

RESPONSIBLE BEAUTY



A study about Corporate Social Responsibility in the Cosmetic Industry and the influence on customer-organization relationships

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Abstract

Due to challenges in today's age companies are increasingly engaging in Corporate Social Responsibility (CSR) in order to differentiate themselves and gain competitive advantage. This study explored the role of CSR in the cosmetic industry and the influence on customerorganization relationships by the use of a content analysis and a survey. Overall, cosmetic customers find CSR important and it seems to influence relational and transactional outcomes. Customers want to pay a higher price for socially responsible products, are more loyal and give better brand recommendations. However, these factors are not most important in their buying decisions, and quality and previous experience are more important. Furthermore, there seems to be a discrepancy in what cosmetic companies communicate and what customers want to hear. Therefore, these companies might miss out on strategic benefits. Next, awareness appears to be a moderator, which implies that aware customers have a better relationship with brands. Furthermore, the results imply that direct communication from the organization is most effective, because customers do not have to search for this information themselves.

Keywords: Corporate Social Responsibility (CSR), cosmetic industry, CSR Communication, customer-organization relationship, relational outcomes, transactional outcomes.

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1. Introduction

The concept of Corporate Social Responsibility (CSR) has gained increased importance during the last decades and it has become more and more important for companies to be perceived as socially responsible (Fombrun & Van Riel, 2007; Maignan & Ferrel, 2004; Morsing & Beckmann, 2006). In short, CSR can be described as a commitment to improve societal wellbeing trough discretionary business practices and contributions of corporate resources (Du, Bhattacharya & Sen, 2010; Kotler & Lee, 2005). In 2007, almost every Fortune 500 companies and a great number of small and medium-sized enterprises had some kind of CSR activities in their company strategy (Banerjee, 2007). Basically, the CSR concept is not new, neither is the idea that companies should act responsible. In today's age however, companies face a number of challenges that force them into developing a CSR strategy, like globalization, technological changes, environmental challenges, changing value systems and changing consumer preferences (Karna, Hansen & Juslin, 2001).

An important current issue is the economic crisis. Since 2009 the world is in an economic decline and it is harder for companies to make profit. Differentiation and achieving competitive advantage have therefore become important priorities to maintain profitability. CSR is a possible tool for creating such differentiation and competitive advantage, since it is a way of becoming unique in a market. According to the Reputation Institute (2007), social responsibility is the key driver of corporate reputation and the importance of it is still increasing (Morsing, Schultz & Nielsen, 2008). This means that many companies not only implement CSR strategies in order to be responsible, but also to achieve positive business outcomes and long-term profit.

The growing importance of CSR can be noticed in many different sectors, and also in the cosmetic industry this topic has become quite popular. In this specific sector CSR initiatives were originally undertaken by niche players; small cosmetic companies that had social responsibility as a core function. Due to pressures from stakeholders however, bigger companies have also come into play. Cosmetic companies used to be heavily criticized for their questionable business practices, which were perceived unethical and bad for the environment, like animal testing and chemical pollution (Organic Monitor, 2010a). Since consumers are applying cosmetic products on their own body, they find it important to know about any adverse effects. Consumers are becoming more health conscious and there seems to be a growing concern about chemicals in cosmetic products and their possible long-term detrimental effects on the body and the environment. Next to his, consumers have more

information sources, allowing them to be highly informed about possible negative effects of the products they are using. The cosmetic industry is highly consumer oriented and therefore these companies felt pressured by the demands from society and increasingly started to engage in CSR (Article 13, 2002). Organizations in this sector are now actively trying to adopt ethical, ecological and responsible business practices (Organic Monitor, 2010b). Due to this, 'sustainability' and 'corporate social responsibility' have become buzzwords in the industry, including the growing popularity of words such as 'natural', 'organic' and 'green' (Pitman, 2010).

1.1 Problem statement

The aim of this study is to explore the role of CSR in the cosmetic industry, and most importantly the influence it has on the customer-organization relationships. The central question of this research therefore is:

How do Corporate Social Responsibility activities influence customer relationships in the cosmetic industry?

1.2 Practical and theoretical relevance

This research is both scientifically and practically relevant. First, it can give more clarification about the specific benefits cosmetic companies can achieve by engaging in CSR. This research focuses on one specific industry, which fits the claim of Vogel (2005) that the benefits of CSR are dependent on the context and therefore the image should be more nuanced. It is important to step away from generalizations and look at when, where and how CSR can be beneficial (Crane, McWilliams, Matten, Moon & Siegel, 2007).

Also, according to Crane et al. (2007) the consumer behavior is not yet well understood. It is acknowledged that CSR can influence consumer behavior, but our specific understanding of when, how and why is still limited. This research therefore investigates the influence of CSR on customer-organization relationships, thereby examining what customers find important and if they are influenced by CSR.

Also, the communication of CSR seems to be lacking and supposedly there is insufficient information available to consumers (Bhattacharya & Sen, 2004; Mohr & Webb 2005). Consumers are confused about CSR, because they have limited knowledge and do not know what companies engage in which practices (Carrigan & Attalla, 2001). Therefore, this

research both investigates how cosmetic brands communicate their CSR and how aware consumers are about these practices. This could give insight into the effectiveness of CSR communication of cosmetic companies and could provide useful practical information about possible improvements.

Next, research about the perceptions of stakeholders towards CSR is scarce (Maignan & Ferrel, 2004). It is helpful for companies to gain better understanding of how the customer perspective of CSR is established and how this might be affecting customer-organization relationships. This can help assessing possible benefits associated with CSR (Hoeffler & Keller, 2002). This research will provide more knowledge about the perceptions of customers, which is also important for companies that want to implement an effective communication strategy, because it will give insight in the expectations and needs of customers (Singh, Sanches & Bosque, 2008).

Lastly, managers seem to be confused about which CSR initiatives they have to choose and what exactly to do with them (Mohr, Webb & Harris, 2001). This research will provide more clarity because it will make clear for managers what CSR initiatives have highest priority for customers.

1.3 Thesis outline

The outline of this study is as follows. First, a review of the current literature about CSR will be given in chapter two. In chapter three, the methods that were used to investigate the research question are explained. The results of the content analysis are discussed in chapter four, and in chapter five the results of the survey are analyzed. This leads to a discussion and conclusion in chapter six.

2. Literature Review

In this chapter, a review of the existing literature on CSR is given. First, the concept of CSR is discussed more in depth, followed by the role of communication for CSR. Next, specific stakeholder characteristics that are important when investigating CSR are described. This is followed by a discussion of studies about the business outcomes of CSR. Then, this is reviewed in the context of cosmetic companies. Lastly, this chapter concludes with the definition of the sub research questions.

2.1 Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a broad concept, which is used in diverse ways in different studies, in several fields (including public policy, public relations etcetera). This poses difficulties in defining what CSR exactly stands for. Overall, CSR can be seen as a company's commitment to avoid harm and improve the wellbeing of stakeholders and society as a whole (Mohr et al., 2001). In many CSR related studies, the definition provided by Carroll (1991) is used. It is a normative definition that is used in various fields, like management and marketing (De Bakker, Groenewegen & Den Hond, 2005; Maignan, Ferrell & Farrell, 2005; Podnar & Golob, 2007). The exact definition states: "The social responsibility of business encompasses the economic, legal, ethical, and philanthropic expectations that society has of organizations at a given point in time" (Carroll, 1991, p 283). These economic, legal, ethical and philanthropic dimensions refer to the functions of organizations. According to Carroll and Shabana (2010), the economic and legal responsibilities are requirements and organizations need to engage in these. Furthermore, it is expected by society that organizations engage in the ethical responsibilities, and the philanthropic responsibilities are desired (see figure 1).

However, this view has been critiqued and especially the philanthropic approach of CSR might be a problematic one. Engaging in philanthropy can undermine the license-to-operate of companies in the long run because it goes beyond the core of their business (Lin-Hi, 2010). According to Friedman (1970, pp.126) "there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase profits." He therefore claims that there is no true reason for companies to engage in charity, because it does not increase profits in any way. He even goes as far as stating that philanthropy is misleading as a CSR activity. Still, philanthropy is a very popular CSR activity for companies to engage in and many companies declare it as a responsibility (Lin-Hi,

2010). Therefore philanthropy is seen as a CSR activity, even though this might (ideally) not be the case.

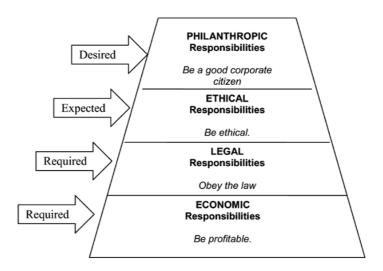


Figure 1. Adapted four-part model of Corporate Social Responsibility (Carroll, 1991).

To gain a better understanding of these CSR responsibilities, the theoretical overview provided by Garriga and Melé (2004) is useful. They found four distinct motives in the CSR literature that drive companies to engage in CSR. First, the *instrumental* purpose is acknowledged, where CSR serves as a means for achieving profits (Garriga & Melé, 2004). It is assumed that an organization serves as an instrument for wealth-creation, and that this economic purpose is its only responsibility. This implies that social activities are only accepted if they have economic benefits (Garriga & Melé, 2004). For instance, engagement in certain social causes is accepted if it leads to increased shareholder value or competitive advantage. An important instrumental tool in this respect is cause-related marketing, whereby a company engages in a certain cause because it can lead to revenue providing exchanges and enhance the company reputation (Smith & Higgins, 2000; Varadajaran & Menon, 1988). The organization basically uses consumer concern to create competitive advantage (Smith & Higgins, 2000). This means that companies do not act socially responsible because they feel obliged to, but because they can make profit from it.

Second is the *political* purpose, which relates to the social power an organization has in society. Companies have to accept certain social duties and contribute in social cooperation. The term corporate citizenship is mentioned often in this context. This term refers to the idea that organizations belong to a community and that they have to take this into account in their daily practices. Basically, companies have a responsibility in the political arena and indirect obligations towards society. These obligations are for instance taking good

care of employees, supporting community activities and engaging in environmentally friendly business practices (Morsing et al., 2008).

Third is the *integrative* purpose, which means that organizations integrate certain social demands in their CSR strategy. The idea behind this is that organizations exist because of society and depend on it for continuity and growth. Businesses should operate in line with social values that exist in society, because otherwise they will cease to exist. Therefore, companies should listen to different kinds of stakeholders, because these stakeholders can decide whether they want to engage with the company or choose to support another one.

Lastly, companies can engage in CSR because of *ethical* values, referring to the acceptance of social responsibilities. This stems from the thought that it is "the right thing to do or the necessity to achieve a good society" (Garriga & Melé, 2004, p.60). Here, companies engage in CSR purely because they feel obliged to help create a better society. Human rights and sustainable development are for instance important topics, because these have a direct impact on society.

These four different motives that are acknowledged in the CSR field show that CSR is not a one-sided concept and that there are many different reasons and purposes for organizations to engage in CSR. Most importantly, different companies seem to have different goals they want to reach with behaving socially responsible; some are looking for economic benefits and others are trying to meet certain social obligations. Furthermore, companies not only have different motives for engaging in CSR, they also engage in different kinds of CSR practices. According to Porter and Kramer (2006) it is important for organizations, when they choose certain practices for their CSR strategy, that the initiatives fit the corporation. Ideally, strategic CSR is fully integrated and becomes hard to distinguish from the day-to-day business practices of a company. Therefore, companies have to make a selection of practices they want to engage in, and make a decision about which social issues to address. It is impossible to solve all societal problems. This decision should be mainly based on creating shared value; value for both the company and society, because companies and society need each other for their existence. Therefore, choices must benefit both parties and companies must not only incorporate practices that they see fit, but they have to be aware of what stakeholders want (Porter & Kramer, 2006). Since not all companies engage in the same CSR issues and have the same goals, it is an opportunity for differentiation and creating a better competitive position. But, this also results in different levels of effectiveness; some companies will have more positive business outcomes than others. In the next paragraph, the role of communication in achieving these benefits is discussed.

2.2 CSR communication

This research holds a communication perspective, and from this point of view it is argued that CSR is understood only through communication, specifically language. CSR only becomes tangible trough communication, because without words nobody will become aware of these actions. Stakeholders only know about CSR, because companies and other parties give information about it; communicate about it. It can even be argued that through language, meaning is given and action is established (Barwise & Perry, 1983; Glenberg & Kaschak, 2002). However, the goal of this research is not to fuel this discussion and therefore it is just assumed that communication plays an important role in the emergence of CSR. This means that CSR and communication are interrelated, and communication therefore serves as a context in this research. In order to be able to research the impact of CSR on the customer-organization relationships, it is important to understand more about the way companies communicate their CSR practices.

The question that remains however is how companies should optimally deploy their communication. To be able to cover this it is first important to define what CSR communication exactly is. Podnar provides a detailed definition:

The process of anticipating stakeholders' expectations, articulation of CSR policy and managing different organization communication tools designed to provide true and transparent information about a company's or brand's integration of its business operations, social and environmental concerns, and interaction with stakeholders. (Podnar, 2008, p.75)

Several studies have investigated the criteria for 'good' CSR communication as explained in this definition. The basic goal of CSR communication is to make a bridge between the company and its stakeholders. Preferably this happens through formal and informal dialogues and engagement practices (Andriof & Waddock, 2002). Overall, it is hard to communicate to stakeholders, especially to customers, because not all have the same opinion about social responsible behavior and their expectations are constantly changing (Morsing, 2005; Morsing & Schultz, 2006). In order to cope with this and enhance customer reactions with CSR communication, Morsing (2005) has proposed two types of strategies: the informing and interaction strategy. Companies are supposed to engage in these both at the same time in order to create aware and informed stakeholders. When done right, the strategies will feed from

each other and will create positive customers outcomes (stronger relationship, stakeholder identification) (Morsing, 2005). But, according to Morsing (2005), current CSR communication is lacking. Most companies have focused on the informing strategy up till now, while it would be advisable to also incorporate the interaction strategy.

Other researchers have written about the content of CSR communication. Du et al. (2010) for instance gave an overview of typical content of CSR messages. They argue that most messages regarding CSR are about the involvement by a company in a specific CSR cause and that four factors are typically highlighted: the commitment, impact, motives and fit to the cause (Du et al., 2010). First, the *commitment* of a company to a specific cause is often described. This can for instance be information about donations and other resources (money, time) that are dedicated to the cause. Secondly, the *impact* an organization has on a cause is frequently communicated by explaining what specific goals are achieved. Thirdly, the *motives* an organization has for supporting the actual cause are often shared. These motives can be either intrinsic or extrinsic, with extrinsic meaning that organizations engage in CSR in order to increase profits, and intrinsic that companies act out of a genuine concern for the social issue at hand (Forehand & Grier, 2003; Yoon, Gurhan-Canli & Schwarz, 2006). Lastly, the *fit* between the cause and the company is often addressed. When there is a fit, the connection between the cause and the core business of the organization is explained.

This categorization of Du et al. (2008) is useful, because it shows how companies try to create a better relationship with their stakeholders and try to influence the perception of stakeholders about the company through communication. The content of messages is important for the way stakeholders perceive the CSR strategy of companies, because it can determine whether they see a CSR activity as genuine or as stemming from false motives. In general, consumer's perceptions of CSR seem to be quite positive, but they can also become rather suspicious towards certain CSR communication strategies, especially when these messages are conspicuous (Morsing, 2005; Morsing et al., 2008). On the one hand, customers claim they want to know more about CSR activities of organizations, but simultaneously they can quickly become skeptical about these messages and the motives companies have for engaging in CSR (Mohr et al., 2001; Morsing et al, 2008; Schlegelmilch & Pollach, 2005). CSR messages can evoke quite strong reactions, which makes it difficult to communicate (Morsing & Schultz, 2006).

