A MULTI-PERSPECTIVE STUDY OF
COMPANY ADVERTISING WITH A SOCIAL DIMENSION
IN MALAYSIA

A Thesis Submitted in Fulfilment of the Requirement for the
Degree of
DOCTOR OF PHILOSOPHY

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CARDIFF UNIVERSITY
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by
HUEY-LING WOO

2005
DECLARATION

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

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A MULTI-PERSPECTIVE STUDY OF
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HUEY-LING WOO

Ph.D. 2005
ABSTRACT

This dissertation presents the findings from a multi-perspective study of the practice of company advertising with a social dimension (CASP) in Malaysia. Based on a research paradigm oriented towards the phenomenology, the researcher has adopted various methods, namely, content analysis of television ad sample, qualitative in-depth interviews with advertisers and ad practitioners, case study of a company, and focus group interviews with consumers, to explore the different angles of the phenomenon.

The research identifies various characteristics of CASP in television Malaysia, the drivers behind the adoption of this ad approach, the actual strategy and message development process, and consumers' response towards this approach. Although corporate social responsibility level in Malaysia is generally lagging behind the West, the awareness of the social impact of advertising in undermining social values has been heightened in a greater extent by the Malaysian government. The implications of the study are also useful to the West and other Asian countries in areas such as corporate advertising strategy, corporate social responsibility, identity management, and CASP evaluation.

The study suggests that a true CASP approach is more than an advertising concept that creates awareness of certain issues and portrays good corporate citizen image. It is a communication concept which has extended itself from the societal marketing theory with numerous corporate strategic implications. A redefinition of CASP and a model of CASP development are proposed at the end of the dissertation as a result of the input from the various perspectives.

It is concluded that for CASP to proliferate, personal social consciousness among practitioners in business communities is the most crucial factor to determine the corporate social conscience. Besides, the level of social consciousness especially among consumers in developing countries needs to be upgraded to motivate businesses to integrate social dimensions into more of their business activities, not only in advertising.
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ABBREVIATIONS

ACCA: Association of Chartered Certified Accountants
AFTA: ASEAN Free Trade Area
APEC: Asia Pacific Economic Cooperation
ASEAN: Association of South East Asian Nations
CAP: Consumer Association Penang
CASD: Company advertising with a social dimension
CBU: Completely built-up
CEPT: Common Effective Preferential Tariff
CKD: Completely knocked down
CRM: Cause-related marketing
CSR: Corporate social responsibility
FINAS: National Film Development Corporation Malaysia
GDP: Gross Domestic Product
ISO: International Organisation of Standardisation
LMCP: Local Material Content Policy
MIM: Made-in-Malaysia
NDP: National Development Policy
NEAC: National Economic Action Council
NEP: National Economic Policy
NUD*IST: Non-numerical Unstructured Data Indexing Searching and Theorising
PSA: Public Service Advertising
VCA: Vehicle Certification Agency
PREFACE

People are socially-situated-beings who are constantly engaged in making sense of our environment and lives. The strength of advertising lies in the communication of values. Therefore, while the mass media use is embedded in the routines of social action, people interpret the mediated messages by accommodating them into the methods and practices of every life. Given the ubiquity and persuasive power of advertising through the mass media, the receivers may learn valuable lessons from the social issues or values integrated in an advertisement. Company advertising with a social dimension appears to be a way for businesses to perform its role as a corporate citizen where the corporation can promote its product/services or company image as well as educating the community at large simultaneously. In other words, such an advertising approach demonstrates the profit-organization’s concern in giving back to the society (like non-profit organizations do), to make a difference by cultivating a more socially-conscious individuals and society.

The author would like to refer to a few quotes by Richard Earle (2000) which have inspired the conduct of this research topic.

In today’s close, interconnected media age, it’s a very common desire to have some input, to make an impact on the things we care about, on the people we love, on our country, on the world... An ad is, we hope, a media communication that affects people, rather than washing over them. It can provoke action. It can be a force for enormous change and economic impact. And it can be a tremendous force for good... As a practitioner of advertising, you have great power in your hands. If you’re a skilled practitioner, you possess a real gift. At the end of the day, if you’ve used it right, you can look back and say, ‘I made a positive difference!’ That is true art, and it’s a wonderful use of that gift.

The author believes that researchers who ask the community for help in obtaining information should also return good to the community from which they receive kindness. During the conduct of this research, the author was given the chance to meet with various respondents from business and agency executives to consumers of different backgrounds. It may be over-ambitious to think the conduct of this research would actually encourage these organizational respondents to place greater importance to the practice of corporate social responsibility. Equally, it may be naive to think such conduct would raise the awareness of all the consumer respondents toward the importance of being socially conscious of the environment in which we live, not only on big issues like global warming and poverty, but also on issues which we may have been taken for granted. However, the author hopes there is at least little influence on some or even just one of them in this aspect.
ACKNOWLEDGEMENT

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I thank my dearly friends, Connie, Christie, Calvin, CF, Jeff, Eric, Poi whose invaluable assistance in brainstorming, coding, moderating groups, contacting respondents and printing the copies can never be forgotten.

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Several people made important, although indirect, contributions to this dissertation. Thanks again, Connie!! Jeff, Ninja, DotCom, Vivian, Goh, Yong. Without their constant moral support and encouragement, I could have ended up drowning in the depression that I might have suffered during the writing-up period.

I would be remiss if I failed to acknowledge my family, especially my father, for their love.

In fact, there are so many people to whom I feel thankful that I just couldn’t list all of them out here. But I hope they know I truly, deeply, madly appreciate their concern and kindness.

Many things happened dramatically during the past few years and they made me realise some valuable lessons of life which I wouldn’t have thought I could have learnt if I had not taken up the PhD course. Therefore, the time itself has helped me to grow and allow me to think of some issues that I had never thought before. It may sound corny, but I would like to thank the creator of time, whoever he or she is.
1. CHAPTER ONE

INTRODUCTION
1.1 BACKGROUND TO THE STUDY

Advertising is defined as 'any paid form of non-personal communication of ideas or products in the prime media, i.e. television, the press, posters, cinema and radio.' (Jobber 2001:353). Globally, developed and developing societies are bombarded by several hundred millions of different advertisements which are published and broadcasted each year. Although the advertising industry has become an indispensable part of the modern economy and business operation worldwide, advertising has often been accused of being misleading, intrusive, and ambiguous.

Due to the changing nature of societal expectation towards business over time, there have been many social issues raised in advertising which reflect concerns in the public domain, such as green advertising, the portrayal of women, the use of children to sell products, and the depiction and the promotion of alcohol and tobacco. Some people criticise that advertising is a powerful mechanism that distorts the whole society's values and priorities, for example through the promotion of conspicuous consumption, manipulative or hidden persuasion strategies. This has been addressed in past literatures that focus on the social and cultural effects of mass communications and their role in perpetuating an unjust social order (e.g. Williamson 1978; Cooper and Lannon 1983; Pollay 1987; Holbrook 1987; Harms and Kellner 1991; Tupper 1995; Kilbourne 1999; Klein 2000; Gustafson 2001). The U.K. chocolate maker, Cadbury, has come under fire for its 'Cadbury Get Active' campaign in 2003 which intended to persuade children to exchange tokens from Cadbury chocolate bars for school sports equipment. The campaign has been criticised by consumer watchdogs and health organisations for failing to address the health risks associated with the company's products. Professor Phil James, the chairman of the government's obesity taskforce claims that this is a classic example of how the food and soft drinks industry is failing to take on board that they are major contributors to obesity problems throughout the world. From the global business perspective, there is also criticism in connection with transnational advertising where advertising has been charged with destroying of indigenous culture (Frith. and Frith 1989, 1990).
instance, some Nike ads in Asia have been accused of undermining or challenging the traditional cultural and social values in countries like China and Singapore (Forney 2004).

Contrarily, company advertising with a social dimension (CASD) is a practice whereby profit and commercial oriented organisations integrate socially meaningful messages into their company advertisements. Within the scope of the research, social messages refer to social ideas or values that are related to social problems, social issues, or social causes. From the sociologists’ perspective, Sullivan (2002) has listed the types of social problems that are commonly found in the contemporary society, which include:

a. crime and juvenile delinquency
b. family-related problems
c. education & literacy
d. health and illness – physical & mental
e. poverty and world economic development
f. urban problems
g. racial, ethnic, and international relations
h. gender, age stratification and social inequality
i. substance abuse and alcoholism
j. suicide, euthanasia and genetic engineering
k. global population problems
l. environmental problems
m. violence, war and terrorism

According to Fine (1981), issues are controversial (e.g. abortion and gun control) and causes are generally not (e.g. abuse and forest fires). Despite this difference as proposed by Fine (1981) and without a clear guideline to determine which is controversial and which is not, the author does not distinguish the meaning of these terms purposely in this dissertation. Instead issues and causes are used interchangeably to mean both controversial and non-controversial issues. Some examples of CASD are:
• during a prime-time television commercial, a nicotine tablet manufacturer associates its product with an attempt to build awareness of lung cancer caused by smoking.

• commercials which remind people of the importance of family values developed by an insurance company

• commercials which promote charitable donations to certain a non-profit organisation to raise public awareness about certain issues (e.g. ‘for every purchase of X product, Y amount of money will be donated to Z non-profit organisation’).

• Commercials of environmentally friendly products which highlight issues related to energy conservation.

CASD, which shows business corporations giving back to the society through transmitting socially meaningful messages, is regarded by the author as a way for companies to perform its social responsibility by making use of mass communication media. Apart from reducing the criticism about the negative social effect of advertising, CASD may help to repaint the already too prevalent image held by members of society that business corporations are wicked and soulless in the pursuit of profits. Given the above perspective, the author suggests that the understanding of CASD development can be studied from the context of corporate social responsibility (CSR). Indeed, with the aim to build or enhancing their image and reputation as good corporate citizens, more and more companies, especially of those originated from western developed countries, (e.g. Shell, Nestlé, Avon, Body Shop, Marks & Spencer, Ben and Jerry’s, British Telecom) have actively committed to social activities, such as product quality and safety, environment, energy, and human resources. For instance, Marks and Spencer has established environmental policy to ensure product safety, sustainable raw materials, reduction in wastes from packaging and products, reduction in energy and water use. The company also ensures their products are sourced and produced in an ethically and environmentally responsible manner and meanwhile it provides work placements for homeless people (Salahuddin et. al. 2003).
The fundamental principle within CSR is the institutional principle of legitimacy. Legitimacy is a generalised perception that the actions of an organisation are considered responsible or desirable within a particular societal context (Suchman 1995). Therefore, legitimacy problems or a legitimacy gap occurs when societal expectations for corporate behaviour differ from societal perceptions of a corporation's behaviour (Sethi 1977; Heath 1997; Reichart 2003). Due to the growing expectation from business globally, it denies the inaction of business as the safest response to conflicting demands or interests of society (Carroll and Buchholtz 1999). Nasi and Nasi (1997) suggest that corporate image (how the corporation is perceived) and societal expectations are important factors that must be managed by corporations. One way to manage corporate image is through the corporate identity program where advertising plays a visibly important role (Birkigt and Stadler 1986). Brown and Dacin (1997) comment that a company can build buildings, give money away, but unless consumers know about it, it may do little good or have little effect on company image or product responses. They claim that one means of accomplishing this goal is also through company advertising which is one of the most common communication tools used in business-to-consumer marketing. In view of this, CASD can also be understood from the context of corporate identity management, corporate communication and marketing theories.

Despite growing academic or business studies in corporate social performance or more specifically CSR-oriented communication, many of them are limited to the investigation of corporate environmental and social reporting through analysis of companies websites or annual reports of which most readers are shareholder group or existing and potential investors (e.g. Esrock and Leichy. 1998; Campbell 2000; Maignan and Ralston 2002; Thompson 2002; Chambers et. al. 2003; Hassan and Hung 2003). Therefore, it brings to the attention of the author to channel the research effort into other aspects of corporate communication related to CSR practice, where advertising is set as the focus of the research. Unlike company social disclosure which only attracts a small number of specific stakeholders, a wider range of stakeholder (i.e. the consumers or the general public) is exposed to advertising especially through mass media. Consequently, its impact to the society is presumably greater due to its pervasiveness and prominent
visibility (Nwachukwu et al. 1997). Drumwright (1996) asserts that whatever the motivation behind CASD, there are always benefits for the society and it is emphasised that the approach should no longer be seen as a minor marketing phenomenon but a mainstream in the advertising world. Nonetheless, this leads to the necessity to identify the motivational drivers behind this approach so as to encourage more corporate advertisers to practice it in the future.

In spite of the worldwide concern of CSR, Chambers et al. (2003) argue that most previous literatures related to this topic were generated by western social scientists and were drawn from western cultural experience. As a result, it calls for more research taken from the Asian perspective to be conducted while it has been reported that there is a growth of Asian consumer expectations of socially responsible business (Davies 2000). Additionally, in western developed countries, a comprehensive research concerning the analysis of the CASD content, its actual strategy or developing process, as well as its evaluation based on consumers is scant. There are even far fewer studies on this in the context of eastern developing economies. Thus, Malaysia, being one of the most prosperous developing countries in south-east Asian region is chosen as the research context in this dissertation.

More importantly, Malaysia government has instituted considerable rules and regulations to monitor the advertising particularly in television advertising (Waller and Fam 2000; Holden and Husin 2002). One of the preambles stated in the country's television advertising codes requires the inclusion of a second message or social message in commercial advertisements on top of the business-related one. Even though there is some doubt that many advertisers have actually been adhering to this, this policy has placed a unique setting upon which the CASD in Malaysia can be studied. The author argues that the understanding of CASD will only become meaningful when it is viewed in a country-specific context rather than in general since different regions or countries have varied political and economic system, religious affiliation, and cultural uniqueness. Scholars have also suggested the need of country-specific studies of CSR-related topics since what is considered socially responsible in one country may be different to other nation which has distinct social background (Burns and Brady
1996; Singhapakdi et. al. 1999). In other words, studying the political and cultural conditions that are inherent in the Malaysian society will allow readers to understand better of how these influence the CASD content presentation and its practice in the country.

In short, due to the complexity and novelty of the subject at hand, this research should be considered only as a preliminary effort at understanding the CASD practice in Malaysia by exploring the different aspects of the phenomenon. The author hopes that it can provide readers a more holistic picture of the exercise based on the country’s specific socio-cultural context. Simultaneously, through examining how CASD can be used as a CSR tool, it is attempted to provide useful suggestions and implications for advertisers, policy makers as well as academic scholars in relation to this topic.

From the above, the primary objectives and key research questions of this dissertation are established as below:

1.2 RESEARCH OBJECTIVES AND KEY QUESTIONS

Objective 1:
To explore the main characteristics of CASD in television Malaysia

Objective 2:
To identify motivational drivers behind CASD development

Objective 3:
To study how a company can make use of CASD to reflect its corporate citizen image and CSR policy

Objective 4:
To understand the response of consumers towards commercial organisations’ adoption of CASD approach and to suggest implications on CASD evaluation
More specifically, the study asks the following key research questions:

**Question 1:**
How are company advertisements with social dimensions presented through television in Malaysia? What are the various aspects that can be studied based on the content of an advertisement of this type?

**Question 2:**
What factors have motivated advertisers or ad practitioners in Malaysia to adopt CASD in television advertising?

**Question 3:**
How and why is the strategy behind CASD come about? What is the CSR vision of a company and to what extent the CASD approach has reflected the company’s social concern? What factors are taken into consideration during the CASD developing process?

**Question 4:**
How does CASD broadcasted over television affect audience’s perception and attitudes toward advertisers or sponsors of CASD? What are their thoughts and feelings about this kind of ad approach?

### 1.3 STRUCTURE OF THE DISSERTATION

In order to address the above concerns, this dissertation is structured into ten chapters. The followings present a brief description for each of them.

**Chapter 2: Theoretical Concepts**
The chapter aims to give the readers a better understanding of CASD based on a wider theoretical context. Relevant literatures related to CSR concept, legitimacy theory, the stakeholder concept, corporate identity and reputation management, as well as marketing are reviewed. A conceptual model is drawn at the end of the
chapter to facilitate readers’ understanding of the relationship between CASD and various theoretical concepts discussed in the chapter.

Chapter 3: Company Advertising with a Social Dimension
Chapter three looks more closely at CASD. The influence of advertising values to society as well as social advertising is discussed at the beginning of the chapter. Since CASD approach is found to be the combination of the generic advertising and social advertising, a comparison among CASD, conventional generic advertising and social advertising is presented. This leads to the identification of some general characteristics of CASD.

Chapter 4: Malaysia Setting
In the fourth chapter, the historical, economic and cultural background of Malaysia is emphasised. It also looks into the general CSR and advertising practice in the country. Furthermore it generally discusses the Malaysian consumers’ expectation on business engagement in CSR. Before going into the research methodology chapter, this chapter concludes by highlighting the research questions and the research framework.

Chapter 5: Research Methodology
Chapter five addresses the philosophical, ontological, epistemological underpinnings of this research. A philosophical paradigm that is oriented towards the phenomenological school with emphasis on interpretative value was adopted in the research. Multi-method research strategy was employed to capture the different perspectives of the CASD phenomenon in Malaysia and qualitative approach was given greater weight in the research since it offers better insights of what is under researched. Content analysis, qualitative in-depth interview, case study and focus group interview were the main research techniques used and the justification for each of the research methods are provided. It should be noted that this research should not be regarded as four separate studies because they have added-value or supplemented the analysis of each other.
Chapter 6, 7, 8 and 9: Research Findings and Discussion

Analysis of the results is presented in these four chapters. Chapter Six presents an analytical framework for CASD. With the use of the framework created, the content analysis reveals some interesting patterns found in CASD in television Malaysia. By compiling the interview findings from the company and agency respondents, various rationales or motivations of CASD are discussed in Chapter Seven. Chapter Eight describes the results from a case study of a Malaysian company which has adopted CASD approach. It first presents the company’s perception of CSR and its responsibility to its various stakeholders. Later, it highlights the factors of consideration in the actual development process of CASD which includes issue selection, message formation, use of actors, etc. To facilitate explanation and visualization, some television CASD developed by the company are illustrated in a series of picture in the chapter. Chapter Nine concentrates on findings of the focus group interview sessions which unveil Malaysian consumers’ response to this advertising approach. Before that, the discussion of communication effect and how CASD can be evaluated is given based on the feedback from the preceding studies. This discussion is useful in identifying questions to be asked during focus group interviews.

In addition to the presentation of the research findings generated by the particular research method, each of the four chapters also further discusses important issues pertaining to the specific study. Whenever relevant, feedback from other studies conducted in the research can also be found in these chapters so as to add substantiation of certain discussion or argument.

Chapter 10: Conclusion

Finally, instead of repeating what has already been summarized in the conclusion section at the end of each of the previous four chapters, Chapter Ten offers a diagram which respectively pinpoints the key findings related to the four objectives indicated in Chapter one. A redefinition of CASD and a model of CASD development are proposed based on the integration of the multiple sources of the research findings. The chapter also highlights the knowledge contribution of the study and suggests practical implications. Finally, limitations of the research and recommendation are conferred for future investigation of the subject.
2. CHAPTER TWO

THEORETICAL CONCEPTS
2.1 INTRODUCTION

As discussed in previous chapter, there are various theoretical concepts based on which the notion of CASD can be understood. This chapter will therefore concentrate on the discussion of these theoretical concepts. While it is not within the scope of this thesis to provide a comprehensive review of the different explanations or definition for CSR, an overview of the concept is first offered in this chapter to set out a backdrop for CASD which is regarded as one of many ways for a business entity to demonstrate its CSR. Legitimacy theory is presented to explore in general the rationale of company adopting a social approach in their business undertakings. Along with the legitimacy theory, the stakeholder concept is discussed to understand the relationship between a company and society. Since a company associates itself with a social issue in order to enhance its corporate image and reputation, CASD is discussed in relation to corporate identity, image and reputation. Social and societal marketing is further investigated to provide a more specific silhouette of CASD. Finally, the role of advertising is highlighted and a conceptual model is created at the end of the chapter.

2.2 CORPORATE SOCIAL RESPONSIBILITY

According to Schwartz and Gibb (1999), a corporation, like an individual, is an entity with many of the rights of humans that enable it to own, buy, and sell property, to enter into contracts, to sue and be sued, and to respect human rights of others. They argue that one of the first significant influences on business’s social obligation was the signing of the Universal Declaration of Human rights in 1948, created by the United Nations in the wake of World War II. It moved beyond traditional maritime and trade concerns and into the advocacy of civil, political, economic, social, and cultural rights. Its preamble also stated clearly that protection of these rights was the duty of all societal institutions i.e. including companies, not just governments.
Carroll (1998) regards Howard Bowen as the ‘Father of Corporate Social Responsibility’ who set forth the initial definition of the social responsibilities of businessmen. In Bowen’s definition, the obligations of businessmen is to pursue policies, to make decisions, or to follow lines of action which are desirable in terms of the objectives and values of the society (cited at Carroll 1998). Such a definition has led towards more discussion since 1950s on what CSR is, what it should be, why it is necessary and how it could be done. According to Brønn and Vrioni (2001), different schools of thought concerning CSR oscillate between two extremes: the free market concept and the socially oriented approach. The former asserts that there are no free resources and any resource used has a real opportunity cost, therefore the inclusion of social goals as additional objectives of a business may result in a change in the firm’s allocation of resources at a cost which is the forgone profits or earnings that could be obtained if all resources were employed in pursuit of the single goal, i.e. profit or earnings (Keim 1978). Milton Friedman (1962), from the classical economic school, argues that social issues are not the concern of businesspeople and the use of management is to make as much money as possible. Stroup and Neubert (1986) further advocates the concept of handling social responsibility as an investment where his basic argument is that a social responsibility program which does not add to bottom-line profit should not be implemented. Alternatively, those who take the social-oriented approach argue that businesses must conduct the affairs of the corporation in ways to solve or ameliorate the serious human and social problem created by the businesses. They argue that a company should involve over and beyond its legal obligation for the benefits of the society at large, not only limited to shareholders; but business performance should also be consistent with values and expectations of the society within which businesses operate (Lerner and Fryxell 1988; Enderle and Tavis 1998). Therefore, social activists suggest that social responsibility must be inherent in an organizations objective strategy, simply to aid the well being of society. In addition, it is in business’s long-range self-interest to be socially responsible if business is to survive and prosper in the future.
2.2.1 Four-Part Definition of CSR

Carroll (1998), who attempts a middle ground between these two extreme positions, suggests that the total social responsibility of business entails the fulfilment of the corporation’s economic, legal, ethical and philanthropic responsibility (see Figure 2.1) The four-part definition of CSR by Carroll at its core, addresses and captures the most important concerns of the public regarding business and society expectation and this concept is well received and widely acknowledged by CSR scholars (e.g. Wartick and Cochran 1985; Wood 1991).

The concept states that a business institution is a basic economic unit within a society so it is expected to produce goods and service and sell them at a profit. Besides, the society also requires business to fulfil its economic initiative within the framework of legal requirement set forth by the society’s legal system. Additionally, business performance is expected to take into consideration the great ethical principles of moral philosophy such as justice, rights, and utilitarianism. Utilitarianism is a normative ethical theory that places the locus of right and wrong solely on the consequences of choosing one action/policy over the other¹. As such, it moves beyond the scope of one's own interests and takes into account the interests of others. In view of this, Wood (1991) suggests the pursuit of self-interest should result in the most efficient allocation of society’s resources and leads to maximum social well-being. Generally, Nisberg (1988) defines business ethics as a set of principles that guides business practices to reflect a concern for society as a whole while pursuing profits. Accordingly, it involves the range of norms, standards, and expectations that reflect a concern for what consumers, employees, shareholders, and the community regards as fair or in keeping with the respect for or protection of stakeholders’ human rights (Carroll 1998). In the four-part definition of CSR, the ethical responsibility exists as an expectation over and beyond legal requirements. It may embrace and reflect the newly emerging values and norms that society expects business to meet, and such values could become the driving force behind the creation of laws and regulations. This is evident in the process from the initial social concern of environmental pollution leading to later legislation. Therefore pro-acting in terms of anticipating

¹ http://caae.phil.cmu.edu/Cavaleri/80130/part2/sect9.html
and initiating is better than reacting because the former is more practical and less costly once problems developed (Davis 1967). In other words, if business imposes higher standards of behaviour on itself, it can somehow prevent future government intervention and legal regulations and simultaneously ensure greater freedom in decision making (Carroll and Buchholtz 1999).

**Figure 2.1: The Pyramid of CSR**

![Pyramid of CSR Diagram]

**Source: adapted from Carroll and Buchholtz (2000:37)**

Finally, the philanthropic responsibility represents the ‘voluntary roles that businesses assume but for which society does not provide as clear-cut an expectation as it does in the ethical responsibilities’ (Carroll 1998). For instance, communities may desire business to contribute its money, facilities, or employees’ time to community programs or purposes, but the communities will not regard firms as unethical if they do not provide these services at the desired levels. Therefore, this is rather a choice or desire of the business to engage in philanthropic responsibilities. The traditional notion of corporate philanthropy
was limited to business giving. However, Moon (2003) argues that CSR is not just about handing out goodies to old folks and orphans during festive seasons or contributing to charities and community projects. He believes that too often these feel-good functions are essentially public relations exercises to raise the profile of the company and its officials among the public. Indeed, Moon (2003) argues philanthropy is more than that, for example, sufficient resources could be made available for community development which should be monitored and assessed regularly for their impact and effectiveness while the companies’ employees need to be involved in such programmes. There are companies, such as AT&T, McDonald’s, and The Body Shop, which set up their own in-house foundations to support a cause or causes with their business resources such as human resource, technological expertise, so as to bring together all parts of the company in support of the causes (Porter and Kramer 1999; Wilmott 2001). In other words, the traditional understanding of corporate philanthropy is to be replaced by a much broader concept that calls for more corporations’ greater involvement in social activities voluntarily. AT&T Foundation was said to be the first in the U.S. to articulate a totally new paradigm of philanthropy that aims to produce initiatives that would benefit the community as much as possible (Smith 1994). The foundation supports philanthropic activities with all their resources, from management know-how and technological expertise to employee volunteers. Production costs and operating support for non-profit producers come from the foundation; advertising and promotion support comes from marketing. Renold Levy who designed and headed the foundation proposed that such a giving back to society program would heighten the company’s responsiveness to its social environment and help executives make decisions that would draw on the experience of the non-profit world.

Carroll (1998) emphasises that each of those four responsibilities should be fulfilled at all times by businesses rather than in sequential fashion. It is states that those companies which fulfil the category of philanthropy might be deemed ‘corporate citizenship’ because it is not mandated and not generally expected of business in an ethical or a moral sense although the societal expectation still exists. In fact, like CSR, the term ‘corporate citizenship’ has also invited
different definition or conceptualization (Maignan et. al. 1999). Thus, within the context of this research, the author adopts the conceptualization of Carroll (1998) where corporate citizenship is to be understood as what philanthropic responsibility represents i.e. ‘a voluntary roles that businesses assumes but for which society does not provide as clear-cut an expectation as it does in the ethical responsibilities’. In other words, companies which fulfil the economic, legal, ethical and philanthropic responsibilities can be referred as corporate citizen.

In Willmott’s (2001) words, the most important value of corporate citizenship is ‘putting society at the heart of business’ and it should be much more about company showing that it understands societal issues and cares about them. Therefore, it is a long-term commitment of a corporate citizen to be proactive and voluntary in anticipating and meeting the demands of the society at large. In short, CSR should involve social action (including environmental) which is beyond companies’ legal requirements (Chambers et. al. 2003) and it should be seen as a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment (The European Commission’s Green Paper on CSR, 2002). The World Business Council for Sustainable Development (WBCDS) believes CSR is the commitment of business to contribute to a sustainable economic development, working with employees, their families, the local community and the society at large to improve their quality of life (Holmes and Watts 2000).

Certainly CSR is animated in part by altruistic motivation when a company decides to participate in CSR activities. Nevertheless, in practice, it is perhaps largely self-interest that has driven companies’ involvement in such activities or in overcoming social problems.

2.2.2 Social Performance and Financial Performance

Since voluntary actions might often need a commercial impetus, there have been attempts to measure the relationship between a corporation’s social performance and its financial performance. In the past, Aupperle et. al. (1985) revealed that there was no significant positive or negative relationship between social
performance and either short- or long-term profitability. Other literature have suggested that corporate social responsibility does not appear to be related to profitability in the same period (Ingram 1978; Belkaoui and Karpik 1989) although there is some evidence indicates that it might be related to lagged profits (Roberts 1992). More recently, Preston and Bannon (1997) have observed that there is a positive association between social and financial performance in large U.S corporations based on their research covering the years 1982-1992. Although there is a tendency to find a positive relationship between corporate social performance and financial performance over the years, the direction of causality has to be taken into account before the results are useful for actual decision-making (Martela 2005).

According to Martela (2005), the slack resource theory suggests that good financial performance leads to slack resources that can then be devoted to social issues. In other words, good financial performance leads to better social performance instead of the other way round. The slack resource theory somehow implies that very often big business is brought under the spotlight of CSR. Although business includes commercial organizations, ranging in size from one-person proprietorships to corporate giants, large corporations are assumed to have greater resources available to them to contribute to the social well-being (Sarbutts 2003). Furthermore, Steiner (1971:81) claims that

as a firm grows larger, it has an actual and potential influence on more and more people. Society then takes a greater interest in what it does, and the company in turn thinks more carefully about its responsibilities. It tends to become affected with a public interest.

As a result, large corporations are more active to participate in CSR activities as they are more frequently in the critical public eye where people in the society often associate size with power and the powerful is given close scrutiny.

Conversely, good management theory views CSR as part of good management practices leading to better financial performance. The meta-analysis conducted by Orlitzky et. al. (2003) has established a greater degree of certainty with respect to
the relationship between corporate social performance and corporate financial performance. The result discovers that corporate social performance derives its instrumentality in terms of financial benefits for the organization from the importance of corporate reputations. It shows that corporate social reputation indices are more highly correlated with the corporate financial performance compared to other corporate social indicators, e.g. social audit and social disclosure. In other words, there is an indirect positive effect of social performance towards companies’ financial performance through its influence on corporate reputation.

In between these two theories, Waddock and Graves (1997) argue that the empirical evidence however provided a strong support for the first theory but only modest support for the latter.

2.2.3 Principles of Responsible Organisation

In summary, corporate social responsibility should not be regarded as merely an add-on to the core business strategy (Selznick 1996). When CSR is only regarded as peripheral matter to a company, Willmott (2001) refers such reaction as ‘self-righteous, politically motivated, do-gooding’ that stresses the purpose of companies as being principally to generate profits for their shareholders. Corporate citizens should cultivate a broad view of their own self-interest while instinctively searching for ways to align self-interest with the larger good. Accordingly, they should hunt for a reconciliation of their companies’ profit-making strategies with the welfare of society, and search for ways to steer all parts of the company on a socially engaged course (Smith 1994). As such, much of the corporate social endeavour rests upon a base of enlightened self-interest when their action can serve not only their own interest, but also the community (Steenbergen 20052).

With respect to different industries, some are more conducive to the creation of visible social problems than are others. For instance, manufacturing firms, by their

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very nature cause air and water pollution whereas insurance companies cause no obvious pollution. Other industries are scrutinized because of the possible effects of their products on public health and safety (e.g. tobacco, alcohol, toy firms). Indeed, particular issues are of a varying concern to business, depending on the industry in which they exist (e.g. car companies may address issues on road safety) and companies need to identify topical areas to which their social responsibilities are tied to. Carroll (1979) regards that the social issues, and especially the degree of organizational interest in the issues, are always in a state of flux due to the changing expectation, values and norms in the society. In other words, apart from depending on the nature of the business, the emphasis on the range of special issues that business must address varies as the times change. Roger (2001) states that in the West what started for many businesses in the 1980s as a focus on environmental issues has evolved to take in wide-ranging concerns as business ethics, employee volunteering programmes, and a company’s role in society at large. It has then become focused on the issue of child labour and other aspects of the growing trend for western consumer goods to be made in the third-world countries. Thus, CSR is a moving target which has always been a journey rather than a destination (Zinkin 2003).

In short, although social responsibility differs between industries as well as within a particular industry, overall companies regardless of their size can address some similar areas such as product quality and safety, environment, energy, business behaviour, human resources and societal impact. For example, in regards to social issues such as corporate crime, any industry might subject to similar criticism. As such, CSR should not be limited to certain industry to meet the requirement for increased accountability on many social fronts. Therefore, small- and medium-sized companies should not be ignored since small businesses are outnumbered by large ones in the society and they too have been subjected to the same regulations and demands as those imposed by government on large organisations (Carroll and Buchholtz 1999). In a logical sense, if more organisations engaged in CSR, the impact on society will be greater as the saying ‘Together we make a difference’. Steiner (1971:85) concludes that,
business is and must remain fundamentally an economic institution, but it does have responsibilities to help society achieve its basic goals and does, therefore, have social responsibilities. The larger a company becomes, the greater are its responsibilities, but all companies can assume a share of some of them at no cost and often at a short run as well as a long run profit.

The European Commission's Green Paper on CSR (2002) states that a responsible organisation does three things:

1. It recognises that its activities have a wider impact on the society in which it operates;
2. In response, it takes account of the economic, social, environmental and human rights impact of its activities across the world; and
3. It seeks to achieve benefits by working in partnership with other groups and organisations.

When there is a greater partnership between business corporation and community organisations to promote social issues, Birch (2003) outlines some potential benefits of this:

- New ways to innovate
- The ability to influence the norms and attitudes of internal and external stakeholders
- Greater public confidence in both the company and community organisation
- Increased positive reputation for both the company and the community organisation
- The opportunity to contribute more to social and public policy formulation
- The potential for long-term improvement in both fund-raising for the community organisation and stock performance for the company
Additionally, many of the real business benefits of CSR were reported in The European Green Paper (2002), like

- reducing risk (see also Sarbutts 2003),
- enhancing brand value (see also Bixner et. al. 1999),
- opening doors and creating good will (see also Zinkin 2003a),
- improving staff efficiency and morale (see also Drumwright 1996),
- attracting stable and ethical investment (see also Michelson et. al. 2004)
- adding competitive edge (see also Salahuddin et. al. 2003)
- contributing to the overall goal of sustainable development for a company’s own future and the future of our planet (see also Welford et. al. 2003)

Despite the above benefits, Schwartz and Gibb (1999) have identified that there are still some who contend that social objectives are inappropriate for business and can only lower business efficiency or lead business into inappropriate societal roles. Moreover, many of the benefits as mentioned above are intangible or long term. As a result, it can make statistics hard and elusive on bottom-line results and the promotion of CSR concept less convincing for profit-making corporations. Not to mention the return of corporate social performance in terms of financial contribution is still debatable.

Nevertheless, Wood (1991) argues that if the principle of legitimacy is accepted, researchers can stop asking whether or not corporations should be socially responsible. Instead, questions should be shift to how CSR is to be integrated into business operation. Holmes (1976:36), surveyed Fortune five hundred executives and others, found out that a large plurality of the sample agreed that in addition to making a profit, business should help to solve problems whether the business creates those problems or not even if there is probably no short run or long run profit potential. Legitimacy theory has risen to prominence as a popular and powerful theoretical lens to facilitate the understanding of the presence and variability of CSR. According to legitimacy theory, companies become institutionalised when it is infused with value beyond the technical requirements
of the task (Selznick 1996). For example IBM instituted a hiring program for the
handicapped and links its philanthropy and volunteerism explicitly to its human
resources strategies in Japan. Handelman and Arnold (1999) suggest that
institutional approach in the legitimacy theory provides a potential theoretical
umbrella under which one can understand better the rationale behind company
activities that integrate an economic dimension and social dimension or non-
economic dimension. The following section will provide this theoretical
grounding for the research.

2.3 LEGITIMACY THEORY

At the societal level, the principle of legitimacy states that a society has the right
to establish and enforce a balance of power among its institutions (e.g. business as
a social institution) and to define their legitimate functions (Wood 1991). This
implies that a social contract exists between business and society and the society
has the right to use available sanction when business’s obligations are not met
(Robin and Reidenbach 1987). Campbell (2000) emphasises that organisations
exist in society under an expressed (e.g. law, code of conduct) or implied (e.g.
public opinion, expectation) social contract. A corporation is legitimate when it is
judged to be ‘just and worthy of support’ (Dowling and Pfeffer, 1975). Suchman
(1995:574) adopts an inclusive, broad-based definition of legitimacy which claims
that,

Legitimacy is a generalised perception or assumption that the actions of an
entity are desirable, proper, or appropriate within some socially constructed
system of norms, values, beliefs and definitions.

As such, a corporation’s performance is judged by how well it enacts and upholds
environmental norms (Handelman and Arnold 1999). Several researchers (e.g.
Oliver 1991; Elsbach 1994; and, Suchman 1995) note that the literature on
approaches to organisation legitimacy falls fairly neatly into two camps: strategic
and institutional.
2.3.1 Strategic and Institutional Theories

Traditional organisational theories view organisations as a ‘rational system’ (Scott 1987), which primarily focus on production process. Organisations were economic-driven and pursued technological or material imperatives, as their major concern was the efficient transformation of material inputs into material output in a cost-effective way. Suchman (1995) states that many theorists of the early period also described organisations as ‘tightly bounded entities’ demarcated from their surrounding environment. The strategic theories recognise and predict the conflicts between managers and its various stakeholders over the form of legitimization activities, with managers favouring the ‘flexibility and economy of symbolism’, whereas others prefer more ‘substantive response’ (Suchman 1995). In this tradition, legitimacy is depicted as an operational resource that corporations extract competitively from the cultural environment in pursuit of their goals. Thus, adopting a managerial perspective from strategic theorists, organisations instrumentally manipulate and deploy evocative symbols from the cultural environments in order to garner societal support. Such acts however may explicitly contrast with some cultural symbols and rituals that are opposed to what Pfeffer (1981) labelled as ‘tangible, real outcomes’ such as sales and profits. Thus, the implication of this doctrine is that social responsibility cannot be implemented without the bottom line concerns. A company must make a profit before it can contribute to a society. Hence, when the business entity is making profits, social integrity can be regarded as a secondary concern.

A dramatic change however occurred when the ‘open system’ theories (Scott 1987) and institutional theories (e.g. Powell and DiMaggio 1991) have later reconceptualised that organisations are part of the environment that stems from a more dynamic system that consists of cultural norms, symbols, beliefs, and rituals. According to DiMaggio (1988) and Scott (1987), it is these taken-for-granted social and cultural meaning systems, or norms, that define social reality. From the institutional theorist’s perspective, legitimacy is depicted as a set of constitutive beliefs (Suchman 1995) that determine a constituent’s reactions and also the basis on which a manager’s decisions are constructed. Therefore the theory focuses on the process by which societal expectations of proper behaviour influence the
structuring and practices of organisation. In a way, instead of examining the strategic legitimating efforts of specific focal organisations, institutionalists tend to emphasise the collective structuration of the entire fields or sector of organisational life (DiMaggio and Powell 1983). In other words, if a company, which confronts with changing social environmental constraints and expectation, is expected to make certain social efforts or take up certain responsibilities, then not to do so would adversely affect the present value of the organisation. Thus, social responsibility must be inherent in an organisation’s objective strategy to aid the well-being of society.

Elsbach (1994) identifies that the distinction between the strategic and institutional stance is a matter of perspective, with strategic theories adopting the viewpoint of organisational managers looking ‘out’, whereas institutional theorists adopt the viewpoint of society looking ‘in’. Swidler (1986) suggests that the incorporation of this duality provides a more comprehensive view to understand the approach in which legitimacy acts like a manipulative resource and the other which acts like a taken-for-granted belief system. Handelman and Arnold (1999) further contend that pragmatic legitimacy and social legitimacy should be conceptualized as two elements that make up the legitimacy construct. An organisation will achieve pragmatic legitimacy when it is able to satisfy the needs of constituents which are driven primarily by an egoistic motivation where the ultimate goal of those constituents is to increase their own welfare (Bendapudi et. al. 1996). In other words, those constituents make self-interested calculations of the need-satisfying ability of an organisation. For example, companies offer quality products to consumers in order to generate more sales so as to gain more profits; or companies make other social contributions such as the use of environmental friendly materials so as to help protect business from non-market based strategic threats like legal penalty.

However, an organisation cannot rely solely on pragmatic legitimacy for long-run survival because an attempt to do so will lead to vulnerability in terms of confronting with short-term shifts in consumer tastes, direct threats from competitions, and other self-interested manipulations (Handelman and Arnold 1999). Therefore, it is important for organisations to aspire to a second aspect of
legitimacy for long-term survival: social or moral legitimacy. For example, corporate engagement in community projects on a continual basis. Thus, the evaluation of an organisation is based on whether the organisation’s actions are consistent with the welfare of the community and society where it operates.

Indeed, the process of adopting legitimate practice is not as straightforward as in the real practical world. Corporations face both strategic operational challenges as well as institutional constitutive pressures that mainly originate from different ideas about what constitutes legitimate corporate behaviour. Robin and Reidenbach (1987) point out that almost any response to call for ‘socially responsible’ behaviour by one group is likely to produce complaints by another group.

### 2.3.2 Need of Country-Specific Study of CSR

Considering the normative universe which is large and diverse and which makes it difficult to customise the corporate-society linkages (Brønn and Vrioni 2001), it becomes clear that CSR is a concept of ‘no single value state’ as referred by Frederick (1991). In practice, there is still lack of a clear-cut definition widely accepted within the business community so corporations are able to interpret it as they see fit. Due to this reason, CSR is considered by some companies as something that is added on to their core operations without changing in any significant way how these companies operate (Welford 2003). On the other hand, Welford (2003) also argues that perhaps we should not be looking for a single definition since CSR issues are highly controversial and culturally determinative. Besides, different cultures have different conceptions and emphasizes of CSR and in some countries CSR is more explicitly stated and in some more naturally integrated as part of the business culture in general (Martela 2005).

As the process of globalisation manifests, corporations in the Western world have recognized that CSR is not just a matter of national importance, but a further international dimension is added. As such, CSR is no longer a Western phenomenon (Chambers et. al. 2003). There have been few studies highlighting the causes that explain the difference between the perception and practice of CSR
in developed and that in developing countries. From the perspective based on the
level of economic development of individual countries, it is a general phenomena
that in countries which are more advanced or developed in economic level and
living standard, businesses are more likely to engage in CSR as societal
expectation tend to be higher in such nations than those in developing ones
(Thorelli 1983, 1990; Thorelli and Sentell 1982). At such grass roots, being
socially responsible has been a concern very much related to the rationale that
businesses are more likely to do well in a flourishing society than in one that is
falling apart (McIntosh et al. 1998). This is also consistent with the slack resource
theory where companies with more resources tend to perform better in term of
social contribution.

There are also studies investigating the inter-country difference of business ethics
based on the cultural stance, e.g. western versus Asian culture (e.g. Burns and
Brady 1996; Singhapakdi et. al. 1999; Vitell et. al. 1993). In reference to the
Hofstede's (1984) work on cultural typology, Vitell et. al (1993) propose that
business practitioners in countries that are high on individualism (e.g. the U.S. or
Canada) will be less likely to take into consideration of both formal and informal
professional, industry and organizational norms when forming their own
deontological norms than business practitioners in countries that are high on
collectivism (e.g. Japan). This proposition is made on the understanding that
members of individualistic cultures, who are more concerned with their own self-
interest and less influenced by group norms, tend to challenge or question the
ethical norms and standards established by their societies, whereas members of
collectivist cultures who do not easily distance themselves from the norms, are
inclined to accept those standards or norms to which they belong.

In short a country-specific study is essential to better understand the practice of
CSR in a particular socio-economic and cultural context. At the end of the day it
is the society in which the organisations operate granting legitimacy and power to
business. Davis (1973) claims that in the long run, firms which do not use power
in a manner which society considers responsible will tend to lose it.
2.3.3 Legitimacy Gap

As mentioned earlier in Chapter 1, legitimacy problems or a 'legitimacy gap' occur when societal expectations for corporate behaviour differ from societal perceptions of a corporation's behaviour (Sethi 1977; Heath 1997:4; Reichart 2003). This somehow highlights that legitimacy is a measure of societal perceptions of the adequacy of corporate behaviour or performance. When a gap between (low) performance and (high) societal expectations widens, it would cause a corporation to lose legitimacy and threaten its survival. Therefore, a company's future will depend on the quality of management's strategy to the changing expectation of its stakeholders or society as a whole. In addition to complying with some socio-cultural norms of the country in which they operate, corporations have the choice of seeking to modify others and harmonize corporate practices to social welfare (Nelson and Heath 1986). This is because not every taken-for-granted behaviour or belief present in the existing cultural system is beneficial to the society, for example, binge drinking and materialistic-driven lifestyle. Thus, corporations can opt to take the social obligation to ameliorate the condition for the betterment of the society yet which may not be in their interest or awareness of the public.

However, from an organisation's perspective, a society is composed of individuals, numerous interest groups and institutions where there is a diffusion of power among them and these individuals or groups also have different expectations or interest from the business. In such a pluralist context, the stakeholder concept has become a critical theory in understanding the relationship between an organisation and its constituencies (Donaldson and Preston 1995; Maignan and Ferrell 2001).

2.4 STAKEHOLDER CONCEPT

Stakeholder theorists investigate the relationship between the business and the society and raise the fundamental question, i.e. To whom the corporation is socially responsible? Quoted from Clarkson (1995:106),
Stakeholders are persons or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future. Such claimed rights or interests are the result of transactions with, or actions taken by, the corporation, and may be legal or moral, individual or collective. Stakeholders with similar interests, claims, or rights can be classified as belonging to the same group: employees, shareholders, customers, and so on.

According to Greenwood (2001), there are generally two types of definition of stakeholders: The narrow definition includes groups who are vital to the survival and success of the organisation. The wide definition includes any group or individual that can affect or is affected by the corporation. Greenwood further adds that the distinction between these two definitions is said to be persistent in the literature imbued with practical concerns where narrow view is based on the actuality of limited resources, limited time and attention, and limited patience of managers for dealing with external constraints. Contrarily, broad views are based on the reality that companies can be vitally affected by, or can vitally affect, almost anyone.

Clarkson (1995) divides stakeholders into two types: primary stakeholders (without which the corporation cannot survive in the long term) and secondary stakeholders (who are not directly engaged in transaction with the organisation who are not essential to the firm’s survival). He claims that there are five groups of primary stakeholders including shareholders, employees, customers, suppliers, and the public stakeholder group that encompasses the government and communities who provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and other obligations may be due. The survival of a corporation depends upon the ability of its managers to create sufficient wealth, value, or satisfaction for each of these groups. Alternatively, the media and a wide range of interest groups are whom Clarkson (1995) considers as secondary stakeholders. Although these groups do not determine the corporation’s survival and continuing success, it can cause significant damage to the company by interfering with the policies or programs adopted by the company to fulfil its responsibility to its primary stakeholder.
In practice, it is a question of how a corporation determines which stakeholders are more important than the other. Resource-dependence theory (Pfeffer and Salancik 1978; Kreiner and Bambir 1991) is used to explain the relative importance of primary stakeholder groups to a corporation. The theory indicates that organisation will pay more attention to stakeholders who control resources which are critical to the organisation than to stakeholders who do not control such critical resources. Apart from resource consideration, the literature on stakeholders suggests that there are other factors based on which relevant stakeholders are identified, e.g. manager values (Greer and Downey 1982); and industry type (Waddock and Graves 1997). In addition, in view of the organisation life cycle model, Jawahar and Mclaughlin (2001) argue that at any given organisational life cycle stage, certain stakeholders, because of their potential to satisfy critical organisational needs, will be more important than others. They also identify those specific stakeholders who are likely to become more or less important as an organisation evolves from one stage to the next. In addition, secondary stakeholders can quickly become primary ones when the urgency of a claim (e.g. boycott and demonstration) takes precedence over the legitimacy of a claim (Carroll and Buchholtz 1999).

