

Business in the

Community

Ireland

The Network for
Responsible Business



Ipsos MRBI

Knowing more about consumers,
business and society



2012 Report of Consumer Attitudes in Ireland towards Corporate Responsibility

Business in the Community Ireland
32 Lower O'Connell Street
Dublin 1, Ireland
T: +353 1 874 7232
W: www.bitc.ie

Find BITC



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Ipsos MRBI
Block 3, Blackrock Business Park
Blackrock, Co. Dublin, Ireland
T: +353 1 4389000
W: www.ipsosmrbi.com

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Introduction

This report contains the findings of the Business in the Community Ireland/Ipsos MRBI survey of Corporate Image & Corporate Responsibility. The survey is designed to assess the Irish public's attitudes towards corporate image, corporate responsibility, sustainability and related issues.

In January and February 2012, Ipsos MRBI interviewed 750 adults aged 16+ 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 2012 Survey Report is the fourth in a series published by Business in the Community Ireland (see Survey Reports 2009, 2006 & 2003 at www.bitc.ie). Comparisons between the surveys are made in this report where relevant.

Summary

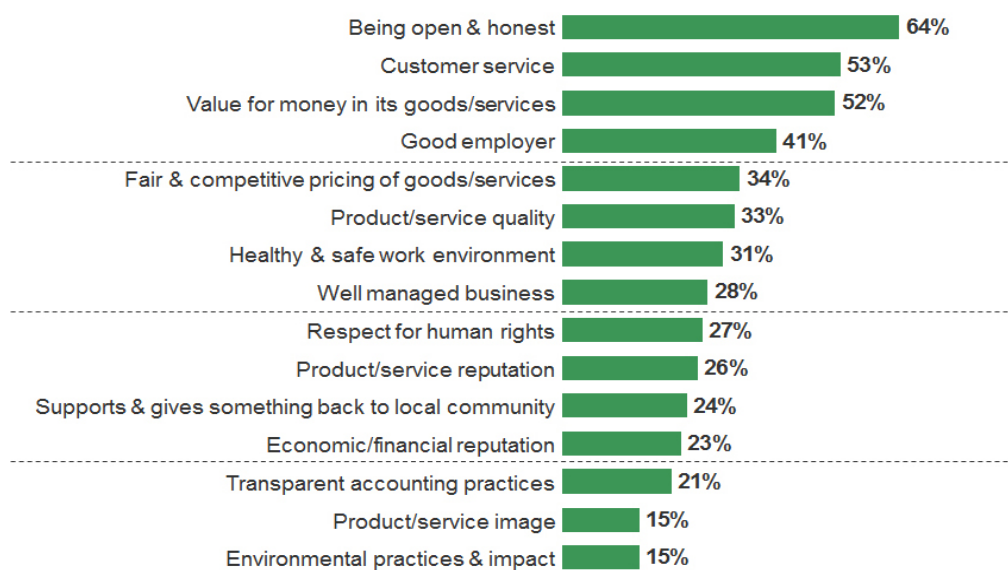
- 1 Being honest & open and customer service continue to be the most important factors to consumers in Ireland in 2012, when making a judgement about a company.
- 2 Value for money is of significant importance to consumers, in the current economic climate.
- 3 75% of consumers believe it is more important that companies show a high degree of responsibility, in difficult, economic times.
- 4 Consumers themselves are becoming more environmentally conscious (recycling more than they used to and taking steps to be more energy efficient) and are combining greater environmental awareness with steps to reduce costs.
- 5 Over half of Ireland's consumers are completely unaware of any company that supports the community or society in any way.
- 6 For the 36% of consumers who are aware of companies involved in their communities, they get that information from a number of sources. While word of mouth and the mainstream media remain important, social media is becoming a key source of corporate information among younger age groups.



What is important to consumers when judging a company?

The three most important factors for Irish consumers when judging a company are that it is open and honest (64%), provides good customer service (53%) and delivers value for money in its goods and services (52%). The results in 2012 also indicate that consumers place a greater importance on value for money than on the quality of the product or service when making these judgements.