The corporate website

Next to studies about the content of CSR communication, there is also a body of literature discussing the channels via which this communication is taking place. According to a number of researchers, the Internet is the prime communication channel in this century and stakeholders are increasingly relying on the Internet as a source for information (Dellarocas, 2006; Isenmann, 2006). It provides a good tool for communicating CSR, because it enables companies to share a great deal of information with numerous stakeholders all over the world. Especially the corporate website is a popular and influential channel to showcase CSR commitment, and research has shown that there is a significant rise in the use of these corporate websites for reporting CSR (Isenmann, 2006). Via the corporate website, companies can report their business activities in regular and timely narratives. Furthermore, a website makes it possible to shape corporate messages, to enhance a company's identity and reputation, and to persuade customers and other stakeholders to accept certain business practices. The image of an organization can be more strategically managed, because stakeholders can be persuaded, informed and educated (Stuart & Jones, 2004). The corporate website is regarded as a necessary channel for managing a company's identity and multiple researchers have pointed to its importance for communicating CSR (Esrock & Leichty, 1998; Maignan & Ralston, 2002; Rolland & Bazzoni, 2009).

Correlations have been found between the perception of customers towards a company's reputation and the type of communication channels, because the characteristics of a channel can lead to questions about the motives of companies (Rolland & Bazzoni, 2009). This is because different channels provide different possibilities. Overall, the preference lies with channels that are not too bold, like annual CSR reports and corporate websites. Advertising and public relations seem to be less preferable (Morsing et al., 2008). Since the corporate website is a preferred channel for CSR communication, this research will focus on the communication by cosmetic companies via this channel.

2.3 Stakeholder characteristics

As explained above, a good communication strategy is important for the effectiveness of CSR, because only trough communication CSR becomes tangible for stakeholders. It is important that stakeholders are reached, because CSR makes it possible to initiate and maintain a better relationship between a company and its stakeholders, which is important for achieving positive long-term business outcomes. Therefore, CSR can be understood in terms

of a stakeholder approach. If a company is oriented towards stakeholders, this means that stakeholder concerns are understood and addressed. Stakeholder theory sees companies as "open and flexible systems made up of diverse actors and are active in a network of relationships with various other actors" (Maignan & Ferrel, 2004, p 5). This stakeholder theory supposes that an organization acts socially responsible when its actions account for the interests of its stakeholders (Maignan & Ferrel, 2004). Carroll (1993) states that when an organization is not addressing stakeholder concerns, it misses out on important expectations from society towards the economic, legal, ethical and discretionary dimensions, and therefore organizations should always take these concerns into account. In practice it seems that companies acknowledge the importance of stakeholders more and more, and the consideration of stakeholders seems to be getting increasingly important in the decision making process (Rolland & Bazzoni, 2009).

An important factor to consider when looking at stakeholders and CSR are stakeholder characteristics, because these can moderate the effectiveness. These specific characteristics can be subdivided in: stakeholder type, issue support and social value orientation (Du et al, 2010). An important stakeholder group is customers, because they are the ones that buy products and services, and therefore generate revenue (Carvalho, Sen, De Oliveira Mota & Carneiro de Lima, 2010). Since many customers prefer to see themselves as socially responsible, CSR seems to be a good angle for building a relationship with customers (Morsing, 2005). If a company acts socially responsible, many customers would perceive a connection between the company's attributes and their own attributes, and therefore they will identify more easily with the company (Dutton, Dukerich & Harquail, 1994; Lichtenstein, Drumwright & Braig, 2004). Therefore, companies are increasingly embracing CSR in order to create positive customer-relationships (Solomon, 1994). Recognizing the importance of customers in the CSR process, this research focuses on the effects CSR has on customers.

Secondly, issue support is a factor that influences the business case of CSR, and is basically about specific CSR activities customers find important. The more the CSR issue at hand is related to the attributes of customers, the more likely it will be that the issue is embraced and supported. In general, a CSR issue relates to customers when it reflects their personal needs and values. Therefore, CSR will probably be more effective in reaching positive business outcomes when it fits the values of customers (Du et al., 2010). In this research therefore, it will be investigated how important customers in the cosmetic industry find certain CSR initiatives.

Lastly, the social value orientation influences the business results. The social value

orientation indicates to which extent customers find social responsible behavior of a company relevant and important. Overall, customers can be divided into different groups, ranging from the ones that actively support CSR (activists), to the ones that do not believe in CSR and do not support it at all (Cone, 2008, as cited in Du et al., 2010, p.17). These different types of social value orientations can strongly influence the behavior of customers and can have an influence on customer-organization relationships. Some people might for instance be more likely to make purchases based on ethical criteria, and some might be more aware of CSR activities then others and be more likely to actively investigate the CSR practices of companies (Dawkins, 2005). This research will take this into account and investigate whether customers find CSR at cosmetic companies important and support it or not. Especially awareness seems to be very important in this regard. Rizkallah (2012) discovered that knowledgeable and informed customers have a higher intention to use CSR as an important aspect in their buying decisions, and unknowledgeable people have not. Therefore, awareness can moderate the effect CSR has on certain business outcomes.

2.4 Business outcomes

In the previous paragraphs, it is often mentioned that CSR can lead to positive business outcomes, via communication and customers. But what exactly are these business outcomes? In Carroll's definition it is acknowledged that economic responsibilities form the basis of CSR, and also Friedman (1970) argues that the social responsibility of a business is to increase profits. This means that the responsibility of business is "to produce goods and services that society desires and to sell them at a profit" (Carroll & Shabana, 2010, p.90). Therefore, organizations not only engage in CSR out of ideological ideas, but also because it can lead to more profitable business outcomes (Du et al., 2010). This also became apparent in the motives pointed out by Garriga and Melé. Engaging in CSR can be more than costs or solely a charitable deed; it can be an important source for innovation and competitive advantage (Porter & Kramer, 2006). Overall, the benefits of CSR can be broadly divided into two types of outcomes: transactional and relational outcomes (Du, Bhattacharya & Sen, 2007). Transactional outcomes are the tacit and immediate financial outcomes, like the purchasing behavior of customers. Relational outcomes on the other hand are the more longterm benefits, like brand identification, brand loyalty, positive brand evaluations and positive word-of-mouth (brand recommendations) (Hoeffler & Keller, 2002; Klein & Dawar, 2004; Sen, Bhattacharya, & Korschun, 2006).

Studies that focused on transactional outcomes have shown some inconclusive results. A great body of literature reveals that the buying behavior of customers is positively influenced by CSR (Brown & Dacin, 1997; Du et al., 2007; Klein & Dawar, 2004; Sen & Bhattacharya, 2001). These studies show that customers increasingly expect that organizations behave like good corporate citizens and that the overall expectations of CSR initiatives taken by companies are increasing (Dawkins & Lewis, 2003). Customers are becoming more and more critical with regard to social and environmental issues (Frederick, 2008). They do not only have concern for issues that directly affect themselves (product safety), but also issues that affect others (labor circumstances) (Maignan & Ferrel, 2004). Customers have high expectations of CSR and include these expectations and concerns into their behavior towards companies (Maignan et al., 2005). This seems to imply that customers prefer to purchase from companies that act in a socially responsible way and are intolerant towards organizations that fail in fulfilling their social obligations (Dawkins & Lewis, 2003; Harrison, Newholm & Shaw, 2005; Kotler, 2011). This may imply that customers reward companies for engaging in social responsible activities, and punish the ones that harm society by not buying their products (Creyer & Ross, 1997; Levy, 1999). According to a survey by the European Commission, 70% of the consumers find it important that a company is committed to social responsibility, and 44% is willing to pay a higher price for socially and environmentally responsible products (CSR Europe, 2000).

But there are quite some studies that do not support this view and claim that there is no influence from CSR on the buying behavior of customers, because customers do not really care that much about whether companies behave socially responsible or not (Boulstridge & Carrigan, 2000; Vogel, 2005). Carroll and Shabana (2010) for instance claim that there is no direct relation between CSR and the financial performance of companies, and Sen and Bhattachrya (2001) even show that CSR can sometimes have a negative influence on the buying behavior of customers. According to these findings there is a gap in the intentions of customers and their actual behavior, which would explain why they want to know about CSR but do not act upon it (Rizkallah, 2012, Vogel, 2005). The studies do support the view that CSR can play a role in the buying behavior of customers, but that price and quality are still the main decision factors (Boulstridge & Carrigan, 2000). This would imply that CSR is not as big of a factor when it comes to the financial outcomes of companies.

An important missing link in this relationship seems to be good communication (Dawkins, 2005). According to a study conducted by Mohr and Webb (2005), customers find it difficult to use CSR in their buying decisions because they are mostly not aware of the CSR

activities of companies. Research has shown that companies have trouble with communicating their CSR effectively, and that overall there is too little information, and the available information is not easily accessible (Lewis, 2003). This means that customer awareness of CSR is rather low, which leads to drawbacks for organizations to achieve strategic benefits (Bhattacharya & Sen, 2004). In order to achieve positive customer relationships, good CSR communication appears to be very important (APCO, 2004, as cited in Fieseler, Fleck & Meckel, 2010; Maignan & Ferrel, 2004).

The above shows that evidence of the existence of a positive relationship between CSR and the buying behavior of customers (transactional outcomes) is not overwhelming, but there is sufficient evidence for CSR to have a positive effect on relational outcomes. For instance, research shows that brand identification can be triggered by CSR, because CSR can help customers relate to and identify with a certain brand. These studies suggest that the degree of customer identification depends on the attractiveness of the identity of the company, and CSR is one factor that can trigger a positive organizational identity (Dutton, et al., 1994; Lichtenstein et al., 2004; Marin & Ruiz, 2006). Brand identification is important because when stakeholders identify with a specific company or brand, they will also support its actions. Furthermore, CSR can create a sense of public goodwill and it can enhance customer commitment and loyalty towards a company and even increase willingness to pay a higher price for certain products. When customers are loyal to a brand, they are willing to invest certain resources, like money, time and energy into it. This loyalty can also increase brand recommendations from customers to each other (positive word-of-mouth) (Hoeffler & Keller, 2002).

These findings imply that engaging in CSR is most likely beneficial for relational outcomes and serves to create "broader, deeper and longer-term consumer responses" and to contribute to a "brands long-term reputational capital" (Du et al., 2007, p. 237). It seems to be unclear whether it is also beneficial for transactional outcomes. Overall, CSR has become a significant driver of corporate reputation and the public opinion about a company (Dawkins & Lewis, 2003; Hoeffler & Keller, 2002). An earlier study indicated that a company's image is determined by CSR for 49%, which is more than brand management (35%) and financial management (10%) (Meehan, Meehan & Richards, 2006).

2.5 CSR in the Cosmetic Industry

As mentioned before, the studies about the business case of CSR show rather inconclusive results. A possible explanation for this is that the business effects of CSR are contingent and differ between companies in different contexts (Crane et al., 2007). Therefore, any claim that responsible firms are more profitable must be nuanced. In some businesses and sectors CSR may have more effect than in others (Vogel, 2005). Therefore, this research will investigate the possible CSR advantages in one specific sector: the cosmetic industry. In this paragraph some information about the cosmetic industry will be given in order to provide a better understanding of the context of this study.

As explained in the introduction, companies in the cosmetic industry are increasingly developing CSR strategies. The company that supposedly started this trend is The Body Shop, which was the prime company to start social responsible business practices in the cosmetic industry. In 1995, The Body Shop was the first to publish a CSR report. In this report they described their activities about all sorts of topics, like ethical trade, animal testing, human rights, protection of the planet, employee care etcetera (OECD, 2007). With this approach, The Body Shop distinguished itself from other companies on the market and won consumer trust (OECD, 2007; Porter & Kramer, 2006). It is even assumed that The Body Shop has 'ownership' of the 'green' positioning, and that other cosmetic companies have the risk of being seen as a copy-cat (Johri & Sahasakmontri, 1998). Despite this many cosmetic companies followed suit, because The Body Shop was so successful (Article 13, 2002). Nowadays it appears that the entire beauty industry wants to be ecological and ethically conscious.

New Ethics Institute founder Rainer Plum (2010, as cited in McDougall, 2010) also highlighted this growing importance of CSR for cosmetics companies, but he also warned for 'greenwashing'. Since CSR can be used as a marketing tool and a competitive strategy, there is a risk of companies just following the trend by claiming to engage in CSR, rather than actually implementing CSR strategies. But according to Plum (2010, as cited in McDougall), CSR strategies have the most effect when companies speak the complete truth, and when the activities that are undertaken are compatible with the entire business identity and mission. This means that greenwashing is actually less effective than engaging in genuine CSR activities and companies should not prefer to state false claims.

Communication in the cosmetic industry

Like explained before, communication is very important when it comes to CSR. This is also the case in the cosmetic industry. Consumers react sensitively to greenwashing and false information (Nielsen, 2012). Therefore, it is important to communicate honestly, and also use the right channels. The Internet plays a big role in the cosmetic industry; more than three-quarters of the socially conscious consumers relies on opinions posted online by others (Nielsen, 2012). However, Dawkins (2005) claims that most customers do not actively seek for CSR information, not even when it comes to issues they find particularly important.

According to Organic Monitor (2010a), there is a lack of CSR communication by cosmetic companies. The majority of cosmetic customers are not aware of the CSR activities of specific companies and they also seem to be unsure about the meaning of the word 'sustainability'. The study states that it is urgent for natural and organic companies to quickly start communicating better, because this lack in communication results in confusion amongst cosmetic customers about which companies support sustainable values. This confusion will diminish the chances to reap strategic benefits from CSR.

Popular CSR topics

Specific CSR initiatives in the cosmetic industry differ per company; some companies focus on ethical sourcing and others on biodiversity preservation (Organic Monitor, 2010a). Overall, key CSR efforts in the cosmetic industry are about greener development of formulations, with a reduced ecological footprint. A lot of brands in the cosmetic sector focus on CSR activities related to the environment, sustainability and philanthropy (Armstrong, 2010). Other popular CSR activities in this sector are to stop using unethical and harmful ingredients, reduction of packaging waste and more sustainable use of materials, water and energy (Organic Monitor, 2010b).

According to the Fair Trade Cosmetics & Ingredients report by Organic Monitor (2010a), the natural and organic market is mostly concentrated in Europe, with North America still catching up. This research focuses on the Netherlands, where laws and regulations play an important role. Since March 2013 for instance, animal testing for cosmetic products is forbidden by law in the Netherlands. Cosmetic brands cannot test their products on animals anymore in the Netherlands, *but* they can still perform these tests in other countries. So, cosmetic products that are bought in the Netherlands are not guaranteed free from animal testing.

Previous research

Not a lot of academic research about CSR in the cosmetic industry has been performed, and specifically not about its communication and the positive effect on customer-organization relationships. Most studies have focused on technical aspects, like the use of specific biologically active ingredients in cosmetics, which is not relevant to this study. This lack of previous research highlights the relevance of this study. There are however a handful of studies performed. The main findings of these studies are overlapping and show that quality, price and ingredients are the most important factors when it comes to the buying decisions of customers in the cosmetic industry (Selbes & Mohamed, 2010; Zhao, 2012). An emotional link with the brand also seems to be important (Selber & Mohamed, 2010). Consumers are mostly informed via the Internet, mass media and NGO's (Selbes & Mohamed, 2010; Zhao, 2012). The average awareness of consumers is rather low (Zhao, 2012).

Also, there are some studies that have focused on cosmetics and CSR in different countries. A recent study for instance is performed about cosmetic consumer's CSR perception from a cultural perspective. A comparison was made between the United States and China. The results showed that CSR is important in China, with higher expectations and perceived importance of CSR in China than in the US. A significant difference was found between the purchase intentions of citizens in the two countries, being higher in China (Chu & Lin, 2013). The results of this study suggest that there might be an influence of CSR on purchase intentions, but that this is dependent upon different cultures.