A properly designed CSR program can raise self-interests to an enlightened level through enhancing the interest of not only the firm’s financial bottom line but multiple stakeholders’ bottom lines (Ptacek and Salazar 1997). Mcintosh et. al. (1998) suggests the use of stakeholder mapping to identify to whom a corporation is responsible and to personalise social responsibilities by delineating the specific groups or persons that business should consider in its CSR issues or activities. Table 2.1 presents the different issues pertaining to various stakeholders. Stakeholder mapping is described as ‘the identification of the relevant groups and the nature and strength of relationships among them.’ (Mcintosh et. al. 1998:202). They note that companies cannot engage with stakeholders unless they have first conducted a mapping exercise. On this map they can plot a range of stakeholders and relationships of those stakeholders to the company.
### Table 2.1: Stakeholder and CSR Issues

**Employees**
- General policy
- Benefits
- Compensation and rewards
- Training and development
- Career planning
- Employee assistance program
- Health promotion
- Absenteeism and turnover
- Leaves of absence
- Relationships with unions
- Dismissal and appeal
- Termination, layoff, and redundancy
- Retirement and termination counselling
- Employment equity and discrimination
- Women in management and on the board
- Day care and family accommodation
- Employee communication
- Occupational health and safety
- Part-time, temporary, or contract employees
- Other employee or human resource issues

**Shareholders**
- General policy
- Shareholder communications and complaints
- Shareholder advocacy
- Shareholder rights
- Other shareholder issues

**Customers**
- General policy
- Customer communications
- Product safety
- Customer complaints
- Special customer services
- Other customer issues

**Suppliers**
- General policy
- Relative power
- Other supplier issues

**Public Stakeholders**
- Public health, safety, and protection
- Conservation of energy and materials
- Community relations
- Other environmental issues
- Public policy involvement
- Environmental assessment of capital projects
- Social investment and donations

*Source: adapted from Clarkson 1995 :101*
Since a company is dependent on many of these groups of stakeholder if it is to be successful, communication with these groups is crucial to establish goodwill and mutual understanding between a company and its stakeholders. In the wake of CSR concern, Goodman (2000) postulates a shift of corporate communication emphasis from a total focus on the investment community or shareholders to a broader interpretation of community which now includes all stakeholders. Communication is indeed a tool in the corporate identity programme which is designed for the self-presentation of a company towards its various audiences in order to build or enhance corporate reputation (Birkigt and Stadler 1986). The following section will focus on the communication of corporate citizenship in the context of corporate identity and reputation management.

2.5 CORPORATE COMMUNICATION, IDENTITY AND REPUTATION ON CSR

Corporate citizenship communications refer to ‘the promontional instruments produced by the company or the reports provided by the media that depict the initiatives undertaken by the firm to meet its economic, legal, ethical, and discretionary responsibilities’ (Maignan and Ferrell 2001). While corporations may not fully control the contents published by media, they can manage their corporate identity or self-presentation strategy so as to generate a favourable image.

In fact, the terms: corporate identity, corporate image and reputation are often confused in the literature. Corporate identity, according to Berstein (1984) is the organisation’s presentation of itself to its various stakeholders and the means by which it distinguishes itself from all other organisations. Its presentation of what it is and how it does is linked to the way an organisation goes about its business and the strategies it adopts (Olins 1990; Topalian 1984). Corporate image, in a more precise definition, is the totality of a stakeholder’s perceptions of the way an organisation presents itself. It is the net result of the interaction of all the experiences, beliefs, feelings, knowledge and impression that each stakeholder has about an organisation (Margulies 1977, Topalian 1984). Corporate reputation is
said to be more durable than images as it evolves over time as a result of image consistency (Dowling 2001). Figure 2.2 illustrates the relationship between corporate identity and corporate image and reputation. Images may be altered quite quickly as a result of organisational changes or communication programmes, whereas reputation is the evaluation or esteem in which an organisation’s image is held through time (Marwick and Fill 1997). As such, the continuity of image adds weight to the formation of reputation on which a sustainable legitimacy is judged. There is also evidence to support the notion that a favourable corporate reputation gives an organisation a competitive advantage (Beatty and Ritter 1986; Greyser 1996).

Figure 2.2: Relationship between Corporate Identity, Corporate Image and Reputation

Berstein (1994) stresses that image is not what a corporation believes itself to be. As a result a corporation cannot directly change its image but it can change its identity through using a variety of association cues, planned communications such as advertising (Marwick and Fill 1997). In other words, management seeking to influence the images held of their organisation can only do so through the management of the corporate identity. One way of doing it is through influencing corporate association which is seen as an important strategic task to enhance the corporate image and reputation (Fombrun 1996).
Eells (1960) identifies that the purpose behind the promotion of a corporate image is two-fold: to link the company to its social environment and to help achieve company objectives. This is consistent with the statements made by Riahi-Belkoui and Pavlik (1992) that a company’s social performance and its organisational effectiveness are two major signals used by a corporation to create good reputation among its various audiences. Therefore, according to Brown and Dacin (1997) a company can associate itself with these two signals by positioning itself on: (1) corporate ability, concerning expertise in producing and delivering product and/or service offerings; or (2) its corporate social responsibility, referring to the character of the company in regards to important societal issues. In other words, one way for stakeholders to form their perception towards a company or its product is through associating these two signals or either of these with the company or its brand.

In spite of the inconsistency of the impact of corporation social performance on corporation profitability, past researches (e.g. Barich and Kotler 1991; Kilcullen and Kooistra 1999; Orlitzky et. al. 2003; Sarbutts 2003) have confirmed that CSR has a positive impact on a corporation’s reputation. However, Riahi-Belkoui and Pavlik (1992) report that corporate image built around CSR association maybe especially difficult to communicate as corporations could be accused of exploiting social issues to make profits. Brown and Dacin (1997) also state that the promotion of corporate citizenship initiatives may be beneficial only up to a certain point, when companies overdo it stakeholders tend to get suspicious of the intention of the company. In fact, apart from communication, the self-presentation of a company towards its internal and external stakeholders is also made possible through another two components of corporate identity mix: symbolism (e.g. company logo, uniform), and behaviour (e.g. corporate strategy, research and development contribution, community work) (Birkigt and Stadler 1986). According to Birkigt and Stadler (1986), one may conceptualise two identities where the strategically planned presentation is the ‘desired-identity’ and an ‘actual-identity’ is what the company operationalises in practice. There is no guarantee that the operationally applied self-presentation will coincide hundred percent with what was strategically planned. Therefore consistency between what
a company presents itself and its actual behaviour is important to avoid conflicting message in a corporate citizenship communication.

Sabeh et. al. (2000) point out that corporate citizenship is a key concept in the management of corporate communication and identity. It works by facilitating the conditions and culture whereby internal stakeholders, i.e. employees, work in harmony with the external stakeholders, e.g. government, supplier, media, and community. For many employees, working in a company that has a reputation for solid corporate community relationship is an increasingly important factor in commitment (Dutton et. al. 1994). In addition, since corporate identity is the strategically planned and operationally applied internal and external self-presentation and behaviour of a company, this suggests it is a concept in which corporate strategy should be linked with the corporate communication in the broad sense (Van Reil 1995). Therefore, an organization which attempts to position itself as a corporate citizen, CSR concept needs to be positioned at the core of the business philosophy. In the context of corporate identity management, CSR is to be integrated consistently into corporate strategy and corporate communication as a core element for potential orchestration of a coherent whole in order to establish a long lasting reputation acknowledged by both internal and external stakeholders. In other words, corporate citizenship is to be exercised and expressed lucidly in a coherent and comprehensive manner so as to establish a socially-responsible culture internally in which the companies manifests, in the meantime, to enhance a corporate citizenship reputation in the long run. Figure 2.3 illustrates this proposition.
Figure 2.3: CSR integration in Corporate Identity Context

Corporate Identity

Since corporate image/reputation is determined by how the corporation is perceived by its stakeholders, to become legitimate, corporations should review their corporate image at a regular basis as well as ascertain that its corporate identity is consistent with the image. In a turbulent environment, the activities of marketing, such as advertising, public relations, market analyses and other communications, are known to become an important management practice through which organizations display their flexible capabilities while creating and sustaining themselves as distinct identities in time and space (Christensen 1995). Consequently, contemporary corporations constantly attempt to influence and shape impressions of their corporate body among their various stakeholders through marketing techniques such as positioning and image creation (Cheney 1991). Since marketing is the area most concerned with communication and producing the images that creates and sustains reputation (Marvick and Fill 1997), the following section will discuss the social aspect of marketing practice as it is thought that company advertising with a social dimension can be best understood from the social marketing and societal marketing.
2.6 MARKETING CONCEPTS

Kotler and Zaltman (1971) assert that one of the roots of social marketing lies in the informational approach with the advertising process being the core element in many social marketing campaigns. It is treated as a venture that generally encourages people to do something that will be beneficial to more than just themselves (Lovelock 1989). Kotler and Zaltman (1971:5) defined social marketing as

the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution and marketing research.

This practice is conceived to be an application of marketing concepts and techniques to the marketing of various socially beneficial ideas and causes instead of products and services in the commercial sense (Fox and Kotler 1980). It is said to be a natural outgrowth marketing development due to increased needs of non-profit or non-business organisations for marketing services, as well as attacks on marketing’s negative impact on society.

In reference to the prevalent marketing theory, the marketing concept was developed in response to a wave of social criticism, in particular consumer movements, building up from the late 1950s and the early 1960s (Christensen 1995). There were three broad paradigms emerging during the late 1960s and early 1970s where marketing scholars have labelled them as the Apologist, the Social Marketer, and the Reconstructionist paradigms (Arnold and Fisher 1996). In assessing the effect of these marketing thoughts, Arnold and Fisher regard Apologists as those who sought to maintain the status quo while the Social Marketers attempted to reconcile the fundamental worth of marketing with the idealistic goals propounded by society; whereas the Reconstructionists, challenge the very foundations of the marketing discipline so as to undergo moral transformation (Crane 2000). From this aspect, Crane and Desmond (2000) posit that Philip Kotler was central to the efforts to incorporate social and moral concerns into marketing “science” where his contribution can be see in two ways.
First, Kotler proposes the practice of social marketing which is an extension of the marketing techniques into non-business/non-profit arenas. Second, Kotler argues that the marketing concept and its technologies must be revised by businesses by adopting a more explicit social orientation. Therefore, the enlightened self-interest or more moral approach of marketing, i.e. ‘societal marketing concept’ has emerged to say that ‘long-run consumer welfare’ should be included in the conventional basic elements of marketing concept, i.e. consumers’ satisfaction and profitability (Kotler 1972). Conventionally, business has been striving to ensure the satisfaction of the changing consumers’ needs and has meshed its actions with the interest of consumers. Nevertheless, Kotler argues that consumer satisfaction does not necessarily create satisfied consumers because efficiently serving customers’ desires might possibly hurt their long-run interest. For example, cigarettes and alcohol which obviously satisfy consumers but may ultimately hurt them if consumed in any excessive amount; or large and expensive cars please their owners but increase the air pollution or the congestion of traffic and therefore reduce the owners’ long run satisfaction. Similar to social marketing, which does not only influence individuals but also the environment in which they operate, in the Millennium edition of Kotler’s (2000) Marketing Management, the societal marketing concept has moved beyond ‘long-term consumer welfare’ to embrace more specifically ‘society’s well-being’. This also implies a broader responsibility by marketers towards not only their consumers but also the public at large.

The social inclusion in marketing activities by profit-oriented companies has been increasing since the growing concern of corporate social responsibility (CSR) especially in the West and corporations have found that they can achieve greater results by strategically linking their marketing to social causes that appealed to the target markets (Vadarajan and Menon 1988; Fox 1999). Peattie and Notley (1989) suggested that a gap exists between the strategic management and marketing management of companies where this gap needs to be overcome via the introduction of integrated marketing planning. Accordingly, the strategic management department would become responsible for the socially responsible activities and the marketing department would be concerned with the tactical implementation of the societal marketing. The integration will allow each
department to carry out its own actions based on either the social responsibilities or the societal marketing of that firm.

Cause-related marketing (CRM), which includes promotions in which marketing donates a portion of sales from a specific product to meet charitable goals, became the fastest type or hottest trend of marketing in U.S. (Kelley 1991; Smith 1994). In Varadarajan’s and Menon’s (1988) definition, CRM is

the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-producing transactions with the firm.

With the practice of CRM, business enhances its public image by being associated with a worthy cause and increases its sales at the same time; whereas non-profit organizations get funded for their programs and the public visibility made possible by the business’s expertise. American Express, a path breaker in the new corporate philanthropy paradigm that raised funds for the renovation of the Statue of Liberty in 1983, is often cited as the genesis of cause-related marketing. According to Lovell (2001) cause-related marketing is probably where the saying ‘doing good and doing well’ originated. She points out that corporations in US see the value of putting their marketing dollar toward cause-related programs mirror the company’s vision and positioning in the community at large. Thus, more and more companies have added cause-related advertising to their company’s promotional campaigns (Fox 1999). Based on a survey conducted by Promotion Marketing Association, over 85 percent of corporations and 65 percent of not-for-profit organisations in the U.S. participated in cause marketing partnerships to raise money and attention for worthwhile causes during 1999.

Though numerous worthy causes have benefited from the concept of CRM, it has encountered a considerable controversy. A major criticism of CRM is that it is often viewed as a strategy of selling, not for corporate giving and is kind of cause-exploitative marketing (Bronn and Vrioni 2000). According to Gurin (1987),

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CRM could lead to adverse effects on several aspects, i.e. corporate philanthropy decisions, the mission and conduct of nonprofit organizations, public perception of and attitudes toward causes, as well as on consumers’ charitable giving behaviour. Appendix 2.1 further elaborates on these potential adverse effects.

In order to create socially positive CRM programmes, Varadarajan and Menon’s (1988) suggest that the top management first must create and encourage a corporate culture that will internalize the true philosophy of CRM. Furthermore, Cadbury (1987) asserts that openness is a defence against the criticism on CRM because it can disarm suspicion of companies’ motives and actions. When openness and ethics go together, unethical action would not withstand scrutiny. Furthermore, as stated in The European Commission’s Green Paper on CSR (2002), a responsible organization should seek partnership or strategic alliance between profit organisations and non-profit organisations for long term initiatives instead of short-term sales promotion. Robin and Reidenbach (1987) argue that even though profit and efficiency are essential values within the culture, they must be balanced by other values that help define the limits of activities designed to achieve those objectives and by values describing other important socially responsible behaviour. Without the integration of concerns about social responsibility at the outset of the marketing planning process, as well as throughout the process, the organizational culture may not provide the checks and balances needed to develop socially responsible marketing programs. Therefore, doing good and doing well should start with a true belief structure that involves giving back to the community and creating win-win situations for business and causes (Nicholas 1993). For instance, given the Avon’s Breast Cancer Awareness campaign, besides matching product attributes with the consumers’ needs, the marketer also adds a third elements, i.e. a social problem that consumers want to have solved for long run welfare.

Although corporate citizenship may be an excellent marketing strategic tool as marketing researchers suggest ((Drumwright 1994; Brown and Dacin 1997, Menon and Menon 1997; Maignan and Ferrell 2001), Crane and Desmond (2002:552) conclude that “societal marketing literature has to date made a very limited contribution to marketing theory and practice”. Furthermore, Miles and
White (1998) claims that the marketing concept as such is *de facto* a tool used by the management to achieve a competitive advantage instead of enhancing social well-being notwithstanding the latter should be the main concern in societal marketing instead of the former. The role of the advertising, being part of the marketing communication tool, may seem to account for a minimal contribution to the success of the company as a good corporate citizen. Nevertheless, since advertising is the most visible aspect of marketing, it is also considered to be the essence of the marketing discipline (Nwachukwu et. al. 1997; Marchand and Lavoie 1998). Indeed, advertising especially through mass media is a crucial communication element in influencing the image held by the mass audience of the public.

### 2.7 THE ROLE OF ADVERTISING IN THE NEW ERA OF CORPORATE CITIZENSHIP

According to Gilly and Wolfinbarger (1998), advertising is one of the most visible recognisable, and memorable elements of corporate communication. Therefore it can become a purveyor of organisational symbolism and mythology and consequently be part of the cultural, ritual, and interpretative organisational fabric that is the think medium through which leadership creates a climate within the organisation.

Resnik and Stern (1977) identify that socially responsible messages in advertising represents an indication of the business recognition and stance toward societal problems. Lill et. al (1986) believe that the extent to which advertisement depicts vital social issues, such as civil rights, gender equality, provides a partial measure of commitment to help to resolve problems related to these issues. For instance, there are companies which promote issues which are related to its business nature, such as a child safety seat manufacturer, e.g. Recarro, may promote child safety onboard. Alternatively, profit organisations, which sell products generally perceived as controversial or socially problematic, such as alcohol and tobacco, also incorporate social dimensions in their ads. A liquor company may encourage responsible drinking, a cigarette company may remind consumers of the bad
effects of smoking (Bloom and Novelli 1981). In addition, there are companies promoting issues which have no direct link to its products. For instance, The United Colors of Benetton, an Italian clothes company, sells more of an image of cultural diversity and acceptance rather than clothes in its well-known controversial advertisements. Despite the controversies its ads have raised, the Art Directors Club of New York has awarded Oliviero Toscani, the man behind those ads, the 1994 Management Medal for "Benetton's socially conscious advertising, most specifically for raising awareness of racial issues for an entire generation". It was claimed by the company that they promoted their international flavour with the motive to heighten public awareness of social issues. A media critic Leslie Savan commented

Benetton ads are not about the model world but about society, which is so much more interesting. What they also do, the best of them, because they are about society's problems, they break that sort of membrane that we, the consumers, have toward advertising. The Benetton ads jolt our relationship to advertising itself. We are not used to seeing ads for clothes or for anything with pictures of AIDS patients dying or the blood-stained uniform of a Bosnian soldier. Now, there is definitely something offensive about this uniform against the all-white background, the clean studio light of a Benetton ad. But they do change our relationship of what we expect advertising to be.

Very often CASD could be part of the activities of public relations and it can be understood as the management of communications and relationship to establish goodwill and mutual understanding between an organisation and the public (Smith 1994). Public relations activities include publicity, corporate advertising, seminars, publications, lobbying and charitable donations. By communicating with other groups, public relations create an environment in which it is easier to conduct marketing. As CASD is integrated in different corporate and marketing activities, advertising of such types are therefore variously referred as cause marketing, cause-related marketing, advocacy advertising, corporate issue promotion, mission marketing, or passion branding (Drumwright 1996). Although these terms may have very stylized definitions with fine distinctions among them

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4 Reported in press Ponzano Veneto, April 28th, 1994
5 Quoted in Lzer's Archive magazine Vol. 6 -1995
they are all concerned with actions that appear to further some social good, beyond the purely self-interests of the company and that which is required by law. In short, it is fundamental to recognize that CASD cannot be effectively separated from its corporate identity. CASD is a communication activity, which plays a crucial role in the corporate identity program, a way for a company to project itself well by projecting good.

2.8 CONCLUDING REMARKS: THE CONCEPTUAL MODEL

Promoting social awareness issues to ameliorate social conditions is no longer the responsibility of non-profit organisations solely. The importance of corporate social responsibility has been given much attention since the last few decades. The CSR concept, legitimacy and stakeholder theory call upon corporations to include social and ethical considerations into their business practices. Companies are expected to be legitimated by fulfilling the economic, legal, ethical and philanthropy responsibility toward their various stakeholders’ expectation. Although the correlation of a corporation’s social performance and its financial performance is debatable, there is strong evidence to suggest that the possible influence of social dimension incorporated in business activities can be best understood in relation to corporate image/reputation. CSR concept is needed to be positioned at the core of the business philosophy so that it can to be integrated consistently into corporate strategy and corporate communication to establish long lasting corporate citizenship reputation acknowledged by both internal and external stakeholders.

In the discursive universe of marketing, identity is described as something an organisation designs in order to support its corporate strategy. CASD can be seen as a part of the corporate identity program where image of a company is a projection of a corporate identity. CASD does not only communicate marketing-related information but also social issues that the company tries to associate with. It plays an important role to enhance the corporate image and reputation as well as the welfare of the society in an extent through heightening the public awareness of social issues. Although the objective of all corporate identity programmes is to
create a certain desired image towards which management wants to work, it is not necessarily the desired image will coincide with the image that the public hold i.e. the actual image. In other words, despite advertising being one of the most salient business communication tools, CASD is merely a way for the company to project its socially conscious identity towards its stakeholders. It does not guarantee that the audience will see the company as the way it has presented itself because people evaluate a company image not just by its advertisements. It should also be stressed that companies engage solely in CASD will not be granted the title of good corporate citizen in a straightforward manner as the total social responsibility of business entails fulfilment of the companies’ dedication in various other marketing and corporate activities. In addition, the wellbeing of a society also depends on various other factors such as education, as well as on the collective contribution from other members of the society (e.g. governments, media, non-profit organizations) apart from business entities.

Based on the literature review, a conceptual model (see Figure 2.4) is developed to provide a clearer understanding of the background from which CASD has emerged.
As shown in the diagram, CSR should not be understood as a subset of corporate identity, instead it should be regarded as an important element placed at the heart of corporate identity. In other words, CSR, which encompasses the four essential obligations, should be integrated in core identity management strategy instead of being treated as an auxiliary component. In order to be granted legitimacy, it is equally important to cultivate CSR culture within an organization. Socially responsible corporations need to constantly monitor the internal and external stakeholders' expectation and anticipate the needs that can lead to long term welfare for larger community. The self-presentation of a corporation, i.e. corporate identity, as a corporate citizen can be conveyed through different
communication channels where CASD being one of them. In addition, such communication is to be supported side by side with other corporate and marketing activities in order to attain corporate citizenship reputation. Ideally, in win-win situation, a successful corporation is to build and to be built upon a sustainable foundation that emphasizes both benefits of the corporation and the society as a whole in long run.

Given such a backdrop, the study of CASD may give a new enlightened aspect of company advertising in regards to companies’ social responsibility through their communication activities to the mass population. It should be understood as an advertising approach to restore moral values and increase social consciousness towards certain issues among the advertising audience. The following chapter will look more specifically at the advertising values and society as well as investigate in more details of the formation of CASD.
3. CHAPTER 3

COMPANY ADVERTISING WITH A SOCIAL DIMENSION
3.1 INTRODUCTION

Following the discussion of the CASD’s theoretical background in previous chapter, this chapter will first begin with a more detailed study of the impact of advertising values towards society. This discussion is important because the communication of values lies at the heart of advertising. Next, given that the initial inclusion of social issues in advertisements can be traced back to the practice of social advertising advocated by the non-profit sector, this practice will then be discussed. Furthermore, by distinguishing and comparing CASD with social advertising and generic advertising, the basic characteristics of CASD are presented after that. Finally, based on the advertisement content, different forms of CASD can also be identified and this will help readers to further understand the formation of CASD.

3.2 ADVERTISING AND SOCIETY

With reference to French psychoanalyst Jacques Lacan’s idea on subjectivity, 21st century consumers can be understood as a subject that continually constructs identities for themselves by entering into the various experiences of consumption (Belsey 1980; Oswald 1996). They constantly seek for self-identity that they would like to portray to outsiders and therefore, rather than being a person whom marketers can get to know, and thus control, the consumers nowadays become a temporary, precarious point of identity, which is ever changing-ambiguous and unpredictable (Valentine and Gordon 2000).

In other words, people make sense of the world around themselves by creating stories from clues which are communicated consciously and unconsciously in the course of social interaction and through overt or covert information they receive, like advertisements (Cooper and Lannon 1983; Anderson and Myer 1988). Given the constantly changing nature of the consumers nowadays, modern marketers have to find ways to “assist” consumers in making sense of the world around them and to provide stimuli in their identity construction process (Valentine and Gordon 2000). One way of doing this is through advertising by grounding the consumer in the
values of a society and allowing the consumer to secure a sense of belonging and security from the ad (Yakhlef 1999). As a result, the basis of modern advertising involves the process of transforming the product into a representation which is moving towards depiction of lifestyle, consumption experience, and image. It has turned marketable products into representations to deliver a certain quality of life (Zinkhan 1994). Therefore, there is an increasing emphasis on ‘emotional’ commercials in which the consumer is exposed to many nonverbal gratification promises associated with the product only inferentially. Psychological appeals are also designed to persuade on the basis of human emotions and emotional needs rather than reason and to facilitate consumers’ identity construction and sense-making process. Simultaneously, in the 1990s until the present, advertising has become more brand-focused than emphasising in product utility and it has become increasingly essential to the creation and continued success of brands. Brown (1992, cited in Wood 2000) defines brand as nothing more or less than the sum of all the mental connections people have around it. When consumers shift identities by using a vast wardrobe of brands to create themselves into whoever they want to be, the contemporary marketing includes a whole range of parallel strategies from product advertising to company image building or corporate advertising to make their brand known and be associated by consumer so as to stimulate increased consumption. (Christensen 1995).

Yakhlef (1999) claims that whereas the strategy of modern advertising is persuasion through logical reasoning, irrationally through inflating desire, post modern advertising, operates figurally through seducing exciting and hypnotising. Instead of focusing on the practical consequences of advertising on sales, scholars in humanities and social sciences have identified the unintentional consequences of advertising that have broad social implications to the society. The values portrayed in advertising as opposed to the values held by the public address the classic question as to whether advertising clearly reflects the standpoints of society or acts as a distorted mirror (Hetsroni and Asya 2002). It is criticised that some advertisements transmit a distorted representation of values may lead to a distortion of consumers’ perceptions and a reordering of their value systems.
Pollay (1986) emphasises that values should refer to those criteria and standards of judgement that govern both goals and behaviour. In his words, values are “deemed among the dimensions of the deep structure of personality, influencing perceptions, attitudes, emotions, and behaviour” (Pollay 1986:106). Holbrook (1987) states that most advertising appears to mirror or reflect rather than mold or shape the values of its target audience. Nevertheless, a strong argument has been made that the mirror is distorted (Pollay and Gallagher 1990). According to Pollay (1986), hedonistic characteristics that celebrate instant gratification, materialism, and covetousness are favourably portrayed in advertising, whereas altruistic characteristics which advocates the postponement of gratification or positive values are either lacking or negatively portrayed. Thus, the result is a distorted mirror that reflects only those values that help the marketer to sell instead of providing an objective picture of the society (Mueller 1987; Pollay and Gallagher 1990; Wiles et. al. 1996). Hetsroni and Asya (2002) claim that partial evidence for the distorted mirror has been found in western cultural backgrounds of North America and Western Europe.

Advertising is a product of media and the negative influence of advertising can be understood from the mass media effects theories which claim that repeated exposure to commercials that carry a negative subtext may lead to the overall devaluation of the subject (Tupper 1995). Gerbner (1993:207) also acknowledge that “mass media are the most ubiquitous wholesalers of social roles in industrial societies. Mass media, particularly television, form the common mainstream of contemporary culture. They present a steady, repetitive, and compelling system of images and messages”. It is claimed that visual-image-based communication especially through television plays an important role in shaping the consciousness of the consumer (Leiss et. al. 1990). Ad of this type is said to optimise the viewer’s attention without arousing critical awareness (Yakhlef 1999).

The influence of advertising through mass media on individuals’ thoughts is typified in Swayne and Greco’s (1987) study of elderly stereotyping in advertising. They posit that due to its ability to influence and shape attitudes, television advertising can play a major role in the socialisation of the elderly and in influencing younger audiences' view of older persons. Accordingly when there is a repeated and consistent under representation of the elderly in advertisements, this
will influence the audience’s perception, especially among the younger generation, of the elderly as an unproductive and physically weak symbol. In other words, this is an example of negative social impact that the media especially television advertising may have neglectfully, if not intentionally, set through its content presentation. Waide (1987) centres his criticism of advertising on associative advertising that induces people to buy products by associating market products with deep-seated, non-market factor such as acceptance, power, and status even though the market goods seldom satisfy any of these desires. He points out that the fault in associative advertising is not that it is deceptive nor that it violates the viewer’s ability to recognise the manipulative power of advertising; rather it is the notion that advertisers use associative advertising to influence people without concern for their well-being.

In general, advertising has impact to the society due to any or all of the following factors, as listed by Pollay (1987):-

1. advertising is persuasive by intent and design
2. it is pervasive, encountered with repetition in multiple media and context
3. ads are professionally conceived, developed and deployed
4. large budgets are used to produce artful ads with attention to fine detail
5. these crafted communications display, celebrate, and endorse the products and related values, attitudes and behaviours, and
6. all these aspects are made commonplace and legitimated by virtue of being public without protest

Pollay (1987:107) considers an analogy of ads to raindrops and the following illustrates his view on the isolated and aggregated effect of advertising: -

Individually raindrops are benign and have little noticeable impact. People can readily avoid most drops by their behaviour and clothing, like experiencing ads with selective attention and protective cynical attitudes. Nonetheless, when raindrops abound, people are increasingly likely to get wet and are subjected to attendant risks of discomfort and disease. Moreover, the protective effort whether or not successful, requires defensive gear that itself restricts behaviour. In heavy rain individuals become preoccupied, and in extreme conditions overwhelmed, despite the fact that each raindrop by itself is inconsequential.
Cross cultural researchers have also argued that advertising has been regarded as a 'complex technology' and 'cultural form' that has been transferred from the West to the East (Frith and Frith 1989). Schütte and Ciarlante (1998:7) regard social values as "situation non-specific, serving as guides for culturally appropriate behaviour widely accepted by the members of a particular society". Advertising is said to promote a homogeneous global consumption culture and values styled after those of the West, which often come into direct confrontation with many indigenous values in the Third World (Murdock and Janus 1985). Some scholars regard such transference of values to other cultural context as cultural imperialism (Anderson 1984; Marttelart 1990). For instance, in relation to Nike ads in China, Forney (2004) criticised that Nike executives have set themselves a potentially quixotic challenge to change China's culture. They have made American culture its selling point with ads that challenge China's traditional, group-oriented ethos, Confucian-style deference to elders. Although some of the Nike ads were proved to generate attention or even strike the chord especially with young people in the countries who are the main targets of the advertiser, such ads have been said to erode many of the values, associated with the traditional cultures in the pursuit of self-identity and status among the local young generation. In other words, instead of rectifying the existing social ills that are related to selfishness and over-materialism in the society, the advertiser stimulates or encourages such behaviour in order to boost sales.

In the view of Zinkhan (1994), advertisers have traditionally justified their existence by arguing that they contribute to the material well being of the populace, however, in the 21st century, advertisers may have to do more and consider as well the spiritual side of human existence. Apart from being a distorted mirror that only reflects certain values in favour of sellers' self-interest in a specific product context, Pollay (1987) also sees advertising as a distorting mirror which can shape the society and through which consumers extract product-related information and learn other lessons or values, largely visual and nonverbal, that are intrinsic to the advertisement. If advertising does change the sentiments and affections of individuals, and if moral action is dependent in part upon maintaining particular sentiments and affections, then advertising does seem to play a role in the development or unraveling of an individuals capacities to act morally (Gustafson
2001). Pollay (1987:106) regards advertising as myth because he believes when multiple advertisers repeat common mythic structures and social tableaux and “with little contradiction, either internally or from other ads, it is as myths and morals that ads may most durably inform and educate”. In other words, it becomes the social responsibility of advertisers to take into account of the long-term value cultivating effects or the possible moral and social impact that their ads may cause.

On the other aspect, as discussed in previous chapter, the role of advertising has evolved from a straightforward means of promoting products into a more diversified communications that involve advocating social issues. Advertising has been applied to help solve global issues such as:-

1. conservation of energy and the environment (e.g. green advertising promoting recycling of resources);
2. social welfare problems concerning the aged (e.g. ‘Help the Aged’ campaign in UK\(^1\));
3. the traffic victims (e.g. anti-drunk driving and anti-speeding ads could be found in many countries such as U.K., Hong Kong, Taiwan);
4. the fatal disease (e.g. campaigns on the prevention of Aids, bird flu, foot-and-mouth disease, lung cancer caused by smoking);
5. poverty (e.g. ‘Make Poverty History’\(^2\), a unique UK-wide campaign aims to end poverty that is common in underdeveloped countries, like Africa)
6. education (e.g. ‘New Girl Child’ Campaign advocated by UNESCO\(^3\) to cultivate female learners in South Africa)
7. crime prevention by encouraging the public to report to the relevant authority when there is a suspect of criminal activities
8. arts and cultural related issues that promote appreciation of artworks and traditional customs

Advertising like this aims to affect a social change to benefit individuals or society at large, is widely known as social advertising, social issue advertising, or public service advertising (Andreasen 1996, Fox and Kotler 1980) or cause advertising

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\(^1\) http://www.helptheaged.org.uk/CampaignsNews/_default.htm
\(^2\) http://www.makepovertyhistory.org/index.html
\(^3\) http://www.unesco.org
(Earle 2001). Since CASD involves the integration of social issues in company advertisements, it is worth discussing the practice of social advertising to which the initial inclusion of social issues in advertisements can be traced back.

### 3.3 PRACTICE OF PUBLIC SERVICE/SOCIAL ADVERTISING

In the USA, the establishment of the Ad Council⁴, a non-profit organization, has played a critical role in identifying significant public issues and stimulating action on those issues through communications programs that attempt to make a difference in their society. The Ad Council was first known as The War Advertising Council which was founded in 1942 to support World War II-related efforts. After the War, Ad Council then continued as a peacetime public service organization to help solve the most pressing social issues of the day. Its primary activities include the production, distribution, promotion and evaluation of public service communications programs. Each year, the organization receives several hundred requests for campaign support from non-profit organizations and government agencies. For a campaign to be selected, it is the concern of the Ad Council that:

1. the issue must be of ‘significant importance, national in scope and applicable to all Americans’.
2. the campaign must be non-commercial, non-denominational, and non-political.

The nation’s top advertising agencies will do the creative work, known as Pro Bono, and leading corporate marketing executives will lend their time and expertise while the media will donate advertising time and space to the campaign. In the advertising industry, Pro Bono, from the Latin phrase pro bono publico, (which translates “for the public good”), is

a description generally applied to work done by advertising practitioners gratis or at cost, as a donation to a just cause (Earle 2001:2).

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⁴ Refer http://www.adcouncil.org
Chapter 3: Company Advertising with a Social Dimension

The pro bono clients are usually non-profit organisations including both governmental and non-governmental organisations (NGOs). During the advertising recession, ad agencies were battling each other for campaigns for non-profit or charity organisations (White 2002). From the agency perspective, this offers new employees added experience in a lower-pressure environment, enhances community relations and gains positive exposure (Goldmacher 2001). It is also seen as an act of agency social performance that can enhance the agencies' reputation (Earle 2001). For instance, there are awards specially allocated for the ‘Pro Bono and Cause Marketing’ category during the annual Cannes Lions International Advertising Festival.

In short, the Ad council brings together the volunteer talent from the advertising and communications industries, the facilities of the media, and the resources of the business and non-profit communities to create awareness, foster understanding and motivate action. For the previous few years, the Ad Council has addressed several issue areas such as improving the quality of life for children, preventive health, education, drunk-driving prevention, strengthening families, environmental preservation, organ and tissue donation.

This kind of advertising is also becoming increasingly important in the Asia Region (Inoue 1996). In Japan, the most technology-advanced and developed country in the far east Asia region, the Japan Ad Council was established in 1971 to promote the development of public service advertising (PSA). As stated in its official website, the Council's goal is to reduce or resolve social problems through the communication power of mass media, as well as through the contribution of public involvement in such effort. It is made up of 1,350 voluntary corporate members, including media organizations, ad agencies, and other business enterprises. In 2000, the ad space and commercial time donated by the media organizations was valued at 30.7 billion Japanese Yen (approximately 153.2 million sterling pounds at 2004 values). It has eight regional networks and implements 15 or 16 campaigns each year on a regional or national scale. In regards to the development of PSA there are three main features:

3 http://www.cannslions.com/entrants/categories/
4 http://www.ad-c.or.jp/index.html
1. Advertiser(s) who sponsor the public service advertisements shall not show their business logo or symbol in the ad.
2. PSA is given at a discounted price for media broadcasting or publishing through the negotiation between advertising agency and media, so as to reach a basis of reasonable profit.
3. Newspaper, magazine, television, and radio are the four major media for public service advertising

Apart from developing PSA, the activities involved in the association include conducting research regarding such advertisements and supporting the functioning of non-profit organizations and their activities. Over recent years, the Council has been strengthening its organization through the interaction with other PSA organizations worldwide. In addition to its concern for Japanese society, it has expanded its concern to the international level.

Although there is an involvement of corporate or business entities in the form of sponsorship for the development of the Pro Bono work, their names or company logos are kept unknown or unidentifiable from the broadcast of such work especially in television. This is different from CASD within the scope of the research because the company logo or product brand is clearly specified in CASD so that viewers get to know who the corporate sponsor is. As such, there is certain extent of commercial hue which can be found in CASD, unlike social ads or Pro Bono work where only non-profit sponsors like NGOs or governmental bodies are the only parties indicated in those ads.

The following section will look into further distinction of generic advertising and social advertising so as to give better understanding of the basic characteristics of CASD.
3.4 GENERIC ADVERTISING V.S. SOCIAL ADVERTISING

The formation of company advertising with a social dimension can be tackled from the study of both traditional commercial or generic advertising and social advertising. The researcher first distinguishes the difference between these two types of advertising approaches based on the following characteristic: initiation, motivation, advertising subjects, and advertising objectives.

3.4.1 Initiation

In general, the work of social advertising is limited to governmental bodies and non-profit organisations. On the other hand, traditional generic advertising is initiated and sponsored by profit organisations. It can be argued that business sector also involves in social advertising such as the beer industry which promotes "responsible drinking". However, Rangun and Karim (1991) argue that such efforts should not fall within the domain of social marketing because social change is a secondary purpose of the campaign from the firm’s standpoint.

3.4.2 Motivation

According to Crosier (1978), the rationale behind a social advertising campaign is for the societal betterment. Thus it is driven primarily by an altruistic motivation in which the ultimate goal is to enhance the well-being of others (Bendapudi et. al 1996). In contrast, the development of traditional commercial or generic advertising is driven by an egoistic motivation where the ultimate goal is to increase the company’s own self-interest, largely in the form of economic initiative e.g. sales revenue and profit.

3.4.3 Advertising subject

The subjects focused in social advertising concerns social ideas or supporting a social cause with the attempt to bring the benefit of society. It works positively for the good of society beyond merely delivering a better standard of living (Andreasen
1994). Whereas the primary subjects built around generic advertising highlight the excellence of company’s product, service or its image as cost leader.

### 3.4.4 Advertising objectives

In addition to creating awareness related to certain social issue (e.g. to inform location of recycle bins), social advertising also aims to influence the belief, perception and attitude of audience towards a social concept advocated in the advertisement so that they will change their behaviour (e.g. stop taking drug) or not change their behaviour (e.g. not to try drugs). This is known as the social objective which is to provide individual benefits or societal benefits (Drumwright 1996). Conventional commercial advertising, generally, aims to remind or influence the belief, perception and attitude of the audience towards the company’s product, service or image so that they will be persuaded to buy the company’s product ultimately. Its objectives are solely economic that may involve increasing sales, building brand equity or enhancing image (Drumwright 1996).

### 3.5 CHARACTERISTICS OF CASD

Based on the above differences, CASD is seen as the combination of conventional commercial advertising and social advertising (see Table 3.1). Firstly, in CASD development, a company may advocate a social idea alone. Alternatively, it may choose to advertise the social ideas or cause in cooperation or partnership with other parties such as non-profit organisation, governmental body or the media. There are also companies which set up foundations to support a cause and where their advertisements with the social agenda are promoted by the foundations. Benetton is a typical advertiser company which has engaged in CASD through three of these ways as mentioned above.
Table 3.1: Differences among social advertising, generic advertising and CASD

<table>
<thead>
<tr>
<th></th>
<th>Social Advertising</th>
<th>CASD</th>
<th>Generic Advertising</th>
</tr>
</thead>
</table>
| **Initiation**     | Non-profit organisation or governmental bodies | 1. initiated alone by profit organisations  
2. cooperation with non-profit organization or government  
3. through the in-house foundation | Profit organisations              |
| **Motivation**     | Altruistic                                  | Mixed                             | Egoistic                          |
| **Ad Message**     | Social ideas                                | Primary message on socially concerned ideas and secondary message on company related message or vice versa | Company or Product or Service     |
| **Objectives**     | Social-oriented                             | 1. solely economic  
2. purely social  
3. mixed economic and social objective | Economic-oriented                |
who make decisions and act on moral (altruistic) grounds as well as rational economic (self-interested) grounds (Etzioni 1988). Wood (1991) suggests that social impact should be measured regardless of the motivation for such activities or the process by which it occurs. However Wood also contends that researchers need to know more about how managers perceive choices in their organizational and societal environments and the constraints they experience. It is important to study the motivation behind socially responsible behaviour because it provides useful implications on objective setting and other managerial decision making process such as the decision on social issues selection (Norris and O’Dwyer 2004).

Thirdly, company advertising with a social dimension has a combination of socially concerned idea and product/service or company-related message. A company may integrate social messages in its advertisement or commercial while simultaneously promoting its product/service or company image. The advertisement may also have its primary message on socially concerned idea and secondary message on its company-related message or vice versa. In Lill et. al.’s (1986) longitudinal study of the inclusion of social-responsibility themes by magazine advertiser in 1967, 1972, 1975, 1977, and 1984, they found out issues which received the most attention over a period of time (except in 1977) were health and safety, consumerism, and ecology and the physical environment. Other social responsibility issues identified in the study are:- race or civil rights, equal opportunity for women, support or lack of support for U.S. military action, individual freedoms, public education, and employee welfare. The study has revealed that different issues receive a varied degree of attention over different time period. One of the explanations given is that advertisers may react to the changes in consumer s’ interests and adjust their advertising approach accordingly. Alternatively, certain issues may have received considerable attention in the press and in governmental deliberations and thus advertisers would grasp the opportunity to associate themselves with those issues through advertising.

Finally, in relation to objectives, Drumwright (1996) classifies CASD into 3 categories: 1. Solely economic (e.g. increasing sales, building brand equity or enhancing image; 2. purely social (termed as non-economic e.g. provide individual or societal benefit); and 3. mixed economic and social objectives (termed as
mixed). In regards to economic objectives, Drumwright (1996) highlights that some of them however are more indirect and in many ways conceptually different from the typical economic objectives such as increasing sales or enhancing brand equity. Therefore these indirect objectives have been labelled as company-oriented objectives to include those goals in achieving efficiency in human resource management (e.g. enhance employee morale) or communicating the essence of the company mission to its various constituents.

As objectives almost reflect the motives of the action, Drumwright (1996) points out that advertising objectives of such kind cannot be easily determined by viewing the advertisement due to the complexity behind the rationale or motivation of adopting this approach. In other words, content of advertisement does not always fully reflect the complex motivation behind the development from which advertising objectives are formulated. In spite of this, the study of ad content may allow researchers to make inference (refer Berger 1998) on the advertiser’s motives or objectives through its use of message or presentation style. For example, advertising with deep social orientation may imply that its objective setting was more likely towards social objectives rather than economic ones.

3.6 TYPES OF CASD BASED ON ADVERTISING CONTENT

In relation to the content development of CASD, the observation of the content of social advertisements and generic advertisement can also lead to a further understanding of different forms of CASD:

1. Financial–oriented versus Issue-focused
2. Corporate Brand versus Product Brand Advertising
3. Internal versus External orientation

3.6.1 Financial–oriented V.S. Issue-focused

Social advertising can be generally divided into two types based on its advertisement content. It may either be developed for charitable or fund raising purposes (e.g. charitable donation for children in the third-world countries) or
promoting a social concept to raise public awareness of a certain issue (e.g. child abuse prevention, anti drink driving). By applying this difference to CASD, CASD can be divided into that of financial-oriented and issue-focused. The major difference between these two categories is that the former tends to encourage people to give away money either in the form of direct donation to the charitable organisations/individuals or through revenue-producing transaction which most directly enhances financial performance or sales of a product. As an alternative, advertising that falls into the second category solely advocate a social issue without persuading the audience to engage in money giving of any form (i.e. non-financial).

3.6.2 Corporate Brand V.S. Product Brand Advertising

Based on the emphasis of social dimension on marketing and corporate level respectively, Vadarajan and Menon (1988) distinguish the related activities between cause-related marketing conducts and corporate philanthropy actions. The former emphasises on sales promotion or with focus on a specific product brand while the latter emphasises on the overall company’s stance to a social cause and less mention on its product. Similarly, generic advertising can also be classified into corporate and product brand advertising (Shimp 2000). When this understanding is applied to CASD, CASD appears either as product-oriented advertising or a broader corporate-oriented advertising which may serve different purposes but both include social dimensions. Within marketing, branding and corporate identity studies, there is a growing awareness that corporate brands can increase the company’s visibility, recognition and reputation in ways not fully appreciated by product-brand thinking (Hatch and Schultz 2003). Table 3.2 highlights the several respects where corporate brand differs from product brand.
Table 3.2: Differences between product brands and corporate brands

<table>
<thead>
<tr>
<th>Focus attention on</th>
<th>Product brand</th>
<th>Corporate brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed by</td>
<td>Middle manager</td>
<td>CEO</td>
</tr>
<tr>
<td>Attract attention and gain support of</td>
<td>Customers</td>
<td>Multiple stakeholders</td>
</tr>
<tr>
<td>Delivered by</td>
<td>Marketing</td>
<td>Whole company</td>
</tr>
<tr>
<td>Communications mix</td>
<td>Marketing communications</td>
<td>Total corporate communication</td>
</tr>
<tr>
<td>Time horizon</td>
<td>Short (life of product)</td>
<td>Long (life of company)</td>
</tr>
<tr>
<td>Importance to company</td>
<td>Functional</td>
<td>Strategic</td>
</tr>
</tbody>
</table>


According to Garbett (1981), product advertising can enhance profits by its effect on sales where A/S ratio (Advertising/Sales) may be mainly considered. In addition, good product advertising can enhance a corporation’s image, especially if the product and corporation carry the same name. On the other hand, corporate advertising, can enhance profits by its effect on sales as well as the A/P ratio (advertising –personnel), i.e. the relationship of a good corporate program to better morale, reduced turnover, and easier recruitment (Garbett 1981). Cardona (1998) believes that consistent spending on corporate advertising can boost a corporation’s equity, similar in the fashion that product advertising is an investment in the product brand equity bank. Furthermore, by enhancing the parent’s company or corporate image as a good corporate citizen, for example, through corporate advertising, it can indirectly build a favourable brand image for the product especially the product carries the same name as the corporation (Till and Nowak 2000). As a result, good corporate advertising can make product selling easier. In general, corporate advertising is claimed by Garbett (1981) as more effective than product advertising in terms of enhancing a corporation’s image and reputation. Caruano (1997) points out that a company with a good overall reputation owns a
valuable asset or has a number of beneficial consequences. Such benefits can be linked to the intention to purchase of a service, perceived product quality, competitive advantage, attracting investor, strong organisational identification by employees, inter-organisational corporation between business partners, and citizenship behaviour.

Despite the benefits mentioned above, Balmer (2001) points out that the traditional focus on the external environment controlled communications (such as advertising), branding, visual identification and image research have, for the main part, focused on product-level rather than on corporate-level concerns. In reference to CASD, most research also focuses on product-based advertising where an economic or financial incentive is presented in the ad (Ross et. al. 1992; Dahl 1995; Berger et. al. 1999), rather than emphasizing on corporate advertising. When incorporating social dimensions in an ad, association in product brand advertising is found to have a direct impact on specific product attribute perceptions or direct effect on evaluations of the product. This is shown in the study of consumer persuasion through cause-related advertising by Berger et. al. (1999) who find out that inclusion of a cause claim in product brand advertisements has a very powerful effect on the brand attitudes and purchase intentions across differing levels of respondents’ initial involvement. They identify that cause claims could act as exceptional cues that create positive brand attitude. In addition Chaiken and Maheswaran (1994) also suggest that under conditions of moderate to low involvement, cause claims can work as biasing mechanisms that bias the viewer’s evaluation of brand arguments and thereby affect attitude towards the brand. Furthermore, it is also unveiled that a majority of consumers view such an advertisement favourably and it results in positive intention to purchase among a segment of the consumers (Ross et. al. 1992).

3.6.3 Internal V.S. External Orientation

As discussed in 2.3, the legitimacy evaluation of an organisation is based on whether the organisation’s actions are consistent with the welfare of the community and society as well as based on its ability to anticipate the future needs of the society which would lead to societal betterment. In addition to complying with
social ethical norms, corporations have the choice of seeking to modify others and harmonize corporate practices to social welfare (Nelson and Heath 1986). In other words, advertisers can inform audience of the social work carried out by the company (i.e. internal-oriented) through CASD to showcase how the company has harmonised its corporate practice to the social welfare. For example, announcement of corporate sponsorship of a cultural event that aims to promote racial integration. Alternatively, for CASD that is external-oriented, advertisers can deliver messages that aim to tell the audience of what they should do for individual’s and/or societal well being (e.g. preserving the cultural heritage) or to remind consumers of the taken-for-granted behaviour or belief present in the existing cultural system which is not beneficial to the society (e.g. chauvinism).

It should also be noted that at the organizational level, there is no clear cut definition of what socially beneficial message is, therefore some corporations can defend its action in their own justification. Besides, given the implication of legitimacy theory, advertisers’ sensitivity to the local or regional socio-cultural environment is important since business and social environment varies from country to country. As a result, at the societal level, what is considered socially acceptable advertising in one country may also generate a different response in other countries or regions (e.g. the Nike ad as mentioned in Section 3.2). Furthermore, some social issues can be highly controversial and cultural determinative, e.g. the association of sexually-related issue (e.g. contraception) in advertising may cause controversy in some conservative cultural context. As a result, under the theoretical umbrella of legitimacy, it highlights the need for a country-specific study for this social responsibility related topic.

