Corporate Branding & CSR
Stern School, NYU
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Thursdays 6-9PM
Spring Term 2016, 2nd Half

Introduction

More than ever, corporations are engaging the larger community with policies and procedures in pursuit of Corporate Social Responsibility (CSR). What was once a differentiation strategy for niche marketers has become a central concern of the Fortune 500. The importance of CSR to corporate branding is evident in the efforts and promotions of global extractive firms (BP, Shell), manufacturers (GE), apparel marketers (Eileen Fisher, GAP, Nike), pharmaceutical firms (Merck, Pfizer), food marketers (Chiquita, Stonyfield Farms, Pete and Gerry's), automobile manufacturers (hybrids by Toyota, Honda) and retailers (Walmart, IKEA, Tiffany). Such firms recognize both the need to protect their long-term investment in corporate branding and the opportunity CSR policies present for product differentiation and developing brand equity.

This course provides a theoretical and strategic overview of CSR in the context of corporate branding. The theory of the course proceeds from: i) the corporate need to protect long-term investments in corporate brand image, or to differentiate from competitors, or both, ii) the emergence of materially large segments of "ethically sensitive" consumers, and iii) the incompleteness of law and regulation with respect to sustainability, human rights, and other ethical issues, especially in global markets.

There is some straight lecture to this course, but in large part its practical and strategic content is derived from a number of both written and "live" cases with guest participants drawn from corporations and NGOs.

Texts

There is no required textbook for this course. There is a wealth of current resources available online, and these will be referenced from our Class Site.

Cases
There are a few cases for this course, which will be distributed in class on April 3rd.

Course Requirements
Students in this course are required to do the following:

i**) Attendance:** There are six class sessions, and there are corporate or NGO visitors scheduled at several sessions. Students are expected to be present at every class session (excluding religious holidays) and to participate in the discussion.

IN DEFERENCE TO OUR VISITORS, PLEASE ARRIVE BY 6:00

ii) **Short Reflections:** For any two of sessions, students will post to the Blackboard a *description* of the strategic challenges faced by that session's visitor, with an *analysis* of the firm/NGO's effectiveness in meeting those challenges to build or protect its brand equity. This analysis should be based upon a review of the firm/NGO's website, search of relevant news and reference resources, and any materials on or linked from the course Blackboard (they will be posted under Course Documents). Furthermore, it should incorporate concepts and methods from core courses you have taken in Marketing, Management, Operations, etc, as needed. Each short paper should be 3-4 pages, double-spaced.

iii) **Final Paper:** At the end of the course, each student will submit a 8-10 page paper examining *one particular* CSR issue *across several major firms* in the same industry. The general approach will be similar to that in the short papers, but with greater depth of reference and level of analysis. The purpose of this examination is to compare and contrast CSR/Corporate Branding across firms, and to reach some assessment as to the effectiveness of each firm's policy in building or protecting corporate brand equity

Class Sessions: Dates, Topics, and Scheduled Visitors

Note: These are the class dates and visitors from the 2015 offering. Visitors for 2016 have not yet been confirmed. When they are an updated syllabus will be posted.

April 2nd – Introduction
In this session, we will outline the basic conceptual schema of the course, and begin to explore the economic, ethical, and marketing issues. After a short review of CSR and its relationship to Microeconomics and Business Ethics, we will introduce the concept of CSR as a form of differentiation strategy for brands in otherwise mature markets. We will also explore the idea of CSR as a means of protecting Corporate Brand equity and reputation.

April 9th – Branding: Where CSR Needs NGO's.
The consumer is in no position to verify the CSR claims and practices of the many brands in the marketplace, especially when supply chains stretch around the world. How then are CSR driven brands able to establish and substantiate their values-laden claims? In the context of branding, this information deficiency in the global market is a bit ironic, because branding itself was first used to assure the customer of qualities in the brand (alloys in the case of metal products) that could not be empirically tested. One market based solution that has arisen in recent years is the NGO sponsored brand or "seal" that verifies the ethics claims of the brand.

In this class session, we will study the structure and work of Social Accountability International (SAI), a global multi-stakeholder NGO that has promulgated SA8000, one of the world's leading ethical standards for human rights in the workplace. You can learn more about SAI at:

http://www.sa-intl.org/
http://en.wikipedia.org/wiki/Social_Accountability_International

Come to class prepared to answer the following questions:
Q1: What, exactly, is it that SAI does?
Q2: Who, exactly, are the stakeholders in its multi-stakeholder model?
Q3: How does a firm or factory earn a SA8000 certification?
Q4: How does SAI help a global brand to manage its supply chain responsibly?

Alice Tepper Marlin is considered by many to the the "architect" of Corporate Social Responsibility. She began he career as a Wall Street analyst, and in 1968 developed the first ever socially responsible investment portfolio – a "peace portfolio" that sought to avoid investments in the military-industrial complex and that became the ur-model for the many socially responsible investment funds that followed. She then founded the Council on Economic Priorities, which published "Shopping for a Better World," a book that allowed consumers to understand the ethics behind their favorite brands. Alice Tepper

Marlin was named to the Ashoka Foundations Global Academy

http://www.ashoka.org/gamembers

If you go to their website you can learn more about her work:

http://www.ashoka.org/video/4142
http://www.ashoka.org/video/4143

April 9th: Ethical Segmentation and the Branding of Ethics

This will be a reasonably short lecturette on the principles of market segmentation as applied to issues of ethics and sustainability.