Furthermore, most research is specifically focused on The Body Shop. For instance, a study about customers at a Body Shop store in Sweden found that these customers have a positive attitude towards CSR and that when customers are well informed about CSR, this will be connected to positive purchase intentions (Lundgren El-Sahly & Lundmark, 2009). This however, can only be generalized to the customers of this specific store. Also the results of a study about The Body Shop in Thailand showed that CSR policies have an impact on consumer attitudes towards brands, but price, product-effectiveness and 'traditional' branding still matter. This means that a company cannot expect to gain positive consumer attitudes only relying on CSR, but these findings are again specific to the Thai context (Johri & Sahasakmontri, 1998).

2.6 Sub research questions

As explained in the introduction the main research question of this study is: *How do Corporate Social Responsibility activities influence customer relationships in the cosmetic industry?* In order to answer this question, a number of sub research questions will initially be answered.

First it is important that a better understanding about the CSR communication of cosmetic brands is provided. As explained, this research holds a communication perspective and argues that CSR is only understood through communication. Therefore the CSR communication in the cosmetic industry will first be researched. The goal is to provide clarity about the CSR activities these brands engage in. Specifically their corporate websites will be analyzed, because the literature review suggests that this is the most popular channel for companies to communicate their CSR through. The following sub research question will therefore be answered:

1. How do cosmetic brands frame their social responsibilities on their corporate websites?

Secondly, the literature review showed that stakeholder characteristics are important for CSR because these can impact the effectiveness. These characteristics are stakeholder type, issue support and social value orientation. In this research, the stakeholders that are central are customers, since they are important for companies when it comes to creating revenue (Carvalho et al., 2010). In order to find out what CSR activities cosmetic customers find most important (issue support), how much they value CSR (social value orientation) and how awareness they are, the following sub research question will be answered:

2. How do customers perceive the importance of cosmetic companies' social responsibility efforts?

Lastly, previous literature about the business outcomes of CSR made a distinction between transactional and relational outcomes. It became apparent that especially the relational outcomes are important in achieving positive business outcomes from CSR, and that the results of studies about the transactional outcomes are inconclusive. In order to understand these relationships better, the following sub research question will be answered"

3. Does CSR have a decisive role in enabling positive customer-organization relationships in the cosmetic industry?

3. Methods

In this chapter, the methods that were used in this study to answer the research questions are described. First, the research design is explained, followed by the sample and response. Next, the data analysis is described. Further, the reliability and validity will be discussed, emphasizing the threats. Lastly, the questionnaire design will be described.

3.1 Research design

There were two methods used in this research, which were both qualitative and quantitative. A qualitative method is an interpretative and naturalistic approach to the world. It attempts to make sense of phenomena and is mainly about analyzing texts. A quantitative method instead characterizes data that can be presented by measuring terms, studying phenomenon that are statistically observable and measurable (Flick, 2009).

First a content analysis was performed in order to answer the first sub research question: "How do cosmetic brands frame their social responsibilities on their corporate websites?" A content analysis is defined as "any qualitative data reduction and sense-making effort that takes a volume of qualitative material and attempts to identify core consistencies and meanings" (Patton, 2002, p.453). Content analysis thus makes it possible to give meaning to certain text data (Hsieh & Shannon, 2005). Overall, a content analysis is regarded as a flexible method for analyzing text data, and its focus is primarily on the characteristics of language as communication, with attention to the content or contextual meaning of the text (Hsieh & Shannon, 2005). In this research, an inductive approach is used and no predetermined categories were identified. This approach was chosen to make it possible for new insights to emerge (Kondracki & Wellman, 2002). This inductive approach is a popular design for analysis (Hsieh & Shannon, 2005).

Secondly, a survey was conducted to answer the second sub research question: "How do customers perceive the importance of cosmetic companies' social responsibility efforts?" and the third sub question: "Does CSR have a decisive role in enabling positive consumer-organization relationships in the cosmetic industry?" To be able to answer these questions, it was either possible to use a qualitative or a quantitative research method. A qualitative method (interview, focus-groups etcetera) would allow for a deeper understanding about the attitudes of customers, but it would also mean that less participants could join and only the opinion of a few could be taken into account. A quantitative method makes it possible to include a larger amount of people, which can provide for more generalizable results. This is

one of the reasons a quantitative method was used in this part of the study. Another reason is that CSR is a very delicate concept and there is a high possibility for social responsibility bias. This bias is bigger when a qualitative method like interviews is used, because this means face-to-face contact with the participants. A quantitative survey however is more anonymous and therefore the attitude of participants can be measured more accurate. Also, there is a lower possibility of interviewer effects (tone of voice, attitude in interview).

3.2 Sample and response

Content analysis

First, the CSR strategies of five cosmetic companies were analyzed. Since only a small number of companies were investigated, a selection had to be made. In order to pick companies for investigation, preferably a CSR ranking was used. Unfortunately, there was no list to be found that included multiple cosmetic companies. Therefore, this kind of list could not be used as a criteria and another ranking was used, which was the Top 50 cosmetic brands from 2012 (http://brandirectory.com/league_tables/table/top-50-cosmetics-brands-2012-2012). The most valuable cosmetic brands of the world are assigned a brand rating here, based on a benchmark study of strength, risk and future potential. This ranking was the most appropriate, since it says something about the effectiveness of the brands. Supposedly, these brands are the most well-known and purchased ones, and therefore they are interesting to study.

In order to make a specific selection from this list, some criteria were used. Since this research takes place in a Dutch context only companies that are headquartered in Europe were an appropriate pick for investigation. Many companies on the list were American or Asian and therefore these had to be eliminated. Next, an initial research was performed in order to investigate which companies had CSR information available on their websites. In order to be able to perform a content analysis, it was necessary to pick companies that had some kind of information on their websites that could be retrieved. After doing this initial 'research' the following brands were picked: L'Oreal, The Body Shop, Clarins, L'OCCITANE, and Kiehl's. It was remarkable that many companies that were present on the ranking did not have any CSR related information easily available on their websites. Therefore, 22 companies could not be incorporated in this research. This might say something about the limited use of CSR communication in the cosmetic industry, and could be a subject for further research. The goal of this study is however to find out how cosmetic brands frame their corporate social

responsibility activities on their websites, and therefore the brands that are investigated needed to have this kind of information available. This could be a bias for the research, because the results do not provide a general picture about how cosmetic brands communicate their CSR. However, the aim of this research is not to generalize such findings, but to give an initial overview of the communication by a couple of successful cosmetic brands.

Survey

The questionnaire was distributed on the Internet using Thesis Tools, which is an online survey tool. In this way, it was possible to reach many people. The respondents were found via a convenience and snowball sampling method. Since almost everybody buys cosmetics ones in a while, the target group is rather broad and there are no specific characteristics the respondents needed to have. The survey was spread via different Internet channels, including Facebook, e-mail and a lifestyle blog from two Dutch students.

In total there were 147 completed surveys, but out of these 13 were not useable because they were not filled in completely. Therefore, 134 surveys were used for the analysis. The survey included 20 males (14,9%) and 114 females (85,1%). An overwhelming majority of the respondents were female, which is probably caused by the topic 'cosmetics', that is more appealing to women than men. This does not bias the research however, because the target group of cosmetics generally also consists of mostly women.

The average age of the respondents was 23 years. The minimum age was 16 and the maximum was 64. Most people were around the age 21 to 30 (73,1%). Furthermore, most people had a WO master (26,9%), WO bachelor degree (25,4%) or HBO degree (31,3%). Three participants had a professional degree (2,2%), 10 had a MBO degree (7,5%), 7 finished high school (5,2%), and one only finished elementary school (0,7%).

The biggest part of the respondents, namely 114 people, was Dutch (85,1%), six respondents were Belgian (4,5%), four were French (3%), and there were one German, one Iranian, one Australian, one Bulgarian and one Romanian.

3.3 Data analysis

As explained before, an inductive content analysis was performed. The information regarding CSR on the corporate websites of five cosmetic brands was analyzed on several aspects. Most importantly it was determined how the companies define CSR and what specific CSR activities are described. This analysis happened separately for each individual brand.

Afterwards, a comparison between the CSR activities from the different brands was made in order to understand some more about the CSR activities cosmetic brands typically engage in. It has to be mentioned that only the English (international) websites have been investigated. Mostly there were multiple languages to choose from and there was a slight difference in the amount of information provided on the websites targeted at different countries. The international versions contained the most information in general and were therefore chosen for investigation. However, it is not expected that the use of a different version would have resulted in different findings.

The answers on the questionnaire were analyzed with SPSS. This statistical program makes it possible to compare all the answers on the questionnaires. The scales of measurement varied throughout the questionnaire. Some questions were asked on a 5 point likert scale, with 1 being negative (do not agree) and 5 being positive (totally agree), and some on a yes/no basis. The scores on each specific question were compared with regular descriptive statistics.

3.4 Reliability and validity

Reliability and validity are important for the quality of a research. The reliability is about the precision of the measures and has to do with stability, repeatability and consistency (Johson Nenty, 2009). It ensures that what is measured is precisely what needs to be measured, using the right variables. When the reliability is high, the results of the research would be the same if the research were to be executed again under the exact same circumstances (Boeije, 2006). The validity of a research represents the accuracy of the measures and is about the representativeness that sustains generalization (Johnson Nenty, 2009)

A couple measures are taken in this research to achieve high reliability and validity. The variables that are included in the questionnaire for instance are chosen and reviewed carefully, with the use of relevant previous studies that used the same sort of method. Most importantly, a pilot test was done before the survey was spread. A pilot study is a small version of a full-scale study, and according to Van Teijlingen and Hundley (2001) "pilot studies are a crucial element of a good study." The goal of this pilot study was to find out if the instrument (questionnaire) was appropriate and not too long and complicated. The pilot study consisted of nine participants who completed the questionnaire while the author observed. Afterwards, the participants could comment on the quality of the questions. After this, a couple revisions were made because participants were not able to fill in every question.

Primarily the questions regarding CSR awareness were problematic for many participants. It became apparent for instance that they could not indicate on a 5 point scale how much they agreed with the statement: "It is easy to find information about social responsible activities of cosmetic brands". The scale of these questions were changed therefore from a likert scale to yes/no/don't know, and it was especially important that the 'I don't know' option was added.

A possible threat for the validity is non-response. This happens when not all respondents fill in all the questions, which results in missing values (Van Thiel, 2007). A short questionnaire can reduce this risk. Therefore, it was tested in the pilot study how long it took for participants to fill in the entire questionnaire. The pilot study showed that the questionnaire was not too long and took only 5-10 minutes for respondents to fulfill. Therefore, the chance that participants finish the entire survey is increased, which reduces the risk of a low response rate. Also, the scales of measurement were varied throughout questionnaire, which reduces the chance that respondents loose their focus.

As explained before, when researching CSR there is a high possibility that participants give socially desirable answers. Even though this research uses a quantitative, instead of a qualitative approach in order to minimize this risk, there is still a possibility of a social desirability bias. Therefore, another measure is taken and a computerized-survey is used. This method produces less social desirable responses, because it is more anonymous than a face-to-face survey (Yun & Trumbo, 2000). Since all participants are completely anonymous they might have felt more secure to give their real opinion.

Also, the questionnaire was available both in English and Dutch. It was expected that most respondents would be Dutch and this made sure they would understand the questions correctly.

3.5 Questionnaire design

Here, the questionnaire design will be described. Other studies about CSR and customers relationships served as inspiration for the questions on the questionnaire, like the ones by Du et al. (2007), Morsing and Schultz (2006), Podnar and Golob (2007) and Rizkallah (2012). Also, the content analysis served as a guideline for the questionnaire and information that emerged from this analysis was used to construct certain questions. The complete questionnaire can be found in appendix 1.

General awareness and purchase motivations

First, some general questions were posed to ease the respondents into the subject. Respondents were asked to indicate for instance what their favorite cosmetic brands are and how frequently they buy cosmetic products. Also, they were asked to rank a couple of factors in importance, with 1 standing for "totally unimportant" and 5 for "very important". The aim of this question was to find out how CSR reflects the personal needs and how important people find CSR in relation to other factors. The options they could choose from were: price, quality, packaging, image of the brand, environmentally friendliness, ingredients, previous experience with the product, convenience and recommendation of others.

Customer characteristics

As explained in the literature review, customer characteristics influence the effectiveness of CSR. Therefore a number of questions were asked about the issue support and social value orientation of the respondents. For instance, respondents were asked to indicate which social responsible activities they find most important for cosmetic companies to engage in. The options were established after the content analysis was performed and consisted of: no animal testing, environmentally friendly production, donates to charity, protects human rights, treats employees well, encourages diversity, protects women rights, uses natural and safe ingredients, activates self esteem of customers. All these CSR initiatives were present on the website of the companies and were therefore added to the questionnaire. Since this question directly asked the respondents what activities they found important, it gives information about what CSR practices respondents seem to value most and therefore gives insight in their issue support. Another question was aimed at the social value orientation, which was: *It is important that my favorite cosmetic brand contributes towards society and community at large.*" Respondents were asked whether they agreed with this statement, and they could answer on a 'yes/no/I don't know' basis.

As indicated in the literature review, awareness is very important when it comes to the social value orientation of customers and the effectiveness of CSR. Therefore, a number of questions specifically about awareness where asked. For instance, a couple of statements were given and respondents needed to indicate whether they agreed with these statements on a 'yes/no/I don't know' basis. An example is: "I know if my favorite cosmetic brands are socially responsible in their daily practices." Also, respondents were asked whether they could give examples of cosmetic brands that are socially responsible in order to find out how aware they are. Lastly, respondents were asked if they seek for information about CSR, and

via which channels they get information. Here, a list of options was given, including for instance social networking sites, corporate websites etcetera.

Customer-organization relationships

Next, a number of statements regarding customer-organization relationships were posed. Respondents were asked to what degree they agreed with a number of statements regarding either relational or transactional outcomes. They could answer on a 5 point likert scale, ranging from 1 "strongly disagree" to 5 "strongly agree". Examples of statements were: "I would recommend others to buy from a brand that is socially responsible", and "I am more inclined to buy 'green' products, even if they are more expensive". All the statements can be found in appendix 1.

Also, some questions were asked about negative reactions to irresponsible companies in order to find out if customers only support responsible companies or also punish irresponsible companies. Respondents were asked to indicate under which conditions they would not buy a cosmetic product. Options they could choose from for instance were: if the brand harms the environment, tests on animals, treats employees badly, etcetera. They were also asked to indicate if they, or someone they know, have ever taken action against irresponsible companies.

4. Content analysis

In order to understand how cosmetic brands communicate their CSR, and to provide a context for the rest of the study, the content on the websites from L'Oreal, Clarins, The Body Shop, L'OCCITANE and Kiehl's will be analyzed below.

4.1 L'Oreal

L'Oreal is a cosmetic company that is founded in 1909 and headquartered in France. It was the first cosmetic group worldwide, recently owning 27 international brands and present in over 130 countries. These brands include amongst others: Lancôme, Biotherm, Vichy, Garnier, Maybelline, etcetera. In 2012 the company earned 22,5 billion euros in sales, had 611 patents registered, invested 791 million euros in Research and Development, and had 5,8 billion products manufactured. In total, L'Oreal has 72,637 employees, from which 67% are women and 33% are men. Of the board 43% are women and 57% are men (http://loreal.com/).

The main mission of the company is: "Offering beauty for all". This mission becomes apparent throughout the entire website, which is greatly dedicated to CSR. The table below (4.1) is created to summarize the framing of CSR at the corporate website of L'Oreal, including the specific areas of activities they undertake.

CSR S	pecification
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Ethical principles	Integrity	Respect	Courage	Transparency
Innovating sustainability	Raw materials	Reduction water	Green chemistry	
Producing sustainability	Reducing environmental footprint	Cooperate with local communities		
Consuming sustainability	Eco-designed products	Responsible communication	Sustainable consumption policy	
Human Resources	Training	Work environment	Diversity	Disability
Inclusive business	Solidarity Sourcing Program			
Philanthropy	L'Oreal Corporate Foundation			

Table 4.1 Framing of CSR at L'Oreal

The main motivation for L'Oreal to engage in CSR seems to be that they want to be a good corporate citizen, but it also becomes apparent that many CSR activities aim at increasing profits. For instance, it is claimed that they want to increase diversity to help people around the world, but also to reach more than a billion new consumers by being more knowledgeable about cultural differences and thereby being able to tailor their products better. Also, L'Oreal wants a good working environment for its employees to make sure of their well being, but another philosophy is that their employees will work harder and gain better results for the company because a thriving staff leads to long-term success.