3.7 CONCLUDING REMARKS

This chapter has looked into the reflexive quality of advertising in influencing the social values and morality of the community at large. The 21st century consumers are said to constantly seeking for self-identity through various sources such as mass media in general. By using a vast wardrobe of brands advertised through the media and the associated values attached to it such as social prestige, status or approval,
consumers are able to create an identity that they desire through consumption of some specific brands. Many scholars assert that visual image-based communication particularly television advertising is playing an influential role in shaping the consciousness of the consumers. In view of the distorted mirror, advertisers use values that fit their self-interest to increase a product’s importance or relevance to consumers so as to make sales. This is protested by scholars who claim that although advertisers’ ultimate goal is to increase sales, that goal should never be achieved at the expense of the well being of the society. Therefore, they should concern about the spiritual side of the human existence instead of over emphasising the materialism through promoting increased consumption. In short, they are assumed a responsibility to integrate good values and social issues through their commercial ads so as to help solving some social problems or engineering a social change that is beneficial to the individuals or society.

In general, CASD is different from social advertising and generic advertising in terms of their initiation, motivation, advertising subject, and objectives. With regards to the other characteristics of CASD, advertising that is incorporated with social dimensions may attempt to obtain financial support from the society through direct or indirect donation. Alternatively it may attempt to create awareness or enlist support of a certain social issue without asking for financial contribution. Besides that, advertising can be broadly divided into corporate advertising and product advertising. While both of such advertising with social dimension can build and enhance corporate or product brand image, corporate advertising is said to be more effective in achieving an enhanced corporate image and reputation as well as achieving other company-oriented goals such as increasing employee’s morale. Furthermore, when the delivery of social message in advertising is concerned, this gives rise to the internal and external emphasis of the social message in the ad. In other words, advertisers can inform the audience of the social deed that is exercised by the company at one hand so as to stress the importance of a certain issue through highlighting the contribution of the company towards the issue. On the other hand, they may opt to deliver enlightening messages which the audience can adopt or apply to their daily life.
Since legitimacy is only granted to companies of which their actions are desirable, proper, or appropriate within a specific cultural context or within some socially constructed system of norms, values and beliefs, a country-specific study is more meaningful for understanding the rationale and factors underpinning the instigation and development of CASD. The next chapter will review the unique socio-economic conditions of Malaysia that influence the corporate engagement in social activities as well as advertising presentation in mass media.
4. CHAPTER FOUR

MALAYSIA SETTING
4.1 INTRODUCTION

Albaum et. al. (1998) postulate that economic, social, cultural, and political factors that operate within a specific cultural and socio-economic system can influence the view that a particular society may have toward advertising in general and also the way advertising is developed. In other words, given that acceptability of CSR and advertising presentation vary according to their context, the understanding of the background of the researched country is important to make sense of the CASD practice. This chapter will first present a moderately detailed discussion of the socio-economic development and the cultural context of Malaysia so as to further understand the dilemma and social change of the country, and the ambition of the Malaysian government in this aspect. Then, the CSR practice in Malaysia is studied through exploring the social and environment reporting of companies operated in Malaysia. This is followed by an account of the Malaysian consumer expectation on CSR. Finally, a review of the general advertising practice in Malaysia is given to unveil how advertising is seen as a social engineering aid by the Malaysian government. This chapter concludes with a research framework that is established for the purpose of this study.

4.2 SOCIO-ECONOMIC DEVELOPMENT OF MALAYSIA

Malaysia gained its independence from the Great Britain on 31 August 1957 and has enjoyed its independence for 48 years in 2005. Britain ruled over what was then called Malaya until the Japanese invaded and outfought them in 1942. However, in 1945, Britain resumed control again when the Second World War ended. Until then, Malaysia’s independence movement had matured and the Federation of Malaya Agreement was signed on 31 August 1957 when Tunku Abdul Rahman became the first Prime Minister. The island of Singapore, part of Malaysia between 1963 and 1965, opted out of the union peacefully in 1965.

Today Malaysia consists of Peninsular Malaysia, extending from Thailand in the north to the Singapore causeway in the south, and the Borneo territories.
Peninsular Malaysia is made up of eleven states: Perlis, Perak, Penang Island, Selangor, Negeri Sembilan, Malacca, Johore, Pahang, Terengganu, Kedah, Kelantan. In addition, Kuala Lumpur, a federal territory, is the capital of Malaysia. The two additional Malaysian states, Sabah and Sarawak, lie east across the South China Sea on the Borneo Island (see figure 4.1).

Figure 4.1: Malaysia Map

Malaysia is one of the only two countries (Singapore is another one) in Southeast Asia which have held elections at regular intervals since they became independent (Andaya and Andaya 1992). The country practises a system of parliamentary democracy and is ruled as a constitutional monarchy, with the Yang di-Pertuan Agong1 as the Head of the country. Although the executive authority or the power to govern is vested in the Yang di-Pertuan Agong, it is exercised by the Cabinet of Ministers headed by the Prime Minister. In other words, it is the role of the Prime Minister, the Cabinet and the government administrative machinery which has been set up to carry out the executive functions. The separation of power occurs both at federal and state levels, as in keeping with the concept of federalism, which form the basis of the government administration.
The structure of the economy has become more diverse since Malaysia gained independence. The agricultural sector (including forestry and fishing) plays an important role in the Malaysian economy. Over the years, the manufacturing sector has emerged as the main source of growth and replaced the agricultural sector to be the leading sector in the Malaysian economy since 1987. The nation's overall model of development has relied strongly on a government-led strategy based on large-scale manufacturing financed by foreign direct investment. Its active participation in international trade alliances has strengthened its economic and social progress in the region as well as fostered the growth of its international status in the global community. Malaysia has become a member of the Association of South East Asian Nations (ASEAN) since 1967, Asia Pacific Economic Cooperation (APEC) since 1989, and World Trade Organization (WTO) since 1995.

According to the findings from Malaysia National Economic Action Council (NEAC), prior to the onset of the Asian financial crisis which began in July 1997, Gross Domestic Product (GDP) of Malaysia expanded at an average annual rate of 9% during the period 1987 to 1996 while inflation was contained at a low level of 3.5%. Despite the devastating impact of the financial crisis during 1997 to 1998, the economy has rebounded quickly to reverse the slide to record a 5.8% growth in output in 1999 (see Table 4.1).

Table 4.1: GDP Growth in East Asia, 1996-1999

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<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand</td>
<td>5.5</td>
<td>-1.8</td>
<td>-10.4</td>
<td>4.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>8.0</td>
<td>4.5</td>
<td>-14.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Malaysia</td>
<td>8.6</td>
<td>7.5</td>
<td>-7.5</td>
<td>5.8</td>
</tr>
<tr>
<td>South Korea</td>
<td>7.1</td>
<td>5.0</td>
<td>-5.8</td>
<td>9.0</td>
</tr>
</tbody>
</table>

Source: National Economic Action Council Malaysia

1 The Yang di-Pertuan Agong is the King or the Paramount Ruler. It is a position which rotates among the Sultan (State Rulers).
2 The country is the world's leading producer of natural rubber and a major producer of many other exportable commodities including palm oil, cocoa and pepper.
Due to the dramatic changes in the global competitive landscape, sustained economic growth, ensuing labour shortages and the rising costs, the country's traditional strength in labour-intensive industries has eroded. Knowledge and information technology are increasingly becoming the more important factors of competitiveness, instead of resources or availability of cheap labour. Based on the projection of NEAC, growth in the next decades would be led by both manufacturing and service sectors while the natural tendency will be for the services sector, which remains largely uncompetitive, to assume greater importance than manufacturing. Thus, a shift towards high technology manufacturing and high value-added services is found urgently needed by the government to cultivate the K-economy (Knowledge-based economy) environment. According to NEAC, K-economy should reflect the development of viable, profitable and high value added knowledge-intensive industries while in the meantime encourages optimal and ever increasing use and application of knowledge in all sectors of the economy in order to strengthen and modernize both manufacturing and services industries. Figure 4.2 illustrates the phases of economic growth in Malaysia since its independence.

**Figure 4.2: Malaysia - Phases of Growth**

![Diagram of Malaysia's economic phases](image)

*Source: National Economic Action Council (NEAC), Malaysia, 2000*

3 See official website of National Economic Action Council (NEAC) http://www.neac.gov.my/
Nevertheless, the NEAC has identified that there are however several issues need to be resolved such as educated and skilled labour force, a strong system of research and development centres, and availability of physical infrastructure. On the other hand, the social situation of Malaysia is intensified by its rapid transformation from a rural-agricultural to an urban commercial-based society. It is criticised by many local social critics that the changing economic structure has weakened traditional intergenerational bonds with the disintegration of the extended family structure. Problems affecting Malaysian youth have progressively been highlighted especially regarding their perception on family value. Traditional values such as filial piety and respect for the elderly which were reinforced through practical use in the extended family setting have been gradually neglected and individualism reigns in many nuclear homes. Besides, exposure to the new media explosion such as satellite television and the Internet is redefining the nation’s societal lifestyle perceptions.

The government has initiated the formation of the Cabinet Committee on social ills to deal with preventive and rehabilitative programmes. The Ministry of National Unity and Social Welfare has been established in 1990 to be responsible for managing the Department of Social Welfare and Department of National Unity that is accountable to the following social issues:

**Department of Social Welfare**

- Protection services for children, women, the disabled person, elderly and the poor;
- Rehabilitation services for juvenile, women, the disabled person and the poor;
- Rehabilitation services and aid for disaster victims;
- Policy and strategy formation, coordination and monitoring of children's development programmes and matters related to children;
- Child care services and care centres;
- Counselling services;

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- Legal and advocacy services for the Department;
- Consultation and advice for Non-Governmental Organizations, welfare funds, community development and voluntary welfare as well as promoting the private sector and corporate participation in social development programmes; and
- International affairs.

**Department of National Unity**

- Race relations;
- National solidarity;
- Ethno-social research;
- Rukun Tetangga (i.e. Principles of the country⁵) and unity kindergarten;
- National Integration.

The above issues reflect the importance of such issues concerned by the government to achieve social betterment. In fact, providing the ultimate backdrop to these programmes together with the socio-economic agenda to reduce poverty and restructure society is Vision 2020, a national agenda that sets out specific goals and objectives for long-term development of the country. The initial chief architect of this vision is the former Malaysia's Prime Minister, Tun Dr Mahathir Mohamad⁶ who is determined to transform the country to a fully developed, matured and knowledge-rich society by year 2020. This vision has also been shared and supported by the current Prime Minister, Dato' Seri Dr Abdullah Badawi. In accordance to the Economic Planning Unit from the Prime Minister's Department of Malaysia (2004), nine central strategic challenges will have to be met. They are:

1. establishing a united Malaysian nation;
2. creating a psychologically liberated, secure, and developed Malaysian society;

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⁵ refer chapter 8, section 8.4.5
⁶ Tun Dr. Mahathir Mohamad stepped down as the Prime Minister in October 2003. He has held office for 22 years since 1981, making him the longest-serving democratically-elected leader in Asia.
3. fostering and developing a mature democratic society;
4. establishing a fully moral and ethical society;
5. establishing a mature, liberal and tolerant society;
6. establishing a scientific and progressive society;
7. establishing a fully caring society and a caring culture;
8. ensuring an economically-just society; and
9. establishing a prosperous society.

4.3 CULTURAL CONTEXT

Historically, Malaysia was also once a colony to the Portuguese and Dutch before the arrival of the British. Ever since the first Europeans had landed in the country, great waves of immigration, mainly from China and India, had contributed much of the labour for the colonial development. Many of these immigrants had settled in the country since then and lived with the local Malay and indigenous tribes and their descendents become the Malaysians of today. According to the year 2000 census, Malaysia has a population of 23.27 million consisting of 61 percent Malays, 30 percent Chinese, 8 percent Indians and 1 percent of other ethnic groups. These three major groups are joined by other indigenous tribes, like Khadazan and Iban, many of which live in the forests and coastal areas of Sabah and Sarawak. In addition, there are also some small communities like Eurasians, whose ancestors are from Europe during the colonization period. Since no single group in Malaysia has a total majority like China or been assimilated like Thailand, its cultural mosaic is marked by many different cultures due to the different ethnic groups and their religious beliefs.

In Malaysia, language is seen as an important means of linking the nation together. Despite Malay language being the official national language and widely spoken by almost all Malaysians, the people from non-Malay category are free to use their mother tongue and other languages. Therefore, schools which use Chinese (Mandarin) or Indian language as the language of instruction are not uncommon.

\footnote{Quoted from a Malaysian governmental official website
http://www.kempen.gov.my/coci/malaysia_bg.htm}
to be found in the country. English as the second language in Malaysia is also commonly used in business and this language has been recently reinstated as the language of instruction in higher education. Apart from Mandarin, Malaysian Chinese also speak their own dialects like Cantonese, Hokkien, Hakka and Hainan which had been used by their ancestors from China. Most Indians in Malaysia speak Tamil, but numerous other regional languages from sub-continent are also spoken, e.g. Malayalam. Due to the diversity of the ethnic groups in Malaysia, it is quite normal for the citizens to speak more than one or two languages and it is not unusual to find advertisements broadcasted in these different languages through the mass media, especially in Malay, English, Mandarin, Cantonese, and Tamil.

Since Malay and Chinese represent over 90% of the population. These two cultures have significant predominant influence in shaping the culture of Malaysia as a whole as well as the way its influence on business administration. Under the Federal Constitution, Islam is the official religion of Malaysia but the population enjoys freedom of worship. Religion plays a predominant role in the Malay society and almost all Malays are Muslims. Although some Chinese are Muslim, majority of them are Confucianist, Buddhist, Taoist, and Christian or a combination of these. Hinduism and Christianity are common among Indians, but a significant number are also Muslim (Andaya and Andaya 1992).

The extent to which Islam plays on the Malaysian culture is to a lesser degree than in the Middle East countries which do not have the enormous percentage of culturally diverse immigrants as seen in Malaysia. In other words, Malaysia is a secular or modernised Islamic country where Muslims in the country are more flexible or more readily to accept the western or other cultures due to the presence of multi-cultures in Malaysia as well as the daily interaction with other cultures (Schütte and Ciarlante 1998; Deng et al. 1994). According to Deng et. al. (1994), there are however some specific practices of the Islamic faith which reflect the general lifestyle of Muslims in Malaysia that is quite different from that of other cultural groups:
The right to own property
Not allowed to accrue interest
Must share wealth with those less fortunate
Conservative dress for women in public
Strong obligation towards parents
Pray 5 times per day
Not allowed to consume pork or alcohol
Obligation to conform to sexual codes

As cited in the Malaysia Official Year Book 2000, Malay culture emphasizes values of courtesy, moderation, tolerance, harmony and cordial relations among family members, neighbours and community. While Malay culture can be defined through the Islamic faith and the interaction with different cultures, Chinese culture can be defined through the economic success (Deng et. al. 1994). The Chinese have historically been the consumer group with the largest buying power in Malaysia and they have been brought up in Malaysia to place a high value on commerce and education. This is probably due to the influence of the Confucian traditions which greatly emphasise on the value of scholarship and learning. Most Chinese believe in Confucianism, unlike Islam, focuses on the problems of everyday life rather than on the cosmic or metaphysical substance (Schütte and Ciarlante 1998). It also stresses on social harmony that requires the desires of the individual to be suppressed in favour of the requirements of the group. Therefore, family is regarded as the most fundamental group in life as it provides the individual's first experience in learning the importance of group belongingness (Schütte and Ciarlante 1998). It is believed that harmonious families are the building blocks of a harmonious society. Indeed, this emphasis on family and strong group orientation is also revealed in Islamic values. Due to the emphasis of family unity in Malaysian culture, messages related to this can be found in many advertisements broadcasted over media (Holden 2001).

Alternative to this tradition, Taoism, a contemporary of Confucianism, has also influenced many Chinese in Malaysia. Taoists generally have an interest in promoting health and vitality. They believe man should learn to adapt to the
nature harmoniously and accept both the good and bad since they are entangled with one another and are also the cause of one another (Schütte and Ciarlante 1998). It emphasises on the inner spiritual concentration and puts aside the external concerns, such as monetary rewards, fame, and praise (Berling 1982). According to Berling (1982), these two traditions of Taoism and Confucianism can coexist within the same individual either at different phases of life or as different sides of personality and taste. On the other hand, Malaysian Chinese and some Indians are also influenced by Buddhism of which the belief was originated from India in about 500 BC. This is one particular religion which in some way quite similar to Islam that professes a simple way of life without a lot of material objects. Buddhism emphasises on the continuous search for enlightenment by first establishing a firm moral base within individual. This idea also makes it part of the karma system of cause and effect where the effect of the cause made in current life could be found in the next life (Swearer 1998). Thus, one must be concerned with the status of future reincarnations and seek to be blameless and virtuous. In Table 4.2, the researcher attempts to pinpoint some of the prominent characteristics or values in the four major traditions that influence the Malaysian population especially among the Malay and Chinese groups. These cultural implications may remind responsible advertisers to take into account of the spiritual side of social expectation.

Table 4.2: Religious Values in Four Major Traditions

<table>
<thead>
<tr>
<th>Beliefs</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamic</td>
<td>Courtesy, moderation, tolerance, harmony, cordial relations among family members, neighbours and community</td>
</tr>
<tr>
<td>Confucianism</td>
<td>Loyalty to the state or emperor, respect for elders, filial piety, faith in friendship, reciprocity in human relations, education and cultivation</td>
</tr>
<tr>
<td>Buddhism</td>
<td>Karma system, enlightenment, moral building, and education</td>
</tr>
<tr>
<td>Taoism</td>
<td>Nature, health, nature, moral, spiritual concentration, adaptation, harmony of opposites, peace</td>
</tr>
</tbody>
</table>
Although each of these cultures from different ethnic groups has vigorously maintained its traditions and community structures, they have also blended together to create a contemporary Malaysia’s uniquely diverse heritage. For example, intermarriage of the couples from the local Chinese community and the Malay community has formed the “Babas” (for male) and “Nonyas” (for female) culture which produced a synthetic set of practices, beliefs, and arts, combining Malay and Chinese traditions in such a way as to create a new culture. Additionally, there has also been a long historical presence of western ideologies in Malaysia since the colonization periods and Malaysia was under the British rule for almost a century. Moreover, after the independence, the Malaysian government has encouraged western foreign direct investment with much enthusiasm. With the high investment and physical presence of western multinational corporations over the years, the country has established a relationship between western individualistic and eastern collectivistic ideologies. Indeed, there is not an easy way to describe the culture of the country as a result of the heterogeneous cultures of the Malaysian population. Even within each ethnic group, people have a different perception on who they are, what they are allowed to do and what their role is as a member of the society due to the subtle interplay between individual ethnic traditions and that of others.

In spite of the mixture of cultures or subcultures, Malaysia is more oriented to the Asian collectivistic cultures than Western ideologies. In general, Malaysia has successfully held the balance between its different ethnic communities while maintaining and economic growth which is the envy of many of its neighbour (Andaya and Andaya 1992). Nevertheless, it is not without racial prejudices held by each of the three main races towards each other. For example, there have been long standing cultural stereotypes which concern the superstitious and materialistic Chinese who usually engaged in commerce, the slothful Malays who are bureaucrat and peasants, and the combative Indians who work as professionals or estate labourers. (Holden 2001). In fact, the racial issues have long been a political sensitive topic in the country and have caused a dilemma which the government has been striving to remedy or alleviate.
4.4 MALAYSIAN DILEMMA, SOCIAL CHANGE AND ROLE OF THE GOVERNMENT

Malaysia had undergone a serious racial riot in May 1969. The major cause of the riot was the income inequality between two major racial groups: the Malay (who held the political power) and the Chinese (who held great economic power). This tragedy was the turning point in Malaysia’s political history because it caused for more stringent government intervention towards ethnic relations (Nгу 1996). The New Economic Policy (NEP) was then launched to combat the socio-economic problems with the overall objectives of eradicating poverty regardless of race, and of restructuring the society so that no one particular race is identified with a particular profession or dominates the economic resources. The government also set the objective to help the then deprived Malays to improve their socio-economic condition, for example, enabling them to own 30 percent of the country’s economic wealth by the year 1990. In June 1991, the New Development Policy (NDP) was announced which has similar goals to those of the NEP namely the eradication of poverty and the restructuring of the society to correct economic and social imbalances in order to achieve a more equitable distribution of wealth. However, while the 30 percent target for bumiputra (indigenous Malay) corporate ownership was retained, there was no deadline for its achievement. Other efforts like educating Malays, introducing quotas in college admission were also introduced to resolve Malay displacement in the economy.

These efforts nevertheless generated some grievances from the Chinese and Indians who regarded this as an unfair treatment since many privileges were only given to the Malay group. The Chinese and Indian groups voiced that reciprocal efforts were not being made by the government on their behalf and their traditions were displaced or devalued in favour of Malay tradition where the national culture in Malaysia became more and more identified with Malay beliefs and practices (Holden 2001). Generally, they feared the government policy would be ‘Islamicised’ or their ethnical identification would be assimilated.
Quoted from the former Malaysian Prime Minister Tun Dr. Mahathir Mohamad’s speech in 1997 (cited in Holden 2001).

“Our first objective is the challenge of establishing a united Malaysian nation with a sense of common and shared destiny….[a nation] made of one open ‘Bangsa Malaysia [Malaysian race] with political loyalty and dedication to the nation’

However the dilemma is identified by Holden (2001) that if the country imposes Malaysian of all races to follow the Malay traditions and customs, this would jostle the resentment from non-Malays. On the other hand, if individual ethnic identification is openly addressed, unification is rendered less possible. Indeed, the emphasis or assurance of the multi-cultural uniqueness of the society has been constantly addressed in many of the official speeches given by the former or current Malaysian Prime Ministers. In one of the speeches addressed by the current Prime Minister Dato’ Seri Dr Abdullah Badawi, he noted,

The philosophy underlying Malaysia’s development is that growth is not to be pursued as an end in itself. Economic growth alone cannot guarantee national unity and social harmony, which are the most important tenets for a plural society like Malaysia. In our multi-ethnic, multi-religious and multi-cultural society, it is crucial for national unity to be the overriding objective and the goal of national development.

Holden (2001) also points out that the most modern dilemma or challenge confronted by the Malaysian society exists in the trend of globalization or global capitalism. The President of Malaysian Consumers Association of Penang (CAP), Haji S. M. Mohamed Idris regards the erosion of the indigenous value in the society as “lifestyle diseases” which he claims to have become the number one killer in many countries including Malaysia along side with those new deadly diseases and rampant cancers. In response to the force of globalisation, Tun Dr Mahahir has given his views on western modernisation versus eastern thought and asserted that Malaysians must strive for what he calls open regionalism while also preserving their own distinctive cultures (Mohamad and Ishihara 1995).

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According to him, the goal is to foster peace and mutual prosperity through cooperation based on friendship and community feeling. He admits the need to adapt to western industrialisation to the country’s needs but not totally succumbed to the Western culture i.e. to master the industrial skills of the west and yet retain eastern cultural values. In his speech delivered at the ‘Vision 2020 National Congress’ in 1997, the former Prime Minister said,

Modernisation is not Westernisation or Japanisation or Easternisation or Asianisation. The motherland that must be fully developed by 2020 must be uniquely modern - . . in keeping with the progress that the world has made in every field by then and yet remain uniquely Malaysian.

Holden (2001) sees such ambition as problematic or unlikely to be achieved as societal value change is inevitable due to the persistent force of capitalism. He subscribes to Gidden’s (1979) idea of ‘structuration’ as an explanation of social activity. It is argued that the good and bad values or eastern or western values would all get mixed together over time as “every human component responds to his or her own interest, needs, urges, aspirations and bounding imperatives. By the time dust has settled, very few local standards remain strong enough to stand sentinel, challenge or censor the all-consuming vision” (Holden 2001: 280). Indeed, no culture is static particularly in the midst of globalisation where mass media, flowing primarily from the U.S. has played a central role in creating the global consumer culture (see Alden 1999). However, Frith and Frith (1990) argue that some traditional cultural characteristics and values are based on a system of clear and consistent rules and procedures that have endured for many generations, therefore it will not be discarded easily.

The Malaysia government has been striving its way to retain its traditional cultures to serve as an example of how the country can flexibly adapt to the modern life harmoniously while preserving the essence of the local cultures. This can be exemplified by the way Islamic banking system was implemented in Malaysia. For example, in order to get around the Koranic prohibition on charging or receiving interest, Islamic Market Indexes were created for people who wish to invest according to Islamic investment guidelines or to the Shari’ah principles (Islamic Law). Thus, stocks of companies in businesses like alcohol, pork-related
products, conventional financial services, etc are not listed in this index. The AmBank Group in Malaysia has launched Als-Taslif card (Islamic credit card) designed to reject charges for nightclubs, massage parlours and other religionary undesirable activities. In this way, Muslim in Malaysia can flexibly fit into a modern life through innovative ideas that have allowed strict adherence to Koranic code within the context of modernity.

The debate on the pros and cons of globalization on social values especially for developing countries may continue, however perhaps what most important is the compatibility of the new social values to the social environment or the cultural norms that would bring larger good to the society. The next section will look into the CSR practice in Malaysia. Chambers et. al (2003) claim that higher levels of social development provide greater demands for CSR. It can also be argued that greater demand of CSR is needed to achieve a higher level of social development because the responsibility of national social development should not only be placed on the shoulder of the government.

4.5 CORPORATE SOCIAL RESPONSIBILITY IN MALAYSIA

According to Andrew et.al. (1989), one way of studying the CSR in general of an organisation is through its corporate social disclosure or external social reporting to the public. This is especially relevant to the current study of CASD because corporate social reporting also examines CSR through corporate communication externally. Over the recent years there have been scholars discussing the corporate social disclosure or environmental reporting in Malaysia (e.g. Chamber et. al. 2003; Hassan and Hung 2003; Tee et. al 2003; Hossain, et. al. 1994; Tan et. al. 1990). It is found that corporate social disclosure in Malaysia was almost non-existent in the early 1980s (Teoh and Thong 1984). It is only by the latter part the decade, this practise has been slowing making its presence felt. A content analysis of 119 annual report of public-listed companies in Malaysia and Singapore was carried out by Andrew et. al (1989) to study the social disclosure practices in Malaysia and Singapore. Compared with the small companies, the findings suggest that there is a higher proportion of large and medium sized public listed
companies which made social disclosures. A closer examination also indicated that the larger companies were mostly foreign-owned. Due to their greater visibility, a greater social commitment and its disclosure in the report was a way of defending themselves from criticisms that they were only concerned with exploiting the economic resources of developing countries (Teoh and Thong 1984).

There are also studies looking at the differences exist in terms of themes and extent of disclosure in annual report or corporate official websites (Andrew et. Al. 1989; Williams and Ho 1999; Chambers 2003). In assessing the annual reports, Andrew et. al (1989) find out that the majority of companies in Malaysia made disclosure on one theme and the most commonly disclosed theme is human resources which emphasize on employee welfare activities like health clinics and provision of housing. The researchers explain that those companies in the developing countries might have been aware of the concern by the local governments to improve the working condition and living standards of the workers. Other themes of disclosure are community involvement, environment, products and others. On the other hand, in a study on CSR website reporting in seven Asian countries, Chambers et. al. (2003) identify that employee welfare, environmental codes in production process, community development in terms of environment and conservation, education and training, and community welfare are the most frequent addressed issues in the Malaysian companies’ websites. Indeed, there is growing concern of the environmental policy in Malaysia due to greater western environmental expectation and standards above those demanded by domestic regulations (Perry and Singh 2001).

In relation to the extent of social disclosure, most findings indicate that social reporting has not been extensive in Malaysia either in annual report or website reporting. According to Andrew et. al. (1989), small and medium sized companies tended to make disclosure of less than 0.25 page in the annual report whereas disclosures of more than 1 page length were mainly from large companies. Besides, Chambers et. al. (2003) point out that there is relatively low percentage of companies in Malaysia report extensively (i.e. over ten pages) of their social activities in their website. Although the amount of corporate social disclosure by
Malaysian companies is limited, there is evidence to show it is growing (Thompson 2002). Nevertheless, in general the extent of CSR website reporting in Asia lag behind the U.K. (Chambers et. al. 2003). Perry and Singh (2001) postulate that further improvements in this practice are more likely to come from the larger and foreign-owned companies which made extensive social disclosure.

Apart from lack of a recognized reporting framework, cost of reporting, and fear of how readers will react, there maybe companies in Malaysia which are socially or environmentally responsible but are simply reluctant to report (Thompson 2002). Perry and Teng (1998) identify three main reasons from the non-disclosing companies to be: a lack of government pressure; a lack of perceived benefit, either in status with consumers or within the business community; and a perception that their organization does not have an environmental impact. Applying Roche's (2000) explanation of the Singaporean's slow take-off of CSR, Thompson (2002) argues that Malaysia, like Singapore, has a 'nanny state' that can be seen to exempt companies from certain social responsibilities on account of the fact that the government fulfils them. In other words, companies tend to rely on the government to take up the tasks of social responsibility.

Many commentators also suggest that the Malaysian government should play a more pro-active role in encouraging social reporting. In fact, the Kuala Lumpur Stock Exchange (KLSE), the Malaysian Institute of Accountants (MIA), and the Malaysian Institute of Certified Public Accountants (MICPA) have launched the National Annual Corporate Awards (NACRA) in 2000 to endorse the presentation and reporting of financial and social information. The KLSE Corporate Awards was also initiated by KLSE in the same year to encourage companies to demonstrate high standards of corporate governance, disclosure and transparency.

Others also reckon this practice will only be taken seriously when it becomes a mandatory requirement. In fact, the Malaysian government has instilled extensive legislations to help protect the environment, such as Environmental Impact Assessment (EIA) legislation which makes it compulsory for major development projects to have an EIA. However as discussed in Chapter 2, CSR is more than about fulfilling economic and legal responsibility so it is time for businesses in
Malaysia to deal voluntarily and proactively with CSR issues apart from merely conforming to the government’s legislation or demand.

Perry and Singh (2001) suggest that the most important driver behind the practice of corporate environmental reporting is corporate pressure to standardise the environmental performance of affiliates in different foreign locations so that local companies may learn from these foreign multinational corporations and emulate the practices. In addition, the role of an accountant in promoting CSR and social reporting is not to be underestimated. In the opinion of Roger Adams, the executive director of technical research at the ACCA, most Asian accountants are unaware of the important role they can play in the sustainable development of their country and their business. Therefore ACCA is trying to create a greater awareness of their role through seminars and talks on the subject.

On the other aspect, it would be wrong to conclude the social and environmental responsibility is lacking in Malaysia as there is substantial evidence to the contrary. For example, Thevaraj (2002) has identified a large number of Malaysian companies have ISO 14001 Environmental Management System certification, proportionately more than many developed and developing countries including the US, France, India, and China. It is also found that many of these companies may be smaller unlisted companies since they are suppliers to foreign multi-national corporations that insist on the certification as a pre-condition for securing supply contracts. Nevertheless, in general, the business culture in Malaysia is one of tending only to do what one is mandatory to do and no more (Hossain et. al. 1994; Tan et. al. 1999; Perry and Singh 2001; Thompson 2002). In other words, regulations have forced local companies to achieve a certain minimum standard of social and environmental responsibility where companies only need to convince the authorities that they are in compliance with the regulations. Hence, it can be argued that the state of voluntary corporate social disclosure in Malaysia is generally lagging behind those in the U.K. or North America. Furthermore, the CSR practices which involve voluntary action may be considerable lower comparable with that of many advanced Western economies.
4.6 MALAYSIAN CONSUMERS’ RESPOND TOWARD CSR

Result of ‘The Millennium Poll on CSR’, as shown in Figure 4.3, reveals the Malaysian public expectation on the role of large companies. Based on the survey, Malaysians in general believe that large companies should strive for the balance between making profit, paying taxes, creating jobs, and obeying all laws as well as setting higher ethical standards and help building better society. However, in comparison with other developed countries like Australia, USA. Canada and the U.K., Malaysian public is still having lower social expectation than those developed nations. Thus, in spite of the growing concern of the social responsibility of business among Malaysian citizens, their expectation beyond the economic and legal responsibility is still lower than people in those western developed countries as mentioned.

These findings are consistent with the studies of Burns and Brady (1996) and Singhapakdi et. al. (1999) which indicate that Malaysian consumers tend to have less favourable attitudes toward business and salespeople however they have set lower moral standards towards businesses than consumers in developed nations like the U.S. or U.K.. The relatively lower level of social concern in developing nations like Malaysia can be explained by the economic disparity between these two nations (Thorelli and Sentell 1982). Accordingly, consumers in developing nations, where their economic condition is relatively less prosperous than those in developed countries, such as the U.S, tend to place more importance on pursuing economic initiatives rather than giving time for social issues. Therefore they are also more concerned about the economic performance rather than the social performance of the country or of a company.

By applying the scale of idealism and relativism (see Forsyth 1980) in their survey on personal ethical moral attitudes in Malaysia, Singhapakdi et. al. (1999) have grouped Malaysian consumers as ‘subjectivists’ who are less idealistic and more relativistic in their moral philosophies than consumers in USA. According to Forsyth (1980), subjectivists reject moral rules (high relativism) and are also less idealistic about the possibility of achieving humanitarian goals. As such, their moral decision is subjective and their individualistic judgments cannot be made
on the basis of more "objective" information, such as universal moral principles or the extent to which the action harms others. In other words, Malaysians may tend to be more flexible in their beliefs, instead of following the absolute principles. Based on their research, Singhapakdi et al. (1999) conclude that Malaysian consumers are less sensitive to unethical marketing practices than the USA consumers.

**Figure 4.3: Public Expectation on the Role of Large Companies**

<table>
<thead>
<tr>
<th>Role of Large Companies in Society</th>
<th>Make profit, pay taxes, create jobs &amp; obey all laws.</th>
<th>Operate somewhere between the two positions.</th>
<th>Set higher ethical standards &amp; help build better society</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>6</td>
<td>43</td>
<td>45</td>
</tr>
<tr>
<td>Canada</td>
<td>11</td>
<td>45</td>
<td>43</td>
</tr>
<tr>
<td>USA</td>
<td>11</td>
<td>53</td>
<td>35</td>
</tr>
<tr>
<td>Great Britain</td>
<td>17</td>
<td>42</td>
<td>39</td>
</tr>
<tr>
<td>Spain</td>
<td>22</td>
<td>41</td>
<td>29</td>
</tr>
<tr>
<td>Uruguay</td>
<td>22</td>
<td>26</td>
<td>38</td>
</tr>
<tr>
<td>Mexico</td>
<td>25</td>
<td>26</td>
<td>35</td>
</tr>
<tr>
<td>Poland</td>
<td>28</td>
<td>32</td>
<td>31</td>
</tr>
<tr>
<td>Russia</td>
<td>28</td>
<td>21</td>
<td>23</td>
</tr>
<tr>
<td>Malaysia</td>
<td>28</td>
<td>37</td>
<td>30</td>
</tr>
<tr>
<td>Argentina</td>
<td>29</td>
<td>34</td>
<td>33</td>
</tr>
<tr>
<td>Italy</td>
<td>30</td>
<td>31</td>
<td>36</td>
</tr>
<tr>
<td>Japan</td>
<td>32</td>
<td>16</td>
<td>33</td>
</tr>
<tr>
<td>Germany</td>
<td>33</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Indonesia</td>
<td>34</td>
<td>29</td>
<td>35</td>
</tr>
<tr>
<td>South Africa</td>
<td>35</td>
<td>23</td>
<td>34</td>
</tr>
<tr>
<td>India</td>
<td>36</td>
<td>17</td>
<td>46</td>
</tr>
<tr>
<td>Venezuela</td>
<td>37</td>
<td>25</td>
<td>35</td>
</tr>
<tr>
<td>Turkey</td>
<td>37</td>
<td>16</td>
<td>30</td>
</tr>
<tr>
<td>Nigeria</td>
<td>42</td>
<td>32</td>
<td>24</td>
</tr>
<tr>
<td>China</td>
<td>44</td>
<td>22</td>
<td>31</td>
</tr>
<tr>
<td>Dom. Rep.</td>
<td>45</td>
<td>16</td>
<td>34</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>48</td>
<td>23</td>
<td>18</td>
</tr>
</tbody>
</table>

*Source: The Millennium Poll on corporate social responsibility*

In reference to the observation from the Malaysian Consumer Association (CAP), many people tend to be too complacent, too frightened or too polite to complain officially in Malaysian society. The president of the association believes the suppression of resentment and discontentment could probably be due to the
country's colonial history. Another explanation is that there are not as many consumers and other interest groups in developing countries as compared with those in developed countries which are powerful and articulate enough to put pressure on companies to be socially responsive (Andrew et. al. 1989). Besides, Zinkin (2003a) finds out that in Malaysia, corporate donation has been widely practiced by Malaysia companies and a majority of consumers seem to be satisfied with this philanthropic style instead of demanding greater CSR involvement from these companies. When there is a low societal expectation or pressure towards business, business is not motivated or pressured to strive harder for the communal benefit unless it is mandatory by law.

4.7 ADVERTISING IN MALAYSIA

Advertising Standard Authority of Malaysia (ASA) has been established as a positive form of self-regulation within the advertising industry and this body administers the Malaysian Code of Advertising Practice. It is a fundamental part of the control system which regulates the advertising activities in Malaysia. The responsibilities for observing the code rests primarily with the advertisers but it also applies to any advertising agency or media owner involved in the publication of the advertiser's message to the public. In addition, the Code is supplemented by special conditions required by individual media like the television and radio have their own codes which are under the control of RTM (Government-owned Broadcasting Station). ASA maintains a close contact with central and local government departments, consumer organizations and trade associations, and deals with complaints received through them or direct from the public.

Waller and Fam (2000) points out that there are certain socially sensitive products that could not be legally advertised in Malaysia media, except in Internet where there is no restriction. These products include racially extremist groups, guns and armaments, gambling, religious denominations, political parties, and funeral services. Other controversial products such as alcohol, cigarettes, condom, female contraceptives, female and male underwear, female hygiene products, pharmaceutical products are perceived to be able to advertise with limitations. On
the other hand, sensitive ads related to sexual disease (such as AIDS prevention), charities and weight loss programs are seen as being free of restrictions.

Besides, given the country’s multicultural and multiethnic composition, the mass media in Malaysia are also diverse and varied, with specific media catering to the needs of certain ethnic groups (Nгу 1996). For examples there are radio channels or newspaper where only Chinese language is used. Additionally, since Malays are not allowed to carry out some activities, such as gambling and alcohol consumption, due to their religious constraints, only Chinese, English and Indian language newspapers and magazines are allowed to carry both gambling and alcohol advertisements provided that they do not encourage such behaviour.

According to the Malaysian Consumer Association, television is an entertainment and educational medium meant for everyone so what comes over the screen requires a great responsibility. In fact, the effort to resolve Malaysia’s critical social dilemmas can be clearly discerned in television advertising where the government seeks to employ the pervasiveness of media to achieve its multiple social agenda of maintaining social harmony and advancing societal development (Holden and Husin 2002). Therefore, many ad restrictions can be found in Advertising Code for Television and Radio (1990).

Since Malaysian advertising has experienced a history of dominance by large western trans-national advertising agencies of which the staffs tend to be foreign-trained and expatriated-managed, the generative cultural values in multinational advertising are mostly Western-oriented (Nгу 1996; Ramaprasad 1998). As a result the Malaysian government has imposed control on advertising content to ensure its reflection on Asian or more specifically Malaysian culture and values such as humility, gentility, and modesty (Omar 1985). Although the question of differences in western and eastern values has been subject to much debate, it is possible to derive some broad differentiating facets or qualities. Table 4.3 lists the prominent differences between the traditional Asian values and Western values that offer implication to the communication of message in these different cultural context (refer Kincaid 1987; Frith and Frith 1990; Ramaprasad 1998; Schütte and Ciarlante1998)
Table 4.3: Asian and Western Values

<table>
<thead>
<tr>
<th></th>
<th>Western</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Principles</strong></td>
<td>Protection of the rights of the individual, such as personal freedom, and human rights</td>
<td>Group values favoured, emphasis on spiritual harmony between man and nature, achieved through transcending personal interest.</td>
</tr>
<tr>
<td><strong>Mode of societal organisation</strong></td>
<td>Horizontal structure: Individualistic, egalitarian, maintaining the political, social, and economic freedom of the individual. Emphasising self-realisation and the subjugation of human and natural resources to individual control to achieve individual and group goals</td>
<td>Vertical Structure: Communal, autocratic, hierarchical, conservative traditions that emphasise social harmony and meeting one's duties to the collective. High importance on consensus. Circumspection and Self-restraint are valued</td>
</tr>
<tr>
<td><strong>Appraising others</strong></td>
<td>Lesser importance attached to age in determining respect</td>
<td>Greater importance attached to age in determining respect. Respect of authority and for elders, and the family</td>
</tr>
<tr>
<td><strong>Appraising oneself</strong></td>
<td>High self-esteem: Assertiveness and self-assuredness High perceived potency: individualistic and achievement orientated</td>
<td>Low self-esteem: modesty and self-effacement Low perceived potency: collectivist and ascription oriented</td>
</tr>
<tr>
<td><strong>Scepticism</strong></td>
<td>Remain sceptical of intuitive perception as it is difficult to represent verbally and to measure</td>
<td>Remain sceptical of conceptual thought and its verbal representation</td>
</tr>
<tr>
<td><strong>Communication</strong></td>
<td>Direct, upfront, and explicit, rational reflection</td>
<td>Indirect, implicit, symbolic, and understated, reflective imagination, metaphor</td>
</tr>
</tbody>
</table>
Ramaprasad (1998) reveals that Malaysian youths' (mainly students, aged 25 years old in average) preference is more in line with western communication values than Asian ones. Accordingly, they want advertising contents to be 'direct and specific, have information on the product and brand name, be objective and use a rational appeal' and they also want advertising to be “factual and somewhat loud and overstated”. However, they believe that advertising should be “polite, not commanding or urging to action oriented as much of Western advertising is” and they “preferred the use of group appeals to individual appeals”. Ramaprasad (1998) concludes that Malaysian youths appear to be undergoing a transition adopting more Western communication values for advertising. This finding somehow implies the dilemma in advertising development in Malaysia, i.e. whether to adapt to the current taste or preference of consumers or to shape the value in accordance to the national social policy in enforcing the indigenous values.

In order to reduce the elements of foreign culture in advertising, the Advertising Code for Television and Radio (1990) was designed to safeguard advertising and the consumers against the influence of foreign cultural values. For example, this is explicitly stated in the Code which disallowed “adaptation or projection of foreign culture which is not acceptable to a cross-section of the major communities of the Malaysian society either in the form of words, slogans, clothing, activity or behaviour” and prohibited those “depict ways of life that are against or totally different from the ways of life followed by Malaysians (Malaysian Society). Examples of these aspects are disco scenes, intimate or suggestive nature, clothing imprinted with words or symbols conveying undesirable messages or impressions, and kissing between adults”. The reason of having the institution of this regulations is due to the belief of the local government that not all its citizens are prepared to fully accept all aspects of Western culture (Deng et. al. 1994; Ngu 1996; Waller and Fam 2000).

In addition, the Ministry of Information has, since the early 1970s, imposed the Made-in-Malaysia (MIM) rule, which required all advertisements to be produced locally and must obtain (MIM) certificates from FINAS (National Film Development Corporation Malaysia). Foreign scenes or technologies could only
be used after prior approval from the Ministry of Information unless the technologies or footage are unavailable in the country. This MIM rule aims to protect the relatively new local film and advertising industry. As stated in Advertising Code for Television and Radio 1990, "Models, narrators and singers must be Malaysians projecting the Malaysian identity and technical and creative staff must be Malaysians. Prior approval from FINAS and a work permit(s) must be obtained for use of expertise from outside Malaysia". Indeed, the government has applied stringent censorship and review of the contents of advertisements before they are broadcasted to ensure the contents are complying with the moral sensibilities of the community. Appendix 4.1 illustrates the process that a TV commercial needs to go through before it can be officially broadcasted.

Those regulations mentioned above had however been criticised as increasingly out of sync with the world of satellite broadcasting, multimedia and the Internet (Kilburn 1997). The local advertising agencies agree that the MIM rule did initially help to develop a strong, well equipped film production industry however as time passes by, this rule was said to isolate the local ad industry from exposure to, and competition with advertising created elsewhere. In addition, it increased costs for advertisers that wish to run regional or global campaigns with the same creative work, since spots must, by definition, be re-shot in Malaysian style. Frith and Frith (1990) says that advertisements need not be imported from the West to express Western cultural values since such values could also be inserted by the local recruits of advertising agency or advertisers who prefer to adopt the Western style and who tend to regard indigenous culture as out-of-date. In other words, it is important to note that the preservation of the local cultural values lie in the hands of those ad creators or the advertisers instead of simply rejecting foreign ads or scenes to be broadcasted in the country, not to mention some foreign ads which do not run against the local culture, for example ads that promote environmental issues. Nowadays, those strict regulations relax over the time where some foreign commercials have begun to make their presence on the television in the country. The government has also relaxed the ruling on sex related advertisements mainly due to the rise in sexually related diseases, e.g. AIDS. This ruling only applies to advertisements that make the public aware of the risk of the disease instead of encouraging promiscuity (Waller and Fam 2000).
In spite of some relaxation of the advertising codes, according to Waller and Fam (2000), the advertising regulations in Malaysia generally reflect the national aspirations of achieving a Malaysian identity and culture. Holden and Husin (2002) find that among the themes lying barely beneath the surface in Malaysian television advertisements are education, family, civic mindedness, cultural integrity, racial harmony, national identity, consumerism, leisure, and development. Accordingly, television commercials are seen as “carefully-crafted moral guides”, to be employed not just by companies to sell products or image but by the government to instruct and guide citizens toward appropriate behaviour and preferred social values. Advertisers are required to ensure decency of advertisements which should not contain elements that are likely to cause serious or widespread offence to the social norm. One of the preamble abstracted from the Malaysian Code of Advertising Practice and Advertising Code for Television and Radio (1990), state that

*Advertisement must project a better quality of life for all Malaysians, inject civic mindedness and desired behavioural attitudes in life, such as queuing up when boarding a bus etc. and keeping public places clean. Other than the commercial objective all advertisements must convey a second message such as messages calculated to bring about discipline, cleanliness, healthy living or industrious attitudes.*

This preamble has brought out some characteristics of CASD as discussed in 3.3 where social and commercial elements are detectable in the ad. It also reflects the uniqueness of the advertising requirement in the country where it declares unequivocally that advertisements need to assist in building a nation with high morality and promote social responsibility. Although, Holden and Husin (2002) describe Malaysian television advertising as “a media world where popular culture communications carry social messages and where the promotion of correct public values is part and parcel of the promotion of product sales”, it has been argued that not many advertisers adhere to the second message requirement in their advertisements (Ngu 1996). In fact, according to Malaysia Communications and Multimedia Act 1998, Section 99, compliance with a registered voluntary industry code shall not be mandatory and shall only be a defence against any
prosecution taken against the related body regarding a matter dealt with in that code. Therefore, from the government’s perspective, the advertising code is not an end in itself, requiring complete and literal compliance, but a means of satisfying and balancing the demands of various environmental forces (Holden 2001). It also reflects the government’s effort in seeking flexibility in confronting the globalization force or environmental changes while in the mean time attempt to protect the country’s local industry and culture.

4.8 CONCLUDING REMARKS AND RESEARCH FRAMEWORK

This chapter has looked into the socio-economic and cultural background of Malaysia in order to better understand the context within which businesses in Malaysia operate. Being a developing country, companies in Malaysia may not be subjected to the same types of environmental pressures that encourage responsible business in the richer industrialised countries due to political, economic and cultural difference. Although the economy of Malaysia is largely market-based, the government takes an active role in economic as well as social development of the country. As a result, the concept of CSR is not unfamiliar to the local business community although the practice of CSR is quite different in the West. With relatively heavy involvement of the government in the business, many issues that companies have to think about are being handled as part of the NDP and Vision 2020. This leads to the lack of pro-active role of Malaysian businesses in CSR involvement especially when there is no mandatory requirement to do so. Besides, due to the disparity in cultural and economic conditions, Malaysian consumers have relatively lower expectation on corporate social conduct compared to consumers in advanced western countries. Therefore businesses are less motivated to strive for higher social contribution beyond conformation to the legislation.

Given the multi-racial and cultural nature of the country, ethnic harmony, national identification and challenges of global capitalism are some of the most pressing social concerns in the country. The government seeks to employ the tool of television advertising as one way to confront the imposing challenges. It expects
businesses to include a secondary social message in their advertisements where advertisers are to comply with this self-regulation requirement on a voluntary basis. Although previous studies reveal that large companies and especially those trans-national companies are more likely to engage in social disclosure, there is no study yet to indicate that these large and trans-national companies are more likely to involve in advertising with a social dimension.

