

# GlobeScan Radar 2010

## A BRIEF FOR LEADERS OF CANADIAN COMPANIES

In this brief, we highlight the key CSR findings of the GlobeScan Radar 2010, a research-based management tool that tracks perceptions of over 1,000 adults in Canada and thousands more globally. Users have found this information useful in CSR strategy development and supporting companies to make informed decisions on initiatives, strategies, and communications for their CSR programs.

### **Corporate Social Responsibility is increasingly being defined by ethics and transparency**

While in previous years, protecting the environment and treating employees well/fairly were top of mind for companies to be socially responsible, being honest/ethical/transparent/responsible has become top of mind at 32% in 2010. This can be explained by a general feeling of distrust triggered by the global economic crisis, and by the many ethics scandals that have emerged in recent years. It is important for companies to keep this in mind as they refine their corporate social responsibility strategies.

### **Gradual shifting of responsibilities from governments to companies**

Increasingly, Canadians are considering that companies should take on more responsibility for issues traditionally under the domain of governments, such as reducing worker exploitation (18%, up six points since 2002), ensuring industry does not harm environment (15%, up from 13%), reducing human rights abuses (8%, up five points), and helping solve social problems (7%, up from 3%). Companies operating in risky social and environmental situations may find themselves taking on increasing responsibility in these areas.

### **While manageable, public support for regulating corporate responsibility is increasing**

There has also been a consumer shift towards a preference for CSR regulation despite the risk of higher prices/fewer jobs. The number of those who agree has increased from 44% in 2002 to 55% in 2010, while the number of those who disagree has decreased from 52% in 2002 to 38% in 2010. Regionally in Canada, it is those in Manitoba, Saskatchewan, and Alberta (rather than those in Ontario, Quebec, or British Columbia) who support this notion. This bodes well for Canadian companies who are actively pursuing a CSR agenda and are “ahead of the curve”. Contrary to the situation in Canada, support for CSR regulation in the US has decreased (39% in 2010, down five points) as the Americans may not be ready yet to face risks of higher prices/fewer jobs in the wake of the recession. Their traditional resistance to government intervention in general, which has been particularly strong lately in the context of Obama’s healthcare reform program, may also explain the decrease.

### **Ethical consumerism continues through the recession**

Despite the recession, an increasing number of consumers have reported purchasing certified energy-efficient products, certified organic food products, and products labeled fair trade, reflecting the mainstreaming of such products. However, when looking deeper into age trends, there was actually a more pronounced increase from 2007 to 2010 in consumption from those above age 35, counter to the belief that it was the younger generations who were purchasing these products. This is consistent with CBSR/Hewitt Associates findings from the Hewitt Associates’ 2010 Best Employers in Canada study, but may also be explained by a lack of disposable income to afford products with a price premium.

### **Canadians remain receptive to corporate responsibility communications**

Among a number of countries globally, Canadians remain one of the most receptive to CSR communications. This bodes well for Canadian companies looking to communicate about their CSR activities.

### **There is reputation value to CSR reporting**

Despite the receptivity by Canadians, there has not been much of a change in the number of people who have read/looked at a report (22%), heard about a report (13%) and not read/heard of a report (64%) over the past three years. This suggests that companies should consider alternative methods of reporting beyond a standard CSR report. However, there is tremendous value in reporting—among those who have read a corporate responsibility report, 72% have had an improved impression of a company and 67% have even bought a company's products/services. This shows that there is still much value in reporting on CSR.

### **Rapid uptake of the Internet as a source of information on corporate responsibility**

Overall, an increasing number of Canadians are turning to the Internet to find out more information about companies' CSR efforts. This audience is mostly made up of the younger generation (age 18–24). This group's interest is up 27% since 2006. There has also been significant pickup in the usage of online sources of information for those above 45 years of age. Companies should consider online reports, social media, and other online media to communicate CSR.

### **Environment is an increasingly important driver for corporate responsibility leadership in Canada**

In Canada, it is difficult to identify a corporate responsibility leader. In the GlobeScan Radar 2010 survey, Wal-Mart topped both the most socially responsible and least socially responsible lists. However, according to Canadians, one of the easiest ways for companies to prove that they are socially responsible is by protecting the environment (22% in 2010, up from 8% in 2001). It is important for companies to use this information when developing and refining CSR strategies.

### **Leadership is shifting, with a host of new players on the scene**

According to GlobeScan's Sustainability Survey interviews conducted with 1,000+ experts from over 90 countries, a number of leaders have been top of mind for several years, including Interface, General Electric, Toyota, Wal-Mart, and BP. However, leadership is dependent on elements such as communication, innovation, and actual social and environmental performance, which can be nebulous. Companies on an upswing include those with a well communicated CSR platform, such as General Electric with its Ecomagination program and Marks & Spencer with Plan A, as well as Wal-Mart and Google.

For further questions about the GlobeScan Radar 2010 please contact:

CBSR - Barb Steele, Director of Membership, [barb@cbsr.ca](mailto:barb@cbsr.ca), +1 (416) 703 7435

GlobeScan - Chris Coulter, SVP Global Insights & Strategy, [Chris.Coulter@Globescan.com](mailto:Chris.Coulter@Globescan.com), +1 (416) 962 0707.

Customized briefings are available to CBSR members.