To prepare for this session, please visit the following websites and see how these firms have woven CSR into their brand strategies. Please take notes on the firms and their efforts and be prepared to discuss the following questions:

Q1: What are the elements of the marketing offering (Product, Price, Promotion, Place)?
Q2: What are the ethical concerns that each firm's CSR addresses?
Q3: Is the firm using its CSR efforts to differentiate the brand, or defend it?
Q4: How can we judge the effectiveness of the firm's CSR efforts? Now? 10 years?

http://www.annies.com/

https://www.youtube.com/watch?v=WJOo8YdnY-U&list=PLUfjdCSUn90e6tvNMZhJIa5kAwiK-dsCb

https://www.youtube.com/watch?v=xehI5BZH7LQ

Burt's Bees

http://www.burtsbees.com/

https://www.youtube.com/watch?v=gnY6hsFkqhw

The Gap

http://www.gapinc.com//content/gapinc/html/social_responsibility.html

https://www.youtube.com/watch?v=NQQk1a8dIsM

https://www.youtube.com/watch?v=KQg8pbR0Cx8

April 16th: SAI Social Fingerprints Exercise (Alice Tepepr Marlin)

In preparation for this session, students will each complete a “SAI Social Fingerprint” exercise, per the following instructions:

---------- SAI Social Fingerprints Exercise ----------

Social Fingerprint, supply chain management assignment:

1. Review and use the Log info attached. Stern has kindly arranged for you to each use Social Fingerprint at no cost to you. Enroll and respond to the Social Fingerprint questions in the following sections only:

Scope and Risk
Integration of Compliance and Sourcing
Supplier Communications and Purchasing Practices
Complaint Management and Resolution

Take a quick look at the other sections but you may skip over responding to them so as to keep this assignment to a reasonable length of time. Keep a record of your responses and the score sent back to you for discussion in two weeks.

2. Assume the role of the responsible executive at your company or role play in the guise of any publicly held company that issues a sustainability report covering supply chain sustainability and/or work conditions. Respond as factually as you can to the questions. Where you cannot find the information needed, simply mock it up. You might want to role play as if at a company with a particularly strong or a weak supply chain management program, or what you think is typical in its sector or any other assumption.

3. You will receive scores electronically a few seconds after you submit in your responses.

Be prepared to present "your" company and your ideas to improve its supply chain management at class discussion in two weeks. You will need to devise a strategy to define your priorities, pace and target level for improvement, e.g. focus on your weakest elements, work across the board, or get to top scores where you are strongest.

Should you have any technical problems or questions, please contact:

Christie Daly

Manager – Corporate Programs
Social Accountability International (SAI)
(T) +1 (212) 684-1414 ext. 234
(F) +1 (212) 684-1515

April 23rd: Pioneering NGO: Rainforest Alliance
The Rainforest Alliance has played a key role in bridging the gap between CSR and Corporate Branding. Our visitor for this session will be

Tensie Whalen
President
Rainforest Alliance

http://www.rainforest-alliance.org/about/our-team/experts/tensie-whelan

Please visit their website to learn more about their work:

http://www.rainforest-alliance.org/about/approach

http://www.rainforest-alliance.org/about/marks

http://www.rainforest-alliance.org/green-living/shopthefrog

April 30th: Corporate Branding, CSR, and the Global Brand

Major Global Brands have vaulations in the 10's of $Billions. In fact, for some multi-nationals, much of their true asset value lies in the brands themselves, and in such cases protecting the brand becomes an essential component of corporate risk management. In this session, we will examine the challenges of managing CSR efforts in major multi-national corporations.

April 30th, Exemplar from Practice: Viraj Puri

Viraj Puri, CEO and Co-Founder Gotham Greens.
You can learn more about Viraj and Gotham Greens at:

http://gothamgreens.com/our-story/

http://gothamgreens.com/

May 7th : Exemplar from Practice: Eileen Fisher

The Eileen Fisher brand combines a coherent set of principles that spans style, management, corporate governance, and social responsibility. This is a sterling example of comprehensive stakeholder branding.

Visitor: Amy Hall
Director of Social Consciousness
Eileen Fisher

In preparation for Amy's visit, please read this case on Eileen Fisher branding, written by Jennifer Lewin, Stern MBA.
http://www.csrnyc.com/humanrightsworkplace/eileenfishercase.html

Also, visit the Eileen Fisher website to learn more about the firm:

http://www.eileenfisher.com/EileenFisherCompany/CompanyGeneralContentPages.jsp?bmLocale=en_US

Exemplar From Practice: Timberland

Timberland has been a pioneer in building CSR into its brand strategy. We are very fortunate to have Colleen join us to discuss her firm and her responsibilities in delivering on its CSR mission.

Colleen Von Haden
Senior Manager: Code of Practice
Timberland

Learn more about Colleen and Timberland at:

http://blog.timberland.com/author/cvonhaden/
http://shop.timberland.com/home/index.jsp