In addition, Holden and Husin (2002) revealed that many Malaysian television advertisements contain social messages. However, there are researchers and advertising practitioners who are doubtful whether the advertisers in Malaysia actually adhere to the requirements (Ngu 1996). Due to these different comments, they imply the possibility of the existence of different perception and interpretation of what constitutes social-oriented message or social dimension. Therefore, it is worth to investigate how the preamble of the second message requirement has been interpreted and to analyse how CASD has been presented over television in Malaysia or the characteristics of CASD in Malaysia.

Besides, despite the government’s call for advertisers to include social dimension in their advertisement, there has been little research in the past to look into the businesses’ actual practice of social responsibility in the advertising field as well as their motivation in doing so. Whether, they were merely responding to the government’s appeal or they were doing it due to sense of corporate responsibility or some other reasons? As a result, there is a need to investigate the motivations behind the development of CASD (such as part of corporate identity program, and the influence of other stakeholders apart from the government). The researcher also believes knowing these motivations would be helpful to form constructive suggestions for future promotion of CASD since findings will provide opportunity to define drivers of CASD.

Furthermore, as mentioned in the literature review, one way to manage corporate image is through the corporate identity program where advertising plays a visibly important role in such program. It would be interesting to explore the strategy formulation of CASD as well as the consistency between the development of CASD and the company’s social policy. In other words, it is a question of how
CASD fit into the organisational culture or integrate with other social activities so as to reflect the corporate identity. This investigation may provide theoretical model to be built upon CASD development so as to facilitate future studies on this practice.

Finally, since image is the stakeholders’ perceptions of the way an organisation presents itself, and due to the extensive coverage of mass media through which advertising is placed, the audience or general public becomes the primary stakeholder who are most affected by it. Up to the present time, scant studies have been published on the impact of advertising on the Malaysian consumer, let alone that of CASD in Malaysia. Further research is needed to investigate consumers’ preference of social issues integrated in advertising as well as the consumers’ response towards CASD and advertisers adopting this approach. How does such a practice affect them? This study may help to conceptualise the different attitudes and expectation of the Malaysian public towards CASD.

In short, the study of CASD practised in Malaysia may give a new enlightened aspect of company advertising in the West and other regions in the East in regards to companies’ social responsibility through their mass communication activities which could benefit the company in terms of reputation enhancement; as well as improving social betterment for individuals or the society as a whole in the long run. Nevertheless, it should be stressed that CASD is merely one way for commercial organisations to carry out social responsibility through its marketing, identity or communication program. Companies engage solely in CASD are not necessary good corporate citizens as the total social responsibility of business requires the fulfilment of the companies’ dedication in various other business and social aspects beyond legal obligation. In addition, the improvement of a society’s wellbeing also depends on other cardinal factors such as education. In consistent with the conceptual model developed in Chapter 2 and literature review discussed previously, the initial research framework (see Figure 4.4) for the conduct of this research is drawn to facilitate the formulation of research questions as outlined in the introductory chapter.
It should be noted that it is not within the scope of this research to testify the suitability of company advertising as a medium to pursue social change or effectiveness of CASD in enhancing corporate image, rather its aim is to reveal how CASD approach has been and can be used as a CSR tool in Malaysia and how CASD may result in enhanced image and social betterment from consumers’ perspective. Therefore those key research questions related to the research framework are not to test the causal links but rather directed at understanding how the processes, which the framework suggests will occur, are actually working. In overall, the research is a first attempt to understand the practice of CASD in Malaysia by exploring the different related aspects so as to offer readers a better picture of the phenomenon. The next chapter will focus on the ontological, epistemological and methodological underpinnings of this study as well as the research strategy employed.
Figure 4.4: Research Framework

Legitimate Environment Consideration & Stakeholders Influence

Motivations (Including CSR, Corporate Identity, etc)

Leads to

Integrating social dimension into Advertising Process

Reflects in

Advertising Content

Which creates or develops

Corporate Social Image + individual social consciousness

And in long run contributes to

Enhanced Corporate Reputation + Betterment of Society

Other Business Responsibilities/Activities & Social Factors
5. CHAPTER FIVE

RESEARCH METHODOLOGY
5.1 INTRODUCTION

The aim of this chapter is to offer readers a detailed account of the methodology employed in the process of exploring different perspectives of the practice of CASD in Malaysia context. Methodology reflects an underlying philosophy comprising an ontological view of the way people view the world, and the epistemological assumptions which concern how people discover reality. The chapter starts by describing the two main philosophical paradigms in social science research and the underlying epistemological assumptions, showing how they justify the use of both qualitative and quantitative methods. Then, it moves on to the discussion of the overall ontological, epistemological and methodological position adopted in this research and the research process. After that, this chapter deals with the justification of the use of specific data collection and analysis methods in answering those four research questions as listed in Chapter 1.

5.2 RESEARCH PHILOSOPHY

In reference to the Oxford dictionary, philosophy is a set or system of beliefs resulting from the search for knowledge and understanding of the nature and meaning of the universe and of human life. It is also a set of belief on life that is a guiding principle for behaviour. Very often, the concerns of philosophy often ask questions about those very things that we often take for granted. For example the epistemological concern of philosophy is associated with the question of what is to be considered as knowledge or the theory of knowledge; whereas ontology concerns with the question of what kinds of things there are in the world (Benton and Craib 2001). Indeed, different philosophical poles have different thoughts about what constitutes warrantable ‘social facts’, ‘truth’, or ‘knowledge’ (Giorgi, 1970, Speigelberg, 1972). A social science research is generally regarded as the study of social life, social reality or social facts. The understanding of philosophy is said to help sharpen the awareness of researchers towards a broader context of a research plan and findings and thereby to draw their attention to a wider variety of
conceptualisations of the research they would otherwise have access to (Bryman 1988).

5.2.1 Positivism and Phenomenology

There are basically two main philosophical orientations in social science research that underlie the approach to collect and interpret data (Guba and Lincoln 1994). They are positivism and phenomenology. In the tradition of positivism, positivists seek to reduce social phenomena to their underlying causes or constituent parts. They identify causes and regularities and therefore explain and predict. Accordingly, positivism conceptualizes two things which are a constant mechanism for causing regularities, and a set of constant conditions in which that causal mechanism operates (Sayer 1984). It is the social scientists' responsibility to uncover this real nature by dealing these phenomena as 'things' and prevent themselves from prejudices and other preconceptions. Therefore, social facts must be observed objectively as one would discover physical facts through rigorous, systematic and scientific method. In other words, positivists advocate using scientific method to study social life objectively. A researcher is ideally an objective observer that neither participates in nor influences what is being studied. The empirical analyses are conducted in the belief that there are universal truths, laws or relationship to be found. Research begins with the aim of testifying theory where researchers formulate hypothesis and test them on sample representative to the population of interest and the results are eventually generalisable to the said population.

Conversely, the alternative to positivism is phenomenology that falls within the broader range of interpretivist paradigm (Amaratunga et. al. 2002; Easterby-Smith et. al. 1991). Interpretative understanding of human phenomena is another way to study social life which regards meaning and action as the prime objects in the study of social science (Marshall 1998). Phenomenologists see the reality as socially constructed where each individual constructs his/her own version of reality which is driven by value-laden interests and is subjective. It is thought that the researcher can learn the most about a situation by participating and/or being
immersed in it. Therefore phenomenologists have to understand research issues from the actors' or respondents' own perspectives (Guba and Lincoln 1994). They also favour using multiple methods to establish different views of phenomena so as to capture the totality of the situation (Easterby-Smith et. al. 1991). While positivism follows the process of deduction that starts with a theory from which hypotheses are derived, phenomenologists use a process of induction in which ideas or theory are constructed from the results of empirical investigation (Strauss and Corbin 1990). Since, the research results are largely based on the interpretation of the findings, the researcher must engage the subject in a mode which reflects both the nature of the phenomenon itself and his/her own values and interests (Crane 1999). Table 5.1 outlines the distinction and features of the positivist and phenomenological paradigm.

**Table 5.1: Positivist versus Phenomenological Paradigm**

<table>
<thead>
<tr>
<th></th>
<th><strong>Positivism</strong></th>
<th><strong>Phenomenology</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic beliefs:</strong></td>
<td>• The world is external and objective</td>
<td>• The world is socially constructed and subjective</td>
</tr>
<tr>
<td></td>
<td>• Observer is independent</td>
<td>• Observer is part of what observed</td>
</tr>
<tr>
<td></td>
<td>• Science is value-free</td>
<td>• Science is driven by human interests</td>
</tr>
<tr>
<td><strong>Researcher should:</strong></td>
<td>• Focus on facts</td>
<td>• Focus on meanings</td>
</tr>
<tr>
<td></td>
<td>• Look for causality and fundamental laws</td>
<td>• Try to understand what is happening</td>
</tr>
<tr>
<td></td>
<td>• Reduce phenomena to the simplest elements</td>
<td>• Look at the totality of the situation</td>
</tr>
<tr>
<td></td>
<td>• Formulate hypotheses and then test them</td>
<td>• Develop ideas through induction from data</td>
</tr>
<tr>
<td><strong>Preferred methods include:</strong></td>
<td>• Operationalising concepts so that they can be measured</td>
<td>• Using multiple methods to establish different views of phenomena</td>
</tr>
<tr>
<td></td>
<td>• Taking large samples</td>
<td>• Small samples investigated in depth over time</td>
</tr>
</tbody>
</table>

*Source: adapted from Easterby-Smith et al (1991:27)*
5.2.2 Qualitative and Quantitative Approach

Indeed, these basic underlying assumptions of both schools guide and sequence the types of data collection methods employed. With the different philosophical foundations comes the division of social research methods into two groups - quantitative methods, many associated with positivism; and qualitative methods, associated with the anti-positivist schools of thought, such as phenomenology (Williams and May 1996). Table 5.2 lists out the characteristics of quantitative and qualitative approach respectively. In general, quantitative research requires a specific protocol for collecting data which is typically numeric. The protocol is specified in advance of any data collection and does not change once the study has begun. Population and sample should be large, the larger the better to allow generalization. Besides, quantitative data analysis usually involves statistical analysis, hypothesis testing, relating variables, and comparing results with past research.

Alternatively, in qualitative research, data collection protocols are determined before the study, but open to change as needed. Data could be words, actions, texts, documents, conversations, media, and photographs. Number of sample is purposively chosen and usually this number is small but meaningful to bring a unique perspective to the study. Text analysis is more emphasized in qualitative research rather than numbers so as to identify and describe themes and patterns as well as determine meanings for the group. In order to facilitate hypothesis-testing and quantifying the data so as to generalize to larger population, positivists generally address their research issues through quantitative methods, such as questionnaires, inventories and demography that will be used for statistical analysis (Guba and Lincoln 1994). In contrast, phenomenologists advocate the qualitative approach employing research methods such as in-depth interviewing, participant observation, and focus group to make sense of the phenomena (Hudson and Muray 1986).

Nevertheless, there is no clear cut distinction between these two approaches as some research tools can be used for either positivistic or phenomenological research (Remenyi et. al. 1998). The way is open to selecting research methods
from a larger set of tools even within one research program. The literature suggests that findings which are supported by different approaches are likely to be accepted as stronger (Amaratunga et al. 2002; Tashakkori and Teddlie 1998; Nau 1995).

Table 5.2: Quantitative versus Qualitative Research

<table>
<thead>
<tr>
<th>Quantitative</th>
<th>Qualitative</th>
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</thead>
<tbody>
<tr>
<td>Objective</td>
<td>Subjective</td>
</tr>
<tr>
<td>&quot;Hard&quot; science</td>
<td>&quot;Soft&quot; science</td>
</tr>
<tr>
<td>Tests theory</td>
<td>Develops theory</td>
</tr>
<tr>
<td><strong>One reality</strong>: focus is concise and narrow</td>
<td><strong>Multiple realities</strong>: focus is complex and broad</td>
</tr>
<tr>
<td>Reduction, control, precision</td>
<td>Discovery, description, understanding, shared interpretation</td>
</tr>
<tr>
<td>Measurable</td>
<td>Interpretative</td>
</tr>
<tr>
<td>Mechanistic: parts equal the whole</td>
<td>Organisms: whole is greater than the parts</td>
</tr>
<tr>
<td>Basic element of analysis is numbers</td>
<td>Basic element of analysis is words/ideas.</td>
</tr>
<tr>
<td>Researcher is separate</td>
<td>Researcher is part of process</td>
</tr>
<tr>
<td>Subjects</td>
<td>Participants</td>
</tr>
<tr>
<td>Context free</td>
<td>Context dependent</td>
</tr>
<tr>
<td>Hypotheses</td>
<td>Research questions</td>
</tr>
<tr>
<td>Reasoning is logistic &amp; deductive</td>
<td>Reasoning is dialectic &amp; inductive</td>
</tr>
<tr>
<td>Establishes relationships, causation</td>
<td>Describes meaning, discovery</td>
</tr>
<tr>
<td>Uses instruments</td>
<td>Uses communication and observation</td>
</tr>
<tr>
<td>Strives for generalisation</td>
<td>Strives for uniqueness</td>
</tr>
<tr>
<td><strong>Sample size</strong>: 30 to 500</td>
<td>Sample size is not a concern; seeks &quot;information rich&quot; sample</td>
</tr>
<tr>
<td>(representative of the population)</td>
<td>&quot;Counts the beans&quot;</td>
</tr>
<tr>
<td>&quot;Counts the beans&quot;</td>
<td>Provides information as to &quot;which beans are worth counting&quot;</td>
</tr>
</tbody>
</table>

Sources: extracted from Brown (2004:467)
5.3 OVERALL ONTOLOGICAL, EPISTEMOLOGICAL AND METHODOLOGICAL POSITION

Burrell and Morgan (1979:23) argue that the distinction between philosophical paradigm does not imply complete unity of thought since each paradigm merely emphasises “the commonality of perspective which binds the work of a group of theorists together in such a way that they can be usefully regarded as approaching social theory within the bounds of the same problematic; it allows for the fact that within the context of any given paradigm there will be much debate between theorists who adopt different standpoints.” Following the understanding of both philosophical stances as discussed earlier, the philosophical assumptions which underpin this study are neither purely positivist, nor strictly the opposite. However it is largely informed by the phenomenological paradigm.

The researcher sees the reality as a social construct or contextual verities. At the ontological level, the existence of reality is dependent of the mind, thought, and language where truth is just an outcome of localized beliefs or perception from which its origin should be sought in their cultural context and the biographies of the people who hold them. Furthermore, a society is made up not only of individuals but also material things which plays an essential role in the common life. For example, television advertisements which are embodied in picture, either still or motion, and sound that most of us encounter everyday. Since advertising is a cultural-bound subject, each advertisement does ‘tell’ a story of itself within the cultural context of which those ads are broadcasted. As such, the study of the advertisements themselves is useful to provide a general overview of the CASD practice. Besides, due to the close connection between advertising and culture, the sensitivity of the researcher towards the local or regional socio-cultural environment is important.

Indeed, each CASD program as a whole is an outcome created through the different perspectives of individual e.g. creative agents, company directors, advertising managers, officers of sponsoring companies, and consumers. Knowing that people have different ideas and interpretations due to different cultural
context, it is a question of how these different thinking, beliefs, and perceptions come to a consensus to make such an advertisement practical and feasible in such complex context. Other questions like why they choose to run advertisement of this kind? How do they justify their objective setting and objective measurements to fulfil both the needs of a company and the society? How do they think of what they have done? In addition, how consumers perceive an advertisement is also largely subject to the interpretation of the viewers. All these questions of ‘why’ and ‘how’ highlight the need to interpret what is going on by understanding the meaning it has for individuals.

Thus, in view of the epistemological position, the researcher believes the source of knowledge is the evidence of our senses and thoughts. Bhaskar (1979) points out there is no pure data, all data are theory-laden and the so-called objective data are not really that objective as they depend on our perception and what we choose to believe. It is therefore important to stress the informant’s definition of the situation, and to allow one to reveal his/her notions of what is relevant.

In this study, the researcher sees the role of a researcher as more to corroborate other knowledge than about falsification, and to present and analyse the findings in a reflexive manner. Phenomenological approach which emphasises the contextual dependent nature of the research has allowed different dimensions of the CASD phenomena in Malaysia to be established such as the motives behind such approach, the actual creation of the ads, the influence of corporate social responsibility, and the impact of this approach.

In short, despite the researcher’s orientation towards phenomenology, the two methodological paradigms are not to be seen as mutually exclusive as contemporary understandings of the reality of scientific research suggest that even in the natural sciences it is more interpretative than allowed for in the classical model (Benton and Craib 2001). Neither is the researcher claiming the superiority of phenomenology over the positivism because the choice of particular research methods very much depends on the research strategy adopted which is determined by the most fundamental element, i.e. purpose of research and the type of research questions.
5.3.1 Multi-Method Research Strategy

Based on the research framework and the research questions, the purpose of the study is to address a holistic picture of the CASD phenomena in Malaysia by investigating the characteristics of television CASD in the country, and exploring the perspectives from the senders of such kind of advertisement in relation to their motivation and strategy, as well as the perspective from receivers. This highlights the necessity of using multiple methods in this research because it will ensure the result of the study to be situated within the proper social context while reflecting the various pertinent aspects, which could not otherwise be achieved through a single research method. Moreover, the use of multiple research methods also allowed triangulation that result in more valid and reliable findings. This adoption of multi-method research strategy is consistent with the features of phenomenology approach as listed in Table 5.1 that multiple methods enable the establishment of different views of phenomena. The following will briefly discuss how the four major research questions could be answered through using different research methods. Further justification of the use of these methods will be presented in later sections.

The first research question aims to provide an overview of CASD practice in Malaysia through content analysis of CASD presented over television. (A more detailed justification of the choice of TV ad can be found in Section 5.4.1) As television advertising is about visual imagery and audio effect, these become the sources of analysis.

**Question 1: How are company advertisements with social dimensions presented through television in Malaysia? What are the various aspects that can be studied based on the content of an advertisement of this type?**

Since there is not a ready analytical framework created for CASD yet, the researcher decided to propose a framework to classify CASD to reveal the hidden structure of CASD at the initial stage. Apart from referring to related studies in the past, categories created in the analytical framework could be realised given the feedback from the media and regulator respondents as well as the discussion from
the researcher and another coder. The content analysis is useful to understand different dimensions of CASD, such as advertiser's choice of social message, extent of integration between social and company oriented message, advertising tone and manner, and other executional elements and styles. While the employment of content analysis offers an understanding of CASD from what could be seen on television, the later research question require an in-depth investigation to unveil the motivation behind the scene.

**Question 2: What factors have motivated advertisers or ad practitioners in Malaysia to adopt CASD in television advertising?**

This exploratory study is to diagnose drivers behind such approach from the advertisers’ and ad practitioners’ perspective in Malaysia in order to suggest driver for future CASD development. It should be noted that whether a corporation and its management are motivated by enlightened self-interest, common sense, or high standards of ethical behaviour cannot be determined by the empirical methodologies available today (Clarkson 1995). Accordingly they are interesting questions, but they are not relevant when it comes to evaluating a company's performance. Therefore, it is not the purpose of this research question to verify the truthfulness of the motivation, instead, it is to investigate why the motivation was mentioned by the respondents based on their own meaning and reasoning.

**Question 3: How and why is the strategy behind CASD come about? What is the CSR vision of a company and to what extent the CASD approach has reflected the company's social concern? What factors are taken into consideration during the CASD developing process?**

This question leads to a discussion about the business philosophy of the advertiser, objectives of the ads, social message selected, media selected and evaluation. In order to investigate details of the strategy development in the light of the CSR context, a case study of a company was proposed to reveal how CASD has been designed to reflect the organisational culture or social stance.
**Question 4:** How does CASD broadcasted over television affect audience's perception and attitudes toward advertisers or sponsors of CASD? What are their thoughts and feelings about this kind of ad approach?

This last research question would be best answered by the audience themselves to find out how they perceive and feel about CASD and advertisers who use CASD as a way to perform social responsibility.

Although initial content analysis of sample video clips of CASD is generally regarded as a quantitative research technique to describe the manifest content of communication in an objective manner (Berelson 1952), considerable judgement or interpretation was involved in content analysis and an element of subjectivity was inevitable (Lill et. al. 1986). Therefore, content analysis in this study should be seen as a mixture of quantitative and qualitative approach by itself to enable the researcher to develop an analytical framework to categorise CASD. Generally, qualitative methods were mainly used in the study as qualitative approach is best suited for research aims to increase understanding, expand knowledge, clarify the real issues, generate hypotheses, identify a range of behaviour, explore and explain motivations, attitudes and behaviour, identify distinct behavioural groups, as well as provide an input for the future stage of research or development (Gordon and Langmaid 1988). In addition to the epistemological implications, the choice of research methods also depends on the researcher's own experience and preference, the population being researched, the proposed audience for findings, time, money, and other resources available (Hathaway 1995). In relation to this implication, it is to be noted that the researcher is a Malaysian and had work experience in one of the local universities in the country and had carried out few research interviews with students as well as corporate respondents in Malaysia. Therefore she has little difficulty in building a rapport with most of the respondents who are also Malaysians due to the same cultural background they share.
5.3.2 Research Process

In overall, the researcher has adopted a mixed methods design in which a less dominant quantitative phase i.e. content analysis was conducted initially and followed by a dominant qualitative approach which involved qualitative interviewing, case study and focus group interviewing. The research process is illustrated in Figure 5.1. It should be stressed that the data analysis for those research questions were not at all in a linear or sequential manner; and neither were they mutually exclusive questions that require separate attention. Although each phase informed the development of a new focus on the next, in the meantime, the development of the next added value to the findings of the previous research phase that used a different research method. For example, it was found that some interview findings from the company respondents gave a new input in the analytical framework development of CASD. In other words, the research process adopted in this study is more of a flexible, reflexive and cyclical process (Strauss and Corbin 1990) than a rigid process. The interaction with data allowed new related topics to be identified so as to yield an integrated picture of the phenomenon.

Figure 5.1: Research Stages

<table>
<thead>
<tr>
<th>Content Analysis</th>
<th></th>
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<tbody>
<tr>
<td>Managerial Research</td>
<td></td>
</tr>
<tr>
<td>Single Case Study</td>
<td></td>
</tr>
<tr>
<td>Focus Group interviews</td>
<td></td>
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</tbody>
</table>
It is claimed by Miles and Huberman (1994: 5) that a research is

more a craft than a slavish adherence to methodological rules. No study
conforms exactly to a standard methodology, each one calls for the
researcher to bend the methodology to the peculiarities of the settings.

A close connection between epistemology and ontology suggests what is accepted
as ‘existing’ depends on how confident we can be about our knowledge of it
(Craib and Benton 2001). As such, it is equally important for the researcher to
well justify the approach used in conducting the research according to some
criteria set by the research community, e.g. validity, consistency. In other words,
practically there is always an element of interpretation and limitation in whatever
form of research is used, and researchers have to justify their findings in order to
be accepted by their peers (Remenyi et. al 1998). Section 5.4 to 5.7 will further
discuss the justification on data collection and analysis methods used to answer
each of the research questions. It will first begin with the discussion of content
analysis approach in studying the sample of advertisement and the quality
assessment of this approach.

5.4 CONTENT ANALYSIS

In this research context, content means any sound, text, still image, moving image
or other audio-visual representations that appear in an advertisement.
Conventionally, the application of content analysis is a research technique for the
objective, systematic and quantitative description of the manifest content of
communication (Berelson 1952). In this sense, it implies that only studies which
use quantification are qualified as content analysis. This definition is seen by
Carney (1972) as less able to truly reflect what goes under the name of content
analysis. When this method of gathering insights appears, considerable judgement
and subjectivity are to enter in categorising advertisements. Since there is no
ready categorising scheme available for CASD, the development of an analytical
framework is a must. Such a development emphasises more on the qualitative
interpretation and classification of the ads. Therefore, within the scope of this
research, the analysis of content also involves the semiotic understanding
(Williamson 1978; Leiss et. al. 1990) of advertisements through unravelling the
meanings and relationships between the text and visual imageries as well as their representation in advertisements. For example, the use of a person or object or language in an ad may symbolise certain meaning in a specific cultural context. Thus, as mentioned earlier, cultural sensitivity of the researcher or the content coder is important.

In fact, there were quite a few studies categorising advertisements in general based on their advertising message and executional strategy (e.g. Shimp 1976; Stewart and Furse 1986; Laskey et. al. 1989). Since the green or environmental issues are becoming increasingly common in advertising, Iyer and Banerjee (1993) were the first to provide a framework for analysing green ads in print media and the framework was later applied and adapted by Iyer et. al. (1994) to green television ads. Subsequently, more content analysis of environmental advertising have been carried out (e.g. Banerjee et. al 1995; Carlson et. al. 1993). Although green advertising can be understood as one kind of CASD and, there is no readily categorising scheme specifically for CASD in general. Therefore, the researcher has to adapt available categories and create some new ones as the study goes along.

5.4.1 Choice of Medium
In order to allow a uniform standard measure, only television ad samples instead of ads from various media were drawn for the study. The television advertisements have been chosen in this study for two main reasons. First, one of the most apparent reasons is that as discussed in the previous chapter television advertising is seen by the Malaysian government and the consumer association as an influential tool to engineer social behaviour or individual moral thought. Therefore, it is assumed that it is more common to locate CASD from television than other media. Besides, the literature review in Chapter 3 also confirms the capability of television ad in influencing social values. Second, apart from its broad coverage of the nation, television is also the mass medium which directly facilitates two types of sensory inputs: seeing and hearing. Compared to other mass media like radio (focuses on hearing) and newspaper (focused on seeing), television is considered a more effective channel to convey a message to the mass
audience in spite of the higher cost it incurs. It is said that the more sensory input of the receiver that a sender can take care of, the more likely the message can get through (O’Connor and Seymour 1993). This is confirmed by Iyer et. al. (1994) who state that television is a more dynamic medium that is better suited than print to add realism to depiction. As a result, they suggest more television ads which are moderately to deeply oriented to social dimension could be expected as compared to print ads. Therefore, social message is easier to be integrated and reflected in television advertisements where advertisers choose to present the message through visual and/or audio effect.

5.4.2 Operational Definition

Berger (1998) claims that at the most immediate level while conducting content analysis, the matter of defining the subject terms is critical. In other words, it is important to set the criteria of what constitutes CASD to facilitate the selection of CASD sample. After the medium was decided, the most fundamental criterion of the selection of ads is that any advertisements chosen must be initiated and sponsored by profit-oriented company. In other words, ‘company advertising’ was limited to ads created for commercial businesses and the brand and/or company logo is shown in the advertisement. Pro Bono works and social or public service advertising campaigns initiated by non-profit CHARITABLE organisations were not included in the sample because it is the intention of this research to concentrate on social responsible performance of businesses through advertising. In addition ads chosen based on the above criterion should also contain a social message that meets one or more of the following criteria:

1. address an apparent relationship between a product/service/company and the social/cause element (e.g. a child safety seat ad promotes child safety on board; or life insurance ad promotes personal future planning or family planning).

2. promote a social issue without highlighting a product/service/company (e.g. a car manufacture promotes the idea of racial integration in a TV ad).
Therefore such an advertisement does not address an apparent relationship between the two elements.

3 Promote product/service/company and the social issues simultaneously but without highlighting the social message. (e.g. a fast-food restaurant ad showed a family ordering a meal from the restaurant. Just before the youngest boy in the family starts eating, he greets the elderly family members before that. This is seen as a practice of a good manner in most Asian context).

For the third category, it highlights that there may be a different perception and interpretation of the existence of social beneficial message. In this category, the existence of the social concept is very subjective to the personal judgment or perception as one may not notice the embedded social message which is not highlighted. For example, a cooking oil ad showing a husband preparing dinner for the family may be argued as having a social idea of gender equality yet others may seen it as a normal commercial setting. In order to avoid confusion, the operational definition therefore excludes ads that merely allude to social life more as a backdrop than in an active way. In the case of the cooking oil ad mentioned, whether there is gender equality message in the ad would depend on the coders’ interpretation on how the idea of gender equality is presented in the ad, whether it is merely a background or the social message is actively indicated, for example through conversation between the husband and wife.

In addition, operational definitions were also created for each category included in the analytical framework to enable the ad sample to be examined consistently throughout the classifying process. Further explanation of each category and sub-category is presented in Chapter 6.

5.4.3 Sampling Selection

The sample was drawn from three sources:
1. Media Bank Malaysia:- a profit-organisation which has a collection of all Malaysian advertisements from the past. A compilation of twenty-four copies
of CASD was purchased. Although this approach was less time consuming, the copies were acquired at a relatively high cost.

2. Advertising agencies:- two advertisers were known to be actively engaged in social message in their company advertisements; their advertising agencies were identified and contacted for copies. A total of twenty copies of CASD were given. The identification of these advertising agencies at the early stage facilitated the identification of agency and company respondents in subsequent managerial research and case study

3. Ad hoc collection:- twenty-one copies of CASD were borrowed from the local marketing students.

In total sixty-five useful copies of TV CASD broadcasted during 1996-2002 were available for content analysis. It is important to note that many samples have been determined primarily by the availability of material which is complicated by the difficulty of financially and physically securing necessary sample units. Multiple ads of the same advertiser as long as they were not identical were included in the sample. All these sixty-five copies were screened simultaneously by the researcher and a trained coder, who is a former advertising practitioner, to confirm the existence of social message in an ad, and any discrepancies were discussed till there was an agreement. As such, the study achieved a higher degree of objectivity between coders despite an element of subjectivity which always existed throughout the selection process. Most advertisements selected for the purpose of the content analysis were relatively explicit in delivering the social dimension and fell into the first and second group as mentioned in the operational definition. This could be explained by the fact that social messages ads were more easily to be identified in those ads and thus easier for the coders to achieve an agreement.

5.4.4 Data Analysis and Quality Assessment

According to Davis (1997), there are three main characteristics of advertising content analysis that judge the quality of a good study: systematic, objective and quantitative. These characteristics highlight its implication to the data collection and analysis process.
Quantitative: Quantification is important in content analysis as it increases precision in the conclusion drawn and permits a more accurate description of results. Furthermore, it allows a researcher to use statistical techniques to summarise and investigate the findings.

Systematic: Advertising content analysis must be conducted in a systematic, planned manner. In this aspect, the researcher have ensured sampling and selection of the advertising proceeds in accordance with the operational definition and that the advertising was examined in exactly the same way throughout the analysis based on the clearly defined categories. A computer software, Microsoft Excel, was used to facilitate the calculation of the frequency distribution of the sample based on each categories.

Objective: Although certain degree subjectivity elements are needed in content analysis, the validity of the result is greatly reduced if too excessive personal biases are allowed to influence the selection and examination of the advertising. The objectivity in content analysis was enhanced through clear and explicit rules for advertising selection and examination and well-defined coding categories. Moreover, the use of a second coder also reduced the personal bias of the researcher.

At the beginning, ten ads from the sample set were viewed independently by the researcher to grasp some ideas on developing the initial analytical framework, along it was supported by some related literature reviews and interview findings obtained from the research. After a number of modifications were made, a final analytical framework was formulated and each category and subcategory created was defined clearly and systematically. The coder was explained thoroughly about those categories and minor changes and clarification in the analytical framework was made after the coder pointed out some areas of confusion. A refined analytical framework (see Table 6.1 in Chapter 6) was then established. The researcher and the coder simultaneously coded each sample ad over a weekend and any difference in perception was discussed till there was an agreement so as to achieve objectivity as one of the criteria needed in a good quality content analysis. However, it should be noted that the risk of having the researcher acted
as a coder is that the researcher could possibly sway the other coder to the
researcher’s standpoint. Therefore, in order to avoid falling into this risk, the
researcher had consciously kept in mind not to always insist on her own argument,
instead being open-minded and respect the viewpoints of the other coder.

Iyer and Banerjee (1993) applied this one-step coding procedure in their first
attempt at analysing green ad and the result was proved satisfactory and adequate.
They argue that this one-step procedure does not pose a particular problem of a
bias since there were no prior hypotheses to be tested; rather the study is in the
tradition of a grounded theory. In other words, instead of supporting or rejecting
any preconceived hypothesis, the researcher adopted the same approach as
employed by Iyer and Banerjee (1993) in this preliminary attempt at analysing
CASD with the intent of seeing a pattern or prominent characteristics emerge.

Although the procedure was dictated by a matter of convenience, it is not entirely
flawed (Iyer and Banerjee 1993). This exploratory study aims to generate a
analytical ground that best describe the content of CASD. Therefore, the
researcher thinks that the use of convenience sample which may limit the
generalisability of the findings to the population will not be a major problem.
Besides, even though the number of ads selected is not as many as most other
content analysis would include, analysis of a small carefully chosen sample of the
relevant content will produce just as valid results as the analysis of a great deal
more (Berelson 1952).

5.5 MANAGERIAL RESEARCH: IN-DEPTH INTERVIEWING
Since content analysis of CASD only provides the basic level of understanding on
the overall presentation of CASD, what lies behind the scene would only be
discovered through the use of qualitative research methods. Qualitative methods
give the intricate details of phenomena that are difficult to convey with
quantitative methods (Strauss and Corbin 1990). In relation to the second research
question, managerial research involved in-depth interviewing with advertisers and
agency informants were carried out to explore the complexity of rationale behind the development CASD.

The primary purpose of in-depth interviewing is not to obtain quantifiable responses either in the interview phase or in the later analysis (Kvale 1983). Instead it is to gather descriptions of the life-world of the interviewee with respect to interpretation of the meaning of the described. In other words, this approach works on the premise that human beings construct the meaning and significance of their realities, which is guided by their complex framework of beliefs and values (Walker 1985). Therefore, this interview approach provides the opportunity for researchers to probe deeply, to uncover new clues and to open in new dimensions of a problem. Spradley (1979) says the interviewer-respondent interaction is the very essence of in-depth interviewing. As such, an interviewee has an active role in shaping the course of the interview rather than passively responding to the interviewer's pre-set question and thus more flexibility in data collection process is allowed.

In reference to this study, since lack of research in this area has been done, especially in Malaysia and there is uncertainty about what and how much information participants will be able to provide, in-depth interviewing with open ended questions is more suitable to explore various motivations behind CASD development from the respondents' notion of what is relevant. This would be less likely to be achieved with highly structured questionnaire or semi-structured interviews. In addition, more flexibility was allowed in the data collection process and likelihood of misunderstanding was reduced regarding some ambiguous issues such as respondents' definition of corporate social responsibility and respondents' perception of the existence of social messages in an advertisement. According to King (1994), compared to semi-structured interviews, problem with this kind is that it is generally not structured enough to allow detailed statistical analyses and hypothesis-testing, which structured interview enables; neither it be flexible and responsive enough to allow exploration of anything beyond surface meaning. Since in-depth interviewing is frequently more interactive, more intensive and it involves a longer-term commitment (Cassell and Fitter, 1992), the researcher found that the building up of a close rapport with the respondents had
gained more insights of the subjects, and follow-up contacts with participants was
made much easier. The construction of rapport and trust with respondents are
important as it increases the integrity of the data collected (Wallendorf and Belk
1989). Based on the researcher’s interviewing experience, making good first
impression and being modest is always important when interacting with
organisational respondents especially in Asian countries where individuals are
very conscious of their rank, e.g. and superiors and subordinates feel separate
from one another (Schütte and Ciarlante 1998). In other words, individuals are
expected to be conscious of the proper behaviour, dress and speech corresponding
to status propriety. Therefore the researcher had to make sure that the respondents
acknowledged the professionalism or dedication of the researcher in conducting
the research while indicating the researcher’s modesty in learning from their
perspective. Giving the name card (showing the PhD student position and
previous academic qualifications) printed by the University to which the
researcher is attached was found to be an effective way to gain the
acknowledgement. Being sincere and behave naturally throughout the interview
process was found appreciated by most organisational respondents. Once the
rapport was established, the researcher found it less difficult to conduct the
interviews.

The researcher had initially identified in-depth interviewing at the individual level
and focus group interviewing as the two most appropriate methods to be adopted.
As defined by Kitzinger (1994:103), focus groups are

group discussions organised to explore a specific set of issues. The group
is focused in the sense that it involves some kind of collective activity—
such as viewing a film, examining a single health education message or
simply debating a particular set of questions

Like personal in-depth interviewing, focus group discussion is also concerned
with the depth of information rather than as a tool to generalise to a larger
population and both approaches allow maximum flexibility in speech. The
principal disadvantage of personal interview relates to cost, primarily of
interviewing and of travelling, especially when respondents are geographically
dispersed (Wong 1993). Conversely, focus group is seen as a quicker and cheaper way to gather data from different participants.

Nevertheless, focus group was not adopted in this managerial research for the following reasons. Firstly, group interview may restrict the richness of information since there is a sensitive issue related to the research question such as the egoistic and altruistic intention of companies engaged in CASD. Sharing of this insight with other respondents in the focus group would not enhance the findings instead it might discourage respondents sharing this sensitive information, considering that respondents may try to impress other respondents from other companies by disguising the true intention of the practice. Secondly, the issue about motivation, is not a topic to be debated as there is no wrong or right motivation to be argued about and it is not the purpose of the research to judge the motivation on the basis of righteousness. Therefore to avoid such arguments or criticisms towards one another in a group, one-to-one interview is felt to be more appropriate. Lastly, informants were mainly from the management level of different organizations and agency respondents particularly have inflexible working hours, therefore for practical reason, while choosing the right time to carry out personal interview is difficult, it would be much more difficult if the researcher is to have a group discussion with them at the same time and in the same place.

5.5.1 Data Collection Methods

Advertisers and advertising practitioners who have participated in CASD campaigns were logically seen as the most suitable candidates to reveal the different aspects of motivation. There were various ways used in this study to reach the relevant and potential respondents:

1. Through contacting member agencies listed in the directory of Malaysia 4A (Accredited Advertising Agencies Association) to enquire if they had handled CASD campaign and requested for interview
2. Direct contact with companies that have developed CASD, these companies were identified during the Content Analysis stage

- 121 -
3. Direct contact with advertising agencies which have created CASD, the agencies were known through the advertisers or third party who used to work in advertising industry
4. Some respondents were reached through third party’s connection

Snowballing techniques was applied to identify other relevant informants from advertising agencies or companies for subsequent interviews. The efforts resulted in twenty-two interviews with individuals that involved in CASD development (see Table 5.3) and these respondents came from four advertising agencies and three advertiser companies.

**Table 5.3: Respondents Profile**

<table>
<thead>
<tr>
<th>Informants’ identity code</th>
<th>Company Informants</th>
<th>Mode of Contact</th>
<th>No. of Informant</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1, C2</td>
<td>Public Relations</td>
<td>face-to-face</td>
<td>2</td>
</tr>
<tr>
<td>C3</td>
<td>Marketing service</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>C4</td>
<td>Group Communications</td>
<td>face-to-face, email</td>
<td>1</td>
</tr>
<tr>
<td>C5, C6</td>
<td>Marketing Manager</td>
<td>face-to-face</td>
<td>2</td>
</tr>
<tr>
<td>C7</td>
<td>Sales Manager</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>C8</td>
<td>Assistant to Managing Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>8</strong></td>
</tr>
<tr>
<td>A1</td>
<td>Group Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A2</td>
<td>Brand Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A3</td>
<td>Audio-Visual Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A4</td>
<td>Executive Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A5, A6</td>
<td>Account Executive</td>
<td>face-to-face</td>
<td>2</td>
</tr>
<tr>
<td>A7, A8, A9</td>
<td>Account Manager</td>
<td>face-to-face, email</td>
<td>3</td>
</tr>
<tr>
<td>A10</td>
<td>Creative Director</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A11, A12</td>
<td>Creative Writer</td>
<td>face-to-face, email</td>
<td>2</td>
</tr>
<tr>
<td>A13</td>
<td>Public Affair</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>A14</td>
<td>Graphic Designer</td>
<td>face-to-face, telephone</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>14</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>22</strong></td>
</tr>
</tbody>
</table>

The number of interviews was determined by saturation, i.e. the researcher would have no need to continue with further interviews when further insight on the
motivation was not found. Although samples drawn with this technique are not random and not statistically representative of the population under consideration, they represent the perspective of respondents that are varied on dimensions such as their positions, job function, background and involvement in the CASD campaign. The use of this technique in qualitative research is said to be purposive rather than representative. This has kept with one of the goals of qualitative research and philosophical pole which is to portray the depth of the phenomena.

5.5.1.1 Mode of Contact

Face-to-face interview allows ‘prompts’ to be used to encourage broad coverage to ensure interviewees say as much as they wish to, while ‘probes’ explore answers in depth to get them to expand in detail (Drever 1995). Therefore greater flexibility can be attained during the data collection process. However, in order to increase the chance of access being granted, for their convenience, respondents were also given the options to be interviewed through phone or respond through email correspondence. There are obvious drawbacks in each of these options, for example, there is a lack of spontaneity in email correspondence. Besides, the researcher could not see the facial expression of the respondents over the phone or email. This is important as over-reliance on interview content without supplementary contextualizing observation opens the door to the researcher being duped (Wallendorf and Belk 1989).

Nevertheless, there were also advantages in these two modes of contact. Apparently, interviewing through telephone and email save the cost of travelling to the interview venue and therefore less time consuming. Email correspondence also allowed respondents more time to think and reply to questions attached to emails which were mainly open-ended questions and it even saved the time to transcribe interview data since email is written-based data. On the other hand, personal interviewing is claimed to be the highest among all survey methods under cost-per-interview consideration dispersed (Wong 1993).
In general, most respondents gave permission for personal interview whenever possible. However, there were some respondents who felt more comfortable and convenient with emails mainly because they could reply at their convenience and perhaps retain more privacy compared to face-to-face contact. The use of telephone and especially email was also found very useful for supplementary or clarification purpose after face-to-face interviews were conducted. Due to the sensitivity of the topic i.e. the motivational factors of developing CASD, confidentiality of the respondents were guaranteed and this could encourage respondents to speak more freely.

Face-to-face interviews were mostly conducted in interviewees’ office for their convenience, however there were a few took place in informal setting, such as during lunch time or non-office hours outside interviewees’ office like a cafe or a restaurant. Although most interviews were conducted in an office, all interviewees were told to regard the interview as an informal discussion of the topic. The reason to do so was to facilitate the researcher to build a rapport with the respondents and allowed respondents to talk more freely. Some interviewees gave permission for audio taping during the interviews as they were guaranteed the research was only for academic purposes and were assured that no audio tapes would be used or played for any other purposes or for anyone else except the researcher. For those respondents who felt more comfortable without audio-recording or when audio-recording was not possible given certain circumstances such as unexpected interviewing chance, note taking was done during the interview.

5.5.2 Data Analysis and Quality Assessment

Since the in-depth interview allowed respondents to talk freely in certain extent, not all information gathered was significantly related to the research question (e.g. respondent’s opinion on other national policy which is not relevant to the study) and some information was only for the purpose of building rapport. Therefore, instead of fully transcribing all interviews which could be time-consuming and
not necessarily pertinent to the research questions, only relevant quotations and key points from the respondents were transcribed or listed.

There are various methods proposed by different scholars in analyzing and interpreting qualitative research (e.g. Miles and Huberman 1984; Strauss and Corbin 1990; Silverman 1993). In search of the various of motivation behind CASD development, the researcher has attempted to select relevant approaches to analyzing qualitative data and it must be mentioned that the analytical procedures was largely influenced by Spiggle (1994) and Miles and Huberman (1984). The analytical process in this study included reading and re-reading the data, categorization, abstraction, comparison, dimensionalisation and relating to literature. These procedures however did not occur in strictly sequential order, instead they were adopted unsequentially and at times repeatedly in non-sequential manner, in various stages of the analysis.

1. Read and Re-read the Data
At the initial stage of the analysis process, the researchers spent time listening and re-listening to the recorded tape as well as reading the key points which were written down during and after the interviews. Throughout the process of the analysis, the researcher tried to familiarize with the data so that to elicit key ideas and themes from the data.

2. Categorisation
This represents the most fundamental process in analyzing qualitative data which involves gathering and classification of data (Miles and Huberman 1994). This also requires high sensitivity of the researcher to the data available so as to identify and label sets of data that represent some general themes pertaining to the research questions. The researcher has been flexible in adopting the label as few of the labels were amended at later stages of the analysis, due to new findings. In short, although categorization occurred at the early stage of the analysis, the process continued throughout the whole analysis duration.
3. Abstraction
Abstraction develops following the identification of themes through the labelling process. It involves the gathering of the many specific themes which are identified during the categorization process into fewer general ones (Miles and Huberman 1994). Abstraction labels groups that share common feature, which will enhance the theoretical understanding of the research issues. Through categorization and abstraction, the attributes of the main motivational factors were identified. For example, the theme ‘Hard factors’ was created to group all the economic-related forces such as increasing sales of product advertised, and improving the company’s financial performance.

4. Comparison
Comparison occurs when a researcher categorizes and abstracts the data. This includes the comparison on the differences and similarities of the data between and within themes, for example, comparing the internal and external forces of motivation. This process has enabled the researcher to identify variation in the motivational factors.

5. Dimensionalisation
This refers to the identification of the properties or characteristics of the categories and constructs. This process assisted in further abstraction and comparison process which enabled the researcher to clarify and enrich meanings of the constructs. For example, through dimensionalisation, the motivations of CASD could be understood from its short term and long term implications.

6. Relate to Literature
Although qualitative researchers begin their research with minimum reference to the literature, familiarity with the literature will enhance the interpretation and analysis. For example, some of the findings have conformed to the legitimacy theory and stakeholder theory as discussed in Chapter 2.

In general, the above process allowed the researcher to identify the various motivational factors that were claimed by the respondents themselves. On the other hand, in-depth interview has been criticized for its consistency in data
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collection. In a structured interview or survey questionnaire, a formal schedule is used consisting of questions to be asked word-for-word in a set order is used. In this way, the data collected are more likely to be analysed and interpreted systematically and consistently. Although in-depth interviewing is less rigid in data collection, an interview guide is said to be helpful to list out related questions which the interviewer has an attempt to cover in the course of the in-depth interviewing (Cassell and Symon 1994). As a result, an initial interview protocol had been developed for the purpose of the study (refer Appendix 5.1) to ensure some most relevant questions would be answered. This guide however did not remain exactly the same for every interview as qualitative data collection approach itself was a cyclical process (Strauss and Corbin 1990). This means it allowed interaction with the data each time after it had been collected and a new focus(es) of the subject were then be identified which could prepare information the next interview. Subsequent informants were asked many of the same questions posed to the earlier informants based on the interview protocol initially developed, in the meantime, new areas as identified from the previous interview were considered as new topics to be covered in the subsequent interview guide. For example, in one of the interviews, a respondent told the researcher that winning advertising awards was a motivational force for agencies to develop CASD. Thus, in the next interview with an agency informant, the researcher tried to focus or explore more on the opinion from the agency perspective.

Although consistency is more difficult to be achieved in this study, the interplay of focusing and interacting with data and then moving out into the interview setting to investigate the new focus, have added-value to the findings which rigid and consistent structured interview is less likely to achieve. In addition, as mentioned earlier, since the subject of investigation related to the motivation behind CASD development which could somehow reflect the moral belief of the company or individual, problems with integrity may arise when informants simply try to present their companies or themselves in more attractive or altruistic ways. Therefore in order to increase the integrity of the research findings, a construction of rapport and trust with the informants was seen as important. Besides, safeguarding informants’ identity and triangulating across different informants whenever necessary have also enhanced the credibility of the research. These
techniques are also suggested by Wallendorf and Belk (1989) who believe that those are some of the several means to improve trustworthiness of the research.

Besides respecting the views of the informants and being open-minded to listen to them, it is also the role of the researcher to validate the objectivity in interpreting the interview data. It was made possible during the conduct of the interview by asking informants to clarify their viewpoints whenever the researcher was in doubt, instead of interpreting their opinion based on the researcher’s own assumption or guessing. Questions such as “from what you have just said, do you mean.....?”, or “could you please give an example to illustrate what you have just said?” were used frequently during the interviews to ensure the informants’ points of view had been understood correctly in their intended meaning. In short, unlike quantitative researches which usually resolve to statistical tool to verify the significance of the findings, in qualitative interview such as this study where the researcher is part of the researched, the interaction with the informants is believed to be the key factor in influencing the quality of the research findings. The next section will describe the case study approach adopted in the subsequent phase of the research to focus in the actual development of the CASD in details.

5.6 CASE STUDY

Kitay and Callus (1998:103) define case study as

a research strategy that is used to understand or explain the phenomena by placing them in their wider context.

