

# 2009 Survey Report of Consumer Attitudes in Ireland towards Corporate Responsibility

The three most important factors to consumers  
in Ireland when making a judgement about a company are:

**customer service,  
being honest & open,  
product quality.**

(BITCI/Ipsos MORI, 2009).

# Introduction

This report contains the findings of the Business in the Community Ireland/Ipsos MORI Survey of Corporate Image & Corporate Responsibility.

In September and October 2008, Ipsos MORI's fieldforce interviewed 1,031 adults aged 16 and over (the industry standard) in the Republic of Ireland. The sample was representative of the population by age, gender and region. Face-to-face interviews were conducted in respondents' homes.

This 2009 Survey Report is the third in a series published by Business in the Community Ireland (see Survey Reports 2006 and 2003 at [www.bitc.ie](http://www.bitc.ie)). Comparisons between the three surveys are made in this report where relevant.

## Key Findings

### Most Favoured Industry

In an effort to determine the overall favourability of the general public towards the various sectors of industry in Ireland, it is interesting to note that 72% of respondents selected the Supermarket sector as their most favoured industry. While maintaining its lead position since 2006, the sector has declined in favour by 10 percentage points. Other sectors scoring highly are Food & Drink Companies and Utilities.

According to the Survey, the least favoured sectors are Banks & Building Societies (43%), the Railway & Bus Companies (42%) and the Construction Industry (31%).



\*Net favourability: those favourable - those unfavourable. So if 50% of the public is favourable and 25% is unfavourable, the net score is 50-25 = +25 Base: All Respondents (1,031)

## What is Important to Consumers

When making a judgement about an organisation, the factors considered most important to the public are customer service (81%), being honest & open (69%) and product quality (66%).

All three responses concur with those recorded in 2006 and 2003 but the proportion citing customer service has increased significantly each time (rising from 57% in 2003).

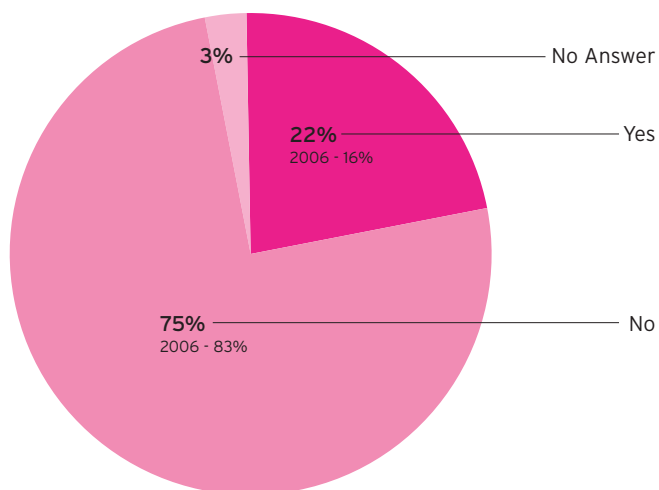
Q. Which of the following factors do you consider to be important when making a judgement about a company?

	2008	2006	Diff
Customer service	81%	75%	+6
Being honest & open	69%	65%	+4
Product quality	66%	65%	+1
Healthy & safe work environment	54%	45%	+9
Respect for human rights	51%	38%	+13
Product reputation	33%	30%	+3
Environmental practices & impact	33%	30%	+3
Flexible working practices for staff	28%	20%	+8
Investment in the community	28%	27%	+1
Product image	28%	22%	+6
Economic/financial reputation	28%	20%	+8
Transparent accounting practices	23%	19%	+4

Base: All Respondents (1,031)

When asked if they had made a decision *not* to buy from a particular company, over 20% of respondents said they had. This is one-fifth of potential consumers in Ireland. The main reason cited was poor customer service and/or after sales service, followed closely by high prices.

Q. Have you made an active decision not to buy a product or service from a particular company? Why is that?



Base: All Respondents (1,031)

Why is that?	
Poor after sales/customer service	22%
High prices/too expensive	17%
Immoral business practice	15%
Poor quality product	9%
Unhealthy product	6%
Bad labour practices/treatment of staff	4%
Do not like company/product	3%
Monopoly/too big/everywhere	3%
Out-sources jobs/closes local outlets	3%
Bad reputation	2%
Not environmentally friendly	2%
Do not like their marketing/displays	1%
No need for product/service	1%
Political reasons	1%
Not produced in Ireland	1%
Tested on animals	1%

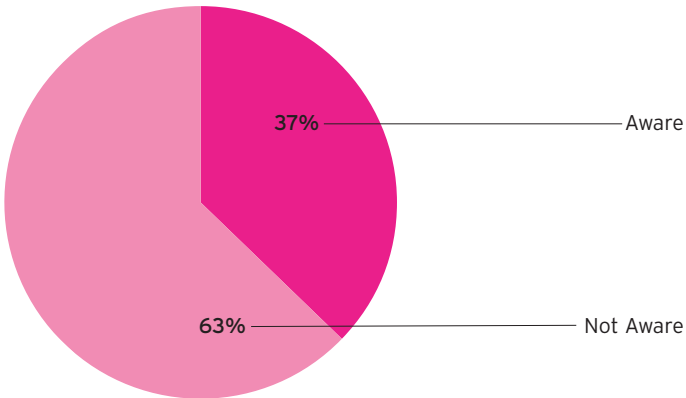
Base: All Respondents that have made a decision (230)

**More than 8 in 10 people surveyed said that an organisation's commitment to social responsibility is important when buying a product or service. A similar response was recorded in 2006, an increase of 10 percentage points on the 2003 figure.**

# Consumer Knowledge of Responsible Companies

37% of people were able to mention one or more companies that support the community, but 63% were unable to mention any.

Q. Are you aware of any particular companies helping the community or society?

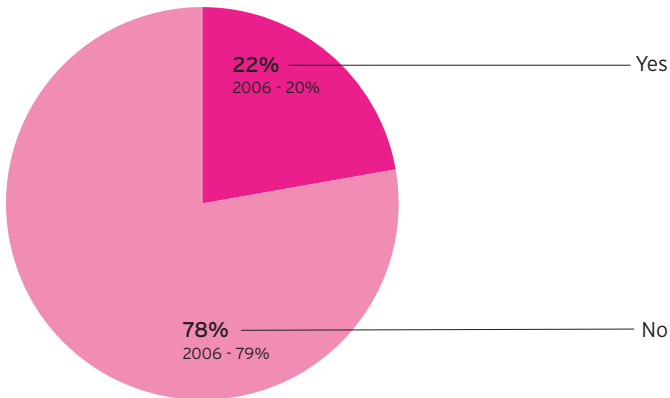


Base: All Respondents (1,031)

**Activities such as local and national sporting events are believed to be currently well supported by companies but respondents said that helping the elderly, helping the disabled and job creation schemes are also key areas for companies to support.**

Just under one quarter of respondents were able to name an organisation they considered to be an 'all-rounder' i.e. a company that provides excellent customer service, is a good employer and is mindful of its impact on the environment.

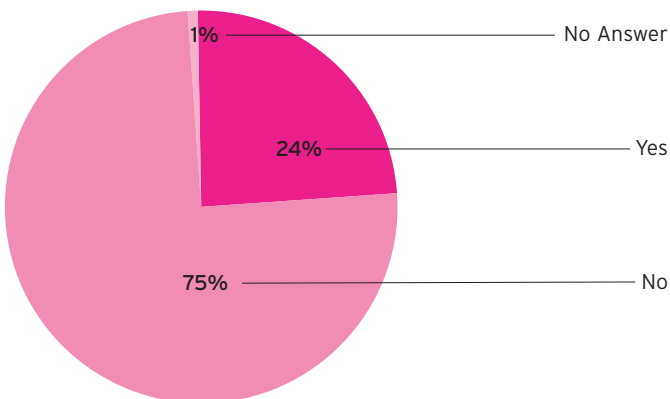
Q. Are you aware of any cases of companies that are particularly good employers, provide an excellent customer service and seek to reduce their impact on the environment?



Base: All Respondents (1,031)

Less than 25% of the general public are aware of companies taking action to limit their environmental impact.

Q. Are you aware of any cases of particular companies taking action to limit their environmental impact?



Base: All Respondents (1,031)

## Communication by Companies of their Activities

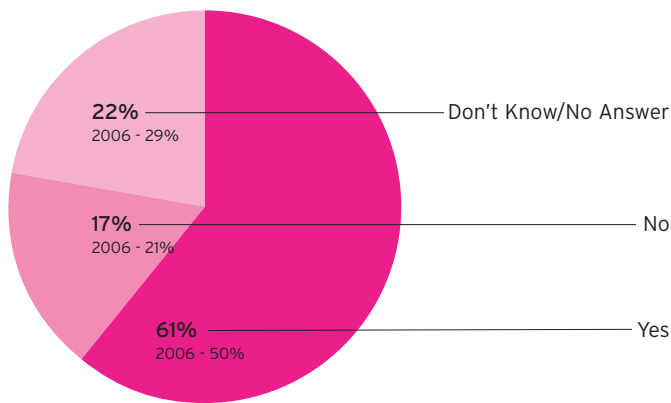
According to the Survey, advertising on television is the main source where the Irish public finds out about the social and community activities of organisations (38%) followed by advertising in the press (25%) and word of mouth (24%).

Advertising on television and in the press is also the preferred means (66%) of receiving this type of information. Getting stories told on TV/Radio (47%) is an increasingly popular means of receiving this communication. There is also an increasing preference for this information to be placed on company websites (27%, an increase of 10 percentage points on 2006).

## Corporate Accountability

There is an increasing belief amongst the general public (at 61%, an increase of 11 percentage points on 2006) that the government should make it part of legislation for a public organisation to issue an environmental or sustainability report, similar to the annual financial report currently issued.

*Q. Should the government make it part of legislation for public companies to issue an annual and environmental/sustainability report similar to the annual (financial) report that they currently issue?*

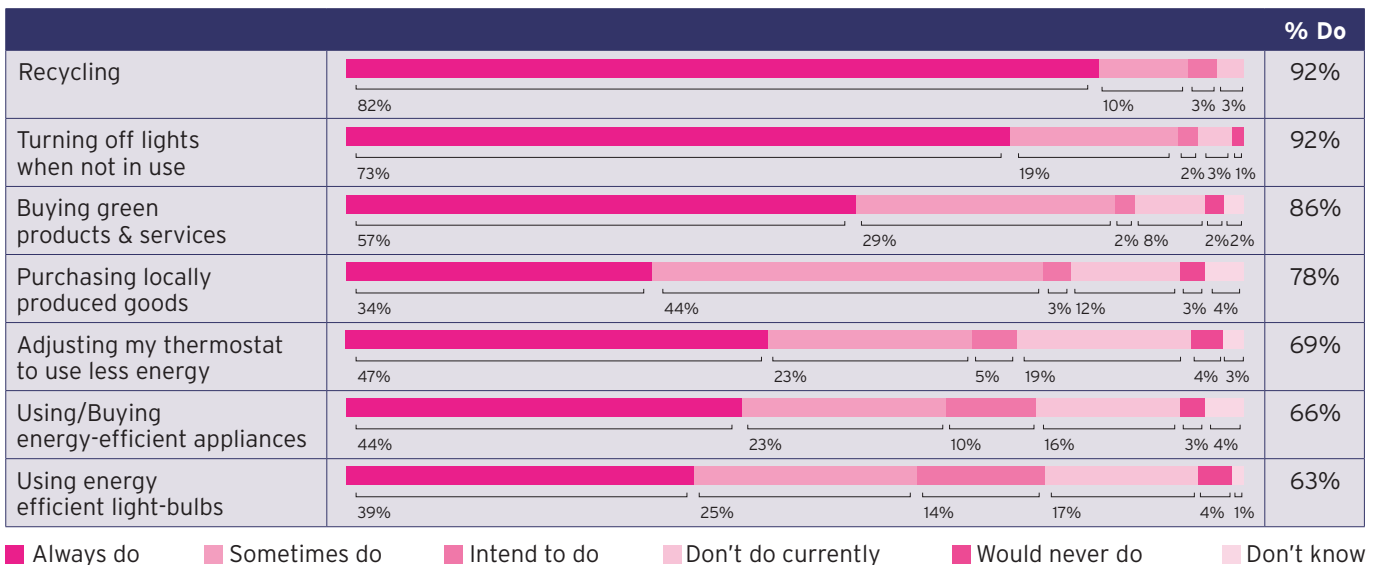


Base: All Respondents (1,031)

## Climate Change

In the 2008 Survey, additional questions were asked on the issue of climate change (on both a personal and broader perspective) in view of the fact that companies in Ireland have a significant role to play in carbon emission production. 81% of the general public agree that climate change is affecting them. The vast majority said they are doing something personally to make an impact on climate change such as recycling (92%); turning off lights when not in use (92%) and buying green products and services (86%).

*Q. Which of these actions/behaviours do you do nowadays or intend to do in the near future?*



Base: All Respondents (1,031)

**When asked if they were aware of particular companies taking action to limit their environmental impact, 76% of the general public said they were not aware and for the 24% who were aware, 'recycling' was the area most people associated with company activity.**

# Survey Conclusion

The Survey of Consumer Attitudes in Ireland towards Corporate Responsibility has been conducted three times since 2002. Three clear messages emerge from the findings as a whole:

1. Consumers are stating clearly that they would prefer to buy from companies who are socially and environmentally responsible (see page 3).
2. Good customer service is deemed so essential that one fifth of consumers in Ireland have chosen not to buy from a company, citing poor customer service as one of the main reasons (see page 3).
3. Consumers in Ireland are largely unaware of good corporate behaviour, i.e. those companies who are engaged in responsible and sustainable practices (see page 4).

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## Good Corporate Behaviour is Very Important, particularly Customer Service

As in 2006 and 2003, the findings from this Survey indicate a significant interest by the Irish public in corporate behaviour that goes *beyond financial performance*.

More than 8 in 10 people said that an organisation's commitment to social responsibility is important when buying a product or service. A similar response was recorded in 2006, an increase of 10 percentage points on the 2003 figure.

**Customer service, being honest & open and product quality** are the *three most important factors* to consumers in Ireland when making a judgement about a company. The importance of customer service has increased by 24 percentage points over a six year period.

This Survey has also found that **more than 20% of consumers say they have made a decision *not* to buy from a particular company citing poor customer service and/or poor after sales service as one of the main reasons**. This is invaluable information. In a recession, attracting and retaining this dissatisfied section of Ireland's consumers could be the difference between trading and not. In a global economic downturn such as that being experienced in 2009, companies of all sizes in Ireland must take swift action to respond.

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**Business in the Community Ireland calls on all companies to re-double their customer service efforts, measure satisfaction levels and put in place a strategy to continually improve customer service performance.**

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## Companies Need to Communicate Better with Consumers

The findings from this Survey show clearly that consumers in Ireland are largely unaware of good corporate behaviour.

Shockingly, close to 80% of respondents could not name one company who treat staff well, give good customer service and are mindful of their impact on the environment. This clearly indicates that the communication tools currently being used by companies who are engaged in good behaviour are not reaching consumers. This needs immediate attention.

Also startling is that while 92% of respondents say they are individually taking positive action to limit their own carbon footprint (e.g. turning off lights when not in use) *75% of consumers are unable to name one or more companies who are taking action to manage their environmental impact*.

More simply put, while consumers are saying it is of interest to them how companies are addressing their social and environmental responsibilities, more than 75% of people are unable to name one organisation that is doing so. That surely is a wake-up call to companies in Ireland *to do more* to inform staff, customers and the

local community about what defines the company and how it is working to achieve its goals in a socially and environmentally responsible manner.

This is not about spin-doctoring; it is about openly and honestly sharing information about what makes it a good company, one to buy from, work for and feel proud to have as a neighbour.

**Regular communication on where a company is making a difference, is impacting positively and striving for continuous improvement in its core operations is relevant to the Irish public and if properly conveyed, can be a source of competitive advantage.**

Based on the findings of this Survey, a communication strategy for this type of information is likely to involve the use of local radio, local press and the company website to disclose the good business practices of a company. Findings in this Survey have also indicated that where budgets permit, TV and press advertising are being noticed (with positive effect) by consumers in Ireland.

#### *Government Action*

The findings of this Survey indicate that 61% of consumers in Ireland (an increase of 11 percentage points on 2006) believe the government should make it part of legislation for a public organisation to issue an environmental or sustainability report, similar to the annual financial report currently issued.

Without doubt, consumers are clearly interested in company behaviour, beyond financial performance and allow it to influence their purchasing decisions.

**Business in the Community Ireland strongly recommends that leading companies in Ireland take swift steps to strategise their internal and external communications to truly convey the impact of the company on customers, staff, the community and the environment.**

## Summary

**Good customer service is important to consumers in Ireland. In a recession, attracting or retaining the dissatisfied section of a consumer base may make the difference between trading or not.**

**The communication tools currently being used by companies to convey their social and environmental performance are not working. Great potential exists for local media to be used to much greater effect, in conjunction with advertising on a national scale where budgets permit.**

If corporate Ireland is to reap the reputational benefits of having good practices in place, resources must be invested to ensure company efforts are communicated to key audiences: **customers, employees, suppliers, government and the local community.**

When in possession of information on responsible business practices, individuals can use it to differentiate between one company and another. The findings in this survey indicate that companies who go the extra mile, not only to offer environmentally-friendly products and services but who can also publicly promote them, will be chosen over those whose efforts are unseen.

**In this way, corporate responsibility becomes a driver for better business performance, increased profit share and true economic, social and environmental sustainability.**

**Business in the Community Ireland** is a unique movement of companies committed to responsible business practices. Our purpose is to inspire, challenge and support business to continually improve its impact in the workplace, marketplace, community and the environment.

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