

SOME HIPOTHESIS REGARDING CONSUMER'S OPINIONS ON ASSUMING SOCIAL RESPONSABILITY

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ABSTRACT

This research represents an analysis of consumer's opinions on assuming social responsibility, in Romania.

The paper stresses the need to increase awareness on the importance of the social responsibility of organizations.

The research was undertaken with the help of questionnaires, delivered in Romania, 1 to 20 September 2013, on a sample of 119 persons that live in the urban environment and are aged over 20 years. The results that were obtained provide a basis for future researches, for an even larger number of respondents and with an error below 5%.

According to available data, organizations should be involved in solving social problems of the community in which it operates, because consumers, as they stated, would be influenced, directly, in the purchase of products and services by the organizations' ethical practices. Also, the consumer would be willing to pay more for products or services if they come from a socially responsible organization. Most respondents believe that organizations do not have a responsible behavior towards society and the environment and are insufficiently involved in promoting social responsibility. However, their actions relating to social responsibility are little known among the consumers and the majority said they would give up buying products or services supplied by an organization if their effects, manufacture, reputation or actions would influence in a negative way the environment and society.

The originality of the research consists in making hypothesis about consumer's opinions on assuming social responsibility.

KEYWORDS: *social responsibility, consumers, organization*

JEL CLASSIFICATION : *M14*

1. INTRODUCTION

Through the supplied products and services, organizations contribute to a sustainable consumption and development. The activities undertaken by all organizations have financial, environmental and social consequences and it is only normal that these organizations "have responsibilities towards consumers and clients" (SR ISO 26000:2011, p.62).

A major contribution brought to this field of study is that of Alexander Dahlsrud (2006) who collected definitions given to the concept of social responsibility and constantly analyzed them in order to find their common features. In the 37 proposed definitions of literature between 1980-2003, A. Dahlsrud has identified 5 dimensions (the environmental dimension, the social dimension, the economic dimension, the stakeholder dimension, the voluntariness dimension).

The phenomenon of assumption the social responsibility was clearly sustained, at the World Economic Forum in Davos. The European Union is one of the leading - promoters of this concept within its member states. Social responsibility is seen as a means to achieve the strategic goal set at

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Lisbon by the European Council, year 2000, in order to become “the most competitive and dynamic knowledge-based in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion”. The European Commission (2001) defines social responsibility as being: “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

The appearance in the year 2010, of the ISO 26000 standard marks the moment when the concept of corporate social responsibility became the actual social responsibility. Social responsibility is defined as “the responsibility of an organization to the impact of its decisions and activities over society and the environment, manifested through an ethical and transparent behavior that helps contribute to a sustainable development, here included the wellbeing and functioning of the society, but also taking into consideration the expectations of the interested parties, comply with the applicable legal provisions and with the international standards for behavior and is integrated within the organization and applied on account of its relations.” (SR ISO 26000:2011, p. 13)

The Romanian National Strategy for the Promotion of Social Responsibility 2011-2016 foresees in its main concept the approach of this concept so that it “presumes that all organizations (public or privately owned) to integrate within their daily activities the problems regarding the environment and society”.

The research was conducted with the purpose of obtaining preliminary data in order to define and develop a more general framework for social responsibility within a strategic vision.

The study objectives:

- Determining whether consumers consider that an organization should be involved in solving social problems of the community in which they operate;
- Determining whether the consumers would, directly, be influenced in the purchase of products or services by the practices of the organizations undertaken towards the community, the employees and environment;
- Knowing the consumers opinion on how much more they would be willing to pay to purchase a product or service if it would come from an organization with responsible practices towards people, community and environment;
- Knowing the consumer opinion on how organizations are involved in promoting its responsibilities towards society and the environment;
- Determining whether, in Romania, private companies and public institutions behave responsibly towards society and the environment;
- Determining whether consumers remember sponsorship initiatives to protect the environment, human rights and social activities;
- Determining whether consumers would give up purchasing products and services supplied by an organization if their effects, manufacture, reputation or actions would influence in a negative way the environment and society.

2. METHODOLOGIES

The research was conducted by questionnaire-based survey, delivered in Romania, for the period of 1 to 20 September 2013, designed to investigate the opinions and behaviors of the consumers on the social responsibility of private, public and nonprofit organizations.