Accordingly, context means factors that could affect what is happening in an instance. The researcher felt that the understanding of CASD development would be more comprehensive by looking in-depth into how a business entity in Malaysia adopts such an advertising approach within its organisational and environmental context. The following will justify the choice of this method in relation to the third research question.
The literature suggests that the main emphasis in the purpose of an enquiry can generally be classified into three types, i.e. exploratory, descriptive, or explanatory (Robson 1993; Yin 2003)

- Exploratory study: aims to find out what is happening in a phenomenon, it is the investigation of problems or issues about which little is known.
- Descriptive study: is conducted to provide an accurate profile or description of persons, events or situation.
- Explanatory study: is to seek an explanation of a situation or problem, usually in the form of causal relationships.

According to Yin (2003), a particular project may have more than one of these purposes and usually this is reflected in the type of questions posed in the study. Consequently, the selection of a research strategy is most fundamentally dependant on the type of research questions, e.g. who, what, how, why, how many, etc. The following table (Table 5.4) exemplifies the relevant situation where a different research strategy is adopted.

**Table 5.4: Strategy and Types of Research Questions**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Form of Research Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>How, why</td>
</tr>
<tr>
<td>Survey</td>
<td>Who, what*, where</td>
</tr>
<tr>
<td></td>
<td>How many,</td>
</tr>
<tr>
<td></td>
<td>How much</td>
</tr>
<tr>
<td>Archival analysis</td>
<td>Who, what*, where</td>
</tr>
<tr>
<td></td>
<td>How many</td>
</tr>
<tr>
<td>History</td>
<td>How, why</td>
</tr>
<tr>
<td>Case Study</td>
<td>How, why</td>
</tr>
</tbody>
</table>

* "What" questions, when asked as part of an exploratory study, pertain to all five strategies

*Source: extracted from Yin (1989)*
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Yin (2003) points out that in general, ‘what’ question can either be exploratory (as such any of the strategies can be used) or about prevalence (where surveys or the analysis of archival and records would be favoured). On the other hand, ‘how’ and ‘why’ questions are likely to favour the use of case studies, experiments, or histories. In relation to the third research question:

How does CASD broadcasted over television affect audience’s perception and attitudes toward advertisers or sponsors of CASD? What are their thoughts and feelings about this kind of ad approach?

Case study approach was regarded by the researcher as more appropriate to explore the contemporary aspect of the research instead of through a historical method which is preferred when there is virtually no access or control. Neither an experiment study is relevant to the research purpose as the researcher did not intend to manipulate behaviour or to test or control any variables. The unique strength of case study is its ability to deal with a full variety of evidence, such as documents, interviews and observation, beyond what might be available in a historical study or experimental study (Yin 2003). Besides, Bryman (1989) notes that case study is particularly beneficial for placing social phenomenon in a wider context of meaning and allowing better understanding of the situation.

5.6.1 Case Selection

In case study approach, the most fundamental issue deals with the questions of ‘what the case is’. A case may be an individual, an organization, or some event or entity that is less well defined than a single individual or an organization, such as a program and an implementation process (Miles and Huberman 1994; Yin 2003). The primary unit of analysis in this study is a business corporation. Other criteria were set for the selection purpose such as below:

1. A local corporation so as to understand the view of a Malaysian company in CSR and CASD practice
2. The corporation has produced company advertisements with social dimensions, and they have been broadcasted nationally
3. The corporation has actively involved in other social activities
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Case study design can be single or multiple cases. Mason (1996) states that the criteria for judging the number of cases to include in the study is not sampling logic but it should be sufficient to understand the processes that are under investigation. Although it is generally agreed that multiple cases are usually considered more able to add confidence to findings or more compelling, there is a trade-off between the number of cases and the depth to which each will be investigated. On the other hand, in practice, the choice of cases is constrained by what the researcher can negotiate access over. In other words, the selection of cases is an outcome of serendipity as much as careful design and planning. Indeed, case study selection can be a consequence of those organizations that would be prepared to grant the researcher access. Therefore, the design of the research is a consequence of the extent of access the researcher could negotiate.

Three local companies which have met the above criteria had been approached to request for case study access, however only one company granted the access. Although several attempts had been made to ask for access from other companies, the access was rejected or indefinitely delayed. Unlike interviews carried out in the previous managerial research where it did not require the respondents to reveal the actual operation or strategy development of their companies, the access to study the company as a case is proved to be much more difficult as it involves more intricate details of the company. As a result, this could be a main reason for companies not granting access and the researcher should respect the right of the researched.

Although multiple case studies were not feasible, it was felt that the purposes of this research would also be met by concentrating in depth on a single case. More importantly, it is not the intention of the research to make comparison between cases so as to make generalization of the phenomena. Yin (2003) suggests that the single case design is appropriate and justifiable under certain conditions. The case should represent a critical test of existing theory, where the case is a unique event, or the case serves a revelatory purpose. Regarding this research study, revelatory serves as the main rationale for conducting single-case study to uncover the prevalent phenomenon previously unavailable. In addition, as mentioned earlier, the decision of conducting single case study was also arrived at practical consideration. Practically, comparing to single case study, the conduct of multiple
case studies are more resource intensive and time-consuming and that is beyond the means of a single or independent researcher who also needed to conduct and complete other studies e.g. CASD content analysis, within a pre-determined time frame.

5.6.2 Data Collection and Analysis

Miles and Huberman (1994) identify that even the case is an individual or an organization, the qualitative researcher has many within case sampling decisions, such as choosing which activities, processes, events, times, locations or role partners to sample. Although qualitative studies call for continuous refocusing and redrawing of study parameters during fieldwork, but some initial selection is still required. In the view of this case, CASD developed by the chosen corporation is the major concerned activities within the case whereas the corporate social responsible programmes were also examined in order to form the background information for this context. Respondents who had been identified as being able to answer the research question ranged from individuals within the company (e.g. officers from public affairs) as well as its agency partner (e.g. creative writer). Table 5.5 lists the respondents who participated in the case study.

Table 5.5: Respondents in Case Study

<table>
<thead>
<tr>
<th>Informants Interviewed</th>
<th>Type of Informants</th>
<th>Mode of Contact</th>
<th>No. of Informants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy General Manager, Marketing Services</td>
<td>Company Informant</td>
<td>face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>Deputy General Manager, Managing Director's Office</td>
<td>Company Informant</td>
<td>Face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>Executive Director, Public Affairs</td>
<td>Agency Informant</td>
<td>Face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>Audio-Visual Director</td>
<td>Agency Informant</td>
<td>Face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>Creative Writer</td>
<td>Agency Informant</td>
<td>Face-to-face, email</td>
<td>2</td>
</tr>
<tr>
<td>Account Manager</td>
<td>Agency Informant</td>
<td>Face-to-face</td>
<td>1</td>
</tr>
<tr>
<td>Account Executive</td>
<td>Agency Informant</td>
<td>Face-to-face</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total number of Interviews</strong></td>
<td></td>
<td></td>
<td><strong>9</strong></td>
</tr>
</tbody>
</table>
A research consent form was first sent to the managing director of the company to state the purpose of the research as well as to highlight the right of the informants and the researcher (see Appendix 5.2). Consent from the top management made the study easier as it allowed better co-operation from the respondents within the company as well as its partner agency. Personal in-depth interviews were conducted with the relevant company informants as well as the agency informants which took part in the company CASD campaign. Focus group interview was initially thought to be a quicker and more useful way to collect data from those respondents since all of them were involved in the advertising project for the same company. However, due to the difficulty in arranging a time that suit everyone and upon some respondents’ request, individual interviews were chosen. The name of the company was allowed to be disclosed in the dissertation and this has enhanced the trustworthiness of the study. However the anonymity of the informants’ identity was assured upon request. These respondents were sent a copy of some general interview questions through fax or email before the actual appointment date. This in fact gave a better idea to the respondents of the interview purpose and it happened that this also allowed some respondents to prepare supported materials related to the questions, e.g. ad sample or some internal publication. Like the managerial research conducted earlier, snowballing techniques were also applied in the case study to identify subsequent informants. Indeed the process of data collection and analysis based on in-depth interview was similar to that in the motivational study, where rapport building, drafting of interview protocol (see Appendix 5.3), and being sensitive to the interview findings to enable new focus to be developed, are regarded as important components in the case study research.

Furthermore, to understand the CASD phenomena in CSR context, the case study required the researcher to use a range of different research methods to collect the relevant information to triangulate the findings, although literally there is no standard consensus about what a case study method involves. Apart from the interviews with the relevant company and agency informants, the data gathered from this case study also involved the study and analysis of the company official websites, archive news related to the CSR activities of the company, internal
publications (e.g. newsletter), as well as copies of its print and TV ads with social messages. For ethical concern, the researcher had to make judgement on what to disclose in the research findings and what not to (e.g. actual advertising budget) and whether non-disclosure of certain information would jeopardize the quality of the findings,

The data were systematically analyzed through standard procedure for qualitative data analysis as discussed in section 5.5.2 which involved reading and re-reading the data, categorisation, abstraction, comparison, comparison, dimensionalisation, as well as relating to the literature and research findings from other sources. As a further note, the use of computer software such as NUD•IST (Non-numerical Unstructured Data Indexing Searching and Theorising) was not adopted in the entire research. Although the use of such software is more scientific, the practical benefits are questionable in this research context because they are considered more appropriate for structured interview. Furthermore it is time consuming to transcribe all interview data and inputting them word by word into the computer text. More importantly, Coffey et. al. (1996) point out that the application of such software in a standardized and mechanical way may result in the risk of rendering qualitative research similar to surveys or experimental design procedures. Coffey et. al. (1996\(^1\)) argue that,

qualitative research is not enhanced by poor imitations of other research styles and traditions. Analytical procedures which appear rooted in standardized, often mechanistic procedures, are no substitute for genuinely ‘grounded’ engagement with the data throughout the whole of the research process. It is worth noting that the ‘usefulness’ of such computer applications implies that you have collected and input all of your data, and this suggests that data collection and analysis are discrete and linear...As a consequence of that, there is an increasing danger of seeing coding data segments as an analytic strategy in its own right, and of seeing such an approach as the analytic strategy of choice. That should not be the case.

Given the above view, the researcher has decided to use manual coding so as to have a closer ‘feel’ of the data and this facilitated their sorting, coding and analysis.

\(^1\) http://www.socresonline.org.uk/1/1/4.html
5.6.3 Quality Assessment

Generally, any research design must stand up to scrutiny in the face of trustworthiness assessment. Kidder and Judd (1986:26-29; cited in Yin 2003) lists out the four criteria for assessment of case study, which are:

i. Construct validity: establishing correct operational measures for the concept being studied;

ii. Internal validity: (for explanatory or causal studies only, and not for descriptive or exploratory studies) establishing a causal relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships;

iii. External validity: establishing the domain to which a study’s findings can be generalized; and

iv. Reliability: demonstrating that the operations of a study – such as the data collection procedures – can be repeated, with the same results. This means that two or more researchers studying the same phenomenon with similar purposes should reach approximately the same results (Gummesson 2000).

First, in conjunction with the first criterion, it is stated that an established part of case study design that contributes to the construct validity of the results is to use multiple sources of evidence (Yin 2003). In order to provide cross-verification of some of the data in this study, some other sources (e.g. extracts from news, etc as mentioned in previous section) were used to enable triangulation. Apart from using different sources of evidence to triangulate the research findings, first and foremost, the researcher had to be aware of the rigour with which the study was conducted. This involved the careful selection of case to be studied and the choice of the right respondents who would be able to give the most relevant or complete account of the situation pertaining to the focus of the research question. In addition, this also involved the conscientious check on the suitability of the materials to be used for analysis purposes, such as the choice of CASD campaigns developed by the company. All these cautions taken also enhance internal consistency of the study which concerns the extent to which all questions or items assess the same issue.
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Second, due to the exploratory nature of the case study approach in this research, it is therefore not subject to the internal validity test which attempt to prove or determine the causal relationship.

Third, although a certain degree of generalisability or external validity of findings is important to all researchers, Tashakkori and Teddlie (1998) argue that in qualitative methods, generalizations to other individuals, settings and times are not necessarily desired. Nevertheless, the researcher thinks that some part of the research findings such as the wide-range of factors of consideration behind the CASD development as well as the sources of social issues selection would not only be applicable to the company under study but also to other industries which involved in CASD because they are exposed to similar environmental dynamic. As such, there should not be an under-estimation of the representativeness in the single case.

Generally the goal of reliability is to minimize the errors and biases in a study and this has been the favourite criterion of natural science. In relation to social science, it could relate to the question of “how can one determine whether the findings of an inquiry would be repeated if subjects (respondents) are in the same (or similar) context?” (Lincoln and Guba 1985:290). Wallendorf and Belk (1989) assert that this question makes more sense within a philosophy of positivist in which one assumes that there is a single objective reality out there to be discovered. If one does not adopt this positivist philosophy, the question makes much less sense. Despite the adoption of phenomenology philosophy in this research, the establishment of the reliability of the case study is not at all impossible. This was achieved through keeping records such as interview protocols and case study database which include respondent identity, the documents collected as well as the ad clips collected.

As mentioned earlier, the study of CASD in Malaysia would not be comprehensive without exploring what the consumers think about the CASD approach. Therefore, the next stage of the research is to investigate this aspect and the following section will justify the research method used to address the perspective of consumers.
5.7 CONSUMER RESEARCH: FOCUS GROUP DISCUSSION

In order to keep pace with the nature of the research which is to provide insight and allow respondents to reveal their own thoughts, focus group discussion was applied to address the final research question that aims to probe into the consumer’s views, attitudes and expectation towards CASD shown in Malaysia. According to Kitzinger (1994), focus groups work particularly well in determining the perceptions, feelings, and manner of thinking of consumers regarding products, services or opportunities. Therefore such a technique is useful in this research to determine these various aspects of consumers’ response in regards to CASD. Moreover, since the study is not intended to develop consensus, to arrive at an agreeable plan, or to make decisions about which course of action to take, or to generalise to a larger population, focus group is useful to gather an insight or depth of a focused issue and it can provide useful guides in developing future research questions (Powell and Single 1996). In addition, the issues discussed in consumer research is not as sensitive or confidential as in the previous managerial research, interviewing at group level instead of individual level is preferred and the former is seen as a quicker and cheaper way to gather data from different participants. Zivic (1992) claims that focus group is the most frequently used method in qualitative research as they bridge the gap between cost and amount of information obtained. Overall, the use of focus group interview is also consistent with the research purpose and the philosophical stance adopted in the study.

The main advantage of focus group discussion is that it relies on interaction within the group based on topics that are supplied by the researcher (Morgan 1997). This interaction, which creates a lively conversation and provokes emotional responses such as shock, anger, and surprise, cannot be elicited during a one-to-one interview. It also enables participants to ask questions of each other, as well as to re-evaluate and reconsider their own understandings of their specific experiences. Such social setting is more likely to reflect the individual’s thought and behaviour in a group. In other words, the simulation and spontaneity of the group environment can motivate a high number of responses, which in turn enable to generate richer data (Wong 1993). Kitzinger (1994) states that interaction is the
distinctive feature of focus groups compare to other methods because the interaction between participants highlights their personal view, the language they use about an issue and their values and beliefs about a situation that are different or similar to others. Since the similarity and difference could be immediately identified during the data collection stage, it helped the researcher in identifying some of the emerging themes from the data quicker.

5.7.1 Selection of Respondents, Focus Group Location and Setting

Preparatory work of organising a focus group interview was more taxing compared to individual interview. From selecting participants, recruiting participants, choosing a specific location and a time agreed upon, assembling participants, to setting of the focus group e.g. seating arrangement, all these required thorough and careful planning. In this research context, a consumer is to be understood as any person who might be exposed to an advertisement, regardless if he or she is an end user or potential buyers of a particular product advertised. Due to the multi-racial society of Malaysia where Malay, Chinese and Indian are the three main ethnic groups, three sessions of focus group which consist of these three ethnic groups respectively were initially planned. The reason to form each group with respondents from the same ethnic origin is that these participants who share similar cultural background or traditional beliefs would enable a much smoother flow of discussion and misunderstanding or misinterpretation could be minimised among participants.

Later, it was decided that two categories which respectively consist of students and those employed could be split under each ethnic group. This made up a total of six focus group sessions. The average age of the students is around twenty one years old whereas that of employed group is about thirty-eight years old. The researcher felt the inappropriateness to mix student and those employed in the same group although they are from the same ethnic origin. This is due to the cultural awareness of the Asian country in which the hierarchical social structure naturally leads to a heightened sensitivity towards status among individuals who are always conscious of the need to maintain the dignity or face of others (Schütte
and Ciarlante 1998). In other words, in the Asian collectivist culture, many younger people have usually been expected to respect or obey those who are older and more experienced in a social gathering. As such, if those employed and students were mixed in a group, students who are normally younger in the age and have less or no work experience than those in the employed group might tend to agree with the latter and therefore restrain from giving any opinions of what they really feel. As suggested by Morgan (1998), in a focus group, it is more appealing to meet with others whom they think of as possessing similar characteristics and social class, than meeting with those who are perceived to be different.

With reference to the number of respondents in each group, the recommended number of people per group is usually six to ten (MacIntosh 1981), but some researchers have used up to fifteen people (Goss & Leinbach 1996), or as few as four (Kitzinger 1995). The researcher decided to have six to seven participants in each group as it is neither too few to provide sufficient information nor too big to inhibit control over the group. Table 5.6 shows the formation of the six focus groups where a balanced mix of two genders were included in each group. It should be stressed that the decision to divide the groups based on ethnic origins and to separate the group into student and employed category was not to make a comparison among these groups, rather it was the aim of the researcher to obtain a more useful and variety of information from such combination.

Table 5.6: Consumer Respondents in Focus Group

<table>
<thead>
<tr>
<th>Group No.</th>
<th>Consumer Informants</th>
<th>Race</th>
<th>Education Level</th>
<th>Average Age</th>
<th>No. of Informants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Student: Female (4) Male (3)</td>
<td>Chinese</td>
<td>Tertiary</td>
<td>22</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Employed Group: Female (3) Male (4)</td>
<td>Secondary/Tertiary</td>
<td>37</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Student: Female (3) Male (4)</td>
<td>Malay</td>
<td>Tertiary</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Employed Group: Female (3) Male (4)</td>
<td>Secondary/Tertiary</td>
<td>41</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Student: Female (4) Male (3)</td>
<td>Indian</td>
<td>Tertiary</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>6</td>
<td>Employed Group: Female (3) Male (3)</td>
<td>Secondary/Tertiary</td>
<td>38</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>
Although it is quicker to generate richer and more diversified information in one setting, recruitment of participants can be time consuming, especially if the topic under consideration has no immediate benefits or attractions to participants (Gibbs 1997). In this research, due to limited research fund, no incentives such as gift voucher, presents, travelling expenses were offered and participants were invited through the recommendation of friends and colleagues in Malaysia. Students from local colleges and universities were recruited and the interview sessions were conducted in the evening. The three sessions with the student groups took place in the private houses of the respondents, for example, when interview sessions with the Chinese students were to be conducted, one of the Chinese student houses was used for the session upon her agreement. The reason for using private homes was that it offered a relaxed informal environment so that respondents would feel less pressurised a group and thus would express their views more freely (Krueger 1994). The location of the house was familiar by other participants and it was of an easy access by public transport.

The arrangement with the employed group was more difficult in the sense that some of them had to work at night and the time was less flexible to them compared to that of the students. Due to their work schedule, more persuasion from the researcher was made to encourage the potential respondents to take part in the focus group session, for example, to guarantee the short duration of the group interview, or to offer transport to the venue. One of the sessions took place in one of the respondent's house, and the other two sessions with the employed groups were conducted in another private house which was seen as the most ideal location for all the respondents.

Due to the small number of respondents in each group, a living room or an audio-visual room was used. Apart from the moderator (i.e. the researcher), an assistant of Malaysian nationality was recruited to help with the setting of the sessions, note taking and in translating occasionally. Chinese language was used in sessions with Chinese groups since it was chosen by the respondents. Both the moderator and the assistant are also proficient in the language. English language was used by the moderator during interview sessions with other ethnic groups. Malay groups were told that they could speak in their own native language (i.e. Malay) if
they found that using their native language could express themselves better since
the researcher and the assistant are also able to understand the Malay language. In
overall the language did not pose a serious barrier in any of the focus group
sessions. With the help of the assistant, the moderator ensured all respondents
understood well of the questions.

5.7.2 The Conduct of Focus Group Session

Tape recording was permitted by respondents during each session and they were
assured that the recordings would not be circulated and would not be used on
other research purposes. Each session lasted for about seventy five minutes. Most
of the participants within each group knows each other or had met each other
before, and for those who had not known well of each other seemed to blend in
very well with the rest probably due to the similar age and ethnic group.
Therefore, the rapport within the group was easily built where participants were
not intimidated by the others and were free to speak their mind. Those who
dominated the talk were either stopped by others or by the moderator (i.e. the
researcher) without creating moments of embarrassment. Stimulus which included
a few ad clips of various CASD by different Malaysian advertisers was also
shown during the session to generate discussion.

The drawback of having participants who knew each other in a focus group is that
the researcher could risk losing control of the flow of the discussion. Therefore
the researcher needed to be skilful enough to keep the discussion on track by
ensuring that the time for each question was sufficiently allocated and to time the
discussion of each question throughout the session. This means that a discussion
guide (refer Appendix 5.4) had been prepared beforehand by the researcher and a
simulation of the interview was carried to ensure the questions or topic included
in the guide were understandable and not ambiguous. Wong (1993) suggests that
the guide should be in considerable detail to contain a comprehensive list of
relevant topics, yet flexible enough to be adjusted as the discussion progresses.
The simulation also allowed the researcher to estimate the duration of a focus
group discussion. Krueger (1994) points out that sequencing questions to allow
maximum insight is important. Therefore, in the discussion guide, the researcher
has prepared it in a way which includes opening, introductory, transition, key and ending questions (refer Appendix 5.4 and 5.5). This sequence of the question was designed in such a way because it would first allow participants to become familiar with the topic by giving each respondent a chance to recollect personal opinions and to listen to others. This was then followed by key questions relating to the core topic of interest and then later followed with the opportunity to check if further comments would be added from the respondents at the end of the interviews.

During the session, the role of the moderator was to ask and clarify questions, observe the nonverbal communication in the focus group, as well as to encourage respondents to speak up. In order to ensure the moderator and others have adequately understood the meanings of participants, some participants were asked by the moderator to elaborate on the statements they had made when the moderator or the assistant moderator noticed doubts from the expression of other participants. In addition, the moderator needed to identify inconsistent comments made by the same participant and probed for understanding. For example, a respondent said she did not like cause-related advertising and would not buy products promoted in those ads. However later she indicated her consideration to buy products of which the ads are creative. Therefore, the moderator had to ask her again whether she would consider buying a product promoted in a creative cause-related ad. Given the researcher's previous work experience in conducting small group tutorial class in a local university, the handling of focus groups was not particularly difficult. In overall, all the sessions with the groups were enjoyed by both the researcher and the participants.

After each session was over, there was a debriefing between the moderator and assistant moderator to capture the first impressions and to discuss the noteworthy quotes or ideas expressed. Besides, the moderator and the assistant also discussed the need for a revision or any adjustments of some questions to be asked. Notes written by the assistant moderator during the interviews were reviewed by the researcher at home and the recording was played by the researcher to get familiar with the data collected. The researcher used word processor to type significant quotes or abridge transcript while listening to the tape. For those quotes in
language other than English, they were translated into English and later checked by the assistant to ensure the meaning was not distorted by the researcher.

5.7.3 Data Analysis and Quality Assessment

The following steps were applied by the researcher during the analysis process and this process is largely informed by Krueger (1994):

1. Gather tapes and field notes written by the researcher and the assistant moderator and categorise them according to the group features (i.e. which ethnic group and whether it is student or employed group).
2. Review field notes by categories of focus group as mentioned above.
3. Read abridged transcripts and field notes one category at a time. (Refer Appendix 5.6 to 5.11)
4. Look for emerging themes and its implications to the current and future research. For example, factors that influence consumers' preference towards advertisers adopting CASD approach, and the implication to the future CASD evaluation.
5. Developing coding categories and sort the data into coding categories in order to support the statement
6. Diagram the analysis
7. See what data are left out and consider revision
8. Prepare the write-up

In conjunction with the quality of the focus group analysis, i.e. systematization, validity and reliability, which have always been used as the standard criteria in a research assessment (Krueger 1994). Systematic analysis procedures help to ensure that results to be as error-free as possible. This was achieved through the consistent manner by which the data was gathered and handled, and the analyzed. The processes used by the researcher have already been discussed above.

Reliability deals with the question of how another researcher would arrive at similar conclusions adopting the same research procedure. As discussed in the
beginning of the chapter, the researcher adopts the phenomenological stance which claims no objective reality in the word; instead it is contextual dependant and socially construct where each individual constructs their own version of reality subjectively. Therefore, people and contexts both continually change. Even within the short period of time during the focus group session, it was not uncommon to notice that individuals changed their views from time to time or hold differing views on different circumstances. After all, the research question deals with how they felt about CASD or the advertisers, so it concerns more of the emotional or subjective aspect than the rational aspect of the individual thinking. Therefore this feeling is subject to changes over time. Unlike interviews in managerial research where the question deals with why CASD was developed, there is a low likelihood that the answers given by the respondent would change over time since the questions required more of the rational aspect the respondents' thinking.

Observation over time and use of revisits over time in longitudinal approach was recommended by Lincoln and Guba (1985) to determine the reliability or dependability (see Wallendorf and Belk 1989) for post-positivists inquiry. However, in regards to this research, this is practically unlikely due to time constraint. Despite this limitation, it is an inadequate argument for totally dismissing the concern with producing reliable findings. Instead the question of reliability could be understood as to what extent that another researcher will arrive at similar conclusion using available documents and raw data. This was achieved through proper documentation of the research and sharing the written report with the assistant to ask for comments and verification. In addition to sharing the report with the assistant, by asking the respondents to clarify their viewpoints or reiterating to them of what they had told during the sessions, it can also validate the objectivity of the researcher's interpretation of the data.

Finally, the question of validity of the focus group research indicates how much confidence the researcher can have in the results. According to Krueger (1994), validity is the degree to which the procedure really measures what it proposes to measure. It is proposed that focus groups are valid if they are used carefully for a
problem that is suitable for focus group inquiry. Furthermore, he added ‘focus
groups are very much like other social science measurement procedures in which
validity depends not only on the procedures used but also on the context’
(Krueger 1994:31). In this aspect, the researcher has offered the justification of
using the focus group in Section 5.7 and the procedures used, before, during, and
after the focus group sessions, were systematically and consistently carried out
throughout out the study.

In sum, the four methods in this research have been applied in awareness of the
relevant assessment criteria set by the research community respectively. In
overall, the validity of this study as a whole has been enhanced through
triangulation of methods and the trustworthiness has been promoted by
maintaining a thorough documentation of the data collected and the methods of
analysis used. In a way, it has also promoted the overall reliability of the study. In
this research, the application of qualitative methods combined with the content
analysis has provided a further measure of rigour in theoretical model building
and analytical generalization. The use of the multiple methods and respondents
has also added to convergence and consensus, thus reinforcing reliability of the
study as a whole. For example, the need of enhancing the creativity of CASD
could be identified during the conduct of the four studies.

Last but not least, ethical practice is a must in any social science research.
Research ethics, as defined in the Oxford Dictionary of Sociology (Marshall
1998), is

the application of moral rules and professional codes of conduct to the
collection, analysis, reporting, and publication of information about
research subjects, in particular active acceptance of subjects’ right to
privacy, confidentiality, and informed consent.

In other words, ethical issues should be taken into consideration throughout the
research process from the initial research design stage until the eventual finding
dissemination stage. Indeed, the mention of the ethical concerns has been weaving
in throughout the discussion in this chapter instead of being discussed separately,
e.g. use of consent form, assurance of anonymity, etc. To avoid repetition, the
overall discussion of ethical issues that arose throughout the research process have
been pinpointed and attached in Appendix 5.12. Based on this research, the ethical consideration could be summarised into several aspects, namely professional integrity of the researcher, relationship between researcher and research participants, responsibilities towards participants with particular emphasis on their right, anonymity, privacy and confidentiality.

5.8 CONCLUDING REMARKS

This research is exploratory in nature and the researcher has adopted a phenomenological-oriented stance that guides the inquiry and the conduct of the research. The researcher has placed high value on the perspective of individuals and believes the reality is contextual dependent. Phenomenological approach was adopted in this research as the researcher acknowledges that CSR or advertising is a contextual sensitive practice and there is no clear cut objectivity or reality in the world. Therefore cultural sensitivity of the researcher is an important quality essential to the conduct of the research in addition to the required research skills.

A multiple-methods research strategy was used to answer the four research questions so as to look at the multi-dimension of the situation. The whole research covered four stages in the process which aims to explore the different aspects of the CASD phenomenon in Malaysia, i.e. through studying the advertisements, the perspective from the advertisers and advertising agencies as well as that from the consumers. Firstly, content analysis of CASD in Malaysia was conducted to provide an understanding of the characteristics of this type of advertisement in the country. An analytical framework therefore had been designed for the first attempt to classify CASD. Although the whole research was mainly qualitative in orientation yet the quantitative analysis of the advertisement enabled the researcher to gain a preliminary understanding of the CASD practice. Secondly, managerial research, which involved qualitative in-depth interviews with company and agency informants, was carried out to uncover the different motivational factors in adopting CASD approach. Next, a case study of a Malaysian company, which combined the qualitative in-depth interview method
and study of the company website, document, and advertisements, was employed to further understand the formation of CASD in the context of CSR. Finally, the perception and reaction of consumers toward CASD was explored through focus group interviews. Table 5.7 summaries the various methods used to collect useful data to answer the four research questions.

### Table 5.7: Data Collection Methods

<table>
<thead>
<tr>
<th>Main Research Questions</th>
<th>Data collected</th>
<th>Data Collection Methods</th>
<th>Main Respondents</th>
<th>Mode of Contact with Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1: CASD’s Analytical Framework</td>
<td>65 samples of TV ad video clips</td>
<td>Advertising Research: Content Analysis</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Q2: Motivation</td>
<td>Interviews</td>
<td>Managerial Research: Qualitative interview, open ended questioning</td>
<td>Organisational respondents: company informants and agency informants</td>
<td>Face-to-face, email, phone,</td>
</tr>
<tr>
<td>Q3: Strategy</td>
<td>Interviews, corporate websites, internal publication, copies of press ad, television ad clips and newspaper clippings</td>
<td>Single Case study: Qualitative interview, Open-ended questioning Documents search</td>
<td>Organisational respondents: company informants and agency informants</td>
<td>Face-to-face, email</td>
</tr>
<tr>
<td>Q4: Consumer’s Response</td>
<td>Interviews</td>
<td>Consumer Research: Focus group interview</td>
<td>Consumer respondents</td>
<td>Face-to-face</td>
</tr>
</tbody>
</table>

Each stage of the research informed new focus on the next and the conduct and result of the next enriched the discussion in previous stage. Therefore although the research seems to follow a sequential procedure, the analysis of the entire research is more of a cyclical process and each of the four research stages had been
scrutinized based on its quality assessment and ethical consideration. However, the researcher believes regardless how well a research has been conducted, there could be room for improvement. Quoted from Gummersson (2000:97),

as long as you keep searching for new knowledge and do not believe you have found the ultimate truth but, rather, the best available for the moment, the traditional demand for generalization becomes less urgent.

The following chapters will present the findings and discussions of the research.
6. CHAPTER SIX

CONTENT OF CASD
6.1 INTRODUCTION

The content analysis was aimed at seeking answers to Research Question One: “How are company advertisements with social dimensions presented through television in Malaysia? What are the various aspects that can be studied based on the content of an advertisement of this type?” Therefore, the purpose of this chapter is to provide readers a deeper understanding of the characteristics of CASD in Malaysia through examining the sixty-five CASD samples broadcasted over the national television channels. In order to facilitate the analysis, an analytical framework is needed to categorise these ads based on various aspects. The analytical framework of CASD was developed on the basis of patterns and features found in the past literature, the sample, as well as some interview feedback from relevant research respondents. This chapter will first discuss the analytical framework which consists of six major categories and other subcategories. In the later sections, descriptive analysis of each categories and comparative analysis will be presented. Finally, implications of the results will be highlighted at the end of the chapter.

6.2 ANALYTICAL FRAMEWORK

The six major categories developed are, namely:- advertiser, ad features, ad strategy, dominant social issue, presentation of social dimension, and overall advertising tactics. First, the category of ‘Advertiser’ allows readers to have an idea of the characteristics of the CASD sponsorship. Second, the ‘Ad Features’ indicates forms of CASD that appeared in television. Third, the ‘Ad Strategy’ encapsulates the objectives perceived from the CASD. Fourth, the ‘Dominant Social Issue’ suggests the various issues that can be found in CASD. Fifth, the ‘Presentation of Social Dimension’ enables readers to understand how the social message or issue is reflected in the ad. Finally, the ‘Overall Advertising Tactics’ was created to show the presentation features of the CASD as a whole. Under each of the above major category, subcategories were added to capture more
characteristics of CASD. The next section will describe each of these categories in detail.

6.2.1 Advertiser

The past literature and interview findings reveal that local national companies and the government tend to maintain a close relationship to share national development agenda, therefore it is more likely that local companies may promote the social responsibility concept to serve the local society which they originate. However, as discussed in previous chapters, the concept of CSR is largely originated from the West. When globalisation in Asia reflects the increased activity of western businesses in the region, this is assumed that these companies may bring their CSR policies to Asian countries and either applying or adapting them to the local condition. Therefore foreign advertisers may take advantage of culture-specific concepts such as sowing ‘good-deeds’, ‘respect for elders’ in formulating advertising message strategy and execution for the local market.

Furthermore, previous literatures show that cause-related advertising which involves partnership between business corporations and non-profit organisations in promoting a social issue has been popular in countries such as U.S. and U.K. In other words, a company may either promote the social issue alone or together with the involvement of other parties such as governmental organizations or non-profit organization, the media or the non-profit organizations which is established by the company itself.

As a result, under ‘Advertiser’ category, the author has developed four variables that capture the following scenarios which are labelled as *Local brand, Foreign brand, Local brand with other party, and Foreign brand with other party*. This classification also is useful to find out the participation of local and foreign advertisers in adopting CASD approach.
6.2.2 Ad Features

In this category, ad features refers to the type of advertisement and when the ads were broadcasted. The former subcategory includes *product ad, corporate ad, and cause-related or fund-raising ad*, while the latter refers to *festive and non festive ads*.

(i) Advertisement Type

**Product Advertising**

As discussed in Chapter 3 (Section 3.6.2), company advertising can be classified into product and corporate advertising. Product advertising emphasizes on a product/service item/package or product image with ultimate attempts to persuade consumers to purchase the specific item/package.

**Corporate Advertising**

Conversely, corporate advertising does not focus on specific products/services but rather on a corporation’s overall image or on social issues relevant to the corporation’s interest.

However there could be confusion between what accounts for product and corporate advertising when coding an advertisement. When both product brand and corporation name is mentioned in an ad, to decide whether it is corporate or product/brand advertising, it will depend on its emphasis in the advertisement. If more weight is given to corporation’s account, it is regarded as corporate advertisement. In contrast, when the mention or appearance of specific product/service is given more weight than corporation, it is referred as product advertising. In another situation, when product and corporation shares the same name, similarly, by checking its emphasis on specific product/service will enable the coders to decide which type of advertising it belongs. In general, when there is no specific product/service focused in the advertisement, it is categorised as corporate advertising. Service advertisements sometimes are quite similar to corporate commercials in a way that they are not trying to sell physical products in their ads. For example, a life insurance company may focus on the concept of
family harmony in its ads. In addition, due to the inseparable nature of service, its brand name is usually the same as its corporate name. As such, advertising sponsored by a service organization can sometimes be classified under corporate advertising if the former only shows a general picture of the organization rather than on a specific service package.

The literature (mentioned in 3.6.1) suggests that CASD can be financial-oriented or issue-focused. Within the scope of the research, corporate and product advertising above are classified as issue-focused, whereas ads that involve fund-raising or revenue-producing transaction are classified as the following category:

**Cause-related or Fund raising advertising**

Company advertising with social ideas can be part of the promotional-based *cause-related* marketing campaign (i.e. for every purchase of Y product, X amount of money will be donated to certain cause). Another fund-oriented type of advertising is that it encourages viewers to give away money (financial) in the form of *direct donation to the charitable organizations* or individuals without engaging in revenue-producing transaction.

(ii) **Occasion: Festive and Non-Festive Advertising**

This further category under Ad Features was created because according to the research interviews, CASD could be commonly found during festive occasions in Malaysia. Therefore, corporate, product or cause-related advertising can further fall into two groups, i.e. festive advertising or non-festive advertising, depending on when they were broadcasted. ‘Festive Advertising’, i.e. ads created during festive seasons, has been generally agreed by the agency respondents as a distinctive Malaysian genre of advertising and it is a term widely used among advertising practitioners in Malaysia. Among the many special occasions found in Malaysia throughout the year, some advertisers create advertisements specially for the celebration of Malaysia National Day, Hari Raya (Malay New Year), Chinese New Year and Deepavali (Indian New Year). Apart from conveying the festive greetings, some festive ads include messages that aim to influence the
attitude and behaviour towards certain social issues. Non-festive advertising are advertisements broadcasted during ordinary days other than festive occasions.

In summary, this classification of Ad Features allow the researcher to find out in what form the CASD in Malaysia tended to appear on television so that practitioners could decide whether to follow the trend or break the trend so as to gain competitive or differential advantage.

6.2.3 Ad Strategy

Based on the understanding of ‘Internal-’ or ‘External-’ oriented aspect of CASD that has been discussed in 3.6.3, apart from informing an audience of the social performance of the company through its ads (i.e. internal-oriented), advertisers can convey a message telling the audience of what they should do (i.e. external-oriented). This category deals with what is to be achieved in an advertisement by observing what is said and shown in an advertisement as well as how it is said or shown. In short, it classifies the objective or goal that may be implied in the ad. It is, however, important to note that it is not easy to identify the actual objective of the advertisement by viewing the ads, particularly in the era of modern advertising. Since modern advertising offers more representation of self in a social world instead of product-centred representation, communication has changed from the verbal and literary to the audio-visual (see Section 3.2). Therefore, the objective may be subject to the interpretation of the researcher and the coder by making sense out of the diverse elements presented in the ad, such as the use of tone, narrative, and the emphasis on style over substance. Despite the difficulty to identify the actual objective, the perceived ad objective could be identified through the observation of the sample ads. Largely informed by Iyer et. al. (1994)’s classification, five objectives were presented as follows:

i. to position the product/service as social necessity, e.g. promoting awareness of child onboard safety through child safety seat ad

ii. to present the corporation as socially responsible by showing the social contribution the corporation has made, e.g. a telecommunication company may show its efforts in upgrading the telecommunication
infrastructure in order to facilitate and improve communication among public; or a mineral water advertiser may state in the ad that the bottle used to fill mineral water is made of recycled material

iii. to influence viewers' future personal behaviour or attitude, e.g. instead of showing its social contribution in the ad, a telecommunication company may encourage individuals to keep in touch with their family members; or the mineral water advertiser may encourage consumers to recycle the bottle after consumption

iv. to enlist viewers' support by giving a donation to a specific organization through purchase or taking part in a social campaign within specific period of time, e.g. for every purchase of a bar of chocolate, 1/3 of the money received will be donated to the orphanage.

v. to promote product brand image, e.g. a soft-drink brand that is linked with the presentation of traditional art or it is being positioned as a drink that is to be enjoyed during family reunion. There is no indication in the ad of what the advertiser has contributed or that product is a social necessity, neither does it aim to influence change of consumer behaviour or attitude.

This classification of ad strategy is useful in a way to facilitate practitioners to understand better their objectives upon which advertising effectiveness is to be evaluated.

6.2.4 Dominant Social Issues

The nature of social message or theme of CASD can be analyzed in terms of the issues presented in the ad. This category would help to identify the issues that were most widely seen in CASD on Malaysian television. This identification would imply the importance of such issues as concerned by the advertisers, the government or the Malaysian consumers. However, a more in-depth interview is needed to study the factors of consideration in choosing a specify issue (will be discussed in Chapter 8). Indeed, the coverage of social issues is diversified and broad. For the purpose of classification, five types of social issues were introduced. Kotler and Zaltman (1971) broadly divide social issues into two
categories, i.e. **Public Health And Safety**, and **Environmental** issues. Public health and safety issues refer to, for examples, anti-smoking, drug abuse, drunk driving, etc. While environmental issues may include issues related to animal life, plant life, land, water or atmosphere (Iyer et. al. 1994).

Issues related to **Physically And Socially Disadvantaged groups** were added to the classification of social issues, e.g. physical disabled persons, elderly, retarded children, orphans, etc. which are the common beneficiary groups addressed by non-profit organizations in Malaysia.

Another category was created to encompass **Racial-Related And Nationalism** issues which are one of the most concerned topics in Malaysia as we learnt from Chapter 4. Ads advocate racial harmony and integration and those underline the advertiser’s devotion to the country or effort to call upon the love of the people towards the country fall into this category.

As pointed out in the literature review, the spiritual side of human existence has to be more emphasised in advertising (Zinkhan 1994). Another category named **Spiritual Ideology** was therefore included in the analytical framework so as to capture issues related to the moral development of the individual other than those related to public health and safety, environment, physically and socially disadvantaged group, as well as racial integration. Issues related to spiritual ideology are more personal related and served as enlightenment or food for thought of individuals. **Asian family and traditional value** is a major concern in the country given the passion of the country’s leader in Asian thoughts. Family values could relate to issues pertaining to generation gap, child relationship with working parents, etc. On the other hand, in reference to traditional values, the general distinction of cultural dimensions between Western and Asian traditional values can be referred back to Table 4.3 in Chapter 4.

Another subcategory developed under Spiritual Ideology issues relate to commonly recognised **social ills or taken-for-granted civic mindedness**. This refers to issues which are morally against the desired social expectation and which may not necessarily be Asian concern but rather reflecting on the local context,
such as, materialism, inferior complexity, chauvinism, and bad social manners. Examples of bad social manners in Malaysia context can be found in Appendix 6.1 which shows the sixteen of the negative taken-for-granted behaviour commonly found in Malaysia as published by The Star, an English newspaper in Malaysia. In fact, the current Malaysian Prime Minister has recently launched a five-year long ‘Courtesy and Noble values’ campaign in the country.

Additionally, the category ‘Others’ was created to include social issues falling outside those categories mentioned above, e.g. employee welfare, sport events, anti-war campaign, poverty, and education.

6.2.5 Presentation of the Social Dimension in an Ad

It is not unusual to find both business and social elements in any of the modern advertisements since literature claims that advertising is a cultural bound object which have broad social implications to the society (Pollay 1986; Holbrook 1987). This category therefore looks into ‘how’ socially-oriented message had been emphasised in CASD in particular. Two sub-categories were developed to enable the researcher to uncover the degree of social orientation in the ad, and how the social message was linked with the company/product nature.

(i) Degree of social orientation

Iyer et. al. (1994) devise three categories to conceptualise greenness of an ad which are made up of Shallow, Moderate and Deep. Due to its relevance to the present study, the researcher has adapted these categories to examine the extent of social focus in the ad in a better perspective. Company advertisements with shallow social orientation tend to promote product or service or corporate image by tagging along a slight touch on a social aspect. In other words ads that are vague and implicit in their social message will be coded as shallow. For ads that are coded as deep, the social message becomes the primary component of the whole commercial. As such, the social message is explicitly presented in a way that the audience can easily and clearly identify the existence of such message. For example, the promotion of a good corporate citizen image by showing the advertiser’s commitment or interest to a social issue. Finally, in moderately social
oriented ads, they do not address the social issues as in great detail as those in deeply social-oriented ad, but the social message is weaved into the ad more frequently than a shallow social ad.

(ii) Association/Link with the product/business nature
This category looks into the link between the social message and the product/service or the company. The author identify three dimensions to conceptualize the link: *lightly associated, moderately associated* and *highly associated*. Based on the literature review on CSR, some companies are more conducive to the creation of visible social problems than others so they are more likely to support an issue that in some extent related to the problem it has caused so as to reverse its negative image. For example, a car manufacturer may address issues on environmental pollution. Others may address issues that can represent its business nature to enhance its social image, for example, the car manufacturer can advertise on road safety, or cosmetic companies may address issues related to awareness of skin cancer. Alternatively, issue associated could be totally unrelated to the business nature. Nevertheless, the danger of losing the link between the representation and the business offerings is a constant worry for the marketers because the dramatic means in the ads maybe remembered better than the products they are supposed to sell or the companies they are supposed to promote (Nava and Nava 1992). Therefore, the ad practitioners in this research suggested that when there is no clear link between the social issue and the business nature, association cues that symbolise the product or company such as colour, celebrity endorser, company logo, familiar slogan, are added intentionally and carefully into the ad to avoid being seen as over hard-selling.

In the category of highly associated, the social message itself is highly related to the nature of the business, e.g. the promotion of anti-drunk driving by car manufacturer; or ads that promote a product or service as social necessity (i.e. social goods) e.g. child safety seat ad promote the importance of child protection onboard.

In relation to lightly associated link, there is no direct or apparent link between the social issue and the product or the advertiser’s business nature. Moreover, the use
of association cue in the ad is low. Therefore viewers may not instantly relate the ad to the advertiser or its business nature during their viewing of the ad for the first time. For example, in a TV commercial for a petroleum company which promotes racial harmony, there is no mention of the product or service station of the company only until the end where the company logo is shown.

In regard to CASD which is moderately associated with the company, the social message presented also has no direct connection with the company or the product, however relatively more association cues can be found in the ad compared to those in the lightly associated category. As a result, despite the absence of the link between the issue and the business nature, viewers can still relate the ad with the advertiser based on the association cues. In other words, the difference between the ‘lightly’ and ‘moderately’ dimension can be judged through the mention or the appearance of the product/company or symbols of the product/company in the ad.

6.2.6 Overall Advertising Tactics

This major category looks into the overall tactics applied in CASD by examining its executional style, dominant appeal used and characters in the ad. Advertisers and scholars have long sought to discover what makes an advertisement effective by investigating the impact of executional styles, and individual building blocks of a commercial (refer Stewart and Furse 1986; Stewart and Koslow 1989; Laskey et. al. 1994). This classification of overall advertising tactics would be useful to reveal the basic of creative composition of CASD on television in Malaysia.

(i) Executional Style

Shimp (1976) has identified four general commercial styles, depending upon whether the commercial focuses on an individual, a story, a product, or a technique. Each basic style has several alternative executions, yet in this CASD analytical framework, the author will only focus on the four broad styles since the detailed classification is not the major concern in this study. Advertising which is individual-oriented may use a celebrity or a character as the focus person in the ad, or it may depict conversation between two or more individuals without an actual story line that viewers can follow; whereas in advertising adopting a story style,
viewers can identify the narrative or plot of a play. Alternatively, a product-style ad demonstrates the physical appearance of the product advertised or the process of the service advertised. Finally, ads with technique styles emphasize the graphic or visual effect of the overall ad where imaginative pictures or fantasy are presented. The ad may also point to analogies between two objects, or between a product and a character, for example the use of a tiger as a metaphorical image for petrol.

(ii) Dominant Ad Appeals used
Ad appeals can basically be divided into Rational and Emotional appeals. With the rational appeal, a source speaks directly to the audience in an attempt to inform and persuade. The message is straightforward and easy to understand. In relation to social issues, usually it would directly request for action to be taken. As an alternative, the literature claims that advertising practitioners nowadays tend to employ emotional appeals in their ads. Therefore, it is more meaningful to divide the emotional appeals into negative (i.e. fear, guilt, shame, shock) and positive (i.e. humour, pride, love, joy) appeals in order to capture the wide range of these appeals.

(iii) Characters in ad
One of the categories applied by Iyer et.al. (1994) in their analytical framework of green ads includes the main characters in the advertisement. Their motivation to study the portrayal of characters stems from Balch (1992) who suggests that the use of children best personalizes the concept of future. Therefore it is more likely that children would be used as the main actors in advertisements that promote the social well being for the good of the future. Given this perspective, the following categories have been developed:

i. Real People:
   - Children
   - Youngster
   - Adult
   - Old people
   - Mixed

ii. Cartoon

iii. Animal dominant

iv. No Character
v. Others

(iv) Main Settings
One of the agency respondents in the present study pointed out that using setting that presents the different stages of life in the ad can add weight to the social issue mentioned (e.g. family value). This can strengthen the importance of the issue that is passed down from generation to generation. As a result, the researcher has decided to categorise the setting of the advertising into four groups i.e. **Past, Current, Future, or Series of different stage of life**. This can be determined from the costume worn by the actors, building, background or the use of the colour tone in the ad (e.g. black and white or yellowish image symbolises the past).

In summary, the analytical framework or classification scheme has been developed to allow the identification of various patterns or creative approaches which might be employed in CASD in Malaysia. Table 6.1 presents the analytical framework of television CASD which was established for this study. The coming section will present the analysis of the sample ads collected based on the developed categories discussed above.