L'Oreal positions itself as an inherently socially responsible company because it claims to be "committed to fulfilling their mission ethically and responsible". The company seems to place social responsibility high; it is the core of their business, and their values are very important in their daily practices. According to L'Oreal they "have the duty to preserve the beauty of the planet and to contribute to the well-being of our employees and the communities in which we are present." Also their ethical principles are important to their social behavior, which are: Integrity, Respect, Courage and Transparency.

Their commitment to CSR becomes apparent in the recognitions and awards L'Oreal received in the Ethics and Sustainable Development department. These include prizes for the World Most Ethical Company' by Ethisphere Institute in 2010 and 2012, an award for their Social Development report in 2011, a Pace Leadership in Ethics Award and the 26th Corporate Philanthropy Oscar in 2009.

Sustainable development

Most importantly, CSR at L'Oreal seems to stand for Sustainable Development, which exists of three areas: innovating, producing and consuming sustainability. According to the CEO (Jean-Peal Agon): "L'Oreal has made social responsibility a priority by integrating the principles of sustainable development into their business model". Their main goal is to build growth that is sustainable, responsible and inclusive. According to the CEO, this social responsible strategy is, next to a commitment, a powerful tool for competitiveness and creativity, not only for L'Oreal but also for their entire ecosystem. This makes clear that L'Oreal's motives are not purely ethical, but also economical.

First, the aim of sustainable innovation is "to control the impact on the ecosystem throughout the lifecycle of the products". Important are geocosmetics, selection of botanical raw materials, green chemistry and predictive evaluation. Some facts that are presented are that 22% of new raw materials are plant based, 10% of new materials comply with the

principles of green chemistry, 100% of plant based raw materials are evaluated for their potential impact on biodiversity, 207 new formulae underwent ecotoxicity evaluation, and 471 raw materials had their environmental profile evaluated. Furthermore, some special actions regarding innovation are: the involvement of L'Oreal in the 11th World Biodiversity Summit in India, and a breakthrough L'Oreal reached with approval of the OECD for an alternative method to animal testing.

Secondly, in the production process, L'Oreal has a twofold commitment: reducing the environmental footprint of all their production sites, and cooperate with the local communities surrounding the plants. They want to reduce greenhouse gas emissions, water consumption and waste by 50%, in 2015. Some actions that they have taken in the production process are: a pioneer plant in India regarding sustainable development, the lighter packaging of the brand La Roche Posay which reduces the environmental impact, the zero CO2 emissions target in Italy, boilers running on biofuel in São Paulo and water recycling in China and Canada.

Thirdly, sustainable consumption is a pillar of L'Oreal's strategy. Three stages are identified: providing customers with high performance products that are eco-designed, adopting responsible communication in order to forge a trust-based relationship with their customers, and a sustainable consumption policy in order to raise awareness among consumers and encourage them to protect the environment. Examples of what they have already done are: partnering with a Chinese Academy in their report about sustainable consumption (Research Report on China Sustainable Consumption 2012), organizing the first multi-stakeholder forum on sustainable consumption, and funding a study of consumption behavior in different world markets.

Human Resources

L'Oreal's goal is to be a renowned and attractive employer all over the world, developing the individual talents of each employee. According to Executive Vice-President of Human Resources (Jérôme Tixier) their "HR policy is a key element of the CSR strategy, because, at L'Oreal, economic success and corporate social performance go hand in hand." The following aspects are important here: training, well being at work, diversity and disability. First, 'learning' gets a lot of attention and 47,969 employees received training in 2012 via the Lfd (Learning for development). Also, L'Oreal is convinced that a thriving staff is a key factor for long-term success, and finds it important that employees can work in a healthy and relaxing work environment. Therefore they are improving the interior of their departments. Next, diversity is an essential value and stands for: "recognizing, accepting, valuing differences and

capitalizing on them to accelerate the company's growth". The priority lies on three issues: gender, disability and social and ethnic background. Main goals are nurturing the emergence of women at the top level of the organization, enable and promote the employment of people with disabilities and make L'Oreal's products accessible to all consumers. L'Oreal wants to make diversity a reality in the workplace and therefore has a fair recruitment policy. In 2006, diversity training was implemented for 8000 managers across Europe, and in 2011 there were 1,411 employees that took part in the Diversities Workshop. Furthermore, L'Oreal has taken measures for the disabled, like the accessibility of premises, access and maintenance in employment, outsourcing and partnership. They also set up a "Disability Initiatives" award in 2008, in order to accelerate internal mobilization. The aim of these rewards is to recognize the operational entities for concrete actions, and to promote, share and disseminate good practices.

Inclusive business

Also, inclusive business is a pillar, which means that L'Oreal wants to be a player in social inclusion and integrate people on low incomes into their supply chain. The company has a commitment to share its growth with the surrounding communities. A saying from the Director CSR and Sustainability (Alexandra Palt) is: "We are helping the communities around us to develop." Important here is the "Solidarity Sourcing program", which establishes fair trade partnership, like responsible sourcing of Shea Butter in Burkina Faso. In two years, 120 initiatives have been created in 47 countries, which resulted in 14,000 people having access to long-term employment and a better income.

Philanthropy

The main philanthropy activity from L'Oreal is their "L'Oreal Corporate Foundation". L'Oreal says that "more than ever before, the development of companies goes hand in hand with major social responsibilities", and therefore they created the Foundation in 2007. Its mission is to form closer ties with the surrounding communities and to share the company's success with them. The two most important fields of activities of the foundation are focused on science and beauty. First, they want to make science accessible, also for the most vulnerable people, and they want to promote the role of women in science. With support of the Foundation, 108 countries were mobilized and 1500 young women scientists were supported. Secondly, they want to help persons affected by changes in their appearance to regain their self-esteem and to reintegrate socially, and also to help people that are in socially

precarious situations to undergo training in a beauty-related field. In 2012 there were 13 countries mobilized and 1447 beneficiaries for the so called Beauty for a Better Life initiative to give people with disadvantaged backgrounds the chance to train in the beauty profession. Also, 3637 people benefited from the socio-aesthetic workshops to restore their dignity and self-esteem.

4.2 Clarins

Clarins is another cosmetic company headquartered in France, founded in 1954. Under the group there are a couple of brands, namely Clarins, Thierry Mugler, Azzaro, Kibio and My Blend (http://int.clarins.com/). Overall, Clarins' definition of CSR seems to be Responsible Development, and it seems that especially the environment is an important aspect to them. Clarins wants to strengthen its commitment to a better world in light of the current economic, social and environmental concerns. The motivation of Clarins for engaging in CSR becomes apparent in their motto: "do more, do better and enjoy doing so". The company foremost wants to be a good corporate citizen and be ethical. Therefore, Clarins has formalized a Responsible Development approach into a charter of ten points, including amongst others: conceiving environmentally friendly formulas, help to protect biodiversity, limit unnecessary production and improve the supply chain, etcetera. They want reach these goals via a number of activities, like using raw materials and eco-conception. This is all shown in table 2.4.

CSR	Specification

Raw materials	Respect	Fair trade	
Laboratory and production	Consumer safety	Reduce greenhouse gas emissions	Optimize use of natural resources
Eco-conception	Preserve biodiversity	Reduce greenhouse gas emissions	
Human Resources	Share values	Create awareness	
Charitable actions	Social actions	Environmental actions	

Table 4.2 Framing of CSR at Clarins

Raw materials

Clarins prefers to use raw plant ingredients, natural ingredients from organic farming practices, and plants grown locally or from a Fair Trade program. They have policies that affirm constant commitment to preserve biodiversity. Important aspects in this regard are respect and Fair Trade. Clarins both purchases raw materials and combines this with helping

local suppliers by paying a fair price, developing infrastructure and share their knowledge. An example is the donation of five percent of the sale price from specific ingredients that come from Madagascar to finance community projects in the harvesting area. Furthermore, Clarins supports an organization called "Jardin du Monde", which is an organization that tries to find new key ingredients within very strict guidelines and respect for biodiversity. Clarins helps this organization to improve the health of populations who do not have access to conventional medicines by enhancing local knowledge of medical plants.

Laboratory & production

Clarins states to go beyond mandatory safety regulations and to be dedicated to consumer safety. On the production side, their priority is to reduce greenhouse gas emissions and optimize the use of natural resources. The company has set a goal to reduce greenhouse gas emissions by 20% in 2012, by for instance reducing the impact of packaging material and transportation, limit business trips, reduce water consumption etcetera. Clarins received a number of accreditations for their effort. For instance, the production unit in Pontoise (North of Paris) obtained an Ecocert certificate, which is a company managed by the French authorities aimed at quality control. Also, Clarins Laboratories received the Good Laboratory Practices (GLP) accreditation in 2007, from the French Health Ministry for their cellular culture unit. They are the first premium skin care laboratories to receive this.

Eco-conception

For Clarins, Eco-conception is a vital necessity. With this, Clarins wants to preserve biodiversity, and therefore wants to develop products and point-of-purchase elements that have as little environmental impact as possible, for instance by using a special glass jar that has less environmental impact than the plastic version. A Carbon Study in 2007 showed that product packaging is the primary source of greenhouse gas emissions. Therefore, Clarins uses packages that are low in weight and volume, uses materials that are recyclable, mostly uses cardboard instead of plastic, and investigates possibilities for new printing techniques.

Human Resources

Clarins gives high priority to Human Resource Management, which seems to be focused mostly on sensitizing employees about the idea of Responsible Development. They want to share their values with all employees and make them more aware of what Responsible Development is. Also personal development, listening and respecting differences are an

important part of their HR policy. In order to reach these goals, every new employee gets a special training to develop competencies around four objectives: develop the potential and talents of each individual, create a common knowledge base, improve the levels of competence and performance, and enhance communication and teamwork. The Head of International Training (Sylvie Sola) states that listening and respect are very important values for Clarins, and that employees have to learn that their concerns for clients are real and that nothing at Clarins is artificial.

Charitable actions

Clarins has a rich history of charitable actions and states that: "Since the beginning, and with a long-term vision, Clarins has based its development on the respect of humankind and nature. This approach is the basis for all social actions for a fairer world today and tomorrow." The actions are subdivided in social and environmental actions. Examples of their actions are: "The Dynamic Women award": Clarins rewards the generosity and commitment of exceptional women, whose projects have improved the lives of children worldwide, "The Courtin Arthritis Foundation": this Foundation's goal is to find a cure for the most serious arthritis, "Entincelle & Belle & Bien": the goal of this action is to offer moments of beauty, gentleness and care to women fighting cancer, "ClarinsMen environment" award: every year Clarins rewards a man who does something to preserve the Earth, and "Alp Action": Clarins wants to preserve the richness of the Alpine regions, and helps saving threatened plant species in partnership with Alp Action.

4.3 The Body Shop

The Body Shop is an original, natural and ethical beauty brand, founded in 1976 and based in the United Kingdom. The motto of the company fits its social responsible character: "The business of business should not just be about money, it should be about responsibility. It should be about public good, not private greed." Currently there are over 2,500 stores in 60 different countries. In 2006, The Body Shop became part of parent company L'Oreal, but states that it operates independently and retains its unique identity and values, and continuous to be based in the UK (http://www.thebodyshop.com/).

The CSR initiatives the company takes are very apparent on the website, which is probably because they differentiate themselves by their social responsible behavior. They state that: "We're different because of our values." The responsible activities in which The

Body Shop engages are what they call their values and these values are the core of their company. Their motivation for being a social responsible company is because they want to be a good corporate citizen and be ethical, because they believe that business is not just about earning money, but also about being responsible. Table 4.3 is created to show the framing of CSR at The Body Shop.

CSR Specification

Against animal Testing	Cruelty Free International	Humane Cosmetics Standard	
Support community fair trade	Community Fair Trade program		
Activate Self esteem	Secure women	LOVE	Charity
Defend human rights	Domestic violence	HIV/AIDS	Sex Trafficking
Protect the planet	Reduce CO2 and electricity	Reduce water consumption	Reduce waste
Ethical trade	Ethical Trade Program	Supplier Code of Conduct	
The Body Shop Foundation	Animal protection	Environmental protection	Human Rights

Table 4.3 Framing CSR at The Body Shop

Against animal testing

The Body Shop is against animal testing, they even claim to have never tested their products on animals and are therefore "cruelty-free". All their products are certified by Cruelty Free International as meeting their Humane Cosmetics Standards. These standards are set by the British Union for the Abolition of Vivisection (BUAV), and are regarded as the highest standard for animal welfare. Next to this, The Body Shop audits itself and every two years they check their policies to ensure they are adhering to the latest animal-welfare guidelines.

Support community Fair Trade

The Body Shop makes its products with love and care, and sources from the finest raw ingredients from all over the world. In 1987 they launched the "Community Fair Trade" program, which is their commitment to trading fairly with suppliers. Currently, they have 24 Community Fair Trade suppliers. The company searches for small-scale farmers, traditional artisans and rural co-ops that are experts in their fields, in order to create effective products. In exchange, The Body Shop offers them fair trading prices and independence-building prices. The company highlights the impact they make with this Fair Trade, by stating that it

brings real benefits to over 300,000 people worldwide. A couple examples of their Fair Trade initiatives are: Teddy Exports in India, which makes many accessories for The Body Shop, organically harvest honey from the Ethiopian Rainforest, which gives these beekeepers an important source of income, and alcohol from organically grown sugarcane in Ecuador.

Activate self esteem

The Body Shop believes that true beauty comes from confidence, vitality and inner wellbeing. This regards both the customers as well as the employees. Their philosophy is that "looking good stems directly from feeling good." Therefore, they use imagery that does not play on women's insecurities. They also encourage employees to learn new skills trough their LOVE (Learning is of Value to Everyone) initiative and thereby enhance the well being of their staff. For that reason they fund a range of training courses, events and health treatments. They also believe that another way to feel good is doing good. Therefore, they have a global volunteering policy for their staff, offering a minimum of three paid volunteering days a year.

Defend human rights

The Body Shop states the following: "We have always campaigned on issues close to our heart, where we believe we can make a real difference." Therefore, CSR seems to be at the core of their company. Since 1994 they have raised global awareness for domestic violence, and since 2004 over 4 million dollar has been donated to local partners who fund the prevention, support and protection of abused women and children. The Body Shop has also been involved with HIV/AIDS, and since 1993 the company has been campaigning. In the last two years they raised 1.1 million dollar for the Staying Alive Foundation, which is an awareness project to educate at-risk communities about safe sex. Also human trafficking is a topic of interest for The Body Shop, and their Stop Trafficking of Children and Young People was the biggest campaign in their history. In total, 20 countries have committed to protect children from sex trafficking because they raised 7,044,278 petitions.

Protect the planet

The Body Shop says to take full responsibility for the way they run their business, and is committed to protect the planet and reduce the impact they have on the environment by reducing the energy they consume and by generating less waste. The Body Shop has some clear targets they want to reach in 2020, which are: reduction of CO2 emissions, electricity consumption and waste by 50 percent, and reduction of domestic water consumption by 25%.

In order to achieve this they buy from companies that generate electricity from renewable or low-carbon sources, reduce freight movements by manufacturing many products locally (mostly in Asia), minimize the amount of packaging used to transport their products, and increase the amount of recyclable material. Also, The Body Shop creates wildlife at all their corporate sites in order to improve biodiversity, like allotments, beehives and fruit trees.