The term consumer is used in the definition of “any individual person from the public, that buys or uses properties, products or services for private purposes” (SR ISO 26000: 2011, p. 17).

When designing the questionnaire the followings have been taken into consideration: the logic behind the questionnaire, the types of questions used, the number and order of these questions, the use of filter questions, the use of grading scales and a simple and intelligible language. The questionnaires have included filter questions, in order to select those living in the urban area and those who do not live in such an environment and for whom the subject presented was of no interest. The questions used to classify the respondents are present at the end of the questionnaire,

thus allowing the interviewed person to present himself/herself based on a series of criteria. The questionnaire comprises 40 questions, of which: closed-ended questions; simple questions; YES or NO questions; single answer questions, multiple choice questions, mixed questions, filter questions, questions asking the respondent to describe himself/herself; opinion questions; questions ranked in tiers.

The research data was processed with the help of SPSS Version 20 and Excel 2010.

In order to establish the size of the sample the probabilistic method was used. The acceptable error for this method is greater than the usual limit of 5%, more exactly 9%, and with a confidence level of 95%. The components of the sample that had the researched characteristic were of 0.5 which coincides with a maximum spread or dispersion of $p(1-p)$.

The percentage size sample size was determined with the following formula:

$$n = \frac{t^2 * p * (1-p)}{e^2} = \frac{1.96^2 * 0.5 * (1-0.5)}{0.09^2} = 118.56 \quad (1)$$

Where: n represents the size of the sample or the number of respondents; p , is equal to 0.5, representing the alternative variable sum corresponding to a maximum spread (the percentage to which the population has the size sampling characteristic): t represents the theoretical value of the accepted probability (the value of t is of 1.96 for a confidence level of 95%): e represents the acceptable limit error.

A simple, random questioning was applied in order to constitute the size sample, to which an error greater than 5%, more exactly 9%, was accepted due to time and organizational restrictions.

The established research technique was tested with the help of a questionnaire applied in Bucharest and Craiova: when the results were analyzed, small amendments were made that helped determine the final version of the questionnaire.

It was considered a relatively small number of consumers, respectively a sample of 119 people living in urban areas of Romania.

The sample was made up of 47.90% men and 52.10% women, of which 21.85% with ages between 20-30 years; 29.41% with ages between 31-40 years; 15.97% with ages between 41-50 years; 21.01% with ages between 51-60 years; 11.76% with ages over 60 years.

The qualification degree of the consumer respondents: 0.84% have graduated elementary school; 7.56% vocational school; 32.77% secondary education; 37.82% higher education studies; 21.01% postgraduate studies. In what regards working places it is to be mentioned that: 9.24% are self-business entrepreneurs; 47.06% are employed specialists who have graduated higher education studies; 19.33% qualified employees; 6.72% stay at home; 4.20% unemployed; 8.40% retired; 5.04% students.

2.1. Legal requirements

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3. RESULTS AND DISCUSSIONS

The hypotheses tested were validated or invalidated by analyzing responses to the questions in the questionnaire applied to respondents. For the first approach, was accepted an error greater than 5%, more exactly 9%, due to the fact that there were organizational and temporal restrictions.

These hypotheses, seven, derived from the opinions of the 119 consumers interviewed are:

Hypothesis 1: The most commonly, consumers consider that an organization should be involved in solving social problems of the community in which they operate (table no. 1).

Table 1 – Organization’s involment in solving social problems of the community in which it operates

Question: To what extent do you think a private, public and non-profit organization which provides products and services to consumers should be involved in solving social problems of the community in which it operates?				
		Frequency	Percent	Cumulative Percent
Valid	Should not be involved	5	4.20	4.20
	Should be slightly involved	9	7.56	11.76
	Should be involved	24	20.17	31.93
	Should be very involved	38	31.93	63.86
	Should be most involved	43	36.13	100.00
	Grand Total	119	100.00	

Source: Buturoagă, 2013

Hypothesis 1 is not valid. Most respondents believe that an organization should be most involved in solving the social problems of the community in which it operates.

Organizations should understand social responsibility as an, implicit, expectation of clients and should integrate it in the medium and long term strategy.

Hypothesis 2: More than 80% of respondents would, directly, be influenced, in buying products or services, by the practices undertaken towards the community, the employees and environment, of an organization (table no. 2).