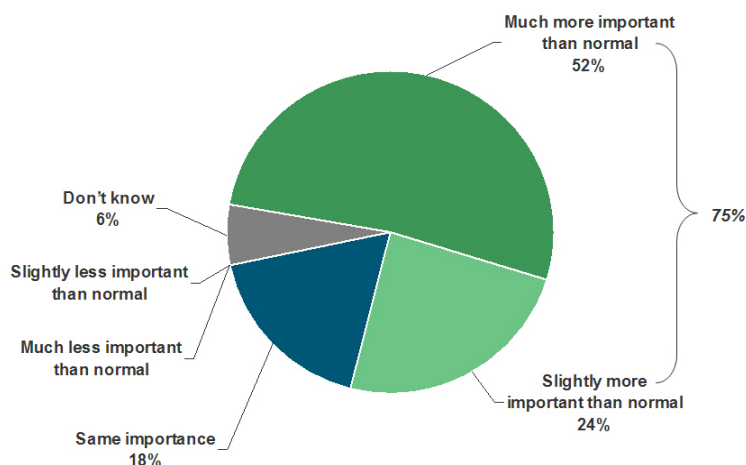
Which of the following factors do you consider to be important when making a judgement about a company? (Multiple responses permitted)



Importance of business showing responsibility in difficult, economic times

It is important to consider public expectations of business in the context of the recent economic downturn. Results in 2012 indicate that expectations of business have increased in this time, with three out of four consumers (75%) believing that it is more important than normal that companies show a high degree of responsibility in difficult economic times.

Given the current downturn in the economy, how important do you think it is that a company shows a high degree of responsibility in difficult economic times?



It is also noteworthy that the majority of people believe that business does not pay enough attention to its social responsibilities and that companies should do more to contribute to society.

Should business be doing more?

■ % Strongly agree ■ % Tend to agree ■ % Neither agree nor disagree
■ % Tend to disagree ■ % Strongly disagree ■ % Don't know

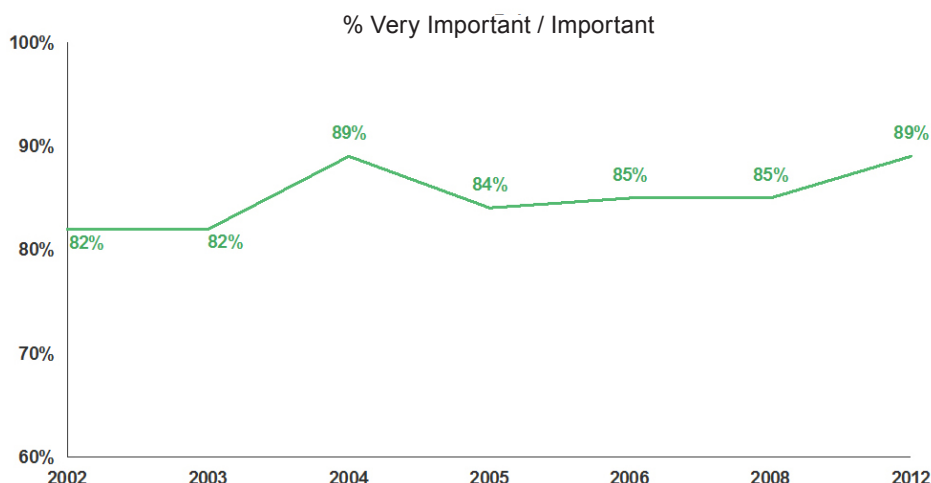


Impact on purchasing decisions

Perceptions of social responsibility are also informing purchasing decisions for consumers, a trend that has remained relatively constant in recent surveys despite the country's economic difficulties. When forming a decision about buying a product or service, just under nine in ten (89%) now believe it is important that companies show a high degree of social and environmental responsibility.