**Table 6.1: Analytical Framework of CASD**

<table>
<thead>
<tr>
<th>Categories</th>
<th>1 ADVERTISER</th>
<th>2 AD FEATURES (I): Advertisement Type</th>
<th>3 AD FEATURES (II): Occasion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ADVERTISER</td>
<td>Corporate</td>
<td>Festive</td>
</tr>
<tr>
<td>Local brand</td>
<td>Local brand</td>
<td>Product</td>
<td>Non-Festive</td>
</tr>
<tr>
<td>Foreign brand</td>
<td>Foreign brand</td>
<td>Cause-related</td>
<td></td>
</tr>
<tr>
<td>Local brand with other party</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign brand with other party</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Chapter 6: Content of CASD

<table>
<thead>
<tr>
<th></th>
<th>AD STRATEGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>to position as social necessity</td>
</tr>
<tr>
<td></td>
<td>to show corporate social contribution</td>
</tr>
<tr>
<td></td>
<td>to influence behaviour or attitude</td>
</tr>
<tr>
<td></td>
<td>to enlist support</td>
</tr>
<tr>
<td></td>
<td>to promote product/brand image</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>SOCIAL ISSUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Public Health and Safety</td>
</tr>
<tr>
<td></td>
<td>Environmental</td>
</tr>
<tr>
<td></td>
<td>Physically &amp; Socially Disadvantaged groups</td>
</tr>
<tr>
<td></td>
<td>Racial-Related And Nationalism</td>
</tr>
<tr>
<td></td>
<td>Spiritual Ideology : Asian Family and Traditional Value/Social ills &amp; Civic mindedness</td>
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<tr>
<td></td>
<td>Others</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>PRESENTATION OF SOCIAL DIMENSION (I): Social Orientation</th>
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<tbody>
<tr>
<td>5</td>
<td>Deep</td>
</tr>
<tr>
<td></td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>Shallow</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>PRESENTATION OF SOCIAL DIMENSION (II): Association with Business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deep</td>
</tr>
<tr>
<td></td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>Light</td>
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<table>
<thead>
<tr>
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<th>OVERALL ADVERTISING TACTICS (I): Executional Style</th>
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<tr>
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<tr>
<td></td>
<td>Product</td>
</tr>
<tr>
<td></td>
<td>Story</td>
</tr>
<tr>
<td></td>
<td>Techniques</td>
</tr>
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<table>
<thead>
<tr>
<th></th>
<th>OVERALL ADVERTISING TACTICS (II)- Ad Appeal</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Rational</td>
</tr>
<tr>
<td></td>
<td>Emotion - Positive/ Negative</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>OVERALL ADVERTISING TACTICS (III): Main Characters</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Real people - Children/Youngster/Adult/Old</td>
</tr>
<tr>
<td></td>
<td>People/Mix</td>
</tr>
<tr>
<td></td>
<td>Cartoon</td>
</tr>
<tr>
<td></td>
<td>Animal dominant</td>
</tr>
<tr>
<td></td>
<td>No character</td>
</tr>
<tr>
<td></td>
<td>Others</td>
</tr>
</tbody>
</table>
6.3 DESCRIPTIVE ANALYSIS

The first step is to analyse the frequency distribution of the six major categories in the taxonomy.

6.3.1 Advertiser, Ad Features and Strategy

From the analysis of Advertisers (see Figure 6.1), most CASD were sponsored by local national corporations (71%). Although CSR has been a concept proliferating from the West, based on the result, foreign transnational companies operating in Malaysia did not appear to get involved in integrating socially-oriented message in advertising as much as the local companies did. This may be explained by the perception that the Malaysian government has called upon the local companies to share the national social development agenda or local companies may attempt to maintain a well-knit frame with the government, therefore, more national corporations than foreign companies have engaged in CASD. However, foreign companies may more actively apply the CSR concept into other business areas such as socially responsible production processes, employee relations, environmental and social reporting, and community development (Chambers et. al. 2003). The result also shows that there are only a few partnerships (9%) between corporations and other parties (especially the local broadcast stations) in promoting social issues together over television. Based on the findings, it is assumed that advertisers in Malaysia tend to develop CASD alone.
From the sample TV advertisements collected, 81% of CASD are corporate instead of product type advertising where the latter accounts for only 17% of the total 65 sample ads (refer Figure 6.2) Interviews with advertising practitioners indicate that social message was easier to be integrated into corporate ads as compared to product advertising which places more emphasis on promoting sales or product messages. Besides, many of them admitted that it was more practical and cost effective to spend on product-related message for product advertising than on social message. On the other hand, there was a lack of advertisements that aimed to raise fund (i.e. cause-related ad) for certain foundation or cause. Although the literature suggests that cause-related ads are quite common in some countries like the U.S.A., not many advertisers in Malaysia adopted such an approach. This is probably because Malaysian consumers were more sceptical to it as compared with those CASD that do not seek for donations through revenue-producing transaction. This scepticism has been brought up during the consumer research which will be discussed in Chapter 9.
In relation to the occasion during which CASD was shown, 78% of CASD were broadcasted during festive seasons in Malaysia (refer Figure 6.3). An agency informant in this research believed that people's minds tend to be in a retrospective and relaxed manner during this time as festive celebrations usually remind people of religious, traditional beliefs, cultures, or the moral principles accepted by the traditional social norm. This view was shared by another informant who noted,

Festive seasons are the moments in a year that people would reflect on their past behaviour and when advertisements which provoke emotional feelings of sympathy, anger, fear, happiness etc, shown during the festive seasons, they are very likely to intrigue audience's self-examination and hence they will be more receptive to the social messages. Besides, messages related to family value were commonly found during these times as these were moments when family members usually get together and share their thoughts.

Furthermore, feedback from other agency respondents reveals that Petronas, Malaysia's National Petroleum Corporation, has been the first company in Malaysia to adopt the approach where social messages become the primary message rather than the secondary one in the company advertisements. The company has been constantly promoting social issues, especially racial-related, since 1996 in its corporate advertising during different festive occasions. This was regarded as a turning point by the agency members as it reflected a new facet of commercial advertising in Malaysia where company advertising with apparent
social messages has been commonly found during national celebrating seasons. Accordingly, this trend starts to become popular during festive occasions and has become a distinguished trend in the Malaysian advertising showcase. Among those adopting the similar approach includes Telekom (Malaysia Telecommunication Company), Perodua (Malaysia Second National Car Manufacturer), Malaysian Airline and few of the local big corporations.

**Figure 6.3: Festive v.s. Non-Festive**

![Pie chart showing 22% festive and 78% non-festive]

In regard to the Ad Strategy (see Figure 6.4), the result indicates that CASD in Malaysia rarely aimed to enlist viewers' support through a donation or through taking part in a social campaign. Only 6% in total of the sample CASD shows the product/service as social necessity and presents what the advertiser has socially contributed. Besides, 12% of them aimed to promote general brand image rather than social image. In other words, CASD that attempted to influence viewers' behaviour or attitude for the future personal enlightenment dominate the largest proportion of the sample (i.e. 80%). This suggests that messages are usually external-oriented where advertisers tend to convey enlightening message to viewers instead of focusing on the importance of their company or product in social performance.
6.3.2 Dominant Social Issues

Figure 6.5 illustrates that topics related to Racial-related and Nationalism (31%) and Spiritual Ideology (43%) were the two most dominant issues found in CASD in television Malaysia. Among all the spiritual-related issues, Asian family values with a primary focus on family unity and communication (75% of the Spiritual issues) appeared to be the issues most frequently promoted. The finding is consistent with the prevalent belief that racial issues and Asian values are often the major social issues concerned by the Malaysian government. Public health and safety issues (12%, especially issues concerning road safety) were the third most frequently addressed topic and this is followed by issues from the category of Others (11%, e.g. appreciation of modern technology, cultural events). Although no CASD about environmental issues was found among sample ads, this does not imply there have been no advertisers at all using this issue in their CASD. The finding only points out that over the television broadcast, environmental issues have not been promoted extensively in ads by the profit organizations compared to other issues. Instead, the government has initiated the national recycling campaign since year 2001 where ads related to this topic has been advertised by the relevant ministry over the national television channels. Based on this finding, it implies that more involvement of advertisers in communicating the
environmental message could be encouraged instead of only relying on the government in this agenda.

Figure 6.5: Social Issues

6.3.3 Presentation of Social Message

Referring to Figure 6.6, Forty-five CASD samples (almost 70%) were deep in social orientation to the extent where the social messages become the primary message rather than second message in the ad. More ads with deep social orientation were found in the sample because when selecting CASD to be included in the sample for analysis, ads of this type were easier to be identified and there is less conflict between coders over the judgement of the existence of an enlightening social message in a company ad.

This group of ads which places high emphasis on the social content in the ad were found to have been developed by big local national corporations as mentioned earlier. The present study finds out that these advertisers may tend to produce more ads with deep social message due to the ever growing public favour of their advertising styles. More discussion of the motivation behind CASD development will be revealed in the next chapter. Similar to the common presumption that large companies are more likely to involve CSR, some consumer and agency
respondents argued that only big corporations like those mentioned can afford to emphasise more on the social message rather than their business message in advertising. Since television is a more expensive advertising medium compared to other mass media, it is logical to assume the sponsors of CASD with deep social orientation in television are normally large corporations. However, it is also reasonable to believe that not many large business spenders on television advertising would develop CASD with deep social orientation, especially given the low level of corporate social awareness and cost and effect consideration. Therefore, this implies the possible voluntary driver behind such development.

![Figure 6.6: Social Orientation](image)

When looking at the association between the social message and the product/service advertised or business nature of the advertisers (see Figure 6.7), the finding shows that almost 70% of sample advertisements are lightly related to the product or the advertiser’s business nature. One of the company respondents said that it was not necessary to have such a link if the business recognised that it has a broader social role to play than selling in the ad. Nevertheless, some argued that without this link, it would lead less benefit to the company. Indeed, there are more other factors that affect the decision on which social issues to be used in an ad and business nature is just one of them. Chapter 8 will further examine this area.
6.3.4 Overall Presentation Tactics

With reference to the executional style adopted in CASD, the finding (refer Figure 6.8) indicates that story-telling style was more frequently adopted (55%) compared to other styles. In this story-telling style, viewers could learn the message through understanding the interplay between the characters in the communication. Based on the literature, there may be a cultural implication in this style of presentation as Ramaprasad (1998) states that Asian communication cultures are more indirect, implicit and symbolic while Western culture stands at the other end which is more direct, upfront, and explicit. Therefore, it can be argued that CASD in Malaysia would not directly request viewers to take action in response to the social issue. Instead ad practitioners tend to embed the message in the ad and expect viewers to explore or make sense of the ad through the story-telling approach. Although individual style is the second most common presentation style adopted (22%), the use of a celebrity as an endorser in CASD was rare. Apart from the cost factor, two reasons have been offered by agency respondents to explain this. First, it is risky to use a celebrity to promote a social issue unless the person has a good social image because his/her personal image can influence the corporate image. Second, due to the multi-racial nature of the country, there are not many local celebrities that are well-known by all the three races whereas the use of foreign celebrities has not been encouraged as it somehow goes against the desire of the Malaysian government to project the Malaysian identity. (Note: nevertheless, the restricted use of foreign scenes or
models in television ads has been loosened in the recent years so as to confront with the change of competitive environment). The style of presentation which emphasizes on the graphic effect, has not been used as frequently (12%) as story or individual style, probably due to lack of human touch with this tactic in presenting social messages in advertisements. Likewise, the adoption of product oriented style was only found in 11% of the sample mainly because CASD was mostly identified in corporate advertising.

**Figure 6.8: Executional Style**

![Pie chart showing the distribution of executional styles in CASD](image)

Figure 6.9 shows that, emotional appeals rather than rational appeals were more commonly applied in CASD. Since most sample ads were festive ads, positive emotional appeals (see Figure 6.10) such as joy, love, humour and pride were expected (78%).

**Figure 6.9: Ad Appeals**

![Pie chart showing the distribution of ad appeals in CASD](image)
In regards to the characters used in CASD, overall 91% used human characters instead of animal or cartoon figures. As indicated in Figure 6.11, when “real” people were portrayed in an ad, most often a mix of children, youngsters, adults, and the elderly regardless of their gender type were included. This symbolised the ‘feel’ of family as mentioned by few agency respondents. When the main role is concerned, adults were favoured (32%) followed by children (14%). Although the use of elderly as a lead character was only found in 2% of the sample, their appearance can be found in many of the CASD which have a mix of characters of different age. Furthermore, although the literature suggests that the use of children in environmental advertising best personalizes the concept of future, the effectiveness of using children to promote social issues is yet to be testified in Malaysia context.
Finally, Figure 6.12 shows that the backdrop setting of CASD mostly reflected the current scene of the society (78%) rather than that of the future. This is followed by ad setting which portrayed the series of different periods especially from the past to the current, whereas only a few (2%) mainly focused on the past and none on the future setting. This suggests that the use of futuristic setting could be better utilised by ad practitioners to help viewers to visualise the consequence of the society when a particular social issue is not taken care of. Indeed, the findings from the analysis of the overall presentation tactics of CASD may provide implications for practitioners to encourage them to apply other less frequently used tactics in developing the future CASD so as to stand out from other competing advertisements.

**Figure 6.12: Main Settings**

![Pie Chart]

The summary of the frequency distribution of the above discussion is listed in Appendix 6.2 and the following section will present the comparative study of some of the categories.
6.4 COMPARATIVE ANALYSIS

Since the size of the sample is small and not all the relationships are interesting or revealing, the researcher felt that instead of describing all aspects, only cross-tabulations wherever meaningful and worthy of reporting were undertaken, in an effort to relate different factors within the analytical framework. The category ‘Degree of Social Orientation’ in the ads was identified as the most important variable in reference to the Preamble¹ as mentioned in Chapter 4. As a Preamble, it does not specifically indicate or direct how a second message ought to be worded or projected so there is a different degree of social orientation which can be identified from a CASD. As a result, the researcher decided to cross-tabulate the frequency distributions of Ad Features, Ad Strategy, and Link with Business Nature respectively, with Degree of Social Orientation in order to understand the relationship between them or how the extent of the social orientation has reflected on these factors.

6.4.1 Ad Features and Degree of Social Orientation

Referring to Table 6.2, product advertising was usually light in the extent of social orientation (7/11) in which the social message was more superficial and light weighted. On the other hand, most of the corporate ads were deep in social orientation (43/53) while some were moderate in degree. It is also found in Table 6.3 that among the festive-style advertising, an overwhelming majority (41/51) was deep in the degree of social orientation. On the other hand, CASD broadcasted during non-festive occasions tended to be less social oriented. Nevertheless, it should be noted that not all festive ads are regarded as CASD although there is usually less commercial elements in festive ads because some of them merely convey festive greetings without highlighting a social subject in particular.

¹ Advertisements must project a better quality of life for all Malaysians, inject civic mindedness and desired behavioural attitudes in life, such as queuing up when boarding a bus etc, and keeping public places clean. Other than the commercial objective all advertisements must convey a second message such as messages calculated to bring about discipline, cleanliness, healthy living or industrious attitudes.
Table 6.2: Ad Type and Degree of Social Orientation

<table>
<thead>
<tr>
<th>AD TYPE</th>
<th>SOCIAL ORIENTATION</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deep</td>
<td>Moderate</td>
</tr>
<tr>
<td>Cause-related</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Corporate</td>
<td>43</td>
<td>9</td>
</tr>
<tr>
<td>Product</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Grand Total</td>
<td>45</td>
<td>12</td>
</tr>
</tbody>
</table>

Table 6.3: Occasion and Degree of Social Orientation

<table>
<thead>
<tr>
<th>OCCASION</th>
<th>SOCIAL ORIENTATION</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deep</td>
<td>Moderate</td>
</tr>
<tr>
<td>Festive</td>
<td>41</td>
<td>4</td>
</tr>
<tr>
<td>Non-festive</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Grand Total</td>
<td>45</td>
<td>12</td>
</tr>
</tbody>
</table>

6.4.2 Ad Strategy and Degree of Social Orientation

As shown in Table 6.4, among all the ads of which the primary strategy was to influence a viewer’s personal behaviour and attitude, the majority of them (42/52) was deep or moderate (9/12) in social orientation. Conversely, CASD which was shallow in social orientation usually aimed to promote its general brand image (8/9). This result makes sense of the possibility that greater emphasis on the social dimension may be needed to provide impetus to influence the social attitude and behaviour of the viewers. Alternatively, when the objective was merely to promote brand image, lesser importance was placed on the social aspect of the ad. Furthermore, this finding somehow portrays CASD as a separate style of advertising in Malaysia that disentangles itself from the world of commercial advertising as it aims more towards influencing social behaviour or attitude than conveying business messages.
Table 6.4: Ad Strategy and Degree of Social Orientation

<table>
<thead>
<tr>
<th>AD STRATEGY</th>
<th>SOCIAL ORIENTATION</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deep</td>
<td>Moderate</td>
</tr>
<tr>
<td>a. to position product/service as social necessity</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>b. to show corporate social contribution</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>c. to influence behaviour/attitude</td>
<td>42</td>
<td>9</td>
</tr>
<tr>
<td>d. to enlist support</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>e. to promote brand image</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grand Total</td>
<td>45</td>
<td>12</td>
</tr>
</tbody>
</table>

6.4.3 Link with Product/Business Nature and Degree of Social Orientation

The analysis reveals that in most situations when the degree of social orientation was deep, the social message tended to be lightly linked with the product/company advertised (35/45, see Table 6.5). For example, CASD developed by Petronas hardly relate the issue of racial integration to its business nature. However it shall not be assumed that all ads with deep social orientation have little association with the product or business nature of the advertiser. The result shows that the contents of a few ads with deep social orientation were deeply (6/45) and moderately (4/45) related to the advertiser’s business nature.

Table 6.5: Link with Business Nature and Degree of Social Orientation

<table>
<thead>
<tr>
<th>LINK WITH BUSINESS NATURE</th>
<th>SOCIAL ORIENTATION</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deep</td>
<td>Moderate</td>
</tr>
<tr>
<td>Deep</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Moderate</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Light</td>
<td>35</td>
<td>4</td>
</tr>
<tr>
<td>Grand Total</td>
<td>45</td>
<td>12</td>
</tr>
</tbody>
</table>

Advertisements in the group of deep social orientation and deep association with the business nature were found to be those that claimed their products as social
necessities like child safety seat and life insurance. Thus, a strong relation can be found between the social issues (i.e. child safety and child education planning) and the business nature. In addition, automobile advertisers supporting the road safety issue such as anti-drunk driving was also found to be highly related to the business nature.

In another scenario in which the ad depicts deep social orientation and moderate association with business nature, there are less business messages to be found. Notwithstanding, the overall presentation of the social message is somehow able to induce viewers to link the ad with the company or its product/service through the use of association cues. In other words, although some social issues per se has no direct association with the business nature of the advertiser, ad practitioners are able to smartly link the seemingly non-business/product related social issue to ad by inserting association cues throughout the advertisements. For example, in one of the sample ads, Malaysian Airlines promotes racial integration by telling a story of the friendship among three kids of different races. Although the ad is deep in social orientation, viewers can identify the occasional use of audio and visual cues throughout the ad (e.g. use of the word 'fly', showing people on the plane, and the miniature of the aeroplane) that enable them to relate the ad to the advertiser. As such, even though the ad mainly focuses on the story of the friendship of the three races which has no direct relation with the airline business, the ad has been presented in such a way that linking the message to the advertiser’s business nature through the creative use of copywriting and presentation skills without emphasising the business message. In short, the linkage between the social issues and the business nature could be seen in two ways i.e. directly or indirectly related. When the issue is not directly associated with the business nature yet the advertiser wants to create a deep social oriented ad, it requires more application of the creativity skills from the ad practitioners to fill the gap so that indirect link can be formed between the message and the advertiser.

In overall, the analytical framework of CASD would provide useful advantages for both practitioners and advertising researchers where practitioners would be
able to readily identify the strategic or tactical options available while future researchers would be able to compare the effectiveness of the various options identified.

6.5 CONCLUDING REMARKS

In summary, the content analysis reveals that foreign companies operating in Malaysia did not seem to have made use of television as a medium to communicate social issue through their company advertisement as much as the local companies did. Furthermore, social issues were normally advocated by the advertisers alone instead of with other non-profit partner. Perhaps, this suggests more partnership with other parties could be encouraged in future to jointly promote a social issue over television advertising. In reference to Ad Features, most CASD were corporate instead of product type advertising and have been broadcasted during festive seasons in Malaysia, whereas cause-related advertising was rarely found in the sample. The result also indicates that TV CASD in Malaysia attempted to influence viewers’ behaviour or attitude in future for personal enlightenment rather than delivering commercial message, such as claiming the product/service as social necessity or impressing viewers of the advertiser’s social contribution. Therefore, in regards to the Presentation of Social Message, almost 70% of CASD samples were deep in social orientation to the extent where the social messages became the primary message rather than secondary message in the ad. This finding is consistent with the comparative analysis that among all those ads whose perceived primary strategy was to influence behaviour or attitude, the majority (80%) were either deep or moderate in social orientation. Indeed, the result has marked the uniqueness of CASD in Malaysia where the approach itself does not seem to integrate into the commercial advertising arena but towards the world of social advertising. Nevertheless, the analysis also discovers that not all ads with deep social orientation have little association with the product or business nature of the advertiser as it depends on how ad practitioners are able to make use of association cues to create the linkage to the product or business aspect.
Chapter 6: Content of CASD

The comparative analysis unveils that product advertising was usually light in the extent of social orientation in which the social message was more superficial presented. Moreover, among the festive-style advertising, the majority were deeply social-oriented. Therefore, advertisers may extend the use of CASD during non-festive occasions and they can also consider greater social elements to be included in product advertising so as to build good social image for the product and to raise higher social awareness of viewers towards a certain issue. For example, apart from telling ad viewers that its brand of air-cooler can purify the air condition at home in tropical countries like Malaysia (or during summer time for countries in temperate zone), the advertiser may advise consumers to adjust thermostat to ensure that room temperature is not unnecessary low as it may cause more environmental destruction as a result of increased energy consumption when the temperature is lower.

Not too surprisingly, given the political and social context of the country, Racial-related and Nationalism (31%), and Spiritual Ideology (43%) are the two most dominant issues found in TV CASD. Among all the spiritual-related issues, Asian family values with a primary focus on family unity and communication appear to be the issues most frequently promoted. The implication is that advertisers in Malaysia may try to explore the possibility of integrating other social issues, e.g. environmental issues, which are also important and beneficial to the viewers.

Besides, based on the study of the Overall Advertising Tactics adopted in CASD, there are not much difference can be found among the samples ads in term of the creative use of presentation tactics. This is because most findings in this aspect are skewed toward certain use of executional style, ad appeals, characters, and ad setting. Therefore, it suggests that there is more room for creativity to be injected into the CASD development by making use of other non-frequently applied or other breakthrough advertising tactics.

In short, the analytical framework and the content analysis in this chapter have provided a deeper understanding of the presentation of CASD in Malaysia television. The next chapter will further investigate the motivations behind such an approach and its possible influence on the objective setting.
7. CHAPTER SEVEN

MOTIVATION OF CASD
Chapter 7: Motivation of CASD

7.1 INTRODUCTION

This chapter will present the result of the investigation focused on the second research question related to the motivational factors. Before probing to the answer of this question, it is worth discussing the different perspectives from the parties from advertising association and the consumer association in Malaysia concerning their perception on the rationale behind the preamble mentioned earlier or how it has been understood. Although this account is not the main focus of the research, this additional discussion is useful since it suggests that the motivation behind the inclusion of a social message in a commercial could be more complicated than simply conforming to the said preamble. Moreover, the content analysis in previous chapter reveals that most CASD in Malaysia exists beyond the second message requirement as stated in the preamble. Next, the researcher will present the motivational factors from different dimensions. As discussed in Chapter 5, this finding is based on the in-depth interviews with company informants and agency informants in Malaysia who have involved in CASD development. It should be noted that the true motivation behind could not be fully articulated since phenomenologist believes the reality is socially constructed and the researcher should emphasize on the meanings or different opinions held by individuals so as to try to understand what is happening from their views (Easterby-Smith et. al. 1991). Therefore, this chapter focuses on the discussion of the respondents' perception in regards to the motivation, instead of emphasising on facts and look for causality. Finally, the chapter will provide the implications from this particular study.

7.2 ROLE OF THE PREAMBLE

Based on the interview findings with one of the senior members of Malaysian Advertising Association, it has been claimed that the preamble was designed to

anticipate and pre-empt any untoward tendencies by advertisers to forget about their need to observe proper social decorum, in advertising their
products and service...it is a reminder of the need to be decently positive, socially conscious of life's realities which are exactly what any sane marketer would not dare fail to observe, for, otherwise, his brand will be projecting wrong habits, insulting gestures, and indecent suggestions.

This view was indeed shared by other agency informants and it somehow suggests that they perceived the rationale of the preamble as to remind companies and advertisers about their ethical responsibility. Therefore, as long as advertisements do not violate the ethical norm, or when there is no definite expectation or pressure on this second message from the public or pressure groups, the inclusion of the second message or social message is not found to be necessary or compulsory.

It is generally felt by many advertising practitioners that there should not be an enactment of law or act to compel the inclusion of the social message in a commercial. In their views, the regulators realize that the media should not impose their will on marketers and marketing efforts to communicate social messages, instead, leaving advertisers to concur on the need for depicting healthy habits, humanity, as properly guided by human conscience.

Although the idea or intention of integrating socially-related message in every commercial is agreeable, the enforcement of law on it would somehow circumscribe the good intention of this idea...Do not push it.....Leave it to the individual advertiser (and his agency) to decide whether he wishes to inject a second message, when he wants to do so, and the extent to which this second message should be allowed prominence in his commercial.

According to the interviewee, forceful requirement may lead to the restraint on the advertising creativity and undermine the business communication solution. It may cause a situation where advertisers would simply integrate any social issue in its ad without seriously consider the choice of social issues or the way of presenting the issues. Until then, the inclusion of social message may be seen as merely to pacify the regulator rather than truly for the well being of society.

On the other hand, from the Malaysia Consumer Association’s (CAP) point of view, they think that the rationale of the preamble is not only to remind companies and advertisers about their ethical responsibility to the community. In
addition to that, advertisers and advertising practitioners should also recognize the potential of advertising to reach out to the public, educate people and create mass awareness about issues.

Some of the ethical issues the Association has raised pertaining to ads are:

- Advertisements which use children for products not meant for children, or to persuade parents;
- Advertisements which portray women negatively, or stereotype roles for women;
- Advertisements which mislead about the contents or value of products or benefit that product brings;
- Advertisements which encourage negative or violent behaviour;
- Advertisements which encourage unhealthy activities
- Advertisements for medications or health products with exaggerated and/or untested claims (slimming products etc)
- Ads which promote junk food, alcohol, smoking (indirect ads), decadent lifestyle

In the words of one of the legal advisors of the consumer association,

I agree that ads should promote not only civic mindedness among the public, but also other values like mutual understanding, respect for women and elders, empathy with the less fortunate etc. Advertisements are powerful tools in spreading messages, positive or otherwise. This tool must be used responsibly to foster the well being of society.

She criticised that many advertisers tend to be light-hearted in committing their social obligation through advertising development, where their actions were merely to pacify the Government. From the perspective of the Consumer Association, advertisers must remember that advertising has an important role to play and thus must be socially responsible so as to create an informed society. In order to practice ethical advertising and include positive social message, she suggested,
advertisers should focus on their role as responsible members of society and include their obligations to society as part of their corporate identity and goals...the challenge would be to move away from using this powerful tool to foster consumerist lifestyles, promote the wasting of resources, encourage the loss of cultural values etc, and rather utilize it to send social messages like cultural values, conservation of the environment and resources, mutual respect and dignity, family unity, respect for women, the elderly & compassion for the less fortunate, etc.

As a result of comparing the viewpoints from both the associations, it is believed by the researcher that many advertisers or ad practitioners could interpret the preamble or other advertising code as ‘do no harm’ instead of ‘do some good’ to the society. Therefore, in contrast to the response from the advertising practitioners who oppose stricter legal enforcement that could ‘suffocate creativity’, the consumer association feel that there is lack of enforcement by Advertising Standards Authority (ASA)\(^1\) or even the Information Ministry which initiated the preamble. It was commented by the legal advisor that due to the lack of activism among Malaysians, the association has not received many suggestions or complaints from consumers regarding ads because the public has become quite complacent and has not been used to raise issues with improper ads, unless some ads so obviously offended public sensitivities and caused uproar. Burns and Brady (1996) point out that within developing nations where consumers themselves cannot be expected to enforce their rights, consumers’ protection or measure to safeguard consumers’ rights is a greater concern for policy makers in developing nations than in developed nations. Based on this view, the intention of the consumer association to ask for stronger legal protection is understandable.

Nevertheless, the literature review also reveals that given the plethora of advertising restrictions in Malaysia, Malaysia advertising has already been criticised as being ‘out of sync’ (Kilburn 1997). Due to lack of consumers’ active participation in raising issues, it highlights the need in this research to explore the perspective of consumers of their actual expectation from the

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\(^1\) AS A, a unit formed by the Advertising Association to ensure the deviations from decorum and decency are not to be continued. One of the tasks of the consumer association is to monitor ads from all media and raise their concerns about offending and misleading advertisements with the ASA. The handling of the formal complaints is carried out by ASA where the questioned commercial would be reviewed and in some cases would be banned from viewing. The Public Relation office of the advertiser or the advertiser’s ad agency, would usually confront with the Authority or/and Media.
advertisers and this will be discussed in Chapter 9. Neither the consumer association nor advertising association can assume the satisfaction or dissatisfaction of consumers towards the present advertising phenomena without probing into their thoughts.

In reference to the contrary opinion held by these two associations mentioned above, the researcher highlights that CASD should refer to ads that not only cause no harm to the society but also contain apparent messages that create the public awareness towards a particular issue. In addition, their opinion has highlighted the implication on the extent of social orientation to be included in a company advertisement. The researcher argues that when the preamble is interpreted as ‘do no harm’, the ad would be designed with lesser degree of social orientation whereas when it is believed that ad should ‘do some good’, greater extent of social orientation would be expected. Based on the literature on social reporting in Malaysia (refer Section 4.6) which suggests that business culture in Malaysia is one of tending only to do what one is mandatory to do and no more, the researcher postulates that the support of this preamble is given in a rather reactive than a proactive way by the advertisers to communicate socially meaningful message through their ads. In short, despite the existence of the said preamble, the decision to integrate a social message or the extent of the social orientation is subject to discretion of individual advertiser. With low consumer expectation as claimed by the consumer association, and lack of legal enforcement on advertisers’ compliance to the preamble, the motivation of corporate engagement in CASD especially with deep social orientation is found to be worth investigating.

7.3 MOTIVATION

Since the true motivation behind could not be fully articulated, the researcher’s role was to let respondents to reveal their notions or thoughts of what was relevant and important instead of verifying or falsifying the importance of what has been mentioned. This study unveils that practically not many advertisers actually followed the said preamble and some were not even aware of it. Most of them
adopted a social approach in advertising due to the initiation of the company or its advertising agency rather than to the preamble itself.

The creative effort is driven not so much by a conscious need to adopt or obey the said preamble, but by our belief in depicting all that is true, real and obtaining in Malaysian life and society (Corporate Communication Manager, C4)

The research findings suggest that the motivation for adopting a social approach in company advertising can be meaningfully categorized into three forces: internal forces, external forces as well as personal beliefs. Internal and external forces are related to the contextual factors within and outside the company respectively that induce the practice of CASD. On the other hand, personal beliefs, evidently is related to an individual’s thought about the importance of being socially conscious or responsible, and about the individual’s belief on the effectiveness of advertising to convey social messages. The categorization does not however imply a company is motivated by solely one aspect rather than the other. Due to the complexity of the environment, companies have to confront with different facets of challenges that affect the decision making process. The reason to categorize these motivational forces is only to better understand the several aspects that influence the adoption of CASD in general.

7.4 CORPORATE INTERNAL FORCES

Companies are judged by markets primarily according to financial indicators such as profits, earnings per share, etc and board members receive incentives based on these performance indicators. As a result, one may question: if socially responsible behaviour does not feed into a company share price or its profits, what is the incentive for a company’s leadership to pursue socially responsible policies or what would lead the motivation for a company to adopt CASD approach? The internal forces consist of factors that arise from the micro-level of company environment that can be subdivided into two aspects: hard factors, and soft factors.
7.4.1 Hard Factors

Hard factors deal with quantitative numbers and figures. They are economic-related forces such as increasing sales of product advertised, and improving company’s financial performance, e.g. market share. It is widely known by marketing scholars that sales performance is not solely influenced by advertisements. It is also affected by other marketing variables such as price, distribution channels, sales promotion, etc. In other words, these inter-dependent variables are very much likely to determine the sales performance so it is difficult to measure an advertising sales effect unless those said factors other than advertising are controlled. Despite the problem of measuring the effectiveness of advertising in term of sales figure it can generate, CASD was developed, like any ordinary advertising, in the hope that that tangible rewards could be earned in return, even indirectly.

Yes, we do want to do good to the society through our advertising, yet at the end of the day, we hope to get economic payoffs for the product and the company from our consumer. Do good and be paid good. (Marketing Manager, C5)

We understand that the effect of [the advertising] can only be seen in long term and sometimes such effects are hard to be quantified, still we do expect that the advertisements would contribute in some way to produce some immediate tangible result. (Marketing Service Manager, C3)

Although it is found that respondents from the marketing and sales departments were more concerned with this aspect, a respondent from Public Relation also thought that,

I am not quite sure how much sale can such advertising generate, we did that to build good image and eventually induce purchase. Every business wants its advertising bring in money. It is a practical world. (Public Relations, C1)

From another perspective, some agency informants pointed out that pursuing the advertising award sometimes motivate the team to include a social theme in a commercial ad.
Sometimes it’s not too much about it is a good thing to do socially, company advertisements which show such ‘human texture’ usually stand higher chance to win the advertising award. (Graphic Designer, A14)

The ad award is quite a lure for agency to get involved in ad with social dimension, because the more awards gained, it enhances the agency’s reputation and this has a direct impact to the future revenue generation. (Advertising Executive Director, A3)

While intending to pursue for material outcome, a respondent has identified the problem of interpretation of CASD in which some social messages were added unintentionally or subconsciously.

No business would invest money on advertising in a way that would not generate itself profit. Whether there is social idea in an ad, it is arguable, We can argue that there are social components in many advertising, though we don’t consciously include such element in it. We can justify that. Anyway, in Malaysia it’s not uncommon to find social messages in ordinary ads, it depends how you want to argue or how you see the ad based on individual interpretation. The key point is whether the effects were intended or not. (Advertising Group Director, A1)

This account given by the respondent conforms to the earlier discussion on the ‘do no harm’ versus ‘do some good’ interpretation of the preamble where it is justifiable by individuals of whether there is social message in an ad or not. The literature on CSR also asserts that where there is lack of a clear definition, corporation can interpret it as they see fit (Welford 2003). However, the researcher argues that if the viewers cannot agree on the existence of the socially meaningful message in an ad, the argument of the advertisers would be less convincing. Therefore, referring to the content analysis of CASD in previous chapter, the inter-coder agreement of the selection of CASD sample ads was found essential before further analysis could be carried out. This explains the need in the analytical framework to include the category of a different level of social orientation of the advertisement. The researcher argues that one may expect deeper level of social orientation when the social effect is intended.

In summary, hard figures like amount of sales from marketers’ view, or number of ad awards from the perspective of ad agency, account for one of the motivational forces, if not the major momentum, for the development of CASD in business
arena. In other words, hard factors are the concrete or direct-economic result that advertisers and practitioners would intend to achieve through CASD despite its rather indirect effect on sales performance or revenue generation in practice.

7.4.2 Soft Factors

Other than quantitative outcomes, there were soft factors identified within the internal environment that motivated the adoption of CASD, for instance, the corporate culture and traditions. From the respondents’ perspective, CASD was commonly thought to be a channel to help the company build a good image or to increase a corporate/brand recognition. The interview findings reveal that one of the key drivers for adding recognizable social message to a commercial is through achieving a good corporate social image although some of the advertisements themselves do not project the actual social contribution of the advertiser in a vivid way. Such advertisements as identified in the previous chapter usually were designed to influence moral attitude or behaviour of the viewers. A company respondent said,

It is the corporation's stance of being socially responsible corporate citizen in modern day Malaysia. [The advertising approach] places our company on a more socially conscious platform. (Assistant Managing Director, C8)

The above view was shared by one of the agency respondents who noted,

We hope to project the human part of the faceless advertisers through our commercial ad. It is a way for the company to appear more personable and not a money-sucking enterprise. ...the outcome we hope to achieve is that the audience sees the company in a more positive light. (Creative Writer, A12)

It has been generally agreed that CASD can help the company to soften its image as business/money-orientation, so as to appear to be more approachable or social-oriented. Additionally, corporate culture and vision had also been constantly mentioned by respondents who generally believed that being a Malaysian corporation, it has the responsibility to promote social agenda parallel to the national development.
Some respondents mentioned that it was the business philosophy of the advertiser to bring out the message which the organizations wish to raise the awareness of certain social issues among the public although they did not 'hard-sell' the idea. In other words, unlike social advertising or public service advertising that normally appeals for a specific action to be taken by giving a clear and direct message — for example donate to the homeless, call a number to report a child sexual abuse case, etc — CASD was designed in a way that it worked more as a reminder or an enlightened note for receivers in regards to the social issue and let the receivers interpret the social message which is not as usually direct as most messages found in social advertising. An agency respondent has extended her view on this aspect,

We convey what we thought to be ideal or desired and whether the audience wants to accept or adopt, we leave it for them. What one group finds insulting may be quite appealing to another. The generally accepted standard in a market society is freedom of choice for the consumer. I think that’s the difference between commercial ad with social message and pure social ad by non-profit organizations where the latter pushes for a radical social change. (Creative Writer, A11)

Her view suggests that the aim of CASD should be placed less on pushing for social change, instead, social elements found in CASD should act more as a mean for raising awareness rather than changing behaviour. This is also stated by another respondent,

We want the commercials with a social dimensions to put human conditions up for discussion. Corporate commercials touching on social issues do not hard-sell and expect any action. [Instead] we sell the philosophy of the company and give the audience/target market the choice to act or not. (Creative Director, A10)

Indeed, the literature on social marketing (e.g. Fox and Kotler 1980) claims that the emergence of social marketing as a discipline is partly founded on the perceived inability of communication and advertising based social strategies to take uses beyond raising awareness and into changed behaviour. Therefore, as what has been discussed in Chapter 2, the researcher argues that it is important to have greater corporate involvement to supplement the communication campaign so as to achieve more significant social impact.
On the other hand, there are other company respondents who showed more ambition in conditioning the social change through advertising. The interview findings has identified that when CASD was developed to supplement the public relations activities of the companies, the rationale for developing CASD with an explicit social message or theme is backed by a strong corporate culture that attempts to pursue social benefits for the communities or public.

It is part of company culture to concern about the welfare of communities. Advertising offers a way to educate the audience. We don’t tell what the company does for the society, instead we are more concerned about what we can tell the public to do for the benefit of the whole society...if we want to be a socially acceptable corporation, it is better for us to become social advocate. (Public Relations, C2)

The other soft factor that has encouraged the development of CASD is the increase of employee morale in a company especially when employees were shown or involved in the development process.

Employees like us who work in the PR [that were involved in the process] get to feel proud of being part of a company that stands for something righteous. (Public Relations, C2)

Although one could argue the increased employee morale was the outcome of CASD rather than the motivational force, however this study shows that it became an important driver for subsequent CASD development when the company found that their employees like their corporate ad.

They [Colleagues] and their family like the company ad and expect the company to continue in doing this [integrating social message in corporate ad] (Group Communication Manager C4)

Moreover, interview with an agency informant, who has also in charged of advertising development of other international companies, claimed that the use of CASD advertising approach was part of the globalised ad strategy of the company so as to be consistent with the company image.
Chapter 7: Motivation of CASD

The concept [ads with social idea] is universal, there are issues that this country as well as other countries are of concern. [The social theme] is similar for ads shown in other countries……the company tried to establish a consistent image for people around the world. (Brand Director, A2)

Given the above view, the researcher argues that the influence of globalisation or the globalised strategy in promoting corporate social image could also become a driving force behind CASD development although the result of content analysis has indicated that the engagement of CASD in local companies are more active that that of foreign transnational companies.

An agency respondent also suggested that,

When a company confronts with market crisis that can jeopardize the company reputation, it [CASD] may somehow alleviate or ease the negative effect. (Public Affair, A13).

As such, CASD could be seen as a proactive tool of risk management. Nevertheless, this rationale has not been regarded by most respondents as a key motivational driver behind current CASD development in Malaysia. Two arguments have been made on this view. First, based on the interview feedback, it was felt by ad practitioners that the level of risk awareness and proactive anticipation of advertisers could be relatively low so they would not develop CASD before market crisis or in other words, it had not been the rationale behind CASD adoption yet. Second, some pointed out that advertising alone might not be an effective tool in reversing the bad image resulted by an unpredictable crisis. The belief on advertising strength will be further discussed in Section 7.6.1.

7.5 CORPORATE EXTERNAL FORCES

Although there is no conclusive evidence that a company’s share price is affected by a lack of social responsibility or CASD practice, companies’ action can be explained by market forces and competitive pressures.
As discussed in Chapter 4, large local business in Malaysia has long been called upon to shoulder some of the burdens of nation-building by the Malaysian Government. One of the respondents related the national policies of the country with the social issues (especially related to fostering racial integration) injected in the company advertisement.

It [CASD adoption] is inspired by the Government national development policy based on which a spiritually moral society is envisioned in conjunction with the development of a technology-savvy nation. We see racial integration as an important foundation for the development of a stable environment. (Advertising Group Director, A1)

Despite the government's intervention in some business operations of those national corporations, based on the interviews, no respondents has pointed out the development of CASD was a result of a significant governmental pressure in this aspect. On the other hand, some respondents talked about how the deep social orientation in a company ad was affected by the advertising trend in Malaysia since the recent past few years. As revealed by the creative writer in an ad agency Petronas has begun to use social messages in its corporate advertisement since 1996 to communicate the importance of racial integration during festive occasions since then there are followers to join the trend. (Creative Writer, A11).

The respondent further claimed that while some companies have attempted to follow the trend and adapting the 'Me-Too' approach by following Petronas's style of advertising, there are also companies searching for unique positioning stance in this trend to compete with or stand out from those followers:

We want to outperform others by choosing different social theme in our ad or adopting different style of presentation that are different from not only the competitors from the same industry but also that are different from other ads that appeared in the media which are from different or unrelated industries. (Creative Writer, A11)

Furthermore, influence from the ad agency to include apparent social message in a company advertisement is another external factor if taken from the perspective of an advertiser. In the words of an account executive in an ad agency,
It is our proposition that [the company] may try something different from their previous ad approach by painting some social texture in their ad to make it appear more alive and closer to its consumers (Account Executive, A8)

In addition to the advertising trend, both the company and agency informants have mentioned that they found out that consumers gave favourable response to this type of ad which is deeply social oriented.

We do this because we know people like to watch this kind of ad where there is less commercial element although they know that it is nothing wrong for a company ad to have pure business or product related message as long as the way it is shown is not unethical or indecent. However, the taste could change and we found out that audience gave positive comments about our past [CASD series] and some do actually look forward to see how we integrate social message into our next ad in future” (Manager in Marketing Service, C3)

In summary, based on the findings on internal and external forces, the researcher has identified that those companies adopted the CASD for the first time were mainly motivated by the awareness of governmental policies, influence of corporate social policy, the advertising trend, the need to differentiate itself from the advertising clusters, as well as the influence from ad agencies. Alternatively, apart from corporate culture, motivation for continuous adoption of the approach was due to favourable response generated by the consumers who found their previous CASD impressive, to boost employee morale, and their belief in continuing doing what they believe is right. Additionally, advertisers were less motivated by the hard factors but ad awards have been indicated by agencies respondents as a driver for developing ad with deep social orientation.

**7.6 PERSONAL BELIEFS**

In contrast to external and internal forces which focus on those pressures or stimulus from the macro- and micro-environment of a company as a whole, personal beliefs is related to an individual’s thought about the importance of being
socially conscious or responsible and individual’s belief on the effectiveness of advertising to convey social messages. The findings suggest that personal belief is one of the most important forces in shaping marketers’ decision to adopt CASD. This is supported by much of the literature on individual values and managerial discretion. For example, Robin and Reidenbach (1987) claim that although a corporation is a legal entity, people are its legal agents and its owners so the individuals in an organisation have been judged by society to be liable for the performance of the corporation. The literature also states that the driver towards socially responsive decision making can be facilitated by congruence between managers’ personal values and the organisation’s values or culture (Norris and O’Dwyer 2004). Therefore, the assignment of creating a culture conducive to socially responsive decision making lies on the leadership of the organisations to internalise socially responsive standards within individual employees in order to influence socially-conscious way of doing business (Smith and Carroll 1984). Moreover, Sharfman et. al. (2000) asserts that personal values play a major role in influencing decision making regarding social issues when the level of individual social concern and commitment was extremely high among most managers. As such, in relation to CASD, individuals who are involved in the developing process would determine whether to include social message or what and how such message should be weaved into a commercial ad. Pointed out by a company respondent,

I don’t deny that the company policy will affect the content of an advertisement, what we want is to sell and to impress people through advertising. However, most of the time, it is the people who care will contribute time and effort in making an ad that sell a social beneficial concept or cleverly embed a social message in a commercial ad. The challenge is how an individual’s belief can influence others to become the follower. (Assistant Managing Director, C8)

On the other hand, the initiation of the idea to incorporate a social dimension in an ad could also be derived from the individuals of the agency instead of the advertisers.

those in senior positions in the company has the influential role to play in encouraging or deciding how the company is to be presented to the public...or the copywriter, for example, may suggest [CASD] approach
due to his/her personal belief about the importance of sending social message out from a commercial ad. (Group Communication Director, C4)

Nevertheless, from the agency perspective, the support of such decision has to be obtained from the advertisers. One of the account executives noted,

We like the idea of integrating social issue in advertisements. However, client has the final say whether to include so. So sometimes it depends on whether the client believes in the advertising effect in building social image for the company also in its effect to engineer the social change. Some may think it’s better off to leave that [advertising with social dimension or social responsibility] for government or non profit sector. (Account Executive, A6)

The above quotation also signifies that individual’s belief in advertising strength in relation to social contribution is a motivational factor that leads to the development of CASD. In short, based on the qualitative analysis of the interview data, the development of CASD can be strongly motivated by

1. personal perception of CSR in advertising business;
2. personal beliefs about the advertising strength and value.

7.6.1 Personal Perception of CSR

The literature review on advertising has considered it as a mirror of society and scholars have been debating whether evolving societal changes dictates advertising or advertising creates the image that changes society. In practice, the ad practitioners also have different views on this issue. A respondent commented that advertising is only in tune with the interest of the targeted audience.

Advertising do not create trends but rather highlight trends that are inherent out in the street. We only reflect the image you find out there and create the relevant advertising that consumers can relate. The market is highly segmented with different groups of people with different interests and marketers will use whatever method that result in generating sales. In a way, advertisements are commercially-driven, we use certain image to capture the market segment that wants to believe in that way anyway. Advertising has to promote a product in a responsible manner yet realistically speaking, it is not an ad’s responsibility to raise the national social consciousness. (Account Manager, A7)
In contrast, a respondent related the responsibility of advertising with its impact on consumers of younger generation.

