the Cone Communications study (2015), more than nine-in ten (93%) Millennials feel better about a company upon learning about their environmental or social efforts. Therefore, it is in a company's best interests to inform consumers of its CSR initiatives.

18-24 Segment & CSR. In terms of corporate responsibility, the young millennial segment (18-24), is the most engaged and will reportedly take CSR into account in all aspects of their lives. This group takes a company's CSR initiatives into account when they make purchases, volunteer time, and even when they decide where to work (Cone Communications, 2015).

Millennials & Social Media Engagement. Millennials are known for using social media platforms in order to amplify their opinions about certain products or brands with 56% of Millennials talking about products and services online through social media (Smith, 2012). As of 2014, the most popular platforms for expressing these opinions are Facebook (42%), followed by Instagram (21%), Pinterest (12%), Twitter (6%) and

Linkedin (6%). With over 1.2 billion users, Facebook is the most popular platform Millennials utilize for purchasing information (Elite Daily).

Millennials believe they can use social media as a vehicle through which they can express their opinions, especially those relating to social and environmental issues. This group is far more likely to discuss or engage with companies than the average consumer, with 66% of Millennials reporting they have interacted with a company regarding these issues in comparison with the U.S. average (53%) (Cone Communications, 2015).

18-24 Segment & Social Media Engagement. The young millennial segment also reported engaging around a company's CSR efforts on social media much more than other millennial segments. They are more likely to tell friends and family about a company's CSR efforts (53% vs. 43% mature millennial), and will also give their opinions and feedback about a company's CSR efforts directly to that company (44% vs. 37% mature millennial) (Cone Communications, 2015).

While the young millennial segment is much more likely to take CSR efforts into account when making recommendations and providing feedback, it is also important for companies to note that this segment is likely to ignore messaging about CSR efforts if it is unclear or difficult for them to understand. Cone Communications reported that over half of millennial segments are "confused by the messages companies use to talk about their social and environmental efforts and impacts." Additionally, 85% of Millennials feel that companies need to do a better job of showing how their "social and environmental efforts are personally relevant to them" (Cone Communications 2015).

In order for CSR initiatives to make an impact on this generation, companies need to ensure that their messaging is clear and that they are telling this powerful market segment why they should care about their efforts. Clear, personalized, and engaging messages are needed in order to break through to this particularly savvy segment of consumers.

Case Studies

The following case studies address several of the topics discussed above and provide insight into real-world application of corporate responsibility efforts. The companies TOMS Shoes, Warby Parker and Starbucks will be discussed in order to further evaluate the correlation among CSR implementation, buying patterns and brand loyalty.

Warby Parker. Warby Parker, an online eyeglass frame retailer founded on social impact, implements the buy-one, give-one model, as popularized by TOMS Shoes. This company experienced success through implementing this business model and consumer trends reveal that it is particularly attractive to Millennials. The millennial generation is attracted to this business model because it places a high value on social issues and also appreciates the simplicity and effectiveness of the marketing message. This strategy provided companies like Warby Parker and TOMS Shoes a way to leverage their core competencies for a social cause (Marquis & Park, 2014).

The buy-one, give-one model has been widely adopted in the consumer products industry. Most companies find success selling consumer products within the buy-one, give-one industry because these products offer consumers a way to publicly express their support for various causes and provoke them into sharing how their purchase has made an impact (Marquis & Park, 2014).

Aside from the effective buy-one, give-one model, Warby Parker's success can also be attributed to its free "home try-on" program. The company mails potential customers five frames they are considering purchasing and encourages them to share the options on social media platforms such as Facebook and Twitter. Because research suggests that consumers, especially Millennials, often seek feedback from their peers regarding purchasing decisions, this campaign was highly effective in increasing the conversation surrounding Warby Parker and its social efforts (Said, Williams, Hurst & Kane, 2013).

Warby Parker has also successfully built an online community in which users can share their own photos as well as provide advice regarding others' selections. Warby Parker has rapidly expanded on platforms such as Facebook and has gone from over 100,000 users in its online to community in May 2013 to more than 580,000 users currently. Its social media popularity can be attributed to this "home try-on" campaign, which encourages users to post photos of themselves in the five different frames using the hashtag "#WarbyHomeTryOn". This strategy not only allows customers to receive feedback, but also allows Warby Parker to gain brand exposure through user-generated content.

TOMS Shoes. TOMS Shoes is a brand that is entirely driven by its CSR efforts with its name "TOMS Shoes" deriving from "tomorrow's shoes." The brand successfully links CSR efforts with brand messaging as opposed to implementing CSR as a supplementary strategy. Like Warby Parker, TOMS Shoes implements the buy-one, giveone model, allowing customers to purchase a pair of shoes with the knowledge that the company will donate a pair to someone in need (Brusseau, Brusseau & Chiagouris, 2013).

TOMS Shoes' success can also be attributed to its use of social media in creating brand value and building brand communities. Similar to Warby Parker, TOMS Shoes launched a social media marketing campaign in 2015 that generated mass participation across Instagram. However, instead of generating a conversation around the product, TOMS Shoes centered their campaign on raising awareness for children in need. TOMS successfully participated in the "One Day Without Shoes" campaign by donating one pair of shoes for every photo posted to a child in need, whether the user was a customer or not (Roncha & Radclyffe-Thomas, 2016).

This campaign relied on user-generated content and co-creation to add to its brand value. This strategy also allowed TOMS to engage with its target audience because it encouraged users to share unique photos of their bare feet using the hashtag "#WithoutShoes." The success of their social media campaign can also be attributed to the fact that each post received a manual like or reply from the company's social media team, appealing to consumers' desires for a personalized experience. TOMS Shoes accepted entries from May 5 to May 21 with people in over 30 countries participating, resulting in 296,243 posts and shoes donated to children in need (Roncha & Radclyffe-Thomas, 2016).