Table 2 – The influence of the organizations’ practices on the consumer’s willingness to buy

Question: Practices undertaken towards the community, the employees and environment, of an organization (private, public and non-profit that provides products and services) would, directly, influence your willingness to buy products or services?				
		Frequency	Percent	Cumulative percent
Valid	Yes	99	83.19	83.19
	No	20	16.81	100.00
	Grand Total	119	100.00	

Source: Buturoagă, 2013

Testing hypothesis where percentages (table no. 3 and table no. 4):

- H_0 : 80% of respondents would, directly, be influenced in buying products or services by the practices undertaken towards the community, the employees and environment, of an organization

- H_1 : Less than 80% of respondents would, directly, be influenced in buying products or services by the practices undertaken towards the community, the employees and environment, of an organization

$H_0: \pi_0 = 80\%$

$H_1: \pi_0 < 80\%$

As shown in the table above, the average binary feature is 0.83, which means that 83% of respondents appreciate that organization’s ethical practices would directly influence their desire to purchase products or services, with a standard deviation of 0.375 (37.5%).

The standard deviation of the mean value of the samples is 0.34.

Table 3 - One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Question: Practices undertaken towards the community, the employees and environment, of an organization (private, public and non-profit that provides products and services) would directly influence your willingness to buy products or services?	119	.831	.375	.034

Source: Buturoagă, 2013

Table 4 - One-Sample Test

	Test Value = 0.8					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question: Practices undertaken towards the community, the employees and environment, of an organization (private, public and non-profit that provides products and services) would directly influence your willingness to buy products or services?	0.928	118	.355	.03193	-.0362	.1001

Source: Buturoagă, 2013

In case of unilateral left test, the null hypothesis should be accepted if $t_{abs} > t_{\alpha}$. How $t_{abs} = 0.928$, H_0 is accepted.

The same decision may also be made on the basis of minimum significance level that can accept the alternative hypothesis, which is greater than 0.05, which means that we can guarantee a 95% probability that 80% of subjects appreciate that organization's ethical practices would directly influence their desire to purchase products or services. The confidence interval for the difference between average people and the default value contains zero therefore cannot accept H_1 .

Hypothesis 2 is valid: 83.19% of respondents state that organization's ethical practices would directly influence their desire to purchase products or services.

Organization's behavior should be based on values that imply concern for people, animals and the environment, as well as assuming the impact's decisions and activities on consumers and other stakeholder groups. The transparency of decisions and economic, social and environment activities will increase the credibility of the organization but also will attract new consumers. The transparency must be, however, true and correct. By identification, dialogue with stakeholders and participation in certification programs, organizations increase their credibility.

Hypothesis 3: The most commonly, consumers would be willing to pay at acquisition, more with 1-3% of the value of a product or service, if it comes from an organization with responsible practices towards people, community and environment (table no. 5).

Tabelul 5 – The percentage of respondents who said they would be willing to pay more.

Question: How much would you be willing to pay more?				
		Frequency	Percent	Cumulative percent
Valid	1%-3%	55	46.22	46.22
	4%-6%	22	18.49	64.71
	7%-9%	8	6.72	71.43
	More than 9%	7	5.88	77.31
	Missing	27	22.69	100.00
	Grand Total	119	100.00	

Source: Buturoagă, 2013

Hypothesis 3 is fully validated.

22.69 % is the percentage of respondents who could not choose between variants of this question, as at a previous filter question " Would you be willing to buy a product or service at a higher cost if it comes from an organization with responsible practices towards people, community and environment? ", they answered either " no " nor " do not know " and, thus, they were directed to another question.

Hypothesis 4: The most frequently, consumers appreciate the involvement of various organizations, as sufficient in promoting organizations responsibilities towards society and the environment (table no. 6).

Table 6 –The involvement of various organizations in promoting organization’s responsibilities towards society and environment, among consumers.

Question: How you appreciate, in this moment, generally, the involvement of various private, public and non-profit organizations, in promoting organizations responsibility towards society and environment, among consumers?				
		Frequency	Percent	Cumulative percent
Valid	Insufficiently involved	65	54.62	54.62
	Partially involved	47	39.50	94.12
	Sufficiently involved	7	5.88	100.00
	Grand Total	119	100.00	

Source: Buturoagă, 2013

Hypothesis 4 is not valid.

Therefore, we can state that information campaigns are necessary in order to inform, counseling and educate the consumer and to promote social responsibility among them.