Ethical trade

Under ethical trade, The Body Shop understands "treating people fairly, with dignity and respect". In 1998 they became founder of the Ethical Trading initiative, which is a partnership of multiple organizations that are dedicated to improve the working lives of people around the world. In 2005, they applied their own Supplier Code of Conduct, with the ideas that employment is freely chosen, working conditions have to be safe and hygienic, child labor shall not be used and no discrimination is practiced. Overall, The Body Shop works with over 120 suppliers, and trough this Ethical Trade Program each of them is visited regularly. This allows them to know how the 30,000 workers are treaded. With this they want to make sure that every supplier is committed to the ethical codes, and that the improvement of these suppliers is tracked.

The Body Shop Foundation

Lastly, The Body Shop has a Foundation (http://thebodyshopfoundation.org/). This Foundation supports innovative projects across the world that work for social and environmental change. The philosophy behind it is: "to give a global helping hand to small charities and projects all over the world, using the expertise and local knowledge of staff, franchises and consultants of The Body Shop International." The Body Shop Foundation has three pillars that are most important for them, which are: animal protection, environmental protection and human rights. Until today, the Foundation funded over 2,500 global projects to the tune of 20 million dollar.

4.4 L'OCCITANE

L'OCCITANE is a global, natural and organic ingredient-based cosmetic and well-being products manufacturer with regional routs in Provence, France. L'OCCITANE was founded in 1976 and now has 2082 boutiques, 6549 employees and revenue of 913 million euro. On their website there is a special section called L'OCCITANE Cares, which is dedicated to their

values, philanthropy, social responsibility, responsible purchasing and sustainable development (http://loccitane.com/).

At L'OCCITANE, corporate social responsibility has multiple meanings. The table below (4.4) was created to show how L'OCCITANE frames CSR. The founder of L'OCCITANE (Olivier Baussan) states that their values are more than a philosophy, but a commitment that has influenced many decisions over the years. There are three specific values that are of most importance to the brand, which are authenticity, respect and "sensoriality". The motivation of the company to be socially responsible seems to mainly be because they want to be a good corporate citizen and to be ethical. Also some laws are followed, like the UN Global Pact, but they choose to follow these voluntary.

CSR	Specification					
Values	Authenticity	Respect	Sensoriality			
Philanthropy/ L'OCCITANE foundation	Economic emancipation	Support of the blind	Involved employees	Local projects		
Social Responsibility	Human resources	Work/life balance	Integration of the disabled	Policy for welfare of employees	Involved in community	
Responsible purchasing	Sustainable ingredients	No biopiracy	Ethical business practices			
Sustainable development	Formulas	Packaging	Production	Employees	Logistics	Boutique

Table 4.4 Framing of CSR at L'OCCITANE.

Philanthropy

L'OCCITANE had been involved in the community since the start. In order to better carry out these initiatives they created the L'OCCITANE Foundation in 2006, which has an annual budget of 1 million euro's and two main action points: the economic emancipation of women in Burkina Faso, and the support of visually impaired people. First, some initiatives have been taken regarding a literacy program and the promotion of entrepreneurial projects. With these initiatives they gave more than 7000 women more autonomy, and raised € 153,000 in 2012 for the construction and functioning of literacy centers. Secondly, L'OCCITANE offers braille on most of its packaging, facilitates the professional integration of the visually

¹ Sensoriality' is a word used by L'OCCITANE and seems to cover their values about the visual impaired. Sensorial "relates to those processes and structures within an organism that receive stimuli from the environment and convey them to the brain" (collinsdictionary.com).

impaired, and fights preventable blindness in developing countries. More than 500,00 people have received ophthalmologic care thanks to this initiative. The employees of L'OCCITANE are also involved in the projects from the Foundation. For instance, there are employees who help training women in Burkina Faso how to make soap. Also, the employees support a number of local initiatives to support the blind and to increase the reach of the mission of the Foundation.

Social responsibility

Respectfulness is at the heart of L'OCCITANE's values and helps to guide its social policy. Their social responsibility consists of the development of human resources to support the group's growth while allowing employees to express their potential career aspirations, a good work/life balance, the integration of people with disabilities, a proactive policy in order to prevent accidents and ensure the welfare of employees and involvement in the community through solidarity projects and the foundation. According to the founder "the company is only part of a whole, and one of the fundamental pillars of sustainable development is the responsible relationship that a company has with its community."

Responsible purchasing

L'OCCITANE has a team dedicated specifically to the relationship with the producers. They want to maintain the traceability of their ingredients, as well as the sustainability of their supply chain. Their formulas are inspired by the knowledge of nature, and they claim to have the utmost respect for the environment. There are three main points to their responsible purchasing policy: *Sustainable ingredients*: support local producers and use certified, organic and/or P.D.O. ingredients, *no biopiracy*: the patents registered by L'OCCITANE are based on therapeutic or cosmetic developments that are the result of research carried out by its international research department, and *ethical business practices*: L'OCCITANE adhered the UN Global Pact and the ten principles in the fields of human, labor and environmental rights.

Sustainable development

L'OCCITANE tries to limit its environmental impact in their entire production process. In order to reduce their impact, they entered the certification process for ISO 14001. There a number of areas in which L'OCCITANE takes care of sustainable development: *Formulas* (no phthalates in fragrance, no parabens, uses plant oils rather than mineral oils, and minimalizes the use of silicones); *packaging* (reduce, recycle, reuse and control), *production*

(reduce energy consumption, water usage and pollution, and the amount of waste produced while increasing the amount of waste recycled), *employees* (get them involved in the efforts that are made to reduce the environmental impact), *logistics* (reduction in air transport and the filling of transport containers.), and *boutiques* (all the materials used in the boutiques are environmentally friendly).

4.5 Kiehl's

Kiehl's was founded in 1851 in New York, but belongs to mother company L'Oreal since the year 2000. The brand produces efficient, highly concentrated skin care from natural ingredients. Kiehl's does not have a specific section that seems to be dedicated to CSR on the website. In their 'about us' section there are some topics discussed however that have to do with their CSR initiatives, but these are not specifically indicated as such (http://www.kiehls.com/).

Kiehl's major commitment is to support local communities and to use safe ingredients (see table 4.5). The motivation of the brand to engage in CSR seems mainly to serve their customers as good as possible by giving them high quality products and support the local communities in which their customers are present. This could be partly because they want to be a good corporate citizen, but is also seems to be that there is an economic motivation, because the goal of serving customers well is ultimately to increase sales and to generate more revenue.

CSR	Specification		
Ingredients	Fine and natural ingredients	Simple, efficient, recyclable packaging	
Charity	HIV/AIDS	Environment	Children's well-being

Table 4.5 Framing of CSR at Kiehl's.

Ingredients

The company indicates that "at Kiehl's, our unique formulations are made with the finest, naturally derived ingredients." They do this to assure high quality of the products, but they also explain that they utilize simple, efficient and recyclable packaging in order to reduce costs and focus their efforts on the quality of their products. Therefore, it seems that this is not framed as a CSR activity, but as a measure to secure quality. Examples of ingredients are: lavender, squalane, calendula, caffeine, vitamin C, blue algae and rosa arctica.

Charity

Kiehl's states that: "it has long been our honor to serve our patrons to the utmost of our abilities and to do what we can to improve the lives of Kiehl's customers in the communities we share." In total, Kiehl's can call more than 100 local communities home around the world. There are three main charitable initiatives they engage in: HIV/AIDS education, prevention and research; protecting and nurturing the environment; and children's well being. One cause they support is the "Lower East Side Girls Club", which delivers programs in arts, literacy, science, health and leadership for girls and young women to grow and develop confidence to make a difference in the world. They also support the "Waterkeeper Alliance" and in cooperation with Erykah Badu, Kelly Slater and Adrien Gerner, Kiehl's made a Limited Edition Superbly Restorative Argan Body Lotion, from which they donated the profit to the Waterkeeper Alliance. Furthermore they raised 85,000 dollar for "amfAR", which is dedicated to end the global AIDS epidemic trough research. Also, in cooperation with Brad Pitt they created the Aloe Vera Biodegradable Liquid Body Cleanser, and 250,000 dollar was donated to "JPF Eco Systems" to rebuild New Orleans.

4.8 Conclusion

The above showed the CSR information on the website of five cosmetic brands. When comparing all the websites a couple of things become clear and some overlapping topics are noticed. Almost all companies have more or less the same topics that they discuss but in a slightly different manner. Overall, L'Oreal and The Body Shop had the most CSR information available, and Kiehl's had by far the least information.

First, a topic that is discussed on every website is philanthropy and/or charity. All brands do however support different kinds of causes. The Body Shop for instance defends Human Rights and supports all kinds of causes that have to do with human rights, like child trafficking and domestic violence. Kiehl's supports causes that have to do with HIV/AIDS, the environment and the well being of children. L'Oreal focuses on science and beauty, Clarins on social and environmental causes, and L'OCCITANE on the economic emancipation of women in Burkina Faso and on supporting visually impaired people. It also became apparent that many brands have a foundation to carry out these missions, like The Body Shop Foundation, the L'OCCITANE Foundation, and the L'Oreal Corporate Foundation. Only Clarins and Kiehl's do not have a foundation. Also, there is overlap in the

way the companies support certain causes. An often used method is donating a certain amount of proceedings of a certain product to a cause, but also setting up trainings and the involving employees in certain causes is popular. The Body Shop also uses petitions, which is something the other companies do not seem to do. Kiehl's also does something different by involving celebrities in the causes.

Secondly, the environment is often framed as an issue in the social responsible strategy of the brands. Most brands want to protect the environment and biodiversity by reducing greenhouse gas emissions, CO2, waste and water consumption. Actions that are taken in order to achieve this are mostly the use of raw materials, innovation of packaging, and developing different business practices. All the companies claim they use as many raw materials as possible. Also, they state that they are innovating their packaging and want to make sure they generate as little waste as possible. A term that is often used is this regard is eco-design or eco-conception. Next, the brands try to limit their impact on the environment by changing their business practices, like reducing the amount of business trips. Especially The Body Shop and L'OCCITANE have many actions to reduce the environmental impact with these kinds of actions; they also adapt the stores/boutiques to make them as environmentally friendly as possible. As explained, Kiehl's is the biggest exception and states that it uses light packaging and natural ingredients, but they do not frame this as saving the environment, but as being able to serve high quality products to their customers. All the other companies mainly want to protect the environment and also frame it as such.

Thirdly, the inclusion of employees in the social responsible strategy seems to be important for cosmetic brands, except for Kiehl's. Every Human Resources policy includes something that has to do with the social responsible behavior of employees. At The Body Shop for instance, employees have the opportunity to volunteer for certain causes, and at Clarins and L'Oreal it is stated that it is important that every employee is aware of the importance of Responsible Development. Also L'OCCITANE wants to engage its employees in good causes. Furthermore, many brands find it important that their employees are treated well, and therefore this is also a part of their HR policy. The well being of employees is often discussed on the websites, and often some special attention is paid to diversity.

Fourthly, engagement in local communities is often discussed. All the brands want to make sure they make a positive contribution to the communities in which they trade. L'Oreal calls this inclusive business and has set up the Solidarity Sourcing program. L'OCCTIANE frames this as responsible purchasing and focuses on biopiracy, sustainable ingredients and

ethical business practices. Clarins and The Body Shop frame this as Fair Trade, and The Body Shop has even set up a Community Fair Trade program.

There are however a couple of topics that are not discussed on the website of every brand. Animal testing for instance is only discussed at the website of The Body Shop and only indirect at L'Oreal. This is striking since Organic Monitor (2010a) reported that animal testing is one of the factors where cosmetic companies were critiqued for. Furthermore, self-esteem is only a topic at The Body Shop, and consumer safety seems to only be discussed at Clarins.

Concluding, the investigated cosmetic brands seem to frame their CSR as existing of the following topics:

- Environment
- Philanthropy/Charity
- Human Rights
- Employees
- Diversity
- Women Rights
- Natural/raw ingredients
- Fair trade
- Animal testing
- Self esteem

As explained in the method section, these options will be included in the questionnaire. This questionnaire is analyzed in the following chapter.

5. Survey results

In this chapter, the results of the survey are discussed. First, the results regarding the general awareness and purchase motivations are analyzed, followed by the customer characteristics and lastly the business outcomes.

5.1 General awareness and purchase motivations

First, the respondents were asked about their favorite brands. The most popular brands named were: L'Oreal, Nivea, Chanel, Dove, MAC, Dior, Welleda, HEMA, Maybelline and Clinique. The complete list of brands that were named is available in appendix 2. Next, they were asked how frequently they buy cosmetics. As depicted in figure 5.1, most respondents buy cosmetic products quite frequently, either once a month (34,3%) or once in three months (32,8%). Many also buy products more than once a month (22,4%). Since the majority of the respondents buys cosmetics rather frequently, they can be regarded as customers in the cosmetic industry.

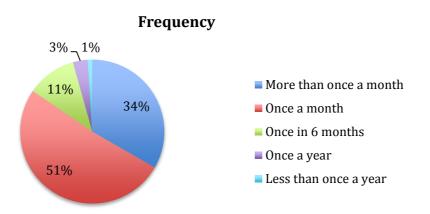


Figure 5.1. Frequency of customers buying cosmetic products. N=134

There also seems to be a difference in the purchasing behavior of women and men. Women buy cosmetic products significantly more often (t=3,38; df=132; p=.001). On average, women buy cosmetics once in 3 months, and men once in 6 months.

The respondents were also asked to indicate whether they were already familiar with the concept Corporate Social Responsibility. In total, 68,7% of the respondents already new about CSR, and 31,3% did not. This seems to indicate that people are pretty familiar with the concept, but this could be due to the fact that many respondents in the sample were students and therefore are more familiar with terms like these.

Purchase motivations

It was furthermore investigated how important customers find certain factors in their buying decisions. These factors were not specifically about CSR, but some options were related to the concept. This question served to understand what customers generally find important when it comes to buying cosmetics. The results can be found in table 5.2. It seems that quality and previous experience are most important for customers when it comes to buying cosmetic products. As shown in table 5.2, previous experience is regarded as very important by 56,7% of the customers and as important by 35,8%. Quality is very important for 54,5% of the customers and important to 41%. These results indicate that when people buy cosmetic products, they first consider the quality and their previous experience of the product. If the quality and previous experience were perceived as negative, customers will probably be less likely to buy the product.

Also price, convenience and recommendation are important factors. Price is an important factor for most respondents (44%), and many even find it very important (21,6%). Next, convenience is important (47%), which means that customers buy a lot of their cosmetic products because they are easy to find. Furthermore, recommendation is quite important (32,7%), but many customers are also neutral towards recommendation (35,1%).

The most unimportant factors seem to be packaging, with 12,7% ranking it as totally unimportant and 26,9% as unimportant. The opinion about ingredients is rather divided and no clear picture exists of the importance of the ingredients products contain. This is also the case for environmental friendliness and brand image.

	Totally unimportant	Unimportant	Not unimportant, not important	Important	Very Important
Price	2 (1,5%)	16 (11,9%)	28 (20,9%)	59 (44%)	29 (21,6%)
Quality	0	2 (1,5%)	4 (3%)	55 41%)	73 (54,5%)
Packaging	17 (12,7%)	36 (26,9%)	51 (38%)	27(20,1%)	3 (2,2%)
Brand image	12 (9%)	29 (21,6%)	48 (35,8%)	39 (29,1%)	6 (4,5%)
Environmentally friendliness	8 (6%)	34 (25,4%)	41 (30,6%)	31 (23,9%)	19(14,2%)
Ingredients	9 (6,7%)	28 (20,9%)	35 (26,1%)	32 (23,9%)	30 (22,4%)
Previous experience	0	5 (3,7%)	5 (3,7%)	48 (35,8%)	76 (56,7%)
Convenience	1 (0,7%)	11 (8,2%)	34 (25,3%)	63 (47%)	24 (18,7%)
Recommendation	4 (3%)	24 (17,9%)	49 (36,5%)	47 (35,1%)	10 (7,5%)

Table 5.2 Importance of factors in buying decisions.