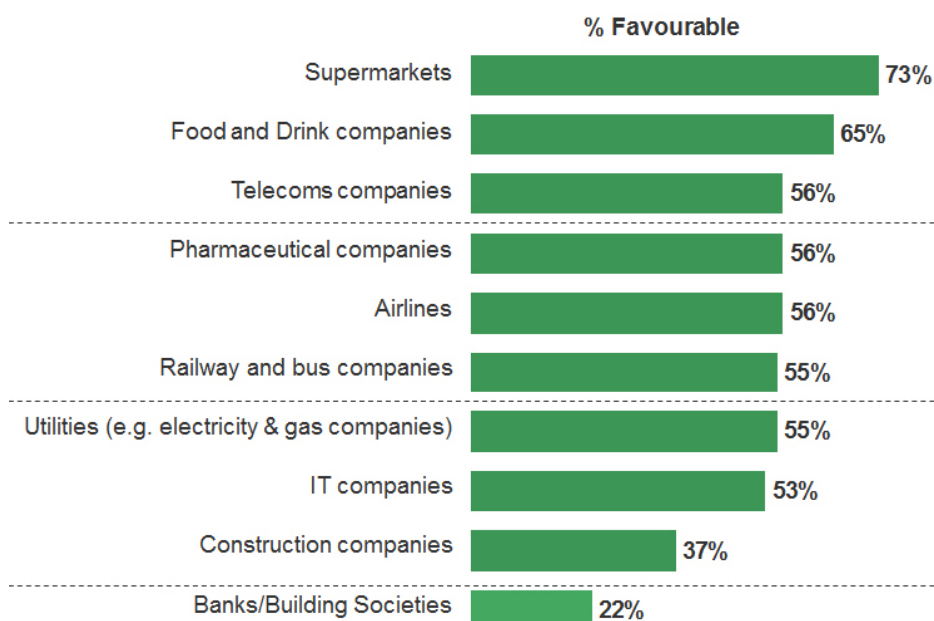
Meanwhile, 16% of respondents said they made an active decision not to buy a product or service from a particular company in the past 12 months. Among the reasons cited for non-purchase were a perception of being too expensive, poor customer service, not supporting Irish produce and having untrustworthy and/or unethical products.

When forming a decision about buying a product or service from a particular organisation, how important is it to you that it shows a high degree of social and environmental responsibility?



Most favoured industry

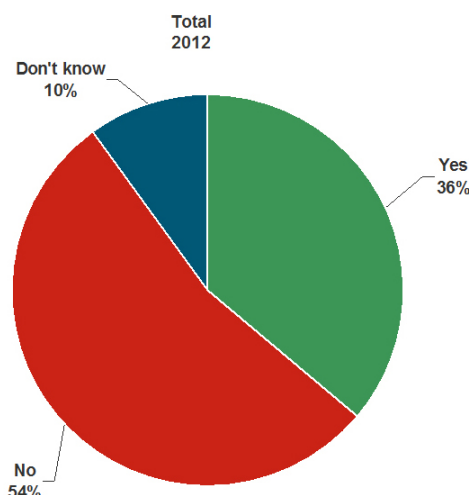
Consumers were asked to rate their favourability towards a range of industry sectors in an effort to determine the overall perceptions. The most favourable impression was reserved for the Supermarket sector (73% favourable), followed by Food and Drinks companies (65%), Telecoms companies (56%), Pharmaceutical companies (56%) and Airlines (56%). Industries relating to the financial crisis, as well as those involved in billing, have seen significant falls in favourability.



Awareness of companies who support the community and society at large

Just over half of respondents (54%) are not aware of any cases of particular companies helping the community or society in any way, with a further 10% unsure.

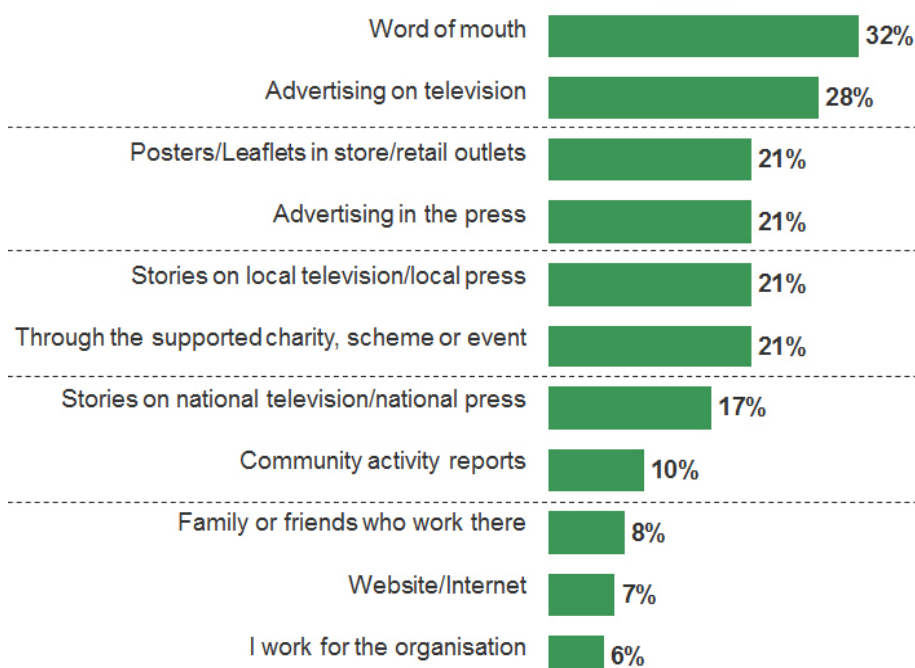
Are you aware of any cases of particular companies helping the community or society in any way?