Central, regional and local public authorities should promote social responsibility within public institutions. The State as shareholder in various companies should act as a promoter and therefore be an example for private and non-profit organizations to exercise their social responsibility.

Public authorities should create the necessary conditions for generating social dialogue on this topic: specific activities (campaigns, radio, TV, press articles, guides, leaflets etc.); organizing information events (seminars, roundtables, meetings, etc.); cooperation with the media; providing on-line information etc.

The barely seen involvement of the organizations in the matter of social responsibility should involve the State to identify the tools needed to stimulate organizations, to assume social responsibility.

Hypothesis 5: The most frequently, consumers consider private companies, businesses and public institutions as having a responsible behavior towards society and the environment (table no. 7).

Tabel 7 – The behavior towards society and the environment of the private companies, state companies and institutions

Question: From what you know, in Romania, private companies and public institutions behave responsible towards society and the environment?				
		Frequency	Percent	Cumulative percent
Valid	Yes, they have a responsible attitude	16	13.45	13.45
	No, do not have a responsible attitude	72	60.50	73.95
	Do not known	31	26.05	100.00
	Grand Total	119	100.00	

Source: Buturoagă, 2013

Socially responsible management requires the integration of preoccupation and obligations on society, economy and environment, in the actual work of the organization whether it is public, private or nonprofit. Strategies of social responsibility should be developed and practiced through dialogue with all relevant stakeholders, including the involvement of its employees and consumers. Organizations should evaluate the impact of social responsibility on both their performance (progress and shortcomings) and in the society, on the three planes of development.

Hypothesis 6: There are differences among consumers by occupation, in terms of possibility to recall several corporate sponsorship initiatives to protect the environment, human rights, social activities (figure no.1 and table no. 8).

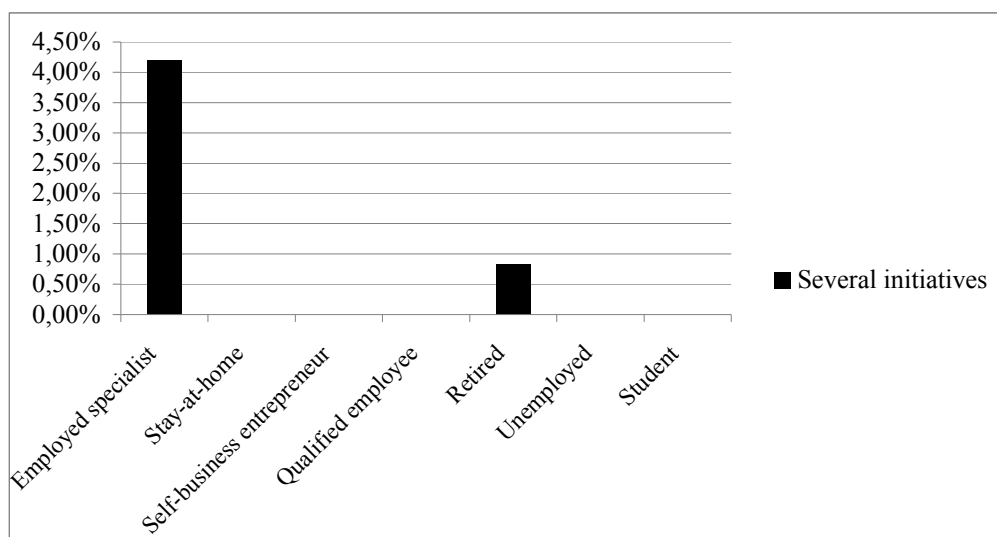


Figure 1. Indicating several initiatives remembered by the consumers

Source: Buturoagă, 2013

Table 8 – The possibility to recall several corporate sponsorship initiatives to protect the environment, human rights, social activities