Not only has TOMS Shoes launched successful campaigns utilizing social media and this powerful CSR business model, they have also expanded their brand and have become a household name. They now offer many additional products beyond shoes that coincide with the buy-one, give-one business model including sunglasses, apparel, bags

and backpacks. Today, the company not only give shoes, they also help "give sight" by providing eye exams, sight-saving surgery, prescription glasses, and medical treatment (TOMS, 2017). The brand also sells coffee and for each bag purchased, TOMS provides 140 liters of water, the equivalent of a week's supply, to an individual in need (TOMS, 2017). Other causes TOMS supports through its successful business model include safe birth and bullying prevention. In total, TOMS Shoes currently works with over 90 giving partners in over 70 countries around the world. (TOMS, 2017).

Starbucks. Starbucks offers another prospective approach to a company's relationship with CSR. Although it is a 100% profit-driven company, Starbucks implements a number of socially responsible practices that have kept it in business over the years. While the integrity of the company has always remained the same, Starbucks has not always followed the strict socially responsible practices it does today. However, early on, Starbucks anticipated the areas in which they would need to focus in order to promote themselves as a socially responsible company as well as a trustworthy brand. The company focused in on CSR before it went public and it benefitted their image and overall perception in many ways. Starbucks paid their employees high salaries in comparison to other firms within the service sector and also offered employees a stock ownership plan before the company went public in 1991 (Heal, 2012).

Starbucks also successfully paired with environmental groups and suppliers and were able to make initial investments that had long-term environmental and cost-saving benefits (Heal, 2012). Today, the company continues to enforce strict guidelines their suppliers must meet in order to conduct business with Starbucks. Starbucks claims "whether it's the merchandise on our shelves, the furniture in our stores or the aprons worn by our baristas, we care how the products in our stores are made" (Starbucks Coffee Company, 2017). Unsurprisingly, one of Starbucks Coffee Company's main CSR initiatives concerns the coffee growing industry. The coffee and cocoa is 100% ethically sourced and fair-traded and they are also working to improve conditions across the tea industry (Starbucks Coffee Company, 2017).

In addition to Starbucks' fair trade practices, it is also committed to reducing its environmental footprint by selling sustainable products, ensuring the furniture is LEED certified, and conserving water and energy. Starbucks is also involved with an array of other nonprofits in an effort to encourage volunteerism and civic engagement (Starbucks Coffee Company, 2017).

Methods

In this study, research was gathered through the distribution of a brief survey that addressed Millennials and their knowledge of corporate social responsibility, their purchasing patterns, brand loyalty, and social media engagement revolving around CSR. This survey was primarily administered electronically via the service Survey Monkey but additional paper copies were distributed to individuals who participated in the focus groups. This quantitative data was later factored into the final results.

The researcher also moderated two focus groups in which the questions asked in the survey were expounded upon in greater detail as well as to provide qualitative data. A random sample of students was selected and placed in two groups of five based upon their availability. The focus group sessions also covered topics regarding Millennials and their general knowledge about CSR and touched on how important it is to them as consumers.

Population

This survey was distributed to the previously defined segment of Millennials: students aged 18-24 years of age located in the New York Metropolitan Area who are enrolled in higher education or just entering the workforce. These students were targeted primarily on Ramapo College's campus due to limited resources available to the researcher. Some surveys were also distributed to students who attend William Paterson University and county colleges of northern New Jersey as well as to individuals who have recently entered the workforce.

A random sample within the target demographic was selected to participate in the focus group. Due to convenience purposes and accessibility, all of the participating individuals were Ramapo College students. These students are aged 18-24 years of age, live in the Metropolitan area and all attend Ramapo College.

Data Collection

Survey. In this survey, respondents were presented with a series of questions specifically regarding purchasing patterns, brand loyalty, and corporate responsibility. Respondents were also asked to rank various product attributes based on their importance to them and their purchasing decisions. Another question asked participants to rank issues of corporate responsibility and the issues they care most strongly about.

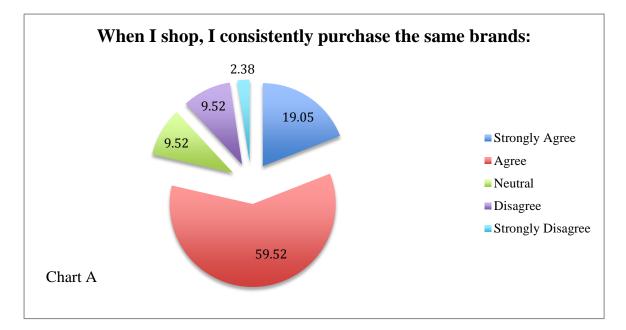
In addition to these topics, the last series of survey questions asked participants to share their thoughts about companies and their social media engagement regarding these issues. The survey gauged how often Millennials interacted with companies regarding their CSR efforts, how they felt about companies interacting with them, and also the means through which this generation most prefers to receive this information. **Focus Groups.** The focus group participants first completed the above survey and were then asked a series of questions that explore similar topics in depth. The participants were asked about their knowledge of CSR and how they would define it. Based upon their knowledge, the term was either defined or the questions moved forward to cover the importance of CSR and whether or not it affects purchasing behavior. The final series of questions participants were asked whether using and purchasing certain brands that were socially or otherwise responsible reflected who they are as consumers.

Analysis

Survey

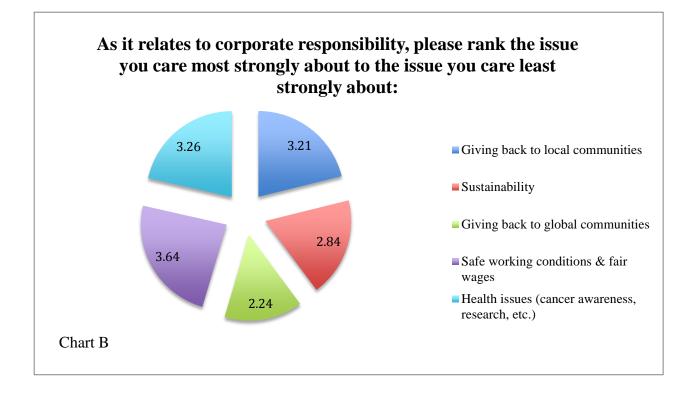
Between November 2016 and March 2017, 101 Millennials were surveyed on various topics related to consumer purchasing patterns and social media engagement. This study aimed to gain a better understanding of the millennial generation and their purchasing behavior as it relates to CSR. The results have expanded upon previous research and offer insight into a narrow segment of Millennials—18-24-year-olds in the New York Metropolitan area and enrolled in a 4-year institution or newly entering the workforce.

The survey was conducted electronically via the service Survey Monkey to a regionally representative sample located in the Greater New York City area. Of the 101 respondents, 88 were between the ages of 18-24 and answered the survey in full. The remaining 13 respondents were either not between the ages of 18-24 or completed some but not all questions. Of the remaining respondents, 62 were female and 26 were male.



Purchasing Patterns. As seen above in Chart A, survey found that the overwhelming majority of Millennials consistently purchase the same brands (78.55%). In terms of product attributes, price was the attribute respondents cared most about, followed by positive recommendations or reviews. Positive environmental or social impact was one of the lesser-considered attributes, ranking as the 4th most preferred answer out of 5 selections (see Appendix A).

CSR Initiatives. The survey found that Millennials value CSR and are willing to support companies with clear initiatives. The majority of Millennials (82.76%) expect companies to give back to society and 69.42% are willing to purchase a product with a clear impact over one that doesn't, while 46.51% would pay more for product with a clear impact over one that doesn't. 41.86% of Millennials also indicated that a company's commitment to social or environmental issues influences their decision to purchase their product while an equal percentage (41.86%) felt neutral toward the issue.

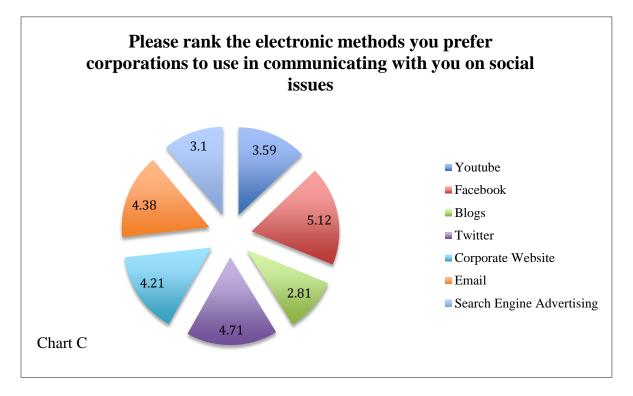


As it relates to corporate responsibility, responses were spread across the board in terms of specific issues participants cared most about. As shown above in Chart B, the survey concluded that Millennials were divided on which issues were most significant to them. The most preferred answer choice was "Safe working conditions and fair wages," with a score of 3.64 out of 5 and 30 individuals selecting it as their top answer choice. However, the other answer choices also scored somewhat evenly: "Health issues" (3.26), "Giving back to local communities" (3.21), "Sustainability" (2.84), and "Giving back to global communities" (2.24). Although the level of preference is clear, there is not one issue that scored significantly higher than others and may depend upon personal preference.

Social Media Engagement. Millennials were also divided on the reasons they would engage with a company on social media. "Couponing or discounts" was the

preferred answer choice, scoring a 3.82 out of 5. "Social/environmental issues" scored the lowest with a 2.36 weight.

Although not relating to CSR, more than half of Millennials (52.87%) indicated that if they feel strongly about a company or product, they would express their opinion on social media. Similarly, 39.08% agreed that they would engage with a company whose products they felt strongly about. However, a slightly larger percentage of respondents (40.23%) disagreed with this statement and 20.69% were neutral. Although more than half of Millennials do not appear eager to initiate engagement with companies on social media, 58.62% like when companies engage with them on social media. Only a minority of respondents (12.65%) indicated that they did not like when companies engage with them on social media.



As seen above in Chart C, when asked which platforms they most prefer corporations to use in communicating with them on social issues, Facebook was the most

preferred selection, followed by Twitter. The remaining choices in order of preference are as follows: email, corporate websites, YouTube, search engine advertising, and blogs. When asked how often Millennials have engaged in any way with a company on social media in the past 12 months, 74.71% indicated that they had only done so 1-3 times. 14.94% indicated that they had done so 4-6 times while only 6.9% had done so 10-20 times.

Focus Groups

Two focus groups were conducted between February and March 2017. Each group contained 5 individuals who were within the target millennial segment and willing to actively participate in a discussion with the researcher as well as with each other. The participants were given 5-8 minutes to complete the survey and upon completion of the entire group, were asked a series of questions. This focus group's goal was to expand upon previous research as well as the primary survey data. Although all individuals actively participated, not all duplicate answers are shown and responses that did not answer the question or pertain to the research topics were also not included in the analysis.