Continued overleaf.

Of the 36% who were aware of companies helping society in any way, these people were informed using various information sources such as word of mouth (32%) and advertising on television (28%).

How did you find out about their social or community activities? (Multiple responses permitted)



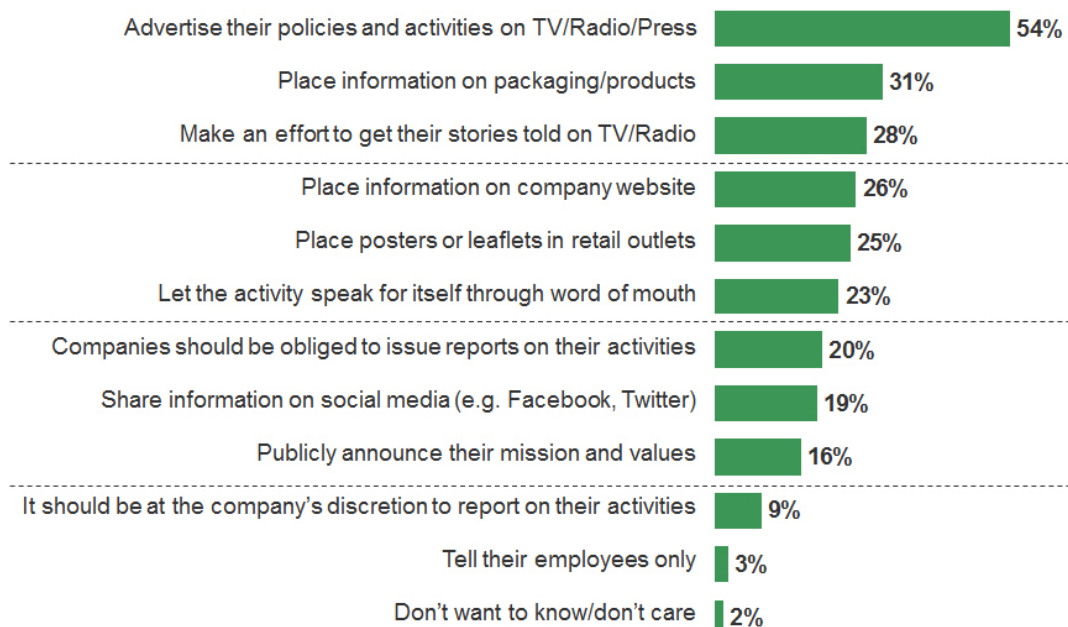
How would consumers like business to communicate their social & community activities?

Over half of consumers (54%) believe companies should advertise their policies and activities on TV, Radio and in the Press, while just over three in ten (31%) feel companies should place information on packaging/products. A further three in ten (28%) maintain that companies should make an effort to get their stories told on TV or Radio.

Social media is increasing in importance, with one in five (19%) believing that companies should share information using networks such as Facebook or Twitter. This source is particularly important amongst younger age groups (see chart overleaf).



Which of the following ways should companies communicate with you about their social or community activities?

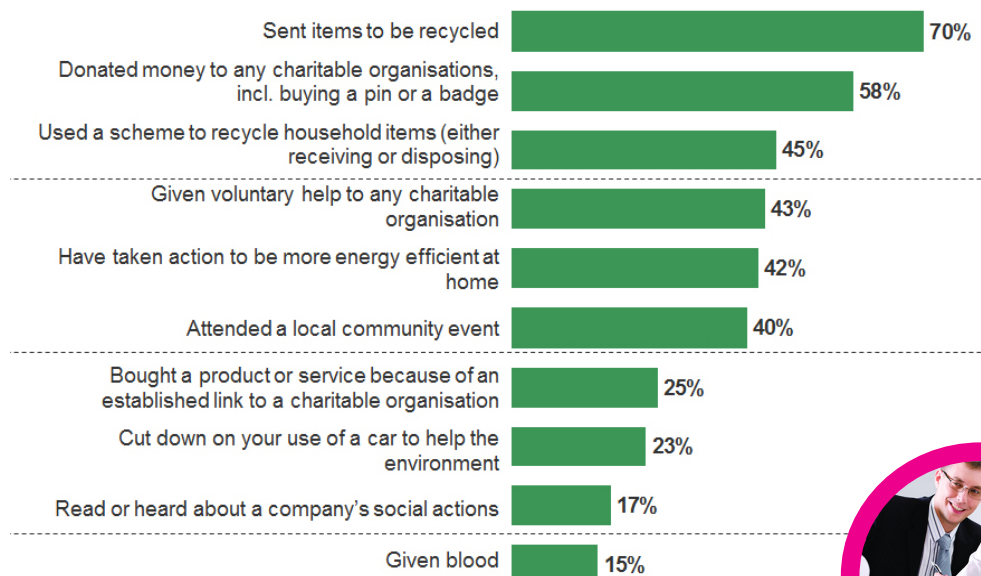


Respondents' participation in socially responsible activities in the past year

The survey also examined the behaviour of the respondents themselves, with results indicating participation in a range of socially responsible activities within the past year. Among the more notable findings, 70% of consumers say they have recycled; 58% have donated money to a charitable organisation; 42% have taken action to be more energy efficient in the home and 23% have cut down on their car use to help the environment.

Which of the things below, if any, you have done in the last 12 months?

(Multiple responses permitted)



Conclusion

While being open and honest (64%) and customer service (53%) continue to be the top two most important factors to consumers in Ireland when making a judgement about a company, value for money is also important for over half (52%) of all consumers.

These findings were echoed in the figures that emerged with regard to consumers who made an active decision not to buy a product or service from a company in 2011. 16% of consumers chose not to buy a product or service for reasons such as a) they deemed it too expensive; b) poor customer service was received & c) holding the view that the company had untrustworthy or unethical practices.

Of particular significance is the fact that over half of consumers (54%) could not name one company involved in their local community. This is consistent with the findings of previous surveys, indicating that consumers in Ireland are largely unaware of good corporate behaviour, particularly in the area of community involvement. This is an area that requires improvement, particularly when the community involvement of business is examined in detail:

Figures recorded in the 2011 Business Impact Map demonstrate that many companies in Ireland are involved in their communities nationally (<http://maps.bitc.ie/>); 44 companies connected with 4000 community groups, volunteered 135,000 hours, donated €11million in cash and €3 million in-kind. **It is clear from the results in the survey that the communication tools currently being used by companies who are involved in their communities, are not reaching consumers.**

The survey findings also indicate that three in four consumers (75%) believe it is more important that companies show a high degree of responsibility in difficult economic times (and as can be seen from the survey results, consumers themselves have begun to take action). **A tremendous opportunity exists for companies to do more to inform their staff, their customers and the local community how they are working to achieve their goals in a socially and environmentally responsible manner.**

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

Based on the findings of this and previous surveys, a communication strategy for conveying corporate efforts on responsible business practice is likely to involve the use of TV, radio and the press (both via advertising and features) in addition to using products and product packaging to maximum effect.

For further information please contact:

Darina Eades
Senior Consultant on Corporate Responsibility
Business in the Community Ireland
32 Lower O'Connell Street
Dublin 1, Ireland
E: deades@bitc.ie
W: www.bitc.ie

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Tarik Laher
Director
Ipsos MRBI
Block 3, Blackrock Business Park
Blackrock, Co. Dublin, Ireland
E: tarik.laher@ipsos.com
W: www.ipsosmrbi.com

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