		Occupation							Grand Total
		Employed specialist	Self-Business entrepreneur	Qualified employee	Stay-at-home	Unemployed	Student	Retired	
At least two initiatives	Count	8	1	1				1	11
	% within Question	72.73%	9.09%	9.09%				9.09%	100.00%
	% within occupation	14.29%	9.09%	4.35%				10.00%	9.24%
	% of Total	6.72%	0.84%	0.84%				0.84%	9.24%
Several initiatives	Count	5						1	6
	% within Question	83.33%						16.67%	100.00%
	% within occupation	8.93%						10.00%	5.04%
	% of Total	4.20%						0.84%	5.04%
No initiatives	Count	35	9	20	8	4	5	6	87
	% within Question	40.23%	10.34%	22.99%	9.20%	4.60%	5.75%	6.90%	100.0%
	% within occupation	62.50%	81.82%	86.96%	100.00%	80.00%	83.33%	60.00%	73.11%
	% of Total	29.41%	7.56%	16.81%	6.72%	3.36%	4.20%	5.04%	73.11%
A single initiative	Count	8	1	2		1	1	2	15
	% within Question	53.33%	6.67%	13.33%		6.67%	6.67%	13.33%	100.00%
	% within occupation	14.29%	9.09%	8.70%		20.00%	16.67%	20.00%	12.61%
	% of Total	6.72%	0.84%	1.68%		0.84%	0.84%	1.68%	12.61%
Grand Total	Count	56	11	23	8	5	6	10	119
	% within Question	47.06%	9.24%	19.33%	6.72%	4.20%	5.04%	8.40%	100.00%
	% within occupation	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	% of Total	47.06%	9.24%	19.33%	6.72%	4.20%	5.04%	8.40%	100.00%

Source: Buturoagă, 2013

Hypothesis 6 is checked completely.

The social responsibility reduced to philanthropic initiatives or public relations campaigns will be seen as a strategy undertaken by the organization in order to maximize their profits, image improvement, gaining some advantages or derogations and masked publicity to gain competitive advantage etc. Philanthropy should not be used, in the organization, as a substitute for integrating social responsibility.

Organizations should make known their responsible actions among consumers, to, directly, benefit from information about consumers' opinions and behaviors.

Socially responsible organizations could obtain: advantage over competitors, new directions for obtaining profits, benefits in terms of image, new customers. Porter & Kramer (2002) connect the competitive advantage to the corporate social responsibility and Kotler & Lee (2005) stress out the importance of a company's commitment towards the community.

Hypothesis 7: There are no differences between men and women regarding their option to give up buying products and services from organizations taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions (table no. 9).

Table 9 – Giving up buying products or services from an organization, taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions

Question: As a consumer, you will give up buying products or services from an organization, taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions?					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	No	7	5.88	6.70	5.88
	Yes	98	82.35	93.30	100.00
	Total	105	88.23	100.00	
Missing	Do not know	14	11.76		
Total		119	100.00		

Source: Buturoagă, 2013

Testing differences between percentage (table no. 10):

- H_0 : There are no differences between men and women regarding their option to give up buying products and services from organizations taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions
- H_1 : There are differences between men and women regarding their option to give up buying products and services from organizations taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions

$$H_0: \pi_1 = \pi_2$$

$$H_1: \pi_1 \neq \pi_2$$

Table 10 - Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
Question: As a consumer, you will give up buying products or services from an organization, taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions?	Female	55	.9455	.22918	.03090
	Male	50	.9200	.27405	.03876

Source: Buturoagă, 2013

The value of F_{calc} is 1.080. I will make the decision on the level of significance: the value of Sig. = 0.301 is greater than $\alpha = 0.05$, so the null hypothesis is accepted because the variances of the two groups are equal, so can ensure a probability of 95 % that the variances of the two groups are equal. Sig. - Tailed = 0.606, so the null hypothesis is accepted. Amounts confidence interval ends are different, so it means that the interval includes the value 0, so null hypothesis is accepted (table no.11).

Table 11 - Independent Samples Test

Question: As a consumer, you will give up buying products or services from an organization, taking into account the effects of its products on the environment and society, the way it produce and the reputation and its actions?									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	1.080	.301	.518	103	.606	.02545	.04915	-.07202	.12293
Equal variances not assumed			.514	95.929	.609	.02545	.04957	-.07294	.12385

Source: Buturoagă, 2013

Education and awareness allow the consumers to be well informed, full aware of the rights and obligations, to be active and to consume in a responsible way, taking into consideration the impact of their choice of products and services for their own good and the environment, and thus on sustainable development.

4. CONCLUSIONS

Social responsibility should be assumed, managed and integrated in the medium and long term strategy of the organizations, bringing to, subsequent, achieving an intangible gain: consumers' trust, building a favorable image among them, and, thus, the financial gains increased.

The results provide a basis future researches, for an even larger number of respondents and with an error below 5%.

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