In order to gauge the participants' general knowledge about CSR, they were first asked to define what it is. Many of the participants were able to identify one or several aspects of social responsibility. Multiple respondents used words and phrases such as "giving back" and "positive impact" in order to define the term. Many people agreed that giving back and having a positive impact was how they would define corporate social responsibility. One person from the second focus group identified that CSR refers to "aiding or supporting different causes relating to social or environmental issues," which indicates a clear understanding of the topic.

In the second set of questions, participants reflected on the types of corporate responsibility that were important to them. Similar to the responses received in the survey data, participants were divided on specific initiatives that resonate with them. No clear theme emerged as individuals cited a variety of answers such as the environment, fair wages, local communities, American-made products, and supporting LGBT rights. Although no clear theme emerged in terms of a specific issue, some participants could agree on how important corporate responsibility is to them as a consumer. One participant spoke for the first group by saying "unless CSR is very obvious I don't care about it." When probed further, the other participants seemed to agree with this answer with one individual stating that if they buy a product and later find out about the company's CSR initiatives it is a "perk."

When discussing whether or not CSR affects their purchases, participants gave similar answers, indicating the importance of price and quality of the product over CSR initiatives. Price point was a key factor for many and one person indicated that lack of CSR initiatives would not prevent them from purchasing a product they need. Another participant felt strongly that if the product was good quality and had a clear CSR strategy, they would be more inclined to gravitate toward it as opposed to a lower quality product with a CSR initiative. One individual also indicated that a strong CSR initiative would lead them to be more brand-loyal.

Finally, participants were asked to discuss whether or not they felt that the brands they purchased reflect more about them; either positively, negatively, or not at all. Two

participants from different groups held similar beliefs that the brands they purchase do not reflect anything about a person and that they should not be judged for purchasing certain products that do not support CSR initiatives. However, many participants agreed that they "like to think" that brands they purchase reflect positively on them as individuals. When asked which brands they feel reflect positively, answers included: Love Your Melon, TOMS Shoes, Lokai Bracelets, Tylenol, and Starbucks. When asked which brands reflect negatively, answers included: Nike, Walmart, ExxonMobil, Chick-Fil-A and Ivanka Trump.

Discussion

According to the above research, over 60% of Millennials are brand-loyal (Elite Daily 2015) while the primary data reinforces that number with over 78% indicating they consistently purchase the same brands. With such a high rate of brand loyalty, it is in any company's best interests to infiltrate this market of loyal consumers. The question is: how can brands gain these loyal consumers? The data shows that 82.76% of Millennials expect brands to give back to society and 93% of Millennials also feel better about a company upon learning about their CSR efforts (Cone Communications 2015).

However, it is not enough to simply support and engage in various CSR initiatives behind the scenes. Brands must engage in clear messaging about their initiatives that is easy for this generation to understand. Cone Communications' "Millennial CSR Study" concluded that if Millennials do not understand the messaging surround CSR initiatives or if it is simply unclear, they will ignore it altogether. The focus group data also coincides with this finding because participants indicated that if CSR initiatives are not "very obvious" Millennials are not motivated to do much of their own research to learn more about them.

Another key finding in the survey and focus group data is that there is not one clear initiative that resonates with this generation more than others. Health issues, giving back to the local community, and sustainability all resonated with this generation. However, because there is no clearly defined choice, it is better for a company to select a high-fit cause or initiative because consumers are more likely to respond positively to this perceived link and view the social responsibility efforts as more authentic (Becker-Olsen, Cudmore & Hill 2006).

Limitations. The limitations of this study exist both in the surveys and the focus groups. Because the survey was limited primarily to Ramapo College students, it is not entirely representative of a truly regional sample of the New York Metropolitan area. This study was limited by the finite amount of resources available to an undergraduate student researcher. A large obstacle was that a large enough sample of Millennials could not be reached with the survey and some participants skipped questions, which results in a margin of error. The survey was also limited to those that the researcher had access to via the Internet, as it was distributed electronically. A larger number of surveys collected would be more representative of the target young millennial segment's attitudes, behaviors and beliefs. The focus groups were also limited based on accessibility to Millennials willing and available to participate in the study.

The data reviewed in the above literature as well as the data gathered from the survey and the focus groups will be utilized in the following recommendations section. Based on the above data, the company selected with low CSR visibility is S'well Bottle. The brand is already appealing to the millennial generation because they feel that brands reflect information about them as individuals. Although the bottles have a high price point for this demographic, the research shows Millennials are often willing to pay more for a product that is either better quality or supports an issue they care strongly about and S'well has the ability to offer both of these product attributes.

This company was selected because while they have a number of high-fit corporate responsibility initiatives in place, there is limited visibility of those initiatives in the brand's messaging. The brand already engages with consumers exceptionally well on social media platforms but by bringing their charitable initiatives to light through a campaign surrounding their efforts, S'well will be able to more effectively reach a socially and environmentally conscious segment of the millennial population.

Recommendations

About S'well

S'well is a company that was founded by owner and CEO Sarah Kauss in 2010 with the "mission to rid the world of plastic water bottles" (S'well, 2017). Combining function and fashion, Kauss believed she could encourage people to reduce their use of plastic bottles and opt for a higher quality alternative such as the S'well Bottle. S'well's positioning as a high end water bottle that appeals to an eco-conscious, adventurous and fashionable consumer has already resulted in a great deal of success for the brand (see Appendix C for samples of S'well Bottles). There is also a high sense of brand loyalty because customers have an average of 5.5 bottles at home (Loudenback, 2016). According to Kauss, "we keep coming out with new lines—spring, summer, fall, holiday—just like a fashion brand" (Kauss qtd. in Loudenback, 2016). However, in order

to propel S'well's brand and product into further success as more than just a functional fashion accessory with a positive environmental impact, their CSR initiatives needs to be brought to the forefront of the brand's messaging.

Although S'well's mission is to "rid the world of plastic bottles" (S'well, 2017), the company's CSR efforts are not being shared with the public in a profound and impactful enough way in order to truly capture the brand's mission and core values. According to Kauss, "We don't even talk about it much with our customers, but it's just the right thing to do… It's a part of our DNA, it's part of our mission statement and part of everything that we do. I think customers are really smart and it has to come from an authentic place" (Kauss qtd. in Loudenback, 2016). S'well needs to change their low visibility efforts because smart consumers will do their research on products and purchases but will respond more positively if the information is readily available to them, especially in terms of Millennial consumers.

However, a couple initiatives that S'well launched on a smaller scale have captured and highlighted this mission. One such event was S'well's "1 Million Bottle Project," which began when S'well gave out 6,000 limited-edition bottles at the Sundance Film Festival to attendees who signed a pledge to go plastic-free (Shapiro, 2017). The project's mission is to "eliminate 1 million single-use plastic bottles from entering the environment" (Kauss qtd. in Shapiro, 2017). Eliminating plastic has always been somewhat prevalent in the brand's social media messaging yet their other initiatives are rarely featured. Occasionally, S'well utilizes the hashtag #ReduceTheUse but this tagline is not brand-specific, making it less recognizable.

About American Forests

American Forests is one of the nation's oldest conservation organizations and have been restoring forests for more than 140 years in all 50 states and 50 countries. Since 1990, American Forests has planted over 50 million trees (American Forests, 2017). Their mission includes: "protecting and restoring threatened forest ecosystems; promoting and expanding urban forests; and increasing understanding of the importance of forests" (American Forests, 2017). S'well has partnered with American Forests to aid in these conservation efforts and pledges to plant a tree for every wood-surfaced S' well Bottle sold (Loudenback, 2017). American Forests have a number of corporate partners with similar CSR efforts in place.

Campaign Goal

S'well's additional partners include UNICEF USA and Drink Up. These charity partners are all working toward the same sustainable mission as S'well, which makes it clear that the brand's initiatives are high-fit and S'well should therefore keep them in place. However, in order to fully reap the benefits of CSR and engage Millennials, it is important that the brand bring higher visibility to one if not all of these causes. Campaigns featuring each of its philanthropic partners interspersed with the brand's current messaging would effectively integrate its CSR initiatives into consumers' perception of the brand. Because its initiatives are already high-fit, the campaigns would reflect the brand's core values while also maintaining its brand positioning. For the purposes of this research project, one such campaign will be the focus because it will be based around a timely issue.

Because S'well Bottles are inherently sustainable as they eliminate the need for plastic water bottles, environmentally conscious individuals are already inclined to purchase the product. However, as an added benefit, a campaign highlighting the success and impact of an additional CSR initiative such as S'well's partnership with American Forests offers more of an incentive for consumers to purchase the product and support a socially responsible brand.

Although S'well's current initiative through American Forests is to plant a tree for every wood-surfaced bottle sold (Loudenback, 2017), it is not an initiative that is made well known to consumers and is not listed on their website (see Appendix D for images of wood surfaced S'well Bottles). By bringing this initiative to light, S'well could potentially increase sales of their wood-surfaced bottles while also aiding in planting trees. Not only would it be beneficial to bring this initiative to light, it is also in S'well's best interests to promote American Forests through a social media campaign surrounding Earth Day.

Strategies. The campaign itself would occur through the end of March up until Earth Day, which falls on April 22, 2017. By featuring and planning the campaign around Earth Day, S'well can take advantage of the already increased environmental awareness that occurs throughout this time of year. It will also allow them to highlight their own sustainable features and initiatives in a relevant and authentic way. It is also to S'well's advantage that their core values and year-round initiatives align well with the initiatives of Earth Day so its consumers will perceive a strong link between the company and the cause.

The campaign will raise awareness about its charitable partner American Forests while also increasing S'well's reach both online and at various Earth Day events or celebrations. The campaign will utilize the messaging "I S'well," "Show us why you S'well," and so on. This messaging deliberately makes the S'well brand into an active verb, equating the brand with taking action to protect the environment by reducing the use of plastic bottles, planting trees, et cetera.

Tactics. Three tactics that will coincide with the goals and strategies of this campaign will be the use of social media (Facebook Twitter, YouTube, and Instagram), the release of a limited-edition S'well Bottle, and S'well-branded filling stations at Earth Day-related events in New York City. These tactics, as outlined below, will result in a cohesive campaign that will bring to light much of S'well's social responsibility efforts while also staying authentic to the brand and its loyal consumers with the potential to attract new customers.

Social Media. Throughout the month, S'well would feature various bottles in different environments, which is similar to its current social media aesthetic (See Appendix E for samples of social media messaging). However, these posts would feature the campaign hashtag "#ISwell because..." followed by a fact about the environment or an eco-friendly reason why someone would be inspired to use a S'well Bottle. Messaging would also feature the wood-surfaced S'well Bottles, American Forests and tease the limited edition bottle that will be expanded upon below.

Throughout the week of Earth Day, users are encouraged to use the hashtag #ISwell and share images of themselves with their S'well Bottles and how they are celebrating Earth Day (planting trees, attending events, park clean ups, et cetera). S'well will feature this user-generated content on Instagram and Twitter while also incorporating feature stories on YouTube and Facebook. Tying into Millennials' love of coupons, each person that shares an image using the hashtag will receive a coupon to use on their next S'well Bottle purchase. Similar to the TOMS Shoes social media campaign surrounding "One Day Without Shoes," each photo using the hashtag will receive a manual like or comment, appealing to the millennial consumer's desire for a personalized customer experience and also to the 59% of young Millennials who like when companies engage with them on social media.

Limited-Edition Bottle. A limited-edition bottle will be designed for this specific Earth Day campaign. Similar to the wood-surfaced bottles, a percentage of the proceeds from each bottle sold would go directly to American Forests. The bottles would be very timely and on trend, keeping in line with S'well's current positioning and feature Pantone's color of the year: Greenery (see Appendix F for a mockup of the limitededition bottle). According to Pantone's website (2017), Greenery is "Illustrative of flourishing foliage and the lushness of the great outdoors...[it] signals to consumers to take a deep breath, oxygenate and rejuvenate" (Pantone website). Due to its clear link with nature and the environment, it is the perfect color to feature on this bottle and in this Earth Day campaign. The bottles would only be available for purchase for a limited time through the end of March until Earth Day. This limited availability creates a sense of urgency for consumers who are driven by both the iconic color of the year and the opportunity to give back and celebrate the Earth.

Filling Stations. Throughout New York City, where S'well is based, there are various events and celebrations that occur each year on Earth Day. One additional way to

bring S'well's initiatives to light would to participate in one or multiple events by featuring branded S'well water filling stations and fountains. Expanding upon the "1 Million Bottle Project at the Sundance Film Festival, S'well representatives will give away complimentary limited edition bottles, once again in exchange that individuals pledge to go plastic-free. The individuals that receive the bottles would also be encouraged to share their new pledge on social media with the #ISwell hashtag.

Conclusion

According to the above research, this campaign will comprehensively and cohesively increase S'well's visibility regarding their CSR efforts. It is important for S'well to highlight its social responsibility initiatives because they are high-fit causes that the consumer will perceive as authentic and worthy of their support. By incorporating the already present initiatives into S'well's marketing and public relations strategies and engaging through social media and other outreach methods, they will be able to attract this young millennial segment of the market. The research shows that Millennials respond positively to CSR initiatives, will pay more for socially conscious brands, and feel better about companies upon learning about their social and environmental efforts. Because S'well already has these initiatives in place, they can easily promote them in their messaging. By doing so, they will be able to cultivate a positive brand image as well as generate brand loyalty.

References

American Forests. (2017). Retrieved from http://www.americanforests.org

- Becker-Olsen, K, Cudmore, B. & Hill, P. (2006). The impact of perceived corporate social responsibility on consumer behavior. *Journal of Business Research*, 59.
 Retrieved from http://www.sciencedirect.com/science/article/pii/S01482963 05000342
- Brusseau, J., Brusseau, R. & Chiagouris, L. (2013). Corporate social responsibility: to yourself be true. *Journal of Global Business and Technology*, *9*, 53-63.
 Retrieved from http://library.ramapo.edu:2048/login?url=http://search.proquest.com/docvi

ew/1444911551?accountid=13420

- Cone Communications. (2015). 2015 Cone Communications Millennial CSR Study. [Data file]. Retrieved from http://www.conecomm.com/research-blog/2015-cone-communications-millennial-csr-study\
- Corporate social responsibility: Starbucks Coffee Company. (2017). Retrieved from https://www.starbucks.com/responsibility
- De Pelsmacker, P., Driesen, L. & Rayp, G. (2005). Do Consumers Care About Ethics? Willingness to Pay for Fair-Trade Coffee. *The Journal of Consumer Affairs*, 39. doi: 10.1111/j.1745-6606.2005.00019.x
- Elite Daily. (2015). *Millennial Consumer Trends*. [Data file]. Retrieved from: https://s3.amazonaws.com/elitedaily-public/2015_EliteDaily_MillennialSurvey-2.pdf
- Hassan, S. & Shamma, H. (2011). Integrating product and corporate brand equity into total brand equity measurement. *International Journal of Marketing Studies*, 3 12-16. Retrieved from http://www.ccsenet.org/journal/index.php/ijms/article/ view/9269/6834
- Heal, G. (2012). When principles pay: Corporate social responsibility and the bottom line. New York, NY: Columbia University Press.

Loudenback, T. (2016, June 24). 'It's sort of unbelievable': A reusable water bottle that won over Starbucks CEO could reach \$100 million in sales this year. *Business Insider*. Retrieved from http://businessinsider.com

Marquis, C. & Park, A. (2014). Inside the Buy-one, give-one Model Stanford Social Innovation Review, 12 28-33. Retrieved from http://www.people.hbs.edu/cmarquis/Inside_the_Buy_One_Give_One_M odel.pdf

- Michel, N., & Buler, S. A. (2016). Maximizing The Benefits of Corporate Social Responsibility. How Companies Can Derive Benefits from Corporate Social Responsibility. *European Scientific Journal, Special Edition*. Retrieved from http://library.ramapo.edu:2048/login?url=http://search.proquest.com/docview/179 5924108?accountid=13420
- Millennials Outnumber Baby Boomers and Are Far More Diverse. (2015, June 25). Retrieved from https://www.census.gov/newsroom/press-releases/2015/cb15-113.html
- Roncha, A., & Radclyffe-Thomas, N. (2016). "How TOMS' "one day without shoes" campaign brings stakeholders together and co-creates value for the brand using Instagram as a platform." *Journal of Fashion Marketing and Management, 20*(3), 300-321. Retrieved from http://library.ramapo.edu:2048/login?url=http://search.proquest.com/docview/180 0150308?accountid=13420
- Said, K., Burton, M. A., Hurst, A., & Kane, S. K. (2014)." Framing the Conversation: The Role of Facebook Conversations in Shopping for Eyeglasses." *Proceedings* of the 17th ACM conference on Computer supported cooperative work & social computing (pp. 652-661). ACM.
- Shapiro, K. (2017, February 7). How S'well is ridding the world of plastic... 1 million bottles at a time. Aspen Sojourner. Retrieved from http://aspensojo.com
- Smith, K. (2012). Longitudinal study of digital marketing strategies targeting Millennials. *The Journal of Consumer Marketing*, 29 87-90. doi: 10.1108/07363761211206339