N = 134

Topics that can be related to CSR are ingredients and environmental friendliness. The content analysis namely showed that the cosmetic brands focus on these factors in their CSR framing a lot, like using natural/raw ingredients and protecting the environment with measures to reduce waste and energy. Also packaging can be seen as a CSR topic because cosmetic brands focus on reducing the amount of packaging etcetera. However, it is unclear whether packaging in this question refers to the design or the way it is produced, and therefore it might not be about CSR.

When these topics are regarded as CSR related, it becomes clear that customers do not find these factors very important in their buying decisions, and that quality, previous experience, price, convenience and recommendation are more important. This could say something about the social value orientation of customers and could suggest that customers in general do not find CSR important in their buying decisions. This needs more investigation and therefore the following section will focus more specifically on CSR and the perception of customers.

5.2 Customer characteristics

The following question stood central in this part of the research: "How do customers perceive the importance of cosmetic companies' social responsibility efforts?" Both the issue support and the social value orientation were taken into account here. The issue support is about the

importance of specific CSR issues for customers. The social value orientation is about how customers value CSR and whether they find it important or not.

Issue support

To measure the issue support of the respondents they were asked to indicate how important they find it that companies engage in certain CSR activities. The results are shown in figure 5.3. Overall, they seem to find animal testing the most important issue: 70,1% of the respondents finds it important that a cosmetic brand does not test its products on animals. Next, safe and natural ingredients are important to many customers (68,7%), as well as environmentally friendly production (55,2%). Least important seems to be donating to charity (6%), diversity (11,9%) and the activation of self esteem (11,9%). Also, one person indicated another option, which was: 'it has to do what it promises'. This could be interpreted as meaning that a brand has to be honest, but this will be discussed further in chapter 6.

Issue Support 80,0% 70,0% 70,1% 68,7% 60,0% 50,0% 55,2% 40,0% 46,3% 43,3% 30,0% 20,0% 27,6% Innent Fair Trade Human Rights Diversity 6,0%

Figure 5.3 Issue Support of customers N=134

Apparently, not many people perceive charity as an important CSR issue. The content analysis however made clear that many cosmetic brands do engage in charity a lot; in fact, every brand has much information about charity on their website. The opposite is the case for animal testing. Most people find it important that products are not tested on animals, but most brands did mention this issue on the website. This is further discussed in chapter 6.

Social value orientation

Next, to measure the social value orientation of customers they were asked to indicate whether they agreed with a couple of statements. The social value orientation consists of both the perceived importance of CSR, and the awareness of CSR. In table 5.4 the results are shown. Overall, it seems that the respondents find it quite important that their favorite cosmetic brand contributes towards society at large (59,7%). Further, an equally large part does not know if their favorite brand is socially responsible in its daily practices (59,7%), which means that most customers are unaware of the CSR practices of their favorite cosmetic brands. However, they seem to be interested in the information because a majority of the respondents thought that cosmetic brands should communicate their CSR more (78,4%). This could mean that customers are generally interested in CSR and want to know more about it, but unfortunately they do not receive enough information from brands.

Moreover, respondents replied quite divided on the statement whether they find it easy to find information about cosmetic brands. One-third indicated that it easy to find information, another third indicated that it is not easy, and the last third did not know if it is easy to find information. The fact that many respondents did not know could indicate that customers are not actively seeking for information about social responsible cosmetic brands. This however will be researched in the next section. Also, the fact that many indicated that it is not easy to find information supports the earlier statement that brands do not give enough information about CSR.

	Yes	No	Don't Know
It is important that my favorite company contributes towards society at large.	80 (59,7%)	40 (29,9%)	14 (10,4%)
I know if my favorite cosmetic brands are socially responsible in their daily practices.	38 (28,4%)	80 (59,7%)	16 (11,9%)
Cosmetic companies should communicate their CSR more.	105 (78,4%)	20 (14,9%)	9 (6,7%)
It is easy to find information about social responsible cosmetic brands.	48 (35,8%)	42 (31,3%)	44 (32,8%)

Table 5.4 Statements regarding social value orientation.

N = 134

Seeking information

As the above showed, one/third of the respondents indicated that they did not know whether information about cosmetic brands is easy to find, which could indicate that people do no actively seek for information. When further investigated it indeed became apparent that the

majority (83,5%) of the respondents does not seek for this kind of information actively. This means that only 16,4% does seek for information about CSR. The respondents were also asked to indicate through which channels they receive most CSR information. Respondents who indicated they are not actively seeking for this kind of information were also able to answer this question, because even though they do not seek for it, it is possible that they encounter this kind of information, even though not purposely. The results are depicted in figure 5.5.

The most mentioned channels for receiving CSR information were Social Networking Sites (40,3%), followed by information on packaging (38,8%) and magazines (38,1%). The least mentioned were celebrities (3,7%) and opinion leaders (5,2%). Surprisingly, the official website was only mentioned by 23,1% of the people, while this is regarded as a popular channel for companies to express their CSR through and is also being increasingly used by companies (Isenmann, 2006). What is also striking is that only 14,2% of the people claimed to not get any information, while a large majority indicated that they do not seek for information. This could mean that CSR information does reach them, even though they are not actively seeking for it themselves. Also some other options were given, which were: Google, spouse, family, advertisements in bus stops and stands in the city.

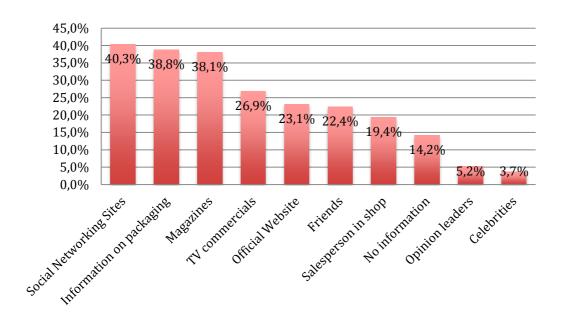


Figure 5.5 Information channels N=134

Social responsible cosmetic brands

In order to find out how aware customers are of the social responsible behavior of cosmetic brands they were asked to give an example of a brand that is socially responsible. The complete table with this information can be found in appendix 3. More than half (60,4%) of the respondents could not tell which cosmetic brands are socially responsible. The people who could mostly mentioned The Body Shop (14,2%). This is actually not surprising when taking previous research into account that stated that The Body Shop distinguished itself from other companies and has ownership when it comes to CSR (Johri & Sahasakmontri, 1998; OECD, 2007; Porter & Kramer, 2006). Other brands that were named where Lush (8,2%), Dove (3,7%), Dr Hauscka (3%), Hema (2,2%), Nivea (2,2%), Dr Organic (1,5%), Neutral (1,5%), Welleda (1,5%), Yves Rocher (1,5%), and Sisley (0,7%), Miss Helen (0,7%), and Bio2Bio (0,7%).

Next, respondents were asked which activities these brands engage in and how they became aware of these. The CSR activities that were mentioned most frequently were animal testing (57,7%), the environment (26,9%) and natural ingredients (19,2%). These activities relate to the earlier mentioned issue support of customers, which might indicate that customers are most aware of activities that fit their issue support. Furthermore, most people became aware of these activities through advertising (including marketing) (26,9%) and instore information (15,%). These seem to partly overlap with the earlier mentioned channels, but this will be further discussed in chapter 6.

5.3 Customer-organization relationships

In order to understand the influence of CSR on customer-organization relationships, the respondents were asked to what degree they agreed with a number of statements regarding cosmetic companies. These were either about transactional or relational outcomes. The results are presented in table 5.6.

Many respondents seem to favor a company that makes a positive impact on the world (40,3% agreed and 35,8% strongly agreed). This could indicate that customers prefer a cosmetic company that is socially responsible, to a company that does not have a positive impact on the world. Overall, the customer relationship with a socially responsible company seems to be more positive. This also seems to be the case when it comes to brand recommendation. One/third of the respondents agreed with the statement about whether they would recommend others to buy products from a brand that is socially responsible, and

another third strongly agreed. This means that most people seem to be inclined to give brand recommendations due to CSR.

Furthermore, respondents were either neutral or positive towards a couple of statements. For instance when it comes to the buying intention. Many respondents agreed that they are more inclined to buy green products, even if they are more expensive (31,1%), but also many were neutral on this topic (34,4%). Consequently, it is hard to interpret these results, but it seems to indicate rather a positive influence on the customer-organization relationship than a negative one. Furthermore, respondents responded divided on the statement whether they would exert more effort to buy a product from a brand that is socially responsible (31,3% disagreed, 34,3% was neutral and 33,6% agreed). This means that respondents seem to want to pay more money, but a smaller part wants to put effort into finding 'green' products.

Another question where the respondents had a divided opinion about was whether they identified with a brand that is socially responsible. Most respondents were neutral (40,3%), which means that people seem to be unclear about whether they identify which such brands or not. An almost equal amount of people indicated that they agreed (20,1%) and disagreed (23,1%). No clear conclusion can be drawn from this and the opinion about brand identification seems to be divided.

When it comes to brand loyalty, respondents were asked whether they would switch away from a brand if it were not socially responsible. Most people indicated they would switch away and agreed with this statement (30,6%), but many others were neutral (28,3%). These results are rather unclear and are therefore compared with the next statement, which was whether the respondents would give their favorite cosmetic brand the benefit of the doubt when it acts in an irresponsible manner. Most respondents were neutral (37,3%) and many disagreed (29,1%), which means that many respondents would not give an irresponsible company the benefit of the doubt. This fits the findings on the previous question and people seem to be slightly more inclined to be loyal to socially responsible brands than to irresponsible brands, but there are also many people that do not have an opinion on this.

	Strongly disagree	Disagree	Don't agree, don't disagree	Agree	Strongly agree
I favor a company that makes a positive impact on the world.	2 (1,5%)	3 (2,2%)	27 (20,1%)	54 (40,3%)	48 (35,8%)
I would recommend others to buy from a brand that is socially responsible.	3 (2,2%)	14 (10,4%)	39 (29,1%)	45 (33,6%)	33 (24,6%)
When a brand is socially responsible, I exert effort to buy its products.	2 (1,5%)	32 (23,9%)	42 (31,3%)	45 (33,6%)	13 (9,7%)
I am more inclined to buy green products, even if they are more expensive.	8 (6%)	16 (11,9%)	46 (34,3%)	42 (31,3%)	22 (16,4%)
I identify strongly with brands that are socially responsible.	11 (8,2%)	31 (23,1%)	54 (40,3%)	27 (20,1%)	11 (8,2%)
I would switch away from my favorite brand if the company is not socially responsible.	17 (12,7%)	22 (16,4%)	38 (28,3%)	41 (30,6%)	16 (11,9%)
If my favorite brand acts in an irresponsible manner, I give it the benefit of the doubt.	12 (9%)	39 (29,1%)	50 (37,3%)	27 (20,1%)	6 (4,5%)

Table 5.6 Customer-organization relationships N = 134

Since awareness can moderate the effect CSR has on business outcomes, this is also analyzed. Rizkallah (2012) claimed that knowledgeable consumers have a higher intention to use CSR as an important aspect in their buying decisions than unknowledgeable people. This study focused on the effect of awareness on both the transactional and relational outcomes. To identify whether customers were aware or not, the following statement was used: "I know if my favorite brands are socially responsible in their daily practices", because this relates most to awareness. Respondents that answered this question with 'yes' were perceived as aware customers, and people who answered with 'no' were perceived as unaware customers. An independent sample t-test gave the following results, which are shown in table 5.7.

When looking at the relational outcomes, it seems that aware customers have a better relationship with social responsible companies. Aware customers significantly favor a company more when it makes a positive impact on the world, compared to unaware customers (t=-655, df=116, p=,04). The averages do not differ much from each other and both customers still favor it quite much, but aware customers favor them slightly more. Also when it comes to brand recommendation, aware people significantly agreed with this statement more, with an average of 4,11 against an average of 3,48 from unaware customers (t=-3,100;

df=116, p=,002). This means that aware customers probably have a higher intention to make brand recommendations due to CSR practices than unaware customers. Next, the results on brand identification show that aware people identify significantly more with brands that are socially responsible (3,47) than unaware people (2,70) (t=415, df=116; p<,001).

These results all show that aware customers have a more positive influence on relational outcomes. However, when it comes to brand loyalty the differences between aware and unaware customers are not significant. This means there is no difference in whether these customers would switch away from a brand that is not socially responsible (t=-,454; df=116; p=,65), and whether they would give this kind of company the benefit of the doubt (t=1,199; df=116; p=,23).

However, when it comes to transactional outcomes it seems that aware customers also have a better relationship with the organization. Aware customers seem to be significantly more inclined to buy green products, even if they are more expensive (t=-4,531, df=116, p<,001). The average of aware customers was 4,03 and of unaware customers 3,05. Also, aware customers are willing to exert more effort to buy a product from a socially responsible company (3,68) than unaware customers (3,10) (3,10) (t=-3,11; df=116, p=,002).

	Aware	Not Aware
I favor a company that makes a positive impact on the world.	4,32	3,91**
I would recommend others to buy from a brand that is socially responsible.	4,11	3,48**
When a brand is socially responsible, I exert effort to buy its products.	3,68	3,10**
I am more inclined to buy green products, even if they are more expensive.	4,03	3,05***
I identify strongly with brands that are socially responsible.	3,47	2,70***
I would switch away from my favorite brand if the company is not socially responsible.	3,18	3,08
If my favorite brand acts in an irresponsible manner, I give it the benefit of the doubt.	2,66	2,90
Table 5.7		

Punishment

Significance *= p < .05, **= p < .01, ***= p < .001

Also some questions were asked regarding whether customers punish companies that do not act socially responsible. First, the respondents were asked to indicate under what conditions they would not buy a product from a brand. The results are shown in table 5.8. Apparently it

is most important for customers whether cosmetic brands use safe or unsafe ingredients. A majority of the respondents indicated they would not buy a product if the brand uses unsafe ingredients (79,9%). Like explained earlier in this study, the cosmetic industry is consumer driven and customers use the products on themselves and therefore they find it increasingly important to know what the products consist of and what they exactly put on their body. This might explain why this criterion is regarded as highly important. Secondly, animal testing is quite important; 53% of the respondents would not buy a product if it has been tested on animals. Overall, it seems that the respondents found all conditions pretty important, with harming society scoring lowest, but still 35,1% would not buy a product from a brand if it harm society.

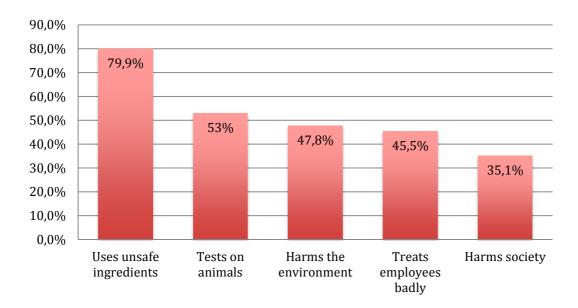


Figure 5.8 Conditions under which customers would not buy product N=134

When comparing with the issue support, people indicated that animal testing was most important (70,1%), followed by safe and natural ingredients (68,7%), and environmentally friendly production (55,2%). These findings overlap with the abovementioned findings, because the top three consists of the same conditions. It seems however that less people actually want to punish irresponsible companies, despite of how important they find a specific subject. More people namely indicated that animal testing was important (70,1%) than people that indicated they would not buy a product if it was tested on animals (53%). This is also the case for harming the environment, although there is a slightly less difference; 55,2% finds it important, but 47,8% would resist buying a product if the company harms the environments. In the case of safety of ingredients however the opposite is true; people seem to be more

willing to 'punish' cosmetic companies that use unsafe ingredients (79,9%), than the perceived importance of the use of safe and natural ingredients (68,7%). These lasts results could however be due to a difference in questioning, which will be discussed in chapter 6 more in-depth.

Another question regarding the punishment of companies was if customers had ever taken action against irresponsible actions from cosmetic companies. Most respondents indicated they did not ever do this (61,2%), and 21,6% indicated they did not know whether they have ever done this. In total, 17,2% of the respondents has taken actions. The specific actions they have taken are:

- Singing of petitions (mentioned 13 times)
- Spreading negative word on the internet/blog (mentioned 5 times)
- Protests/demonstration (mentioned 3 times)
- Supporting good cause (mentioned twice)
- Sent emails to companies (motioned once)
- Sharing of video's via social networking sites (mentioned once)

Petitions are the most popular way to take action against irresponsible companies, probably because it is an easy way to participate. However, such findings cannot be expressed with certainty, since no follow-up interviews were conducted. These and other discussion points of this research are discussed in the following chapter.

6. Discussion

In this chapter an answer will be given to the main and sub research questions whilst comparing to previous research in the field. Also, some limitations will be addressed and recommendations for future research will be given.

6.1 Conclusion

The aim of this study was to explore the role of CSR in the cosmetic industry and to answer the following research question: *How do Corporate Social Responsibility activities influence the customer relationships in the cosmetic industry?* The purpose was to research how cosmetic companies frame their CSR on their corporate website, how consumers perceive the importance of CSR, and if CSR has a decisive role in enabling positive customer-organization relationships.

6.1.1 Sub research questions

In order to answer the main research question, first the sub research questions will be answered.

Sub research question 1: How do cosmetic brands frame their social responsible activities on their corporate website?

The analysis showed which activities are framed as being part of the CSR strategy of cosmetic brands, namely: philanthropy/charity, the environment, inclusion of employees, engagement in local communities/human rights, diversity, women rights, natural/raw ingredients, fair trade, animal testing and self-esteem of customers. Previous studies claimed that CSR in the cosmetic industry mostly has to do with the environment, sustainability and philanthropy (Armstrong, 2010; Organic Monitor (2010b). As can be seen, these topics were also found in the content analysis of this study.

However, there were some topics that were found in this study that do not overlap with previous research, like the inclusion of employees, women rights, diversity, fair trade and self-esteem of customers. These topics all seem to relate to the human aspect, which is something other studies seem to neglect. This finding provides new insight in the knowledge about what CSR incorporates and gives a better understanding of this broad concept, specifically in the cosmetic industry. It seems that the human aspect is just as important as philanthropy, sustainability and the environment. A possible clarification for the different findings can be that the interest of cosmetic brands in the human factor has grown the last

couple of years, but since the other studies are not very old this seems unlikely. It could also be that the other studies had a less broad understanding of CSR and therefore only paid attention to other areas. Due to these inconclusive findings, future research should investigate this matter further and provide more insight into the specific CSR activities cosmetic companies engage in, for instance by directly interviewing the companies and ask about their CSR policy.

When looking at the motivations the cosmetic brands have for engaging in CSR, it appears that they all seem to have more or less the same motivations. The most important reasons are that they want to be ethical and a good corporate citizen, but is also became apparent that the brands want to increase profits by engaging in CSR. When comparing this to the four-part model of Carroll (1991) it seems that all responsibilities are important for cosmetic brands. They all acknowledge their economic responsibility and want to be profitable, which especially became apparent at L'Oreal. Next, all brands want to be ethical and therefore engage in ethical sourcing and fair trade. Also, they want to be good corporate citizens and therefore engage in philanthropy. Lastly, even the legal responsibility is recognized by at least one brand and obeys the law in its CSR policy (L'OCCITANE). However, the aspect that Carroll found least important is actually the most popular one in the cosmetic industry, namely the philanthropic responsibility. According to Carroll this aspect is only desired and not required, but all investigated brands have a policy on philanthropy and/or charity and therefore this begs the question whether the model of Carroll is appropriate for CSR in the cosmetic industry.

Sub research question 2: How do customers perceive the importance of cosmetic companies' social responsibility efforts?

First the general awareness of customers and their purchase motivations are discussed. Apparently, the most popular brands amongst customers are L'Oreal, Nivea, Chanel, Dove, MAC, Dior, Welleda, HEMA, Maybelline and Clinique. These do not overlap with the social responsible brands the respondents mentioned in another question (see appendix 3), which implies that CSR is not something that determines whether a brand is perceived as favorite. Since this is not further investigated in this research, future studies should pay attention to whether CSR plays a role in the realization of favorite brands.

Furthermore, it became apparent that customers do not find CSR factors very important in their buying decisions (ingredients, environmental friendliness and brand image). Instead, quality, previous experience, price, convenience and recommendation are more

important. When comparing to previous research, quality is also mentioned often as an important factor (Boulstridge & Carrigan, 2000; Selbes & Mohamed, 2010; Zhao, 2012). However, these studies claim that price is the main decision factor for customers, which does not overlap with the results of this study. The survey results showed that previous experience and quality are more important than price, and that there are even quite a few people that find price unimportant (see table 5.2). Previous studies also point to the importance of ingredients (Selbes & Mohamed, 2010; Zhao, 2012), but this is also something that is not recognized in this research. Due to these inconclusive findings it is important that future research investigates this further and finds out which factors are most important for customers in the cosmetic industry, preferably in an interview format to make sure the rationale for this becomes clear as well.

Next, in order to find how customers perceive the importance of CSR, their issue support and social value orientation was investigated. The results showed that the most important CSR issues for customers were animal testing, the use of safe and natural ingredients and environmentally friendly production. This is interesting since customers did not point out environmental friendliness and ingredients as important factors in their buying decisions (see above). This could indicate that customers do find certain CSR topics important, but not use these in their buying behavior. This is a remarkable result that begs for further research about the importance of CSR in the buying decisions of customers.

The least important CSR activities seem to regard charity, diversity and the activation of the self-esteem of customers. When comparing this to the content analysis some surprising results appear. The most important topic for cosmetic brands namely seems to be philanthropy and/or charity. However, when it comes to the issue support of customers not many find this an important topic (6%). This is also the case when it comes to animal testing, only the opposite way around. Most people find it important that no animal testing is performed (70,1%), but most companies do not talk about this issue on their website. This poses interesting practical implications for companies, because there seems to be a discrepancy between what they communicate and what customers want to hear about. Previous research showed that it is important that CSR activities fit the issue support of customers in order to reach the best possible business effects (Du et al., 2010), and that choices must benefit both the company and the stakeholders (Porter & Kramer, 2006). Therefore these results imply that cosmetic brands should change their CSR communication strategy and adapt it to the wishes of their customers more.

When it comes to the social value orientation, most people find it quite important that their favorite brand contributes towards society at large and thereby these results conform to the claims by the European Commission that 70% of the customers find it important that a company is committed to social responsibility (CSR Europe, 2000). But what is striking however is that the same amount of people does not know whether their favorite brand is socially responsible and therefore their awareness is pretty low. This also became apparent when customers were asked to give examples of socially responsible cosmetic brands. Only 39,6% could name specific brands. This supports the results from previous research that cosmetic customers are unaware about CSR (Organic Monitor, 2010b; Zhao, 2012). These results are valuable since they indicate a practical problem for CSR in the cosmetic industry. According to Rizkallah (2012) knowledgeable consumers have a higher intention to use CSR as an important aspect in their buying decisions than unknowledgeable people, and apparently the customers in the cosmetic industry are not aware enough of CSR to use it in their buying decisions.

The fact that most customers are unaware could be due to ineffective CSR communication, which would fit the claims from earlier studies that companies have trouble communicating their CSR, and that this results in confusion amongst consumers about which companies support sustainable values (Lewis, 2003; Organic Monitor, 2010a). The results of this study strengthen these because customers indicated they want to receive information about CSR, but that it is hard to find such information. This implies a discrepancy between what customers want and what companies do and implies that cosmetic brands should inform their customers better about CSR in order to reap strategic benefits.

However, the results also indicate that it is hard for cosmetic brands to communicate their CSR well, because customers have different social value orientations and support different issues. This problematic part of CSR communication was already acknowledged by Morsing and Schultz (2006) and could be the reason why there is discrepancy between what customers want to hear and what cosmetic brands communicate. A possible solution could be to improve the communication by using the informing and interaction strategies posed by Morsing (2005), because these strategies serve to create aware and informed stakeholders and make sure that positive customer outcomes are created. However, since this was not researched here it is valuable if future research were to investigate this matter further and finds out whether these strategies are helpful for CSR communication.

Another problem could be that cosmetic brands do not use the right channels for their CSR communication. According to a number of studies, the corporate website is the most

important, popular and influential channel for CSR communication (Dellarocas, 2006; Esrock & Leichty, 1998; Isenmann, 2006; Maignan & Ralston, 2002; Rolland & Bazzoni, 2009) and advertising and public relations are less preferred channels because they are to bold (Morsing et al., 2008). However, the results of this study offer a couple of issues. It became apparent that a majority of the customers does not seek for information about CSR (16,4%), which supports the claim by Dawkins (2005) that most customers do not actively seek for such information, even when it comes to issues they find particularly important. This implies that customers only receive CSR information when it comes directly to them and when they do not have to put much effort into it. This claim is supported by some other findings in this study. Only 23,1% of the customers namely indicated that they encounter CSR information via the corporate website, but the most popular channels seem to be social networking sites, information on packaging and magazines. These are all channels where information comes to the customer, instead of customers looking for it themselves.² This was also the case when the respondents where asked to give examples of socially responsible brands. In this case the mentioned channels were advertisements and in-store information, which are also one-way communication channels targeted directly from the organization to the customers. Also, only 14,2% of the respondents claimed to not get any CSR related information, but a big majority indicated that they do not seek for this information themselves. This means that CSR information does reach them, even though they are not looking for it.

This importance of communication where customers do not have to search for information themselves is a new and insightful result and has implications for CSR communication in general. It might imply that, in order to reach as much people as possible, CSR communication should consist of channels that directly target customers, without them having to exert much effort to receive information. Therefore, it might be problematic if the corporate website is indeed the most used channel, because customers will not be reached. Furthermore, the findings are obviously not in line with Morsing et al. (2010), who said that channels where information comes directly to the customers might be too bold. However, their implications are from a different angle, because they were talking about the trustworthiness of such channels, and not about how often these channels are used by the target group and therefore about their effectiveness in reaching them.

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² In the case of Social Networking Sites it might also be interactive communication from both the customers as the companies. However, in this case it is assumed that it means that there is information appearing on the 'feed' and therefore information comes to the customers.

Sub research question 3: Does CSR have a decisive role in enabling positive customerorganization relationships in the cosmetic industry?

Overall, people seem to be quite positive towards socially responsible brands. This could indicate that the customer-organization relationship is stronger with a brand that is socially responsible than with a brand that is not. Overall, most people seem to favor brands that makes a positive impact on the world, but there were also some cases in which people were neutral and did not necessarily care, but also were not careless. Since no follow-up questions could be asked it is hard to interpret the position of these people, however it is assumed here that when people indicated to be neutral it does not matter to them whether a company is socially responsible or not.

When it comes to transactional outcomes (tacit and immediate financial outcomes) people are apparently more inclined to buy green products, even if they are more expensive. Also, there seem to be indications that people exert more effort to buy from a brand that is socially responsible, but the opinions on this are quite divided. These results seem to fit the claims by other researchers that the buying behavior of customers is positively influenced by CSR (Brown & Dacin, 1997; Du et al., 2007; Klein & Dawar, 2004; Sen & Bhattacharya, 2001) and that customers prefer to purchase from companies that act in a socially responsible way (Dawkins & Lewis, 2003; Harrison et al., 2005; Kotler, 2011). This means that the studies that claim that there is no influence from CSR on the buying behavior of customers are not supported (Boulstridge & Carrigan, 2000; Carroll and Shabana, 2010; Sen & Bhattachrya, 2001; Vogel, 2005). Additionally, these findings conform partly to the study by Hoeffler and Keller (2000), who claimed that CSR can increase the willingness to pay a higher price for certain products, but also that these customers are willing to invest other resources more as well, like time and energy. The results of this study support the findings that customers want to invest more money, just like the survey by the European Commission stated that 44% of the customers are willing to pay a higher price for socially and environmentally responsible products (CSR Europe, 2000). However, there are no convincing results that customers want to invest more time and energy.

In terms of *relational* outcomes (reputational and long-term outcomes), customers seem to have a more positive word-of-mouth and an increased brand loyalty. This fits the claims by Hoeffler and Keller (2000) that CSR can create a sense of goodwill and can enhance customer commitment and loyalty towards a company, as well as increase brand recommendations from customers to each other. When it comes to brand identification however the results were mixed and there is no clear picture about whether people identify

more with a brand that is socially responsible or not. Since no follow-up questions could be posed in this research, it remains unclear what caused this division. Therefore, future research should address this topic and find out what role CSR plays when it comes to brand identification.

In addition, awareness seems to be a moderator in the relationship between CSR and the customer-organization relationship. Rizkallah (2012) claims that knowledgeable consumers have a higher intention to use CSR as an important aspect in their buying decisions than unknowledgeable people, and the results of this study draw the same conclusion. It was found that aware customers have a higher intention to buy green products, even if they are more expensive and also want to exert more effort to buy these products. This also indicates that price is indeed less important than is suggested in previous research (Boulstridge & Carrigan, 2000; Selbes & Mohamed, 2010; Zhao, 2012). Next to buying intentions (transactional outcome), awareness is also important when it comes to relational outcomes. In comparison to unaware customers, aware customers favor a company more that makes a positive impact in the world, have a higher intention to make brand recommendations and identify more with socially responsible brands. Only when it comes to brand loyalty there seem to be no real differences between aware and unaware customers. This is something future research should address, since this research did not purposely account for differences in awareness.

Next to supporting socially responsible brands, customers also seem to punish irresponsible brands under certain conditions. Especially the use of unsafe ingredients is a reason for most customers to not buy a product, as well as animal testing. This fits the claims of multiple researchers that customers are intolerant towards organizations that fail in fulfilling their social obligations (Creyer & Ross, 1997; Dawkins & Lewis, 2003; Harrison et al., 2005; Kotler, 2011; Levy, 1999). Yet, it seems that more customers reward brands than punish them, despite how important they find a specific subject. This is probably also why most customers have never taken action against irresponsible brands. The few customers that have taken action singed a petition or spread a negative word via the Internet. According to Creyer and Ross (1997) customers mostly punish brands that harm society by not buying their products, but the respondents in this research did not once mention this option. Since not buying products is a more harsh measure than signing a petition or spreading a negative word, future research should investigate this issue more in depth and find out what factors play a role in punishing socially irresponsible brands. It seems that convenience plays an important role, because signing a petition and spreading a negative word are not time consuming

activities and it does not take much effort. This would also explain why so little people actually take action against irresponsible companies; because it takes to much effort. But then again, since this research did not investigate this, these are just speculations.

6.1.2 Main Research question

All the findings together made it possible to answer the main research question:

How do Corporate Social Responsibility activities influence customer relationships in the cosmetic industry?

To answer shortly, factors such as quality and previous experience are still most important in the buying decisions of customers in the cosmetic industry, but CSR can actually influence customer-relationships positively. It became apparent that relational outcomes are increased and therefore it is confirmed that CSR can create a "broader, deeper and longer-term consumer responses" and contribute to a "brands long-term reputational capital" (Du et al., 2007, p. 237), and that brand loyalty and brand recommendations (positive word-of-mouth) are increased. Furthermore, when it comes to transactional outcomes this study provides a bit more clarity into the inconclusive findings in previous research. The results showed that customers are willing to pay a higher price for products from social responsible brands and therefore the transactional outcomes seem to be positively influenced by CSR as well. This means that both the transactional and relational outcomes can be enhanced with CSR, but this is however depended upon a number of factors.

First, the results of this study strengthen the argument made by Du et al. (2010) that customer characteristics play an important role, and also show that this is specifically the case in the cosmetic industry. Some customers value CSR more than others, which means that customers have a different social value orientation. However, in the cosmetic industry quite a large amount finds it important that their favorite cosmetic brands contribute towards society at large, which implies that most cosmetic customers value social responsible actions. These findings give relevance to this study since Vogel (2005) claimed that the benefits of CSR are dependent on the context. This study focused on the cosmetic industry and shows that customers in this sector find it important that companies contribute to society and engage in CSR, and therefore that CSR might be beneficial in this specific context.

Secondly, some CSR activities fit more into the issue support of customers in the cosmetic sector, like animal testing and environmentally friendly production. This means that

cosmetic brands should preferably emphasize these CSR activities. However, it became apparent that not all brands discussed these factors on their website and neglect these issues in their CSR strategy. Instead, they emphasize philanthropy and/or charity, while most customers do not find this important. This indicates a discrepancy between what cosmetic brands communicate and what customers value. Therefore, these brands might miss out on opportunities to create a more positive customer relationship because there are not acknowledging the issue support of their customers. This underpins the practical relevance of this study, since it provides implications about possible improvements regarding CSR communication in the cosmetic sector, namely that brands should enhance their communication and focus more on issues like animal testing and less on philanthropy and/or charity. Also, these results give insight into the expectations and needs of customers, which was not yet well researched (Maignan & Ferrel, 2004; Singh et al., 2008).

Thirdly, awareness appears to be a moderator. Customers that are more aware of CSR have a better relationship with the organization and both the transactional and relational outcomes are more positively influenced, which means that the importance of good CSR communication is underpinned by this research. However, it became apparent that most customers are actually unaware and do not know whether their favorite cosmetic brands are socially responsible. This could indicate that cosmetic brands are lacking in their CSR communication, which supports the claims made in previous researches (Morsing 2005; Organic Monitor, 2010a). These results give more insight into the effectiveness of CSR communication, as well as into consumer behavior. According to Crane et al. (2007) it is acknowledged that CSR can influence consumer behavior, but our specific understanding of when, how and why is still limited. These results show that CSR can influence the consumer behavior positively but that it is most effective when the awareness of customers is high. This gives implications about the importance of awareness in CSR communication in general and the customer-organization relationship in particular.

Lastly, the specific communication channel is important. It seems that customers do not actively seek for information about CSR and that the corporate website is not a preferred channels by customers. Instead, they rely on social networking sites, information on packaging, magazines, advertisements and in-store information. This might imply that customers do not exert effort into finding information and therefore CSR information might only reach them if it directly comes to them. These findings have implications for CSR communication in general because it implies that channels that are 'bold' and are directly

targeted at customers might be most effective in reaching a big group of people with CSR related information.

6.2 Limitations and future research

This research has some limitations and the first ones regard the sampling method of the survey. A big part of the survey was spread via a Dutch lifestyle blog, which is about anything related to fashion and beauty. This might have biased the results, because this part of the respondents might have been more interested in cosmetics than the average person. Also, most of the respondents regarded students and were around the age of 23. Therefore, the results can only be generalized to customers in this category and not to the entire population. Also, the findings can only be generalized to the Dutch population, since the majority of the respondents were Dutch. Another limitation regarding the sample of the survey is that there were 134 responses. This amount was high enough in this research, but a bigger amount could give a more convincing picture. Future research should therefore focus on a bigger target group and incorporate respondents from different age categories and different nationalities.

The following limitations are about the sampling of the content analysis. Most importantly, the investigated brands differ in size. L'Oreal for instance is an umbrella company, being owner of a large number of cosmetic brands. The Body Shop and Kiehl's are part of L'Oreal and the other investigated brands are not part of a big overlapping company. Therefore, a comparison between the brands might not be fair, especially since some studies showed that communicating CSR is limited to large organizations (Graafland, Van de Ven & Nelleke, 2003). However, the selection of brands was made according to the Top 50 ranking, and in this listing L'Oreal fell under the same category as the rest of the brands. Still, future research should take this into account and use companies that are better comparable. Another limitation from the sampling is that only five brands were investigated, which cannot account for all cosmetic brands. This was actually due to time limitations and therefore future research should include more brands in order to give more conclusive results.

Also, some results might be biased by the way the design of the questionnaire. For instance when it comes to valuing and punishing brands based on their CSR strategy, it became apparent that people value certain CSR topics, but that they not necessarily punish brands that do not meet the desirable conditions. This means that people do find it important that cosmetic brands that are environmentally friendly and do not test on animals, but they are not restraint in buying products from brands that do test on animals and are not

environmentally friendly. This however could be caused by differences in questioning, because the question regarding their valuing of CSR was not about their buying intention, while the question about punishing was. Therefore, these two cannot be properly compared, but instead it just gives an indication of these relations and future research should therefore investigate this again and use questions that are better comparable.

When it comes to the importance of ingredients there is another problem with the design of the questionnaire. In this case the opposite was true and many people indicated they resist buying products with unsafe ingredient, but slightly less people indicated that safe and natural ingredients are an important factor to them. This could be due to the difference in questioning because there is a difference in the meaning of 'safe' and 'unsafe'. When people indicate to find safe and natural ingredients unimportant, it does not mean that they do not care whether ingredients are actually unsafe. The respondents who indicated that they do not want to use unsafe ingredients probably do not want to use products that actually *harm* their skin, but they also do not necessarily want to use products that are *beneficial* to their skin. Ingredients can also have neutral connotations. Future research should therefore pay attention to this and make sure the questions are better comparable.

Additionally, another limitation due to the questionnaire design regards the influence of awareness on the customer-organization relationships. To investigate this relationship one question was taken as indicating awareness, which was: "I know if my favorite brands are socially responsible in their daily practices". However, it could be argued that this question is not a specific indication for awareness and therefore does not accurately measure the influence of awareness on the customer-organization relationships. Therefore, the results about the moderating effect of awareness might be biased. Future research should therefore use a better indicator for awareness. Also, the questionnaire was spread in both English and Dutch, which might have caused differences in interpretation. Future research should therefore only use one type of language.

Next, a big limitation of this study was the fact that no follow-up questions on the survey could be posed, due to time limitations. Therefore, some results are still a bit unclear. For instance, many people indicated that they do not seek for information about CSR, but unfortunately the rationale is still unknown. Furthermore, respondents indicated that social networking sites were an important channel for receiving CSR information, but it remains unclear which exact channels these are. Also, it is not clear whether customers want to exert effort to buy green products and whether they identify with a brand that is socially responsible. Since no follow-up questions were asked it is not clear why this is the case.

Therefore it is suggested that future research dives deeper into these issues and gives more clarity about for instance what is meant by the statement: 'a brand has to do what it promises'. In this research, meanings could only be guessed.

Furthermore, some recommendations for future research can be made that emerge from the results of this study. First, the results showed that customers possibly have a more positive relationship with organizations that are socially responsible, than with organizations that are not. However, these results are not tested on its significance due to limitations of this research. It could be valuable to investigate this in future research with some kind of manipulation and find out if customers indeed have a more positive attitude towards brands that are socially responsible, both when it comes to transactional and relational outcomes. Especially this last distinction is not yet investigated.

Moreover, the results seem to point out that the CSR communication of cosmetic brands is lacking. However, it is not explicitly investigated here if this is truly the case. Future research should therefore focus on this issue and find out if cosmetic brands indeed communicate their CSR badly and what specific factors play a role here. These studies should focus more on the direct link between communication and the effect it has on customers. This is something this study did not do because it only looked at communication as a context for understanding CSR in the cosmetic industry.

Lastly, there were some unexpected results that could not be investigated and therefore ask for future research. For instance, the results seem to imply that direct communication from the organization to the customers is preferred because customers do not actively seek for CSR information themselves. Therefore, it might be best that customers do not have to exert much effort to receive such information. However, this is only a speculation and could not be investigated here. Since this is an interesting finding and could point to practical implications for CSR communication, it is important that future research addresses this issue.

Another interesting finding was that customers mentioned examples of CSR activities of cosmetic brands, and that these examples overlapped with their issue support. Most important in both cases were animal testing, natural ingredients and the environment. This might suggest that customers are only aware of CSR activities that fit their issue support and do not register CSR activities they are not interested in. Since this could not be researched in this study it is recommended that future research examines this further, since it could give valuable insights into the way customers become aware of CSR.

Also, before the content analysis was performed a small research was done in order to find out if the cosmetic brands had enough CSR information available on their websites. It was remarkable that many companies (22) did not communicate about this. It was implicated before that this might say something about the limited use of CSR communication in the cosmetic industry and should therefore be investigated in future research. If this speculation appears to be true, it supports the idea that there is a lack of CSR communication in the cosmetic industry.

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Appendix 1: Questionnaire³

- 1. Can you name some of your favorite cosmetic brands?
- 2. How frequently do you buy cosmetic products (fill in dot)?
 - o More than once a month
 - o Once a month
 - o Once in 3 months
 - o Once in 6 months
 - o Once a year
 - Less than once a year
- 3. Rank the next factors in order of relevance to you when you buy cosmetic products (1 = not important, 5 = very important)

Price	1	2	3	4	5
Quality	1	2	3	4	5
Packaging	1	2	3	4	5
Image of the brand	1	2	3	4	5
Environmentally friendliness	1	2	3	4	5
Ingredients	1	2	3	4	5
Previous experience	1	2	3	4	5
Convenience	1	2	3	4	5
Recommendation	1	2	3	4	5

Other, namely.....

4. Do you agree with the following statements?

It is important that my favorite cosmetic company contributes towards society and community at large.

Yes/ No/ Don't know

I know if my favorite cosmetic brands are socially responsible in their daily practices.

Yes/ No / Don't know

Cosmetic companies should communicate their corporate social responsibility more.

Yes/ No/ Don't know

It is easy to find information about social responsible cosmetic brands.

Yes/ No/ Don't know

- 5. Which of the following activities do you find most important for cosmetic brands?
 - No animal testing
 - Environmentally friendly production
 - Donates to charity
 - Protects Human rights
 - Treats employees well
 - Encourages Diversity

³ Since the survey was spread via Thesis tools, this representation of the survey is not completely the same as the actual online questionnaire, since the layout and answer options were different.

- Protects Women rights
- Uses safe and natural ingredients
- Engages in Fair trade
- Activates self esteem of customers
- Other, namely

6.	Can you give examples of cosmetic companies that are socially responsible?
	Yes / No

If yes, please share an example.
Company name:
Socially responsible activities:
How do you got to know these:

7. Do you seek for information about social responsible cosmetic brands? Yes/ No

8. Via which channels do you get information about responsible cosmetic brands?

- Social networking sites (Facebook, Twitter)
- Company website
- Packaging
- Magazines
- Television commercials
- Opinion leaders (Professional make up artist, beauty blogs).
- Salespersons in shops
- Friends
- Celebrities
- I don't get any information
- Other, namely.....

Λ	DI .		41 6 11 .	4 4 4 1 4	4.
y	Please give voiii	r aninian an	n the following	statements about	t cosmetic companies
<i>-</i> •	I icase give your	opinion or	i die rono wing	statements about	confidence companies

	T	1	T	ı	
	1=	2=	3=	4=	5=
	strongly	disagree	neither	agree	strongly
	disagree		agree		agree
			nor		
			disagree		
I favor a company that makes a					
positive impact on the world.					
I would recommend others to buy					
from a brand that is socially					
responsible.					
When a brand acts socially					
responsible, I exert effort to buy					
its products.					
I am more inclined to buy 'green'					
products, even if they are more					
expensive.					
I identify strongly with brand that					
are socially responsible.					
I would switch away from my					
favorite brand if the company is					
not socially responsible.					
If my favorite brand acts in an					
irresponsible manner, I will give it					
the benefit of the doubt.					

1	0.	Ι.	woul	ld	not	buy	a	cosmetic	prod	luct	if	'th	e i	branc	d:

\cap	Harms	the	environi	nent

- Tests on animals
- o Treats employees badly
- Harms society
- o Uses unsafe ingredients
- o Other, namely.....
- 11. Have you (or someone you know) taken action against irresponsible practices of cosmetic companies? If so, please share details. (i.e. negative word of mouth through blog, signed a petition).

C	N	0

- o Yes, namely....
- O Not sure / not applicable

Lastly, please fill in some personal information

Sex

- o Male
- o Female

Age:

- 0 20 <
- 0 21-25
- 0 26-30
- 0 31-35
- 0 36-40
- 0 41-45
- 0 46-50>
- o 51>

Highest level of education

- o Doctorate degree
- o Professional degree
- o WO Master
- o WO Bachelor
- о НВО
- o MBO
- o LBO
- o High School
- o Elementary
- o No schooling completed

Nationality:⁴

- o Dutch
- o German
- o French
- o English (UK)
- o Other, namely
- o Non-European, namely

12. Are you familiar with the concept corporate social responsibility?

Yes/No

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⁴ More options were listed, but are not relevant to depict here.

Appendix 2: Favorite brands

Nothing (13)	L'Oreal (29)	Nivea (25)	Chanel (17)	Dove (14)
MAC (12)	Dior (11)	Welleda (11)	Hema (11)	Maybelline
				(10)
Clinique (10)	Andrélon (8)	Max Factor (8)	Garnier (7)	Lancôme (7)
Body Shop (6)	Dr Organic (5)	Lush (5)	Catrice (5)	Rexona (4)
Estee Lauder (4)	Biodermal (4)	Sephora (4)	Clarins (4)	Bourjois (4)
Yves Rocher (4)	Sisley (4)	Etos (4)	Dr Hauscka (3)	Rituals (3)
Shiseido (3)	FA (3)	Head and Shoulder (3)	Kruidvat (3)	De Tuinen (3)
Rimmel London (3)	Vichy (3)	Avène (2)	Axe (2)	Essie (2)
Lavera (2)	Nuxe	Nars	Herborian	GOSH
Biotherm	Vogue	Yves Saint Laurent	Bio2bio	Taft
Inglot	Jean Paul Gaultier	Napoleon	L'OCCITANE	Zwitsal
La Mer	NY	100% pure	Earth-line/Sea- line	Aveda
Babor	Urban Decay	Madara	Redken	Miss Sporty
Nunile	Armani	Osis	Dermalogica	Santé
Earths beauty	Sensai	Seventeen	La Roche Posay	Toni &Guy
Trilogy	Odorex	Kiehl's	Puravital/zarque	Therme
De Tray	Sanex	Issey Miyake	Kiko	Guerlain
Victor & Rolf	Dr Kneipp	Payot	Gilette	Wella

Appendix 3: CSR Brand examples

Brand name	What activities	Channel
The Body Shop (14,2%)	What activities No animal testing (9) Natural ingredients (3) Environment (4) Good labor conditions throughout entire supply chain (2) A lot Charity Fair trade (2) honey and oil No animal testing (12) Environment (2) Minimal packaging (2) Biological Fair trade No mass production	Channel Classic case in business studies (2) In store (5), Information on packaging (4), Advertising (4), Brand image (2), Website (2) Generally known Read it somewhere Media Advertising (2) Sign outside their shop Brand image (2) Website (2) Coincidentally saw it somewhere From someone else
Davis /2 70/)	Charity (2) Natural ingredients	Contact with brand Facebook Newsletter
Dove (3,7%)	Natural beauty campaign (2) Diversity Positive about women (2)	Television (2) YouTube Brand Identity Marketing/campaigns (2) News
Dr Hauscka (3%)	Biological dynamic cultivation, Fair trade, Project in Afghanistan No animal testing (2)	In the store Folders Internet
Dr Organic (1,5%)	Natural ingredients (2) No animal testing	Internet Blog
Hema (2,2%)	No animal testing (3)	General knowledge Internet
Neutral (1,5%)	No perfume (2)	Advertising Television
Nivea (2,2%)	Activates self esteem of customers Natural ingredients, Everybody is different No thin models	Advertising (3) Brand image Television Magazines
Welleda (1,5%)	Fair trading Good treatment of workers No animal testing Natural ingredients Environment friendly	Advertisements Packaging Own research Website
Yves Rocher (1,5%) Sisley (0,7%) Bio2Bio (0,7%)	No animal testing Safe and natural ingredients Natural products No animal testing Natural ingredients	Former employer Advertisements Store