Children are looking for an identity as they progress into adulthood traditionally based their experiential references from family, school and peers, when spending hours watching television or listening to radio daily, youth are including media characters in their social construct. Advertisement as an integral part of commercial media must balance the consciousness with commercialisation to inculcate good value without leaving bad social construct. Ignoring the social effect, for example ads using blatant sexual appeals, would only produce a counterproductive impact on the their own image and the society (Advertising Group Director, A1)

Since people behave in accordance with their own values or beliefs as phenomenologist claimed, Oliver (1999) argues that understanding of managers’ or individuals’ personal values will improve our appreciation of their beliefs, attitudes and behaviours and that this should help improve organisations’ ability to motivate desired decision making. The adoption of CASD is found to be motivated by the individual’s perception of CSR and beliefs on the importance of CSR. Referring to the literature as discussed in earlier chapters, CSR is something vague and new in developing countries and has its own model applicable to a particular country. The interviews reveal that how the decision makers have been brought up and their social environment has significant influence on their beliefs about CSR. The following quotation from one of the respondents best summarises this point:

at the end of the day, social responsiveness should be rooted in personal beliefs and it is this belief will promote the use of CASD. The company may not have a strong culture that is generally shared by employees of the importance of being socially responsible.....Companies here rarely emphasise on this aspect, what most concerned is to stay profitable or financially stable. However, when we look at the individual level, despite the seemingly eroding Asian values and people become more materialistic, many Malaysians are still very much influenced by the traditional Asian culture which has profound impact on our behaviour and thought. For example people may have higher weight on the importance of group values rather than the individual or personal freedom. Therefore, we have been being taught to adhere to the social norms, and sometimes to forgo personal interest so as to achieve group acceptance...This practice [in Asia] seems to be taken for granted since long ago and no one questions about it and we thought we were still having strong sense of community while the
Chapter 7: Motivation of CASD

fact is we are losing it. Having the chance to spend a few years aboard, I admire the western culture which is more methodical and people there are more curious and want to explore and find out things and when something new is found they will want to study its application. I think this is the reason why CSR first proliferates in western countries as they recognise the gap between social expectation and business performance and continuously explore room for business improvement. Whereas here, either people or business or both have taken each other for granted or are complacent about the status quo. We should instead learn to improve ourselves and raise our expectation as well as others' expectation about what business can contribute to the society.....ironically there are more ads based on sexuality in western world than here, we have different culture
(Creative Director, A10)

Furthermore, referring to the content analysis of CASD in previous chapter, most ads do not portray the social contribution of the company. However, Brown and Dacin (1997) argue that a company can build buildings or give money away, but unless consumers know about it, it may do little good or have little advantage on company image or product responses. In response to this point and the question of why not the advertiser showcased the good deed the company has actually committed instead of advocating issue that seems unrelated to the business, a company respondent noted,

If I donate money to the charity, I don’t need to tell everyone I do so, people who have done something good, need not to show off their action...there are different ways of communicating the social image of a company (Assistant Group Communication Manager, C4)

This view somehow reflects the resonance with Thompson’s (2000) study on social reporting which identifies that some environmental responsible companies are simply reluctant to report. In connection with CASD, although not every respondents have the same viewpoint as the above respondent, it has somehow highlighted the rationale behind such a thought which could probably be due to the Asian culture of the country which is oriented to modesty and low-effacement in appraising oneself (refer Table 4.3 on cultural difference between the West and the East). In a reflexive thought of the researcher, the respondent’s argument is not impractical at all from the socio-cultural or ethical perspective, in an extent, the researcher feels that such an attitude may be quite appreciated in a business environment which needs CSR to be guided by human conscience and established
Chapter 7: Motivation of CASD

at the core of the business. However, the researcher proposes that the mindset could perhaps be adjusted to "why not telling others the good things you have done with honesty and modesty, in the meantime, encouraging or reminding others to do what you believe is socially important or worth doing so that a larger public could benefit from it"

Indeed, by accepting the belief that 'social responsiveness should be rooted in personal beliefs' as quoted above, it helps to identify the cultural obstacles in promoting either the concept of CSR or CASD approach. It raises the challenge for the role of business education to enlighten business leaders of the future to embrace social approach to running businesses. Whatever CSR is, the concept is, in principle, beneficial to the society and western scholars have placed considerable effort in advocating this concept within the business field. In Malaysia, apart from emphasizing the social aspect of business education, perhaps there is also a need to raise the general public social awareness in the country so as to create a spur to greater CSR concern by the businesses operating there.

7.6.2 Personal Belief in Advertising Strength and Effect

The literature on advertising as discussed in Chapter 3 has stated various factors that advertising could make an impact to the society. Notwithstanding these factors, one might still question the potential of advertising to cultivate a socially responsible community through CASD. Probably due to the nature of their job, respondents from the corporate communication section and advertising agencies are more inclined towards the belief in strong power of advertising.

I believe in the potential of advertising to reach out to the public not only the intended audience, educate people and create mass awareness about issues....If an ad can influence others to buy a new product or shift the buyer's preference to another brand, I don't see why it can't bring out beneficial messages or social issues to educate the public. (Group Communication Director, C4)

It's a good business and I never doubt the strength of advertising to persuade or affect a consumer's mindset. I don't think it is difficult to include social
message in any commercial, advertising talents are creative enough to insert or blend in such message to a corporate or even product ad. It's a matter whether you want or not instead of whether you can or not (Creative Writer, A12)

On the other perspective, the rationale behind CASD development also decided by individuals' perception on which stakeholders they see as vital when advertising is concerned. In other words, this concerns their belief on the coverage of advertising or whom the advertising would likely affect. Due to the pervasiveness of advertising, individuals who adopt broader concept of stakeholders believe the responsibility of advertiser extend to almost anyone and not only the target customers. According to the respondents, since advertising through mass media is very likely to be viewed by an unintended audience, unintended consequences that caused by the advertisement cannot be totally prevented no matter how well it was planned beforehand. Such unintended social effect of advertising towards the general public apart from the potential buyers is seen by two respondents as part of their own responsibility to look into in the absence of explicit policy or guidelines set by their company in regards to this aspect.

Apart from ensuring the legality, decency, honesty and trustfulness of an ad, marketing decisions must account for their eventual, long-term effects and for their results for the society or future generations as a whole, not only the target market. (Public Relations, C1)

Unintended consequence to the society should not be overlooked and it's part of the responsibility of the advertisers to seriously discuss or to file for investigation (Brand Director, A2)

Given the above view, the researcher postulates that it signifies its influence on decision making in choices about social issues. In order to avoid unintended consequence or controversy, this could possibly push advertisers towards selecting the safe and universal social issues such as racial harmony and family values and away from narrowly focused, rare yet vital ones, e.g. Aids, domestic violence. Furthermore, most advertisers would choose an advertising appeal or presentation style which is more conservative or previously accepted and which is less likely to stimulate uproar from viewers or the censorship board (e.g. presenting the beautiful or positive side of the phenomenon rather than the ugly
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and taken-for-granted side). This might explain the previously found result of the content analysis which reveals that most CASD in the sample use similar issues and tactics.

Despite the lack of literature proclaims the benefits of CASD in the social aspect, the researcher argues that when one believes in the positive effect of advertising, this would motivate them to use advertising to convey meaningful message. In short, although the decision of incorporating social issues in a commercial are affected by environmental forces, personal factors reflect the key to a true CASD development which is much more guided by human conscience of the collective individuals than by rules and regulations. Wood (1991:699) asserts that an organisation’s social orientation is not met by

some abstract organizational actor; they are met by individual human actors who constantly make decisions and choices, some big and some small, some minor and others of great consequence.

7.7 FURTHER DISCUSSION

Two main issues have been identified from the above understanding of the motivations behind CASD development. The first issue looks into the implications of the further classification of motivation towards objective setting. From the researcher’s point of view, motivation is the driving force(s) behind an action and it includes more complex psychological reasoning to be understood; whereas an objective is a goal or a guiding star for the desired goal to be achieved and therefore it is more precise and clearly defined to allow future evaluation of success. Therefore objectives reflect to some extent the motivation behind and it is worth discussing how motivation could inform the establishment objective. The second issue deals with the professionalism in advertising in reference to the personal belief about CSR and the advertising strength and values. This discussion brings up the principles in CASD development and which will enhance our understanding in advertising objective setting.
7.7.1 Motivation and Objective

As mentioned earlier in this chapter, due to the complexity of the environment, companies face various challenges that affect the decision making process. As a result, a mixture of different forces is brought into play behind CASD development. Instead of being driven by solely one force than the other, the motivation should be understood based on the scale with the egoistic intention at one end and altruistic perspective at the other end. Alternatively, it could be seen as a continuum of company self-interest, enlightened company self-interest and social interest as illustrated in Figure 7.1.

![Figure 7.1: CASD Motivational Continuum](image)

In regards to company self-interest, a company’s financial performance and also its image is of most concern. Enlightened company self-interest can be understood as company indirect benefits which are a result of ‘doing good’ other than favourable financial performance and image, such as positive employees’ morale, company and agency cooperation. One could argue that this is another form of egoistic intention as company benefits are still the ultimate concern in decision making process; however, it is not easy to distinguish clearly of this intention. For example, one respondent pointed out,

> It is our first thought to produce something good for the society, later we think, why not we become more creative to link the feel-good idea to [the product] or to [the company] employees, so we worked on this and based on this…social-angled and thought-provoking commercials are the award winners (Creative Writer, A12)

As a result, in this circumstance, it is rather a mixture of the altruistic and egoistic intention. Conversely, social interest is considered as a benefit primarily for the
social well-being is regarded as altruistic in nature as the benefit of society become the primary concern of the company.

The finding also provides further implication to the objective setting of CASD. As discussed in Chapter 3, the objectives of CASD can be studied from the economic and non-economic perspectives which in turn leads to categorization of three groups i.e. the economic objectives (including direct objective on sales performance and the indirect goals labelled as company-oriented objectives), mixed social and economic objectives and social objectives (Drumwright 1996). This coincides with the continuum of company self-interest, enlightened company self- interest and social interest. Clarkson (1995) claims that motivation is irrelevant to the evaluation of corporate performance as the trueness of it can hardly be known, instead the performance is evaluated on the basis of objectives set beforehand. Since advertising objectives almost reflect the motives of the action, the following table is developed to understand the various dimensions of motivation as revealed in this study as well as highlight the possible relationship between the objectives and motivations. It should be noted that there is no way the researcher can attempt to draw an equal sign between the motivation and objectives as future research needs to be carried out to establish the actual relationship of these two elements yet this is not within the scope of the research. Furthermore, the relationship can also be understood from either short-term or long term basis. While the egoistic motivation is short-term focused, the researcher argues that companies may tend to emphasize more on sales figures. In the long run, in order to confront with the fierce competition among companies, attract the attention of consumers, or catch up with the trend, they tend to improve the company’s reputation or public relation not only with the potential buyers but also among the community at large or government. They may also strive to boost employees’ morale or develop loyalty, and to cultivate reliable relationship with external business partners especially with agencies and media through CASD. In addition, this also includes the altruistic intention to pay back to the society, ameliorate environment, cultivate a moral belief among the public, etc. Persistency is seen as an important element to secure the long term benefit of the society.
We need to keep doing what we believe in and what we believe is good to the public in the long run. (Group Communication Director, C4)

Rome was not built in one day, to see the result, it requires time to prove its value. (Creative Director, A10)

**Table 7.1: Motivation and Objectives of CASD**

<table>
<thead>
<tr>
<th>Motivational Factors</th>
<th>Motivation of Involvement in CASD</th>
<th>CASD Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INTERNAL FORCES</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| **Hard factors**     | • To promote sales of company products  
                        • To improve the company’s financial performance, market share  
                        • To win ad award | • Short term  
                        • Direct Economic oriented |
| (Company Self Interest) |                                  |                 |
| **Soft-factors**     | • To create/improve corporate image  
                        • Corporate culture to fulfil business social responsibility  
                        • To become socially acceptable company  
                        • To boost employee morale  
                        • It is part of globalised strategy or PR activities  
                        • To alleviate negative effect to the company when crisis occur | • Long term  
                        • Indirect Economic: Company-oriented |
| (Company Self + Enlightened Self-interest) |                                  |                 |
| **EXTERNAL FORCES**  | • To follow the advertising trend  
                        • To differentiate from competitors ads as well as other ads in general  
                        • To meet consumer’s taste  
                        • To pass censorship  
                        • To be in line with the country national policy  
                        • To main good corporate and government relationship  
                        • Agency’s suggestion to put social issues up for discussion | Long/Short term  
                        • Mixed Objectives - Indirect Economic: Company oriented + Social oriented |
| (Company Self + Enlightened self interest + Social interest) |                                  |                 |
| **PERSONAL BELIEFS** | • Believing in the importance of CSR in advertising business  
                        • To promote the sense of corporate social responsibility among business community  
                        • Recognizing the effect of advertising towards social development  
                        • To take advantage of advertising persuasive power to communicate social message | • Long term  
                        • Mixed Objectives - Indirect Economic: Company oriented + Social oriented |
| (Enlightened self interest + Social interest) |                                  |                 |
7.7.2 Professionalism in Advertising

Although enforcement of law may provide the most immediate and efficient force to ensure corporations perform their social duty, CSR is not, as literature review, merely about legal responsibility. Therefore, instead of relying on the enforcement of law, a deeper level understanding of the advertising values and functions are to be explored and acknowledged not only by the advertising practitioners but also advertisers, broadcasters and all those involved in the world of communication and advertising. Since the personal beliefs about CSR and the advertising strength and value are identified in this study as two of the critical motivations of CASD development, this suggests the conventional belief of what advertising can do would need to be re-visited. The researcher has identified that three elements should be taken care of when an ad is developed, i.e. creativity, commercial objective, and social effect. Undeniably, creativity is a critical element in any advertisement so that a creative ad can stand up itself among others and catch attention. However, good advertising is not merely about creativity as the ultimate goal of advertising is to change consumer’s mindset or/and behaviour. A creative advertisement might not be a good advertisement if at the end of the day it does not convince people to take some forms of action towards the message as intended, either behaviourally or spiritually.

Even though the literature on social marketing has pointed out the inability of advertising alone to achieve changed behaviour, the influence of advertising in creating awareness and its effect on influencing lifestyle, moral value or spiritual thought of consumers have been proven in past literature as discussed in Chapter 2. Therefore the social effect is an element which a responsible advertiser shall not ignore. Furthermore, in relation to CASD, although national social issue are needed to be addressed in advertising, attention for the under discussed issues shall not to be marginalised.

On the other hand, although advertising is not the only factor that guarantees the success of the sales, the professionalism of advertising is to solve the problem for company or advertiser that exists due to the communication gap between the advertiser and its intended target. As a result, the survival tip for advertising
industry is to provide a solution for the communication problem between the advertisers and their consumer in a creative way by keeping in mind the possible social impact they could pose on the general public rather than just their intended audience, especially the ad is broadcasted over the mass media like television.

In a way, advertising practitioners have a more challenging role to play in an advertisement development and presentation so as to convey the voice of those unheard or those taken-for-granted issues in addition to the commercial message. The inclusion of social message requires advertising practitioners to constantly anticipate, observe, and be aware of the happenings in the country or the world that would concern the well-being of the society. In other words, this constant sensitivity to the changing environment and possible social effect it may cause is seen as one of the three important elements to develop an ad that may both benefit both the society and business.

7.8 CONCLUDING REMARKS

Motivation behind CASD can hardly be identified by simply viewing the advertisement itself. Given the cultural and political background of Malaysia, CASD is not merely an action of conforming to the advertising regulations although a preamble was stated in the beginning of Advertising Codes that advertisements should include social message in pursuit of commercial objectives. The preamble is indeed a principle that the Government wish the advertising industry to hold onto so as to safeguard or engineer the moral condition of the society rather than as a forceful enactment of law. As a result, this suggests a possible complex story behind the development of CASD particularly those with deep social orientation. This chapter has presented the findings of the interview research with various company and advertising informants. As informed by the phenomenological approach, it should be stressed that the real motivation of businesses’ involvement in CASD cannot be articulated easily since the existence of reality is dependent of perception of the people who hold them. From the viewpoints of respondents, the perceived motivation behind the adoption of
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CASD approach is affected by three main sources, i.e. 1) internal forces - which comprise hard and soft factors. Whereas the former concerns the internal needs of the advertiser to attain economical advantage or hard figure results, the latter includes the influence of the company policy or culture to establish good corporate image, the expectation from the internal stakeholders like employees or the need to establish consistent global image; 2) external forces – which are affected by the advertising or business competition, consumer preference, or the consideration of the external stakeholder such as the government and agency partners; 3) personal beliefs – which are related to the individual's beliefs on the importance of being socially conscious in advertising business as well as the belief on the power of advertising to convey social messages.

In reference to the identification of driver for CASD adoption, it seems that hard factors, except ad awards, have less weight to motivate the adoption of CASD with deep social dimension since the economic return of such an ad is yet to be known. On the other hand, soft factors, especially corporate social policy, have greater influence behind the CASD development yet it has to be supported by individuals with higher level of social consciousness. Besides, due to less competitive environment (i.e. there are still not many advertisers developing commercials with deep social orientation in Malaysia), lack of law enforcement (i.e. the support of the said Preamble is not mandatory), as well as lack of activism among Malaysian consumers, these external forces have not been significant drivers leading towards the current CASD adoption.

Given the business culture in Malaysia, although the intervention of government through legal enforcement could significantly increase the number of advertisers to get involved in CASD development, the researcher argues that this somehow distorts the canon of corporate citizenship concept where the motivation behind socially responsible activities should be guided by corporate conscience at a voluntary basis. For a corporation, there are many ways to be socially responsible or to do good to the society – e.g. providing quality products at reasonable prices for customers, adequate wages and decent working environments for employees, and acceptable profits for shareholders. However, it is the individual human characters who form the corporate policy and objectives, who manoeuvre the
company into the direction where it could be seen as a corporate citizen or corporate culprit and who can encourage or discourage others to commit in socially responsible activities. Therefore, personal factors have been identified as crucial motivational forces and they should be cultivated as a driving force behind the development of CASD in Malaysia. It highlights the sense of CSR is to be promoted through educating the individuals or the future business leaders. It is equally important to increase the awareness of the importance of CSR among existing business or advertising community especially among senior management level and key players in CASD development (e.g. the concerned creative team members in the agency) as they are more influential on the decision making. Additionally, the researcher recommends the re-adjustment of the mindset of those decision-makers who feel inappropriate or reluctant to showcase or communicate the corporate social contribution due to some possible cultural influence. It is felt that this rethinking is necessary to create a win-win situation for both the company and the society.

This exploratory research has also found that there are different dimensions which motivation could be looked at based on the continuum between egoistic and altruistic perspective which further divide the motivation into company self-interest, company enlightened self-interest and social interest. Such classification informs the implications on objective setting of CASD which is listed in Table 7.1. This chapter also brings out the discussion on the critical elements in developing commercial ad in general, i.e. creativity, commercial objective, and social effect.

Although Drumwright (1996) once said that whatever the story behind the adoption of CASD, the society would benefit from it, the understanding of the motivation would be important to unravel its effect on the strategy and decision adopted by a company. For example, it may be affected by which department of the company takes charge of the CASD campaign. Based on the research findings, it could also be argued that companies which hope CASD could achieve better social impact may tend to let its corporate communication or public relation section handle the project rather than the marketing department which focus on
sales performance and the development of product-oriented advertising. Alternatively, a company may integrate the co-operation between the marketing and corporate communication or other related department because the development of CASD needs greater integration among various departments to achieve greater company or societal benefits (Drumwright 1996). Furthermore, when company leaders or senior management officers believe in the importance of CSR as well as the powerful impact of advertising, a higher degree of social orientation may be suggested in their company advertisements. Besides, they may have greater involvement or concern about the selection of social issue to be included or may influence others to give similar commitment. In short, the motivation could be reflected in, or influence on, the presentation of the advertisements, factors of consideration and ad strategy development. The next chapter will further look into the actual strategy development of CASD through a case study of a company in Malaysia.
8. CHAPTER EIGHT

CASE STUDY: CASD STRATEGY and IMPLEMENTATION
8.1. INTRODUCTION

This chapter will present the findings to answer the third research question of "How and why is the strategy behind CASD come about? What is the CSR vision of a company and to what extent the CASD approach has reflected the company's social concern? What factors are taken into consideration during the CASD developing process?" In order to gain a thorough understanding of the development process of CASD, a case study of a company which engaged in this advertising approach was conducted. Since the company is from the automotive sector, a brief overview of the industry in Malaysia is provided. The company's background and its general social commitment to its various stakeholders are then presented. The aim is to provide some insight into the organizational context upon which its corporate social responsibilities and CASD practice can be rationalized. As discussed in previous chapter, the motivation of CASD could be due to various aspects. By looking at the company background it would justify its decision in adopting CASD approach and its influence on the strategy development. The ad development process will then be discussed in later of this chapter so as to understand the factors of consideration, choice of social issues, positioning, target market, message development and media selection, as well as ad evaluation that are crucial in the process. Further implication from the case study has also been included at the end of the chapter.

8.2 AUTOMOTIVE INDUSTRY IN MALAYSIA

Malaysia has developed the automotive sector as a platform for its economic development which has helped creation of employment opportunities and establishment of supportive industries. The government heavily influences the activities of the domestic automotive manufacturers/assemblers where high tariffs have been imposed to protect its domestic automakers that control the majority of the local market. Companies that run domestic production are qualified for certain tax and tariff incentives as long as they satisfy local content requirements of
between 45% and 60%. Appendix 8.1 lists out the motor vehicle assemblers in Malaysia.

In Malaysia, motorcars are separated into two categories, completely built-up (CBU) vehicles and completely knocked down (CKD) vehicles. CBU vehicles are fully imported abroad, in principal, they are prohibited unless an approval permit is obtained. Under the Local Material Content Policy (LMCP) implemented by the Government, CKD motor vehicles must have a certain amount of local contents to ensure a market for the local auto parts makers. Prior to 1 January 2004, CBU vehicles attracted very high import taxes, ranging from 60% for commercial vehicles to 300% for passenger cars, depending on the vehicle segment and engine capacity. The government did not impose excise duties on imported cars. CKD vehicles were taxed at much lower rates of between 5% and 80%, and only on the imported content whereas local content was not taxed. However, CKD vehicles attracted excise duties based on the value of the vehicles after the imposition of import tax, ranging from 25% to 65%. Since the excise duties were levied based on a progressive tax basis, the more expensive the car is, the higher the excise duties. In this regards, the national carmaker, Proton, paid only 13 per cent in import duties and enjoyed 50% rebate on the excise duties (Ariff and Chow 2004). In other words, it paid only half of the excise duties imposed on the non-national makes. This is how the local manufacturers currently gain a price advantage over the CBU and CKD vehicles. With protection from the Government, Malaysia’s national cars, Proton and PERODUA, have dominated more than 70% the market over the years.

According to the Malaysian Motor Traders Association (MMTA), the Asian financial crisis in mid 1997 had brought the automobile market in Malaysia to a near standstill. Car sales fell by 64% in the first half of 1998 over the corresponding period last year. Fortunately, since 1999, the demand for motor vehicles has grown after relaxation of hire purchase regulations and also on account of lower interest rates and intensive promotion by car dealers. Malaysia further demonstrated its strong recovery since the regional financial crisis, and by 2002, Malaysian vehicle sales were higher than pre-crisis levels. However, the country experienced a decline in sales in 2003 largely connected to the
consumer's decision to wait until prices fell due to the anticipated revision of the automotive tax structure in preparation to meet ASEAN¹ Free Trade Area (AFTA) commitments.

One of the most important developments within the motor industry in Malaysia is tariff deregulation under the Common Effective Preferential Tariff (CEPT) within the ASEAN Free Trade Area. It aims to push for a greater trade liberalisation to attract more investment and cut down artificially high car prices for consumers in the region. Under CEPT, tariffs for products from within ASEAN member countries will be reduced at between 0% and 5%. Products will be deemed to be from the member countries if at least 40% of the product content originates from any member country. Such agreement came into effect from January 2003 for all products produced and sold within ASEAN, with the exception of Malaysia's automotive industry. Malaysia, the region's second-biggest car market, had successfully asked for and received permission to delay the implementation of the CEPT for its motor industry until 2005 so as to have more time to prepare the domestic manufacturers for the competition.

To comply with their negotiated AFTA tariff schedule, Malaysia's tariff rates for imported vehicles will drop to 20 percent for ASEAN economies in 2005, as long as members meet the 40 percent local content requirement, By 2008, the tariffs for vehicles imported from ASEAN economies will drop to a maximum of 5%. The most obvious consequence is that the price advantage for national cars will disappear where the 50% exemption in excise duty should be phased out by 2005.

Nevertheless, the protectionist sentiment is still very strong in Malaysia's automotive industry. In December 2003, Malaysia announced the cutting of tariffs to 20% but simultaneously raised excise taxes on cars and parts sold in Malaysia to a range of 40% to 250% from a range of 30% to 100% (refer Appendix 8.2 and 8.3 for the new and old tariff on CKD and CBU). Previously excise taxes only applied to domestically manufactured vehicles. However, as from January 1, 2004, excise taxes are to be imposed on all vehicles. This move effectively nullified any

¹ Association of South East Nations, includes Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam.
advantage from the tariff cut for the local consumers and national cars’ foreign rivals. This announcement has indeed angered foreign car and auto component companies operating in Malaysia. Car dealers, who have had a tough year as Malaysians held back on vehicle purchases in the hopes of a hefty price fall, were disappointed with the new structure and so were the consumers. In order to prevent other companies from halting fresh investment or even relocating assembly operations in the country, the Government decided to suspend implementation of the new structure until June 2005, pending a review of its car policy. To date, the review has not been published.

8.3 COMPANY BACKGROUND

Perusahaan Otomobil Kedua Sdn Bhd (PERODUA) has been chosen for the case study purpose. It has been established since 1993 to undertake the second national car project after Proton (the first national car maker in Malaysia). PERODUA is a private corporation of which initially 73% was locally owned and 27% owned by two Japanese companies. In 2001, Daihatsu, Mitsui Ltd (i.e. both Japanese companies) and PERODUA concluded a joint venture agreement, resulting in the establishment of a new holding company, PERODUA Auto Corporation Sdn Bhd. Their shareholder ratios are 41 per cent, 10 per cent and 49 per cent, respectively.

As published on the corporation’s official website\(^2\), PERODUA has a workforce of approximately 6600 employees nation wide and its plant has the capacity to produce 150000 units of vehicles per annum. To date, the company has 32 sales branches and 142 sales outlets as well as 31 service branches and 99 service outlets throughout Malaysia. PERODUA vehicles are sold in 13 other countries including United Kingdom and Egypt. The Group controls about 30 per cent of the local passenger car market and was ranked as the second biggest seller after Proton (refer Table 8.1). Currently, the PERODUA vehicles in the market are the Kelisa (1000cc), Kenari (1000cc) and 'Kancil' variants (below 1000cc), the mini-van 'Rusa' variants (1300cc and 1600cc) and the first national four wheel drive vehicle, 'Kembara' available in 1300cc variants. The company aims to serve

\(^2\) http://www.PERODUA.com.my
the country as well as the overseas market’s demand on compact, affordable and reliable vehicles with excellent standard and quality. Its strength originated from the small car segment within the industry.

Table 8.1: Total New Vehicle Sales in Malaysia

<table>
<thead>
<tr>
<th>MAKE</th>
<th>JAN-APR 2002</th>
<th>JAN-APR 2003</th>
<th>SHARE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proton</td>
<td>75231</td>
<td>61120</td>
<td>45.49</td>
</tr>
<tr>
<td>PERODUA</td>
<td>39902</td>
<td>40342</td>
<td>30.02</td>
</tr>
<tr>
<td>Toyota</td>
<td>8232</td>
<td>10422</td>
<td>7.76</td>
</tr>
<tr>
<td>Nissan</td>
<td>5303</td>
<td>5182</td>
<td>3.86</td>
</tr>
<tr>
<td>Honda</td>
<td>1630</td>
<td>3441</td>
<td>2.56</td>
</tr>
<tr>
<td>Kia</td>
<td>1849</td>
<td>2911</td>
<td>2.17</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>3040</td>
<td>2387</td>
<td>1.78</td>
</tr>
<tr>
<td>Daihatsu</td>
<td>1466</td>
<td>1771</td>
<td>1.32</td>
</tr>
<tr>
<td>Ford</td>
<td>2166</td>
<td>1666</td>
<td>1.24</td>
</tr>
<tr>
<td>Hicom MTB</td>
<td>1084</td>
<td>1185</td>
<td>0.88</td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>1236</td>
<td>1172</td>
<td>0.87</td>
</tr>
<tr>
<td>BMW</td>
<td>704</td>
<td>554</td>
<td>0.41</td>
</tr>
<tr>
<td>Volvo</td>
<td>396</td>
<td>266</td>
<td>0.20</td>
</tr>
<tr>
<td>Others</td>
<td>2434</td>
<td>1944</td>
<td>2.31</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>144675</strong></td>
<td><strong>134363</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Source: Extracted from the report published by The Embassy of Sweden in Malaysia in August 2003³

While there are concerns about a more open Malaysian market and the impact of AFTA on national Carmakers, PERODUA is well positioned to face the challenges. The new arrangement in 2001 where Daihatsu Japan taking a bigger stake in the company aims at giving Daihatsu a greater role in gearing up for the automobile industry liberalisation in post-AFTA. It was reported⁴ that the strategic partnership with Daihatsu should allow higher involvement from Daihatsu and should bring expertise and experience to PERODUA. Apart from improving quality and lowering costs, Daihatsu planned be to make PERODUA’s plant as the hub for its penetration of the Asean market in the sub-1,000 cc motor vehicle market. According to the market analysts, the effect of deregulation is likely to be minimal for PERODUA as there is virtually no competition in the

³ http://www.embassyofsweden.my/Documents/AUTOMOTIVE%20IN%20MALAYSIA.pdf
⁴ Reported in the national newspaper, The Star, dated 5 November 2001
sub-1,000 cc motor vehicle segment of the market. Still, the Group has been also busy planning to be more competitive in the run-up to 2005.

The mission of the company, as published in the company’s official website, marshals the varied perception and expectation of the company towards its business operation which is:

*To be a world class automobile company renowned for excellent quality and reliability through:*

- Professionalism in all our operations
- Efficiency in utilising technologies and available resources
- Resilience in meeting our challenges
- Optimising benefits to customers and stakeholders
- Dedication towards social responsibility to community, the environment and
- Uniqueness in our products
- Aspiration to glorify the name of PERODUA

Apparently, corporate social responsibility has been included in the agenda and the next session will look into the perception of CSR from the company perspective.

### 8.4 CORPORATE SOCIAL COMMITMENT

Although the concept of CSR has been rationalised by various academic scholars, different people or companies may still have different perception about CSR. When asked about the perception of CSR for the company, it was claimed by the company informants that CSR is a dynamic, relationship caring process which should begin from conscience and they believe it is what their company stands on. Accordingly, the company’s conscious alert and effort in reviewing its business practice and striving to be a relationship caring corporate citizen becomes the fundamental belief and starting point of its CSR activities. In the words of the Deputy General Manager in Marketing Services,
CSR is a dynamic thing as in business, what is right today may not be right tomorrow just like what is politically correct may not be politically correct tomorrow. It cannot be defined as it calls for judgments and certain considerations. We need to think: are we part of the problem? are we part of the solution? what could be our contribution? Sometimes it is a wake-up call. Although we could have 100 or 200 rules [of what right things to do] somehow this fabric of sentiment and judgment must be built inside. Relationship caring is important.....a good corporate citizen is to assist in developing a country, company, or individual with conscience.

From the above view, CSR is accepted as obligations beyond fixed rules and regulations and the ‘fabric of sentiments’ as mentioned by the respondent has enforced the belief as discussed in previous chapter that personal factors is among the most important element behind the building of CSR culture within an organisation. In addition, the senior management has more influence on the cultivation of social caring culture within the company. This was confirmed by the respondent who also talked about the company leader’s beliefs in “the importance of being good corporate citizen and the need to build the humanized culture in the company”.

Since CSR was regarded as a ‘relationship caring’ process by the company, it is useful to look into the company’s social responsibility towards its different internal and external stakeholders. The following section shall help readers to understand better the company respondents’ interpretation of CSR and what counts as social-oriented commitment from the organizational perspective. The company’s effort or seriousness in CSR would somehow justify its motivation in developing CASD since CASD is understood as a kind of CSR activity.

8.4.1 Corporate Philanthropic Activities toward Community and Media

PERODUA has supported various causes, both in financial contribution and kind to respond to the needs of the less privileged, for instance, orphans and elderly. The Public Affairs section of the company takes charge of the planning and implementation of the philanthropic activities. In terms of physical financial donation, the company allocates a portion of its budget for this purpose. The
Chapter 8: Case Study: CASD Strategy

budget allocated for financial donation depends on the request of donation the company received from outsiders as well as on the revenue earned by the company. The application for donation from outsiders not just only comes through Public Affairs but also through various other departments. The Public Affair section will collect all the requests and then make recommendation and selection. According to the Deputy General Manager from the Managing Director’s office who involved in the process.

Every year we work out a budget and estimate how much we want to give away. People write for different reasons to ask for donation, and we try to avoid donation for personal reason as it is more difficult to monitor their spending. The money allocated for philanthropic exercises depends on the application or request for donation we received. We systematically split the budget allocated over twelve months so that we can systematically ensure we have more to spend on particular month and less on the other.....the amount to be used for philanthropic activities is to be agreed by other departments which have their needs to be fulfilled.

Apart from giving away financial donation, time and concern to the community, the company also keeps regular contact with them in order to gain feedback from them.

We don’t just give away money but we also look at the impact we intend to bring to the community. For example, we have a contract with a local English newspaper agent to sponsor three schools in our community with the newspaper twice a week so as to increase their English level. We keep in touch with the teachers, once in a while we visit them to find out the students’ performance whether their English level becomes better.

Its community projects also include youth training programme for the locals and school leavers within the company vicinity. These young people, however, are not bound to work for the company after the training programme is completed so this provides a career option for them.

The company has also been active in sponsoring and promoting sport events. For example, in 1998, the company sponsored RTM (Radio Television Malaysia) radio crew for the 13th Asian Games which was held in Bangkok in 1998. In addition to test its four-wheel drive capabilities and performance during the long journey, the sponsor of the radio crew to the Asian Games was claimed to be part
of PERODUA’s effort in strengthening ties and fostering closer cooperation between the media and the company.

Philanthropic events that PERODUA involved in have been released in press. These press clippings were collected and those events were classified by the researcher according to their beneficiaries, level of involvement, objective and motivation. This is illustrated in Appendix 8.4 which includes some philanthropic events the company involved in from 1998 to 2002.

8.4.2 Environmental Concern

In regard to the environmental concern, the waste water treatment plant utilized in PERODUA has been designed as a zero discharge system to prevent effluent from releasing to the environment; whereas air pollution is controlled through a dust particle filter system. The company respondents claimed that,

We want to set up a good example of how manufacturing processes should not be polluting the environment. In our corporate philosophy, environmental conservation is one of the important issues. We regularly conduct environmental audit to ensure the environmental safety and healthiness.

As indicated in one of its internal report, PERODUA has taken stringent measures to protect environment and minimize pollution from the initial stage of conception of the plant. In fact, according to the press dated 12 April 2004⁵, the company was awarded the International Organisation of Standardisation (ISO) 14001:1996 certification in 2004 by Vehicle Certification Agency (VCA), United Kingdom. This is an international recognition of the company’s Environmental Management System which emphasises on the “assurance of a clean and sustainable environment for the future generation, caring and environmental-conscious employees, operational cost and energy cutting activities based on the 3’R’ concept – Reduce, Reuse and Recycle’. ISO 14001:1996 certifications are part of PERODUA’s effort to improve the products and services to its customers and made PERODUA become the first national car to achieve such a certification.

8.4.3 Suppliers

PERODUA has also created a ‘win-win’ ground on which the relationship with its suppliers is built. According to the company respondent, conscious effort has been made to optimize the vendors’ performance so as to assure the quality of components supplied to the company.

Before we started, we had very strict guide as to how we go about with our vendor development process. We don’t just appoint them to work for us, we have a system to audit their process and help them. This is a win-win situation where we need them as much as they need us. To understand it better, imagine we not only asked them to make coffee for us, but rather we taught them how to make a good cup of coffee for us.

8.4.4 Government

PERODUA is an extension of the former Prime Minister Dato Sri Dr. Mahathir’s vision for the nation to emerge as a major automobile manufacturer to compete in the global market. Besides being dedicated to the research and development in automotive technologies, the company also provides employment opportunities for Malaysians and invests substantially in manpower training. From the company’s perspective, this fulfils the economic obligation of the company towards the country in which it operates in a broader sense.

We want to assist in the local development.....a lot of industries for reasons of economic convenience like to employ foreigner, e.g. Indonesian. Although it is cheaper to have the foreign labour, we insist in recruiting local people. We are proud that among our 5500 workers, we don’t have a single foreign worker except some technical advisors who are Japanese. We create environment, create skills, develop their hands.

In response to the Government policy (i.e. Local Material Content Policy) which aims to further develop the local component and parts industries in the country and to lower dependency on foreign suppliers, it was reported that the manufacturing capabilities of PERODUA and local Malaysian component manufacturers have resulted in achieving 75 Local material component points
(minimum is 40) in the manufacturing of its cars i.e. an optimal level for localisation given economies of scale requirements.

8.4.5 Employees

Acknowledging the importance of its employees without whom their success would not have been possible, the company constantly invests in its workforce through training, motivation, providing a healthy and conducive work environment as well as a fair scheme of employment benefits such as medical support. In addition, one of the managers involved in the training sessions claimed that the company also looks at the emotional aspect of employees by understanding their problem and providing possible solutions.

We have spoken with some trainees to get their feedback. At the age of 17 or 18, they don’t have a fixed idea in life, and that’s why you have social problems where people take drugs and easily influenced because they don’t stand on their own, they think they don’t get to have ambitions or faith. They lack the guidance, leadership, motivation to move on their life. We get them to build their team spirit, to work for people from different background, to prepare them for the future. At the end of the day we get the benefit as well

In order to cultivate and share the caring culture of the company, employees are encouraged to participate in philanthropic activities organized by the company.

One year we ask the volunteers in company to join us to take orphans out for a day. The number of volunteer was amazing....employees are proud of the company and the company is proud of the employees..... We bring people in and let them grow with us, we get to train them the culture we have

Employees were also filmed in the shot of some of the corporate advertisement developed by PERODUA during festive occasions. In one of these ads as illustrated in Figure 8.1, employees were shown to help to spread the social message related to the nationalism. This is seen by the company as one way to instil the moral virtue inside the company as well as to remind Malaysians of the “Rukun Negara”, the five national principles, of the country:

1. Belief in God
2. Loyalty to King and Country
4. The Rule of Law
5. Mutual respect and good social behaviour.

The “Rukun Negara” was first introduced after the communal clashes of May 13, 1969 (cited at a governmental official website⁶). The adoption of the 5 principles or Rukun Negara as pillars of the national philosophy represents an attempt to base national unity on certain concepts which are universal and acceptable to all citizens of Malaysia, regardless of their ethnic origin or religious affiliation.

Although we were taught about Rukun Negara since schooldays, but many of us seem to have forgotten it when we grow older. ...Staff in our factory participated in the making of one of our corporate TV ad broadcasted on National Day. In the ad, they mentioned the 5 principle of Rukun Negara (Principles of the Country) and were claiming their identity as Malaysians regardless of their races. This ad could help to develop and enhance the sense of patriotism within the company as well as to affect the viewers of the ad.

Figure 8.1: PERODUA TV Ads with Nationalism Message

Type of advertisement: Corporate Ad - Festive Advertising for National Day 1999
Title: Saya Anak Malaysia (I am child of Malaysia)
Social Responsibility Theme: Nationalism
Duration: 40 seconds
Language: Spoken in Malay Language (the National Language)

Character: I believe in God
Character: I am loyal to the king and the country
Both Characters: I abide by the rules of law

Continued...

8.4.6 Consumer

The company’s first model, Kancil, launched in 1994 is regarded as the most economical car in Malaysia. As a car manufacturer, the company feels its responsibility to provide the wider Malaysian population with affordable vehicle
or "entry level" car especially for those with lower income and those in rural area. The marketing service manager said,

In terms of affordability and safety, we have the responsibility. Especially in rural area, we can see people with lower income riding motorcycles with 2 or 3 children behind them.....we want to provide opportunity for Malaysians with affordable cars, cars of entry level that is both value-for-money and with reliable quality. Instead of seeing people in rural villages riding a bicycle or getting 3 or 4 of their children on the motorcycle.....whether we will lose money at making one model or make money at the other model, we have to provide Malaysian an entry level motor car.

They also feel the responsibility to increase the awareness of the consumers regarding safe driving. One of its corporate advertisements shown during Christmas Day showed the safety features of the company-made car incorporating with the social message related to drunk driving (see Figure 8.2). At the end of the ad the tagline appeared: "Not even the most sophisticated safety features can protect you from alcohol"

**Figure 8.2: PERODUA TV ad with Anti-Drunk Driving Message**

*Type of advertisement: Corporate Ad - Festive Advertising for Christmas Day (Dec 2000)*
*Title: Car Test*
*Social Responsibility Theme: Anti Drink-Driving*
*Duration: 40 seconds*
*Language: Music only with English and Malay titles respectively in two versions*

![Car testing scene](image1)
![Read: ABS](image2)
![Functioning well](image3)

Continued...
Moreover, based on the understanding of the culture in the society that some people have inferiority complex when they own small car, the company has then raised an enlightening lesson from one of its corporate advertisements during a festive occasion to educate the consumer as well as the larger general public on the moral or spiritual value. The respondent who has participated in the planning of the corporate ads explained her view on one of the ads,

The company has the responsibility to enlighten our customer. This can be shown in our festive advertisements. For example (see Figure 8.3), one of our ad showed two cars, one big and small car (i.e. PERODUA car) in opposite direction are stuck in a narrow road, the gentle small car owner
gives way to the big car owner who had been impatient and kept sounding the horn rudely. Instead of being scornful, the small owner returned a friendly smile to the other despite his rudeness. The big car driver feels ashamed of his attitude and behaviour. We know that some people have the inferiority complex when they own small cars. This is not right because the value of oneself should be decided by his/her personality instead of the size of the car he/she owns.

Figure 8.3: PERODUA TV ad with Social Manner Message

Type of advertisement: Corporate Ad - Festive Advertising for Malay New Year 2001
Social Responsibility Theme: Developing a generous mind - Return Good
Duration: 60 seconds
Language: Malay

Scene: A rural village
Background music: Malay New Year song
A big (black) and a small (white) car come from opposite direction at a narrow road
Big car driver sounds the horn rudely signaling the small car driver to give way

Both drivers looking at each other
The small car driver adjusts his side mirror
Both cars are able to get through after the mirror has been adjusted
The small car driver and his wife return a friendly smile and greet the other driver
Small car driver: Selamat Hari Raya (i.e Happy New Year)

Continued...
The above discussion highlights the company’s practice of corporate social responsibility targeted at various stakeholders. This indicates the seriousness of the company attitude towards CSR and this was thought as a great momentum for the development of CASD for the company. Based on the above account discussed, it was found that the humanized culture of the company, the desire to produce CASD that enlightens consumers, as well as the sense of caring and responsibility for its employees, community and the nation’s development could be regarded as a great driver to get the company’s involvement in CASD. The following section will give a brief account of the CASD developed by the company by comparing its CASD with those developed by Petronas, the company which has been widely accepted in advertising industry in Malaysia as the pioneer in integrating social theme in its corporate ads broadcasted especially during festive seasons. Sixteen of the Petronas’s TV corporate ads with social dimensions between 1996 till 2003 and seven of those developed by PERODUA between 1999 till 2003 had been reviewed for this purpose.
8.5 PERODUA CASD

Social dimensions were mainly found in festive-style corporate advertisements developed by PERODUA. The company first produced its TV corporate ad with a social dimension in 1999 for the National Day of the country where its employees were showcased in the ad promoting the five principles of the country (see Figure 8.1 as discussed in 8.3.5). Since then, PERODUA has been continuing developed its corporate ad with social messages for different festive occasions in the country. The company has appointed two ad agencies to handle its corporate advertisement and product advertisement respectively. While the Marketing section of the company deals with the development of product advertisement, the Public Affairs section of the company takes the main role in handling corporate advertisement and working closely with the agency. Nevertheless, it does not mean that other departments have not been involved in the process. According to the company informant from Public Affairs section and Managing Director office,

usually our agency would suggest a few proposals for an ad and these proposals were taken back to the company where the manufacturing, sales and marketing departments had their views about those proposals and collectively decided one.

By comparing both the TV CASD developed by PERODUA and Petronas, the former were generally shorter (in average 30-60 seconds per ad) than those developed by Petronas (in average 40-90 seconds per ad). In the festive-styled corporate ads of Petronas, racial issues have always been portrayed either as the dominant social theme or as the background. With racial issue formed as the background, one could notice that the dominant theme was brought out through the use of the interaction of characters of different races in the ad.

Instead of focusing on big issues like racial integration, PERODUA ads tend to emphasize more on spiritual ideology or personal moral attitude that were often ignored or neglected by individuals, for example driving manner, stereo typing of other races, and materialism. In addition, its ads were more reflective of the existing instead of desired social phenomenon as Petronas tended to portray. Due to its projection of the existing social ills in Malaysia society, some people see
their corporate ads as thought provoking or controversial to some extent. In regards to two of its TV corporate ads broadcasted during Chinese New Year in 2002 and 2003, the company was once criticized by the consumer group and some of the Chinese communities for disgracing the Chinese race in the ad. The ads were executed in black-and-white, featuring Chinese opera-style characters reminiscent of the 1950's. One version depicted three women showing off their jewellery while the other showed a family discriminatively ignoring the arrival of a poor relative but giving a grand reception for a visiting rich with high social status. Both ads ended with the banner: “We are one family, let’s stop pretending”.

Chinese-based associations and business groups urged PERODUA and television stations to stop airing the TV ads. The youth wing of the Malaysian Chinese Hall claimed that the commercials had hurt the feelings of the community by giving wrong impression that all Chinese were boastful, materialistic and pretentious. Chinese community from one of the opposition political parties in Malaysia also urged PERPDU to apologise to the Chinese as the commercials not only failed to deliver festive greetings but had insulted the community.

Although the ads were presented in a humorous way, due to the uproar caused by the ads, the then company’s Managing Director Datuk Abdul Rahman Omar apologized publicly in a press conference in 2003 to those who had been offended by the ads but he further emphasized that the advertisement was not to be directed against Chinese community in particular as this phenomenon could also be found in other racial community. According to him, the intention of the ad was said to bring out the message that we should treat all men alike without discrimination, in spite of the difference in status and background. In the press conference, another company representative also told the media that a survey had been conducted before each company ad was used to avoid offending any race of the society. The Managing Director added that the cause of the uproar could be due to the use of Chinese operatic setting in the ad because Chinese opera has a strong tie with the Chinese traditional culture and he felt if the ad had not presented in such a setting, the response from the public would have been different. Since the same ad had
been broadcasted twice during the Chinese New Year in 2002 and 2003, the company promised the same ad would not be used in the following year.

Despite the controversy, the ad indeed had generated different opinions among the public. Below are a few positive opinions extracted from three Chinese consumer respondents in the consumer research which will be further discussed in the next chapter.

I don't have a problem with their Chinese New Year ad... they did have a valid point saying that we shouldn't emphasize so much on power and materialism and should treat people equally.

Why feel insulted if we are not doing the same thing in the ads? in life we can't ignore things that are happening around us... truth is always hard to swallow...no point to feel insulted for thought provoking ads... just move on and improve our shortcomings.

At least they injected fresh ideas for local's ads environment...uplifting and not that boring.

While Petronas has established the brand’s unique story-telling style, PERODUA made use of other executional styles apart from using story-telling style in its CASD. For instance, using the individual as the focus person (e.g. the ad with family value illustrated in Figure 8.6) or using its product in the corporate ads (e.g. ad with anti-drunk driving message as illustrated in Figure 8.2 and ad with message of driving manner in Figure 8.3) to bring out the social messages. Besides, the characters with adult dominant were often noticed in its ads and some of them use negative and positive emotional appeals to produce ‘twists’ or unexpected effects. For example one ad depicts an elderly woman who talks happily about the excitement of the turn of the year but later she sobs and it is revealed that she is an abandoned mother (see Figure 8.6 later). In relation to the strategy of the CASD, it was claimed by the creative writer who designed the ad that we want our message to be meaningful to reflect that we are part of the society, we don’t tell how to behave. We just tell them how people are and what all of us do...we wants people to enjoy the festive moments but in the meantime not to forget some of the problems in our society or in the world.
While the social orientation in its ads was deep, the presentation of PERODUA ads could either moderately or deeply link with its business nature. One can observe this relationship in the ads illustrated in this Chapter. This is in contrast to Petronas ads in which there have always been a low linkage of the social messages to its business nature either directly or indirectly. Based on the interview, the manager from the Managing Director office, who has also dealt with the public affairs of the company, felt that it is important to blend social and business or product elements in the ad so as to build an exclusive image for the brand especially when the market becomes more competitive when AFTA is implemented. Accordingly, the liberalization of car industry in the South East Asia region in 2005 will challenge the company to compete on quality, designs as well as the price. Therefore this highlights the significance in establishing a unique image for PERODUA in the market.

In contrast to this perspective, the company respondent from the marketing service department pointed out the possibility that when the market becomes more competitive in future, the company may invest more on product-oriented advertising instead of social-oriented advertising since the economic impact of the latter on sales figure is still unknown. His argument was based on his belief that CSR is dynamic and fluctuated with time and environment context so CSR activities or business issues will be more important than others at different times especially in competitive market. This argument is actually supported by the literature where Lill et. al. (1986) identify that during economic recession in the U.S., there were reductions in the number of ads with social-responsibility themes because problems such as energy shortages, unemployment, and falling sales could have resulted in a shift from social responsibility to more pragmatic issues. Besides, the organisation life cycle model (discussed Section 2.4) postulates that at a given organisational life cycle stage, certain stakeholders will be more important than others when the urgency of a claim takes precedence over the legitimacy of a claim. As such, it is logical for the respondent from the marketing section to speculate potential buyers would be more important than the community in general to determine the immediate survival of the company. This different of opinions leads to the necessity to discuss the CASD’s implication for
the global communication trend as well as whether the greater internationalisation would endanger nationally focused CASD campaign. Further discussion of this will be presented in Section 8.8.2.