S'well Bottle: Insulated stainless steel water bottles. (2017). Retrieved from https://www.swellbottle.com

TOMS® Official Site: The One for One® Company. (2017). Retrieved from http://www.toms.com

Appendix A: Survey Data

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
When I shop, I	19.05%	59.52%	9.52%	9.52%	2.38%
consistently	16	50	8	8	2
purchase the					
same brands:					
A company's	6.98%	34.88%	41.86%	15.12%	1.16%
commitment to	6	30	36	13	1
social or					
environmental					
issues influences					
my decision to					
purchase their					
product:					
If a company	10.84%	43.37%	31.33%	13.25%	1.20%
behaves	9	36	26	11	1
irresponsibly I					
no longer					
purchase their					
products:					
If two equal	21.18%	48.24%	20.00%	9.41%	1.18%
products were	18	41	17	8	1
the same price, I					
would choose					
the product that					
has a clear					
impact on an					
environmental					
or social issue					
over one that					
does not:	10.050	22 5 5 5	00 5 50	1 < 2001	1
I would pay	13.95%	32.56%	32.56%	16.28%	4.65%
more for a	12	28	28	14	4
product that					
makes an impact					
on issues I care					
about:	22.99%	59.77%	9.20%	5 750/	2 200/
I expect	22.99% 20	59.77% 52	9.20%	5.75% 5	2.30%
companies to give back to	20	32	0	5	Z
society:					

Brand Loyalty and CSR:

Please rank the following product attributes you consider when making a purchase from 1 to 5, with "1" indicating the attribute you care most strongly about and "5" indicating the attribute you care least strongly about:

	1	2	3	4	5	Score
Packaging	3.85% 3	8.97% 7	12.82% 10	20.51% 16	53.85% 42	1.88
Positive recommendation or review	26.25% 21	40.00% 32	16.25% 13	10.00% 8	7.50% 6	3.67
Brand recognition	4.75% 4	20.24% 17	36.90% 31	22.62% 19	15.48% 13	2.76
Price	60.47% 52	15.12% 13	10.47% 9	10.47% 9	3.49% 3	4.19
Positive environmental or social impact	4.60% 4	17.24% 15	24.14% 21	34.48% 30	19.54% 17	2.53

As it relates to corporate responsibility, please rank the following from 1 to 5, with "1" indicating the issue you care most strongly about and "5" indicating the issue you care least strongly about

	1	2	3	4	5	Score
Giving back to	15.38%	29.49%	24.36%	21.79%	8.97%	3.21
local	12	23	19	17	7	
communities						
<u> </u>	10 5 501	11.0.504		22.2004	21.25%	
Sustainability	18.75%	11.25%	26.25%	22.50%	21.25%	2.84
	15	9	21	18	17	
Giving back to	6.25%	7.50%	26.25%	23.75%	36.25%	2.24
global	5	6	21	19	29	
communities		-			-	
Safe working	37.04%	24.69%	14.81%	12.35%	11.11%	3.64
conditions and	30	20	12	10	9	
fair wages						
Health issues	25.88%	27.06%	11.76%	17.65%	17.65%	3.26
(cancer	22	23	10	15	15	
awareness,						
research, etc.)						

Social Media Engagement:

Please rank the reasons you might engage with a company on social media from 1-5

	1	2	3	4	5	Score
Product information	20.51%	25.64%	29.49%	17.95%	6.41%	3.36
or usage	16	20	23	14	5	
Couponing or	43.59%	25.64%	11.54%	7.69%	11.54%	3.82
discounts	34	20	9	6	9	
Job opportunities	15.85%	8.54%	18.29%	21.95%	35.37%	2.48
	13	7	15	18	29	
Social/environmental	6.02%	13.25%	19.28%	33.73%	27.71%	2.36
issues	5	11	16	28	23	
New product updates	16.67%	27.38%	25.00%	17.86%	13.10%	3.17
	14	23	21	15	11	

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
If I feel strongly	14.94%	37.93%	20.69%	19.54%	6.90%
about a	13	33	18	17	6
company or					
product I will					
express my					
opinion on					
social media:					
If I feel strongly	8.05%	31.03%	20.69%	32.18%	8.05%
about a	7	27	18	28	7
company or					
product I will					
reach out to the					
company on					
social media					
I like when a	19.54%	39.08%	28.74%	9.20%	3.45%
company	17	34	25	8	3
engages with					
me on social					
media					

How often have you engaged in any way with a company on social media over the past 12 months?

Answer Choices	Responses	
1-3 times	74.71%	65
4-6 times	14.94%	13
7-10 times	0.00%	0
10-20 times	6.90%	6
More than 20 times	3.45%	3

Please rank the electronic methods you prefer corporations to use in communicating with you on social issues:

	1	2	3	4	5	6	7	Score
YouTube	11.11%	6.17%	12.35%	20.99%	14.81%	19.75%	14.81%	3.59
	9	5	10	17	12	16		
Facebook	17.07%	35.37%	17.07%	14.63%	7.32%	6.10%	2.44%	5.12
	14	29	14	12	6	5		
Blogs	3.61%	4.82%	13.25%	8.43%	16.87%	22.89%	30.12%	2.81
	3	4	11	7	14	19	25	
Twitter	26.51%	19.28%	14.46%	7.23%	13.25%	9.64%	9.64%	4.71
	22	16	12	6	11	8	8	
Corporate	14.29%	13.10%	15.48%	19.05%	19.05%	13.10%	5.95%	4.21
website	12	11	13	16	16	11	5	
Email	21.43%	16.67%	14.29%	14.29%	5.95%	14.29%	13.10%	4.38
	18	14	12	12	5	12	11	
Search	4.76%	4.76%	13.10%	15.48%	22.62%	13.10%	26.19%	3.10
engine	4	4	11	13	19	11	22	
advertising								

Appendix B: Focus Group Data

Question 1: What is CSR?

"companies with same values as them and does good for the world"

"positive impact or not negative"

"give back to community" "company responsible to give back to consumer, employees,

environment"

"goals besides making profits"

"aid or support different causes relating to social issues"

Question 2: What kinds are important to you?

"fair wages", "environment", "local", "ran and operated in America and stimulate jobs", "work for or against LGBT rights"

Question 3: How important is it?

"unless CSR is very obvious I don't care about it" "facts have to be readily presented to me or I don't go out of my way to learn about companies before I buy a product"

Question 4: Does it affect your purchases?

"not important enough that it would keep me from purchasing something I need"

"only if it doesn't affect price" "price point"

"yes if it is a good (quality) product and does good"

"I would be more likely to remain loyal if they were giving back to a good cause"

Question 5: Do you think the brands you purchase reflect more about you? Good or bad? Which ones?

"people could judge you for specific brands you wear but it is more for yourself"

"if people judge my character because of a brand I wear, that person has some serious

issues" "people should not be blamed for supporting companies that don't give back"

"does not reflect about our personalities"

"I like to think so (good)" "my companies reflect the good"

"Some brands not all" "Won't buy Ivanka (certain brands)"

Good: TOMS shoes, Lokai, Love Your Melon, Tylenol, Starbucks

Bad: Ivanka Trump, Walmark, Exxon

Appendix C: S'well Bottles



Left: S'well Bottles are available in a variety of colors and patterns and consumers also have the ability to customize them.

Image source: pureluxebride.com



Left: S'well Bottles come in three sizes and range in price from \$25 to 45.

Image source: Nordstrom.com

CSR AND THE MILLENNIAL GENERATION



Appendix D: Wood Surfaced Bottles

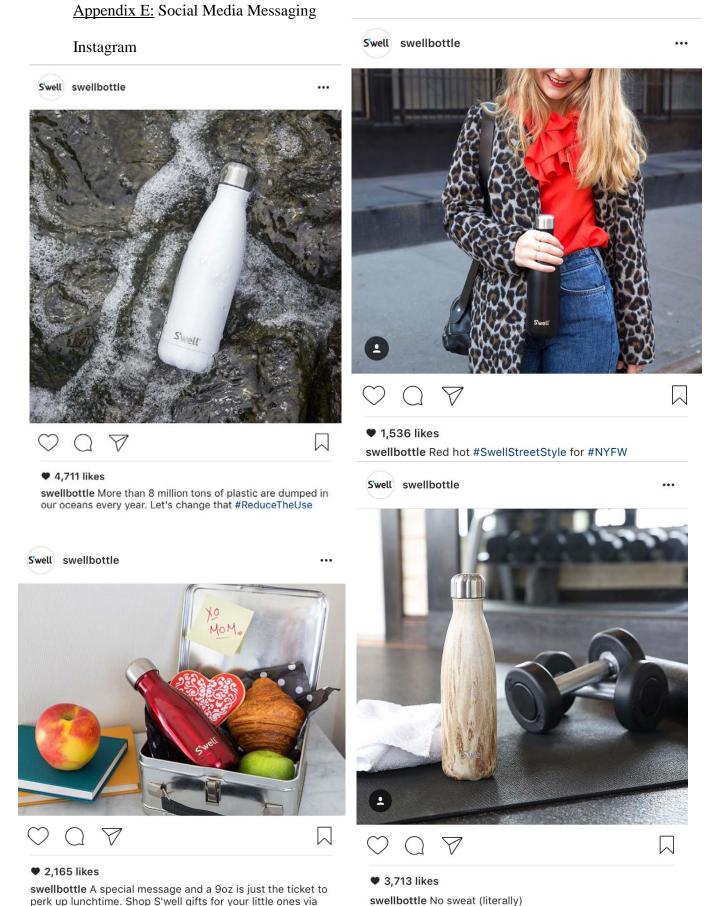
Above: For every wood surfaced bottle sold, S'well will plant a tree in association with American Forests.

Image source: gadgetflow.com



Left: S'well's Wood Collection is also available in a variety of colors.

Image source: lookupbeforebuying.com



perk up lunchtime. Shop S'well gifts for your little ones via switch in bio

We make our bottles triple-walled so you can skip the whole 'condensation' thing

CSR AND THE MILLENNIAL GENERATION

Cummings 43

Twitter

S'well Bottle @swellbottle · Mar 19

Swell FYI, our bottles will keep your drinks cold for 24 hrs straight (even when you spend the day soaking up the sun)



27 2 V 18

S'well Bottle @swellbottle · Feb 23 Swell

We caught the travel bug and the only cure is more #SwellAdventures. Get your fix on #SwellBlog

ow.ly/X097309ibTG



4 27

60

S'well Bottle @swellbottle · Mar 6 Swell The new Textile Collection was crafted to reflect the worldly trims of India and Africa



S'well Bottle @swellbottle · Feb 12 Swell Leave her a sweet S'well love note to wake up to

ow.ly/52Sy308K7fy



Appendix F: Limited-Edition Bottle