The next section will look into a greater detail of the factor of considerations in the company’s adoption of CASD mainly from the agency perspective in reference to a few of its thought-provoking CASD broadcasted during festive occasions. According to the company informant,

We [Public Affair] take active involvement in each of the ad made and the agency we have been working with for years apparently understand very well of our company’s belief and what we want to project from our company ad.

From the agency informants’ view, the development process of CASD is not totally different from the generic advertising process. However, when there were apparent social dimensions in company advertisements, more factors would be taken into consideration before those ads were created, such as company social stance, the competitors' ads, social issues selection, etc. Agency informants involved in the development processed (e.g. practitioners from creative writing, audio visual production, public relation, brand managing and account management) have been interviewed and the findings are presented below.

8.6 FACTORS OF CONSIDERATION

Five key factors have been identified from the study and these factors were most often taken into account during the CASD development process i.e. company social stance, competitive environment, target consumers, intended impacts or objective, and social issue selection.

8.6.1 Company Social Stance

A corporation’s stance of being or being perceived as a socially responsible corporate citizen is a major consideration factor to provide encouragement for managers or its agency partners to integrate a social dimension in a company ad
and to commit themselves in such development. PERODUA has been perceived by its employees as well as agency partners as being civic-minded and actively involved in socially oriented activities such as philanthropy, environmental protection, and community services. The Managing Director of PERODUA as mentioned earlier has been described by one of the agency respondents as “a man of humility- simple and grass roots”. Therefore, the relationship between the company and the agency played a motivational drive in the agency’s commitment of the CASD development. The followings are comments given by the creative writer and account executive receptively:

Sentiments of the people who head the company determine the social stance of the company. This has affected the way we cooperate with them and also affects the position of its brand which is to be portrayed through the advertisement.

He [the Managing Director of PERODUA] is a down-to-earth, humorous and friendly person, we have been able to talk with him and very well informed of what he tries to project in its company ad. He has been supportive and so have been the other members of his company which we have been working with for some years

Indeed, in a business journey, how well the leader can marshal his people to get to where he wants to go with him, and for him, will greatly determine whether or not they will actually arrive at the desired destination.

8.6.2 Competitive Environment

Although Proton is the strongest competitor to PERODUA since both are national car makers, the overall competition of PERODUA in the market is not as fierce as that faced by Proton because the company’s competitive strength lies in the small car segment within the industry and there was virtually no direct competition in the sub-1,000 cc motor vehicle segment of the market and in term of price. Nevertheless, the AFTA requirements which are to be met by 2005 still pose certain impact on its competitiveness.

Apart from keeping in mind of what its competitor’s position in the market and
their advertising presentation, the agency has also taken into account of all festive-style corporate advertising that have been broadcasted over the media even from other product or industry category. For example, CASD developed by the Petrol corporation, Petronas.

Petronas has managed to win the hearts of Malaysians through cross-cultural messages and 'managed controversy'. Like using Indians as the main talking point in a National Day commercial 3 years ago (something never before done). They also used The May 13th cultural clash for the National Day commercial to communicate the importance of unity. Recently Petronas has begun to use proverbs or analogies to communicate the festive occasion messages.

In other words, when the development of a CASD was concerned, advertisers who have adopted similar CASD approach regardless of their business nature are all considered as the competitors from the agency’s perspective. The agency respondent, a creative writer claimed,

this information [studies of other CASD strategies] helps us navigate PERODUA corporate communications so that we may create messages and use approaches that is unique to PERODUA….Like every other corporations which are in the same level-playing field where their corporate stance is socially responsible, corporate citizen etc……..it is even more important that our commercials stand out from the crowd.

In short, advertisements are to be different from ads developed by competitors within the same industry as well as from ads that portray a socially responsible image of other corporation of different industries. Section 8.5 above has discussed the major differences between PERODUA and Petronas CASD.

8.6.3 Target Viewers

Ethnic origin is another major concerns in profiling the target viewers especially when developing CASD during festive seasons. Since these ads are broadcasted during festive seasons like new year celebration of different races, the race inevitably become the concerned target. The cultural characteristic of this particular race also becomes a source of inspiration for CASD development. One company informant pointed out,
If we produce an ad for Chinese new year, we would first talk to the Chinese people like our Chinese colleague about the idea of our ad as they may see the sensitivity of the ad idea better than the other races. So they may give the feedback we need.

Furthermore, added to it is the personality of the potential buyers which has been the core consideration in developing CASD. As discussed in section 8.5, social messages found in the company ad were claimed by the former leader of the company to transcend the racial boundary. As such, PERODUA intends to promote a social issue that is not only concerned by a particular ethnic group although the ad was broadcasted during the festive season celebrated by that particular race. In order to get the message across the racial boundary, the agency said the understanding of the psychographic characteristics of the target buyers regardless of their races is essential. Accordingly, such an understanding would affect the tone or style to be adopted in communicating a social message and the tone could decide whether such a message would be understood and accepted by the target buyers.

It is good to tell others of ‘what’ good things to do or think, nevertheless, ‘how to tell’ is the question. Some people accept social messages that were presented in a serious or sometimes corny tone but some dislike it...our target market is Malaysians of all creed and colour but they belong to a group called ‘realists’. They do not relate to ‘padded-up’ messages or glamorous pictures....Knowing that we are talking to a specific class of people, it means we need to understand how they view life....Every piece of communication must speak on behalf of, or to them.

As a result, after knowing the personality of their potential buyers, it is not unusual to find PERODUA ad usually projects the actual social problems in the ad instead of presenting the desired condition of the society. Figure 8.4 was drawn to illustrate the interweaving of the target market’s cultural characteristic and common psychological characteristic of the potential buyers which determine the development of CASD. Firstly, since CASD is broadcasted during festive occasions, the overall presentation of the ad has to showcase the advertiser’s understanding of the culture of the particular ethnic group which celebrates the festive occasion (e.g. in Chinese New Year, the ad may present words and costumes commonly used by the Chinese in Malaysia, or tradition commonly
followed by them). Besides, more importantly the core characteristics, i.e. the psychological characteristics shared by the potential buyers of all three major races are to be reflected in the design of the ad (e.g. no glamorous picture or corny tone).

**Figure 8.4: Characteristics of Target Viewers**

![Venn Diagram](image)

**8.6.4 Intended Impact or Objectives**

The agency also needs to consider what intended social impact the advertisement is to make, whether the ad is to show what the company has committed to the society; or to elicit viewers’ support on a specific issues that the company is involved in; or to remind viewers of issues that have been ignored; or to create an enlightening mindset for the viewers towards certain issues that have been taken for granted. Being clear of the intended impact the advertisement is to cause is a great concern in the development process because it again decides what tone is to be used and what issue is to be brought up in an ad. In order to provide a sound communication solution, good communication with the client, i.e. PERODUA has
been regarded by the agency respondents as a crucial foundation to understand the company’s current position in the market and what image or effect it wants to project through the ad.

8.6.5 Social Issue Selection

Choice of Social Issues is another key factor in the CASD development process. The ad agency has to identify the topical issue that could most represent the company or that would demonstrate the consumers’ interest or the concern of the nation as a whole. According to the agency respondents, the selection was mainly a result of the word-of-mouth feedback from the public as well as the screening of advertising award committees’ preference. During the interview, an agency respondent noted,

Market research is not a big thing still when it comes to Malaysian advertisers. But feedback from the public via word-of-mouth and via scanners like advertising award shows help gauge what the public accepts, likes or rejects.

Content analysis in Chapter 6 lists out six different categories of topical issues that could be found in CASD Malaysia, i.e. Public Health and Safety, Environmental, Physically & Socially Disadvantaged groups, Racial-Related and Nationalism, Spiritual Ideology, and others. Although the agency did not have a list of criteria based on which an issue was chosen to be integrated in the ad, based on the interview findings with respondents and analysis of their ads, the researcher has attempted to categorise five elements which affected the choice of the social issues adopted by PERODUA. It should be noted that their choice could be affected by the one or more of the elements in the context of Malaysia.

(i) Company/Product-related

As discussed in Chapter 6, the choice of social issue present in the ad may have direct and indirect association with the nature of advertisers business. In other words the issues selected are sometimes depending on the product or the service a company sells. An example quoted from one of the creative writers is that for
products like video-alarm system, the ad concepts could link to improving security in a neighbourhood or to prevent crimes like thefts, burglaries, or vulnerability of children. With such product advertisements, the social issue and the nature of the product itself or its use has a certain extent of relatedness and the social message is explicitly shown in the advertisement. A car maker like PERODUA has brought up social messages related to cars, like road safety or driving manner to consumers (see Figure 8.2 and 8.3).

(ii) Government policy-related

Social issues selected sometimes reflect what the Government desires to promote in the country, for example, racial harmony is one of the most crucial concerns of Malaysia government and this issue is commonly brought up by local advertisers through their advertisements.

As discussed earlier in 8.4.5, PERODUA has once highlighted the “Rukun Negara Philosophy” through its corporate ad on the National Day (see Figure 8.1). The agency made use of the media to remind the audience of the formal national ideology of the country which they felt have almost been forgotten.

(iii) Event-related

Alternatively, in a company advertisement, advertisers/ad practitioners may present a special social event or incidents happen in the country that affects the whole nation. For example, after the September 21 earthquake in Taiwan in 1999 that claimed thousands of lives, some advertisers like Aetna Insurance, ICI Dulux and local companies like Uni-President Enterprises Corporation had designed advertisements to convey their concern and encouragement to the victims as well as raising funds for them.

In Malaysia, during festive seasons especially the lunar New Year of the three major races, i.e. Malay, Chinese, and Indian, PERODUA and other advertisers would choose social issues that are related to the traditional beliefs or customs of these races, for example, the virtue of asking for forgiveness among Malay family
members, or the importance of a reunion dinner in Chinese family (refer Figure 8.6 for example of such an ad).

(iv) Global issues

In addition, the choice of the social issue may be in line with the global trend or what is regarded as the global concern issue, e.g. environmental issue and world peace. Alternatively, advertising practitioners or the advertisers may want to highlight some issues related to globally special occasions, e.g. year 1999 was declared as the International Year of Elderly by United Nation\(^7\). In a PERODUA corporate ad broadcasted over television during Christmas in 2003, a man who was sitting in front of the television changing the channel. As he zapped one channel to the other, he saw explosion, demonstration, army, machine, violence and then he got tired. He just switched off the television and walked away. Then, suddenly the screen showed a Christmas tree, and a word came out from the tree ‘PEACE’, and it was ended with the tagline- ‘Give peace a chance’. According to the company respondent in the public affairs section,

we mean to say in the ad that it’s Christmas time, it’s a warm moment. let’s get jolly and be happy but at the same time let’s not forget we do have some problems in this world. Even the tree said, ‘I am tired of the problems give peace a chance.

(v) Personal Concern

An agency respondent claimed that the agency needed to consult the clients of what to be presented in an ad, however, the flexibility on what issue to be integrated or how it is to be weaved in an ad lies on the hand of those creative talents in the agency. Therefore, the issue chosen can depend on the decision of the practitioners who may have personal interest in a certain topic, or have some opinions about the issue which they observe daily. What influences this choice is based on the observation of these decision makers involved in the development process or how they relate themselves to the social environment they attach to. An account given by an expatriate agency respondent offered this view on one of the PERODUA ads he had involved in:

\(^7\)http://www.un.org/ageing/aconf1977e.pdf
Malaysia is unique because of the diversity of the culture in the country. Although people of different races live in harmony here, when mixing with people here, I found that many of them hold stereotyping impression towards other races… I feel it is wrong where image or character of other races are fixed in a conventional form without individuality. Stereotyping of other races could cause misunderstanding between races. We should see beyond the race so as not to simply judge a person based on the stereotyped impression we have towards the ethnic group he belongs to.

The above view was also shared by others in the creative team and the issue mentioned was reflected in the PERODUA ad’s broadcasted during Indian New Year in October 2000 (see Figure 8.5) which highlighted the stereotyping impression towards Indian race in the country and urged the nation to ‘see beyond the race’.

**Figure 8.5: PERODUA TV ad with Racial Enlightening Issue**

*Type of advertisement: Corporate Ad - Festive Advertising for Deepavali (Indian New Year) October 2000*
*Social Responsibility Theme: See Beyond Race / Go Beyond Stereo-Typing*
*Duration: 45 seconds*
*Language: Music only with two versions i.e. English and Malay subtitle*

Read: This man drinks too much

(Indians in Malaysia has been stereotyped by others as heavy drinkers. In this shot, viewers may first think they drink excessive alcohol)

Read: You know what they say about caffeine

(It is then revealed that the ad is actually trying to say they drink a lot of coffee)

Read: This man beats his wife

(Viewers may first think the Indian beats the wife physically as there has been stereotyped perception that domestic violence usually happened in Indian family)

Continued…
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Read: She’s terrible at chess

(But it is revealed that the man actually beats the wife in a chess game)

Read: This man works in a factory

(Some Malaysians tend to think most Indians are factory workers)

Read: He’s the Head of Engineering

(It is revealed that he is actually holding a high position in the factory)

Read: This man cuts grass

(As mentioned in Chapter 4, Indians are also stereotyped as estate labourers)

Read: For his wife, her mother and her sister

(Next, the ad reveals that he is actually cutting grass for his family in his own garden)

Read: See beyond the race

Read: And you’ll start to see the individual

Read: Enlightenment by PERODUA
Selamat Hari Deepavali
(Happy Deepavali)

Another agency informant also pointed out how the agency tried to associate an attitude of stereotyping relates to the business nature of PERODUA. It is their common understanding that the local people in Malaysia tend to have the perception or presumption that small and economic car is usually low in quality
and less safe and reliable. However this presumption or stereotype has been thought to be unfair to the car manufacturer.

People like to blame the quality of the car whenever road accidents occur and they often forget or don’t want to be reminded that most accidents are often caused by the recklessness of drivers regardless of how sophisticated the safety features of the car are.

Based on such an sensitivity to the thought of the local culture, an advertisement with anti-drunk driving message was broadcasted during the Christmas day of 2000 (see Figure 8.2) which advertised the safety features of the company car as well as the effect of alcohol.

In short, the above discussion has presented how individuals involved in the CASD development, whose personal awareness or personal sensitivity of the social issues or social problems, could influence the choice of a social issue to be included in a corporate ad.

After identifying the factors of considerations before any of the PERODUA CASD were developed, the next section will examine specifically into the development of CASD through the study of a specific PERODUA corporate advertisement with a social dimension which was created for the Chinese New Year in 2001 (see Figure 8.6). The detailed study of this ad was intended to provide an in-depth understanding of the formation of the advertisement.
Figure 8.6: PERODUA TV ad with Message related to Family Ties

Type of advertisement: TV Corporate Ad - Festive Advertising for Chinese New Year Jan. 2001
Social Responsibility Theme: Family Ties
Duration: 60 seconds
Language: Chinese-Cantonese  (With English and Malay Subtitle respectively in two versions)

Old lady talks happily (in Cantonese): Time flows like water

Old lady: a blink of the eye and it's a Chinese New Year once more

Old Lady (in cheerful tone): During this festival, we usually buy lettuce – it symbolises 'life'

(showing the old lady taking a bowl of rice) In background, Old lady talks in cheerful tone: Personally, I like steamed chicken with little chopped ginger and oyster sauce

(show her favourite dish and only a pair of chopstick and a bowl of rice for herself) Old lady: Yes, the reunion dinner is very important

Old lady... no matter how late... we still wait for everyone to come home

(Start to eat but soon she puts down the chopstick and become silent... and thinking of something)

(sobbing silently...)

Continued...
8.7 CASD DEVELOPMENT

The development of the above advertisement will be presented below based on five aspects namely, target market, positioning, advertising objectives and strategy, message development and media selection, and ad evaluation.
8.7.1 Target Market

As mentioned earlier in 8.5.3, the psychographic characteristics of the target consumers is the core consideration in creating the right tone for the communication to reach its audience. The agency understood that one of the greatest strengths of PERODUA cars was its affordability and these cars carry Malaysians of all races within the working class. Knowing that, they saw the importance of understanding how this specific class of people view their life. This segment of consumers has been labelled by the agency as the ‘realists’ who do not relate to flowery or glamorous pictures.

They do not believe life is perfect. What they do see is room for improvement. They seek people who can understand their situations which may range from loneliness to discrimination

8.7.2 Positioning

Understanding the corporation’s stance of being a socially responsible corporate citizen as well as the characteristics of its target consumer, the advertising agency has placed PERODUA on a ‘socialist platform’ which highlights its brand as ‘The People Car’ and which draws the company closer to the people.

This positioning places PERODUA on a more socialist platform. So every piece of communication must speak on behalf of, or to, the working class, the people who see things in real terms, from a street perspective

8.7.3 Advertising Objective and Strategy

In the case of the PERODUA Chinese New Year ad, there had not been a quantifiable objective set beforehand although the agency had a clear vision that the ad was aimed to “communicate a meaningful, original and impactful Chinese New Year’s message to the Malaysian Chinese”. How they evaluated the ad effect will be discussed in 8.7.5

We want to remind the people especially Chinese, whom we know from key consumer insights are a more materialistic and ambitious sort, to visit their loved ones in the pursuit of material wealth.
8.7.4 Message Development and Media Selection

Two media, press and television, were chosen for the ad campaign which highlighted issues of family ties between the old and the young generation. The importance of family unity was decided to be emphasized in the ad to remind the viewers to pay more attention and caring to their elderly parents and loved ones. The agency also believed the message should get across to those, regardless of the ethnic origin, who neglect the importance of family unity.

This message is also applicable to other races when people in general nowadays are better off in terms of material life comparing to the past but their tie with their parents, or other family members become loose.

The agency also decided to use the ‘twist’ effect for the television ad so as to bring out the message unexpected by the audience:

Having chosen to talk about family unity, we came up with a TV commercial that depicts an elderly woman who waxed lyrical about the fun and excitement of the Chinese New Year preparations. But in the end, what is revealed- the twist- is that she is an abandoned mum in an old folks’ home”

Although the issue has no direct association to the car industry, unlike messages such as road safety, the ad was ended with the tagline that “There are some distances only you can bridge”, so as to provide a link for viewers to relate the message to car and the corporation.

The pay off was ‘There are some distances only you can bridge’ because it summaries the commercial in a way relevant to the car company. We know certain things we can do to make the world a better place, but we have our limitations too as anyone of us do in reality, it is humble for a car manufacturer to admit that even they can’t help to close the distance if the driver doesn’t want to drive.

Given the Chinese New Year occasion and in consideration of the available budget as well as the exposure which would be enough to create an impact and seen by the desired target market, television channels which have been favoured
by Chinese-speaking Chinese and English-speaking Chinese⁸ were chosen. In addition, major national newspaper in Chinese language and English language were selected to circulate the print ad.

We know that the heart of entertainment for the Chinese is Cantonese drama serials. We know that prime time (6p.m to 10p.m) is a time families get together to watch TV. And we know that we want to target not only Chinese-speaking Chinese but English-speaking ones as well. So Astro’s Chinese channel plus NTV7 were chosen and print ads could be found in Chinese and English newspaper.

The social message was consistent with the television and press ad. In the print ad (see Figure 8.7) published in newspaper, it showed a row of family photos indicating the growth of a family where we can see kids missing from the family pictures as they grow older and move out and the last photo only shows the old couple alone. In the creative writer’s word,

An arrow from the left to the right above the row of photos - happy family to lonely couple - says 30 years. And an arrow from the right to left - lonely couple to happy family photo- says 30 minutes. The essence of the ad attempted to bring out the message that 30 years can break up the family. But it can reunite in 30 minutes if you take the initiative to drive and visit them

This ad has also created the association cue to link back the issue to the car business indirectly by asking people to take initiative to drive so as to narrow the distance.

⁸ Not all Malaysia-born Chinese can speak and read Chinese because some are English-educated.
Figure 8.7: PERODUA Print ad with Message related to Family Ties

At the end of the print ad reads:
What’s a distance of 30 years when we can easily bridge it within 30 minutes?
Happy Chinese New Year from your friends at PERODUA

8.7.5 Ad Evaluation

Impact of the advertising was judged only from the informal feedback through friends, media and some viewers of the ad. In other words, there had not been a formal measure carried out in order to evaluate the ad’s impact upon company

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9 The above copy was photocopied and provided by the company, yet it should be noted that the original copy of the ad is not in black and white. Nevertheless, the readers shall be able to see how the idea was presented from the above picture.
image or its impact to the society as in general. It was stated by the agency respondent,

As formal research has not been conducted, we were banking on public commentaries to clue us in on the commercial. Sin Chew’s [a local Chinese Newspaper] cartoonist did a strip of our commercial; Hitz FM’s [a local radio channel] Fly Guy and Lil’ Kev talked about how touching it was; Couple of callers called up the radio to say nice things about it; and friends and friends of friends have also said good stuff about it….a lady wrote to PERODUA asking if she could have the address of the old lady so she could help her out

Although formal evaluation had not been carried out, the ad campaign was said to be a successful one, according to the agency. The ad had generated quite a lot of publicity in the country ever since the television ad was broadcasted. People talked about the ‘twist’ effect presented in the ad as well as the real identity of the actress in the ad. In one account, the actress in the ad, i.e. the old lady was interviewed by a local news journalist¹⁰ about the trueness of the ad and her background. It was reported that it was true that she had been staying in the old folks’ home for more than eight years and had an adopted son who seldom visited her. It was also reported that her adopted son had actually gone to the old folks’ home to visit the old mother after the showing of that ad. According to the report, this ad also raised the public’s concern about the elderly citizens.

It is felt by the researcher that it is another way of contributing to the society from both the advertiser and advertising agency. In this ad campaign, the life of the old lady and those in the old folks’ home have also been benefited from the advertisement where donations had been received from the public (even though donation had not at all been mentioned in the ad). This is regarded by the researcher as a positive side effect of such advertisement development. Practically, the development of the said Chinese New Year ad can inspire the use of actual people in real life instead of professional or trained actor for casting in future advertisement with a social dimension.

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On the other hand, interviews with consumer groups in the later study found out that there were a few objections from the consumer respondents who thought that perhaps the message about the old lady's sad experience should not be broadcasted during auspicious occasion like the Chinese New Year because festive occasions should symbolize the moments of joy. Of course there is no single ad which can please everyone, yet it is important to find out the extent of the positive or negative impact that such ad has achieved. Without proper evaluation, a company will never know if its advertising campaign has been truly successful. The researcher argues that the most basic premise of strategy is violated if performance is not measured. Evaluation may certainly at times be costly and complex but given clear goals or measurable objectives at the outset, it is always possible.

In sum, the case has presented the company's (i.e. PERODUA) perception of CSR and its various business activities which integrated with the social dimension. Although it is just a single case study and is not meant to be a representative of all business in Malaysia generally, the researcher feels the wide-range of factors of consideration behind the CASD development as well as the sources of social issues selection would not only be applicable to PERODUA but also to other industries which involved in CASD because they are exposed to similar business environmental dynamic. Nevertheless, more cases within different organisational contexts are needed to investigate the different ways of businesses in Malaysia blending social elements into their company advertising as well as their business operations so as to sharpen the findings from this study into a more unified and complete understanding of the actual CASD and CSR practice in Malaysia.

8.8 FURTHER DISCUSSION

Three main issues have been identified from the study i.e. stakeholder concept and CASD, CASD's implication for the global communication trend, and standardisation and localisation of social issues.
8.8.1 Stakeholder Concept and CASD

Based on the case study, readers are able to understand how respondents from senior management level in PERODUA have related the company’s CSR policy towards its various stakeholders in order to portray its corporate citizen image. As discussed in the literature, stakeholder theories are typically bourgeois and it is seen from the perspective of the management of the organisation which is concerned strategically with the continued success of the company. In relation to corporate communication, Bickerton (2000) asserts that corporate brand managers need to create brand consistency across all stakeholders. But to establish consistency through communication it requires a more robust approach to segmenting stakeholder audience. From this aspect, Davidson (1999) has defined stakeholders audience as those who have either an economic interest (employees, shareholders, suppliers, partners), or an economic impact (customers, opinion formers, regulators, legislators). However, while corporate citizenship communication through CASD is concerned, such a typology which is taken from the economic stance seems to neglect the social interest and social impact that stakeholders have towards the corporation, as concerned by institutional theorists.

Combining the literature review and analysis of the current research, the researcher proposes that CASD development could be understood from its relation with the various stakeholders who are affected by the ad and who influence its development. Taking from an institutional perspective or a social approach, a broader definition of stakeholders is adopted by the researcher, with the attempt to answer the question of: 1. Which primary groups of stakeholder affect (influence) the development of CASD? and 2. Which primary groups of stakeholder are affected (impact) by such development?

8.8.1.1 Marketing/Advertising Manager or Senior Management (Influence)

Since the inclusion of social dimension into company advertising is beyond the traditional economic function of advertising, Drumwright (1996) identifies that the support from the top management level to such advertising development is
essential. There has been a great deal of discussion from the current research regarding individual factors influencing managerial decision making. As a matter of their task assignments, those managerial personnel involved in advertising development for their company directly or indirectly affect the decision of integrating social issue in their company advertisement. They are influencing the future, not only for their organisations but also for people who work for them, consumers who use their goods and for society as a whole. To a certain extent, it could be argued that they become their own moral philosophers and apply moral thinking and principles to the decisions and actions they take (Buchholz 1989). This is consistent with the motivation study and case study findings where the company leader and senior management have a great influence on the corporate culture that leads to the adoption of CASD.

8.8.1.2 Advertising agency or partner (Influence)

In reference to the literature review, incorporating social ideas in advertisements is seen to be a social responsibility of advertising agencies to give back to the community (Earle 2001). According to interviews with agency informants, most of the time, they decided how an ad content or message was to be crafted due to their expertise and professional skills. In addition, as discussed 8.5.5, agency practitioners can determine the choice of social issue to be integrated in a company advertisement. The study as discussed in previous chapter (in Section 7.6), which unravelled the motivation behind CASD development, has also confirmed the influence of agencies in CASD development due to their personal perception of CSR and personal beliefs about the advertising strength and value. As such, advertising practitioners play an important role in advocating the use of a social dimension and in developing a successful advertising campaign.

8.8.1.3 Government (Influence)

Because of the visibility of advertising especially over national television, it has been particularly open to criticism. Therefore, advertising has been subjected to more legislation than many other areas of business (Manrai et. al. 1992). Although the motivation study reveals that the adoption of CASD by Malaysian advertisers
is not merely an action of conforming to the social message requirement of the advertising preamble as mentioned previously, the Ministry of Information of the country has applied stringent censorship and review of the content of advertisements before they are broadcasted to ensure the contents are complying with the moral sensibilities of the community. As a result, the government still plays as an important stakeholder that can influence the content development of an advertisement before it is broadcasted. Furthermore, it has the authority to ban an ad after an ad has been broadcasted in response of the negative reaction from the community. This is exemplified by The PERODUA ads which depict the women showing off their jewellery and status discrimination as discussed in 8.5.

8.8.1.4 Employees (Impact)

Employees are important or ‘second audience’ for a company advertisement (Gilly and Wolfinbarger 1996; 1998). In addition, Stohl (1995) shows that advertising campaigns broadcasted to national audiences become memorable messages for employees. Accordingly, such advertisements can affect employee’s ability to do their jobs, judgements of the trustworthiness of their organisation and commitment to their companies. Bird (1989) also notes that employees are least likely to be fooled by corporate advertising because they know what is true in the organization. Advertisers can use this insight in the design of CASD. This is evident based on the case study conducted for this research where workshop employees were shown in one of the corporate ads to promote the sense of nationalism (refer to Figure 8.1). The result of the ad according to company respondents’ feedback is that the staff are proud of themselves being the members in the ‘Big Family’. In short, employees’ morale is affected by advertising developed by their companies (Gilly and Wolfinbarger 1998) especially when employees become role models in the ad.

8.8.1.5 Consumer and general public (Influence and Impact)

Although the case study in this chapter identified that the nature of the target market is a factor of consideration in designing the tone used for conveying the social message. The interview feedback in previous chapter and the later research
on consumers' response (further discussion see the next chapter) indicates that consumers in Malaysia lack initiatives in giving their opinion or complaints in relation to the advertising content as well as social issues to be included. In other words, due to the easy complacency of most consumers in Malaysia as well as their low social consciousness, their influence on the content development of advertisements is considerably low. Therefore the social role of advertising can be better understood from the perspective on how the general public is influenced by advertising or the advertising impact towards them. Company advertising is created for its intended target audience, however, given the pervasiveness of television advertising, its effects not only fall upon the target market but also the non-target market. Although some advertisers attempt to target a particular consumer group, in the practical reality their actions lead to an unexpected influence on the non-target group which is not always negative. For example, the ad in Figure 8.3 shows the encounter of a big car driver and a small one, although this ad was broadcasted during the Malay New Year and both characters were Malay, it brings out the message of generosity not only agreed by the Malays but also other races. Another example is the commercial which aims at a Chinese audience (Figure 8.6), with the social message of family value has inspired respondents of other ethnic group to become concerned about the social issue as well. This is confirmed by the research finding from next chapter.

Alternatively, an ad can also lead to an unexpected response from its target group which could be negative. This can be understood from the outburst of noise as a consequence of the broadcast of the two controversial ads by PERODUA mentioned earlier. Although representatives of PERODUA had attempted to clarify that those ads were not intended to reflect the weakness of a particular race, greater sensitivity of the possible impact of potential audience is still needed before a work of satire is presented over mass media even though there could be good intention behind.

8.8.1.6 Pressure Groups/ Non-Profit Organisation (Influence and Impact)

Any social or pressure group represents certain category of members of the
society who share similar interest. When a social agenda, which is pertinent to these groups, is included in advertising there is a higher chance that it may provoke or raise the attention of them. For example, the environmentalists may be concerned about the validity of the information related to the green issues portrayed in an ad. As a result, when a sensitive social issue is to be incorporated in company advertising, advertisers or advertising practitioners may need to consult the concerned social groups to which the issue is related so that a better way of presenting the social issue can be identified. It should also be noted that sometimes it is the way of presenting an issue that is controversial rather than the issue itself. Despite racial issues being a politically sensitive topic in the formation of national policies, ads show racial issues are common in Malaysia. However, the case study shows that an advertisement which portrayed racial stereotyping of a particular race in a particular setting or style had aroused the controversy among the communal groups of the related race. Therefore, the influence of the pressures groups as well as the impact towards them should be taken into consideration while CASD is to be developed.

The influence of non-profit organisations on CASD development could be greater when companies form a partnership with a non-profit organization in promoting a social issue. Their influence may depend on the negotiating power of the non-profit organization as well as the extent of involvement the business entity in the CASD development. The advertising may have to reflect these organisations’ demands which may be different from the requirement of their commercial-oriented counterparts, e.g. how the ad or the social orientation in the ad is to be presented. Although the content analysis of CASD in Chapter 6 reveals that cause-related advertisements or partnership between companies and non-profit organisations in developing CASD over television Malaysia was scant, its potential is not to be overlooked because advertisers need to explore different ways to differentiate their advertising approach from others.

In short, the major benefit of understanding the stakeholder concept’s implication on the communication process is that it will help advertisers to better develop their advertising strategy and content based on awareness of the social influence and impact that CASD may cause. It may also facilitate the corporate brand
advertised to be perceived by its stakeholders as how the company wants it to be identified.

8.8.2 CASD’s Implication For the Global Communication Trend

Based on the findings of the case study, the use of the CASD approach by PERODUA is to portray the company’s unique ‘socialist platform’ or ‘humanised culture’. Nevertheless, it is also suggested by one of the company respondents (refer Section 8.5) that there is a possibility that the company may invest less on CASD but more on product-oriented advertising when the market become more competitive due to market liberalization. Given this view, it should be noted that there are literature reviews which argue that there is a shift in marketing emphasis from product brands to corporate branding when businesses move toward globalisation (e.g. Olins 2000; Dowling 2001; Hatch and Schultz 2001, 2003). Hatch and Schultz (2003:1041) explain that,

This is usually ascribed to the difficulties of maintaining credible product differentiation in the face of imitation and homogenisation of products and services, and the fragmentation of traditional market segments that occurs as customers become more sophisticated and markets more complex. In an era when companies can no longer base their strategy on a predictable market or a stable preferential product range, the ground rules for competition change. Differentiation requires positioning, not products, but the whole corporation.

In other words, corporate advertising that places the corporation at the centre stage and which reflects the values and philosophy symbolised by the corporation becomes the key elements of differentiation strategies. Since CASD is one way for the corporation to perform its social responsibility, it is worth discussing the future of CASD when CSR concept becomes increasingly important globally.

Chambers et. al. (2003) argues that globalization will become a key driver of CSR where the very nature of internationalization, by companies of any nationality, leads to an increase in CSR. First, they envisage that as businesses trade in foreign countries, these trans-national corporations see the need to establish their reputations as ‘good citizens’ in the eyes of new host populations. Second, the
emerging systems of world economic governance create incentives for greater CSR due to the increase in global business watchdogs (e.g. NGOs, ethical investment firms) and in standards of business practice (including CSR). Besides, the result of the Millennium Poll as discussed in Section 4.6 indicates that consumers across all region of the world want companies to go beyond their historical role of ‘making profit, paying taxes, creating jobs and obeying all laws’. The survey also underscores the importance of meeting the broader social expectation of consumers in order to safeguard corporate reputation. Additionally, based on the consumer research findings in next chapter, despite consumer respondents’ generally low expectation on advertisers to promote social issues in their commercials, they indicated their preference in watching ads with more social elements than business elements.

Given the above reasons, those local companies, which developed corporate advertisements with deep social orientation approach, have left a remarkable impression in respondents’ mind. In other words, while the use of the CASD approach can potentially reverse the negative image of advertising (e.g. stimulating conspicuous spending and encouraging status and material seeking behaviour), it can also potentially help a company to build a humanized platform to reduce the gap with its audience through showing their concern of a social issue in the company ad and in turn create or support its corporate citizen identity.

Furthermore, the literature on cause-related advertising has indicated that advertisers from the West tend to make use of financial appeal in their ads to generate sales and to form partnership with non-profit organisations in promoting a social issue. On the other hand, the content analysis in the Chapter 6 finds out less foreign advertisers engaged in CASD over television while local advertisers in Malaysia preferred to promote a social issue alone (like PERODUA in the case study) and financial appeal has less frequently been employed to induce purchase intention. Despite the difference in their approach, the researcher argues that the use of advertising by corporations to convey socially-beneficially message or to create awareness of a specific issue is becoming important.
In Malaysia, although advertising has been seen by the Government as a tool to engineer social change, the potential of it in this respect has yet to be embraced by more advertisers. Given the competitive globalisation of business, when companies market their services or products in Malaysia or countries in which CSR is valued, or in which CASD approach is not yet common, advertising that integrates social agenda could contribute a differentiating attribute that can create competitive advantage for theses corporations. In this anticipation, CASD, as a way for company to perform its social responsibility through communication campaign, may be seen as a corporate communication trend globally to enhance the corporate reputation and to gain competitive advantage. Even though product-based advertising would be emphasised more in future to confront with more competitive market, the inclusion of social dimension into this type of advertisement is not impossible so as to create a social image for the product.

8.8.3 Standardisation and Localisation of Social Issues

Chambers et. al (2003) also predicts CSR in Asia will be enhanced by globalization. They argue that globalization in Asia is largely a function of the increased operation of western businesses in Asia so these companies would bring their CSR policies to Asian countries through either applying or adapting them to the local circumstances. When CSR in Asia is to be enhanced by globalisation, this leads to the question of standardization and localization in international advertising approach, which is not an unfamiliar debatable topic for decades. Proponents of standardized advertising have argued that there is a trend towards the homogenization of the world’s needs and desires due to the globalization impact, therefore consumers are expected to be satisfied with standardized advertising messages (Fatt 1967; Levitt 1983, de Mooji 1994). Accordingly, the major advantages of standardization include economies of scale in advertising production, the building of international brand and corporate image. Advocates of localization however propose that by not incorporating a specialized approach that is sensitive to the local environment, trans-national advertisers endanger their client company’s opportunity for expansion into foreign markets (Ricks et. al. 1974; Wind 1986, Frith and Frith 1990). In some cases, trans-national advertisers
can be accused under the name of cultural imperialism which jeopardise the indigenous values (already discussed in Section 3.2).

In the researcher’s opinion, the standardization or localisation issue has significant implications for the choice of social message to be included in the CASD when advertisers wish to extend their market from the local region. The result of content analysis in Chapter 6 shows that quite a number of issues that has been identified in the television CASD are related to the racial issues or nationalism. However, this subsequently leads to the question of whether the greater internationalisation would endanger nationally focused CASD campaign. Indeed, the answer is not straight-forward as it depends on various factors such as cost, consistency in image as discussed above, and also the market in which the advertisement is shown. The researcher decided to explore this topic through the understanding of the type of social issue itself. In connection to the impact of globalisation and based on the findings and discussion from previous chapters, three types of social issues could be identified in CASD in Malaysia at the macro-level: local, Asian-oriented, and global social issue.

8.8.3.1 Local Issues

In regards to local social issues, there are certain issues which require familiarity of local culture or the understanding of the local social problems in order to create a bond between the local receivers and the advertisements. For example in Malaysia, this relates to issues concerning the integration of three major races in the country, stereotyping image of a particular race, or issues that are pertaining to the individual’s daily encounter such as taken-for-granted social manners. Therefore, local people are particularly familiar with these issues. This can be found in some advertisements developed by PERODUA (e.g. refer Figure 8.1 ad related to National Principles, and Figure 8.5, ad related to stereotype of Indian in Malaysia). The major advantage of selecting local issue is that it could be easier to touch a chord with people in the country. In addition, since it is found that most CASD in Malaysia were broadcasted during nation-wide festive seasons, for international advertisers, they may have to be aware of these festive events in the
country as well as the related traditions.

8.8.3.2 Asian-Oriented Issues

Asian-oriented issues on the other hand are quite distinctive from that in western culture. Such issue is not only specific within the local context but also to the Asian region, however they may not be the issues that are of global significance due to the different cultural context between the West and the East. These issues mainly concern views on traditional Asian virtues such as tolerance, family ties, and appreciation of traditions which could also relate to the local culture of Malaysia since Malaysia is part of the Asia and it is exposed to similar cultural background. Examples of ads like this can be seen in Figure 8.6 and 8.7 which related to the old lady and reunion dinner.

The literature postulates that cultural evolution can be expected toward the values seen in commercial communication through the selective reinforcement of values by advertising feedback into the culture (Pollay 1987). Apart from the Nike ads in China which has been discussed in Section 3.2, Nike ads in Singapore in November 2004, which were designed to resemble graffiti, have stirred emotions in that particular Asian nation known for its obsession with cleanliness and civic order. Ann Kostochititana, the Nike spokeswoman said in a statement, "The idea is to do something naughty like wild-postings to disrupt the neat environment of Singapore and stay in line with the street-feel of this LeBron James basketball campaign"\textsuperscript{11}. Given such a perspective, it can be argued to be inappropriate to challenge the traditional culture of other nations and impose the advertisers’ own cultural beliefs on other nation especially when the traditional culture of other nations is not morally improper. Although not all Nike advertising campaigns have exploited the freedom of advertising, it is the responsibility for all advertisers to be aware of the social consequence their ads could bring whether in their own countries or other nations. In justifying the use of the term ‘Asian culture’, Schütte with Ciarlante (1998) have made two assumptions. First they argue that, despite the multiplicity of cultures in Asia, there are many

\textsuperscript{11} \url{http://asia.news.yahoo.com/041126/ap/d86j92kg3.html}
characteristics that are more or less common across many Asian cultures. Examples given by Schutte and Ciarlante (1998) are the importance of the family, group orientation and the issue of face, all of which have an impact on consumer behaviour. Further distinction between these two cultures has been presented in Table 4.3 in Chapter 4. Second, they also argue that the cultures found in Asia are to some extent specific to the region and are therefore different from those in the rest of the world, particularly the West. In other words, despite the existence of cultural heterogeneity in the region, the differences within Asia are less significant than the differences from the world outside Asia. For example, it is fair to say that comparing to the West, tolerance within group or importance of collectivism is a more typical Asian quality and this is in concurrence with other Asian countries like Malaysia whose culture emphasizes values on ‘courtesy, moderation, tolerance, harmony and cordial relations among family members, neighbours and community’.

The growing prosperity in Asia-Pacific region through economic and social integration may imply the liberalization of advertising sector in future. As such for local marketers or foreign marketers who plan to expand their market to Asian region, a standardised use of Asian-related issues in their company advertising throughout the Asian region would help to promote the social image of the company or its products/services in the Asian market as well as to maintain economies of scale in advertising production.

8.8.3.3 Global Issues

Finally, examples of global issues include issues such as Aids prevention, drink driving, environmental preservation, world peace etc. which are publicly recognized as globally concerned. For instance, as discussed in the case study, PERODUA had developed CASD with a social theme of anti-drink driving and world peace in previous years during the Christmas Day.

From the developed countries perspective, some global issues like green issues

\[\text{\textsuperscript{12} Stated in Malaysia Official Year Book 2000, published by the Department of Information Malaysia}\]
and human rights, should be brought up around the world so that even the developing nations will be aware and be educated about the global problem faced by the five thousand millions populations on earth and such problem would endanger their lives sooner or later. This helps the developing countries to widen their views of the globe.

Alternatively, social issues which developing nations think would affect the global village from their viewpoints could be infused in their ad and export such idea to other nations so as to share the social concern globally. For example, issues related to child labour, poverty and access of education. Company ads with such issues could raise the sense of appreciation among people in developed nations of what is available to them.

It should be noted that some of the social issues, which are addressed by the multinational companies that trade in other countries, reflect the concern by the general public in their own home country and which may or may not be the major interest of the society of the host countries. It is because the importance of certain social issues varies in the expectation and perception of people from different cultural and economic context. For example, underdeveloped countries may argue that the issue like poverty may give rise to a more serious and immediate problem to their well-being rather than environmental issue. Therefore, while it is important for international advertisers to share their social concern with other nations, it is equally important for them to understand the local background so as to select issues that could benefit and appreciated by the nation(s) which are exposed to the advertisement.

For those multi-national companies which would adopt CASD, it is a question of whether it is better off to integrate global issues in their ads so as to achieve higher consistency in advertising style throughout the world and to save the cost; or to have different advertisements that integrate local social issues specifically related to a particular country so as to create a sense of closeness with the local consumer. In an attempt to standardise the advertising, it would be useful for advertisers to understand or anticipate what social issues would gradually become globally concerned so that it would be beneficial to all nations. Alternatively, an
advertiser may choose a global issue in the ad yet employing a presentation style that is locally sensitive, for example through the use of local scene, slang, or ad endorser that are familiar to the local people. Therefore, the global image can be cultivated and still be culturally appropriate. It is apparent that localised advertising cost would be higher since each country may have a different cultural norm. As a result, regionalise instead of localised the advertisement could be another feasible option.

8.9 CONCLUDING REMARKS

This case study indicates that PERODUA’s social stance and commitment strongly affects its motivation to adopt CASD approach. Being a local corporation, respondents in this case study felt that PERODUA has the mission to perform its social responsibility towards its various stakeholders, e.g. its customers, employees, suppliers, government, the community, the environment as well as the nation as a whole. One company informant also highlights the very essence of CSR relies on the ‘genuine consciousness’ among business leaders or business planners to make improvement for the society.

Through analysing its ads and interviews with the company and its agency informants, it is found that the company has consciously included social dimension in its corporate ads. Its ads, although sometimes controversial, generally aimed to bring enlightenment or a moral lesson to the public. Its choice of social issues has been influenced by various factors such as the government policy, festive traditions, or those that are globally or personally concerned. Apart from being sensitive to the cultural characteristics of individual ethnic groups, the company and its agency have also considered the characteristics and personalities of its potential buyers so as to present the social message in a way that is receptive to them. PERODUA grouped its target market into the ‘realist’ working class category within which people do not believe life is perfect and who seek others for being understanding of their situations. As a result, its ads tend to address the reality instead of presenting the glamorous or ‘feel good’ pictures to the audience,
and some of its ads admit the shortcoming of the company in achieving some social impact if without the support of the audience. Besides, while PERODUA has positioned itself at the 'socialist platform' as 'The People’s Car', its ads do reflect the identity of the company given its social commitment into different areas of business activities and to its various stakeholders.

Due to the competitiveness within the car industry as well as advertising environment in general, the agency has pointed out the importance of showing a certain extent of association between the social issue and the product or business nature of the company. Sometimes, this gives rise to a creative challenge to the advertising agency when a social issue is not directly and apparently connected to the car industry, for example family unity. Compared to other advertisers like Petronas that also invested in CASD, the budget allocated for PERODUA was relatively lesser as revealed by agency informants. Thus, it limited the time broadcasted on television and led to choice of other less expensive media like print ad.

To conclude, the case study of PERODUA has shown how the adoption of CASD approach has reflected the company’s concern of the society through mass communication. The company has also engaged in other social responsibilities such as community works, employee training, environmental protection, etc aiming at different stakeholders. In the context of corporate identity management, this case study has also illustrated how CSR concept is integrated consistently into corporate strategies and corporate communication as a core element to establish or enhance its corporate citizen image. Its corporate advertising has actually used the societal vision and ‘humanized culture’ of the company as part of its unique selling proposition. In addition, the case study has raised another important issue especially pertaining to the CASD development in Malaysia, i.e. stakeholder concept and CASD, CASD’s implication for the global communication trend, and standardisation and localisation of social issues.

Despite the enormous publicity the Chinese New Year featuring the old lady had been generated, it is important to find out how effective the CASD is, i.e. how effective the ad has captured attention, how effective it has contributed to the
enlightenment in the society or to the company growth. As discussed in Chapter 7, a successful commercial ad, either with or without a social dimension, is one which encompasses the elements of creativity, commercial solution and social effect. In spite of the publicity the ad had caused, this result may only reflect the ad had captured awareness of the public about the issue through its creative presentation. However, the effect of such ad towards the company especially its image (since it is corporate advertising) is unknown. The researcher argues that for any business, if the commercial solution was not a concern for their advertisement development, companies could have devolved their advertising effort to public service advertising (PSA) or sponsorship of Pro Bono works where their names or company logos are kept unknown throughout the advertisement. Then, the creativity and social effect would be the primary concern. Nevertheless, it is not the case in CASD where there is always a mixture of commercial and social elements in the ad regardless of their proportion or degree of social orientation. Therefore it is essential to evaluate both the social and business/company-related (e.g. company image) effect, not to mention the ad creativity that could become the moderating variable that influences the social and business-related effect. Further discussion on this as well as consumer response will be presented in the coming chapter.
9. CHAPTER NINE

CONSUMER RESPONSE TOWARDS CASD
9.1 INTRODUCTION

The sender, the message and the receiver are three fundamental elements in most communication processes. The previous three chapters have respectively examined the advertisements with social dimensions through content analysis, the perspective of senders (company and agency informants) in relation to the motivations and actual development of CASD. The research of CASD in Malaysia would not be comprehensive without exploring what the consumers think about such an ad approach. Increasing knowledge of audience responses to CASD is important for marketers in designing effective advertising. This chapter, therefore aims to answer the final research question, i.e. How does CASD broadcasted over television affect audience’s perception and attitudes toward advertisers or sponsors of CASD? What are their thoughts and feelings about this kind of ad approach?

It should be noted that in order to extract different factors that affect consumers’ response to CASD in Malaysia, this study does not limit to the examination of the effect of CASD developed by PERODUA in particular. Therefore respondents selected were not restricted to customers or potential users of PERODUA. Instead they were consumers who have been exposed to advertisements in general regardless if they were end users or purchasers of the product or service advertised. In other words, this study focuses on the response from consumers of CASD or the public stakeholders, instead of any other specific company stakeholders like employees, investors or company partners. In this research context respondents of the focus groups are free to express their opinion on any of the CASD in Malaysia which they could remember.

This chapter will begin with a basic discussion of communication effect based on which the focus group interviews with consumer respondents are informed. This discussion is to explore the ways of how consumers’ response towards CASD could be investigated through group interviewing. Next, the chapter will present the findings of the interviews and from which various factors that could affect the audience’s perception and attitudes towards the CASD are identified. Finally, the researcher will further discuss some important issues arising from the analysis.
9.2 COMMUNICATION EFFECT

Due to the social and business elements blended into an advertisement, the influence of CASD should be studied from both business impact to the company and the social impact to the consumer or the general public. The economic/company impact assists in fulfilling marketing objectives of the advertisers, such as to sell goods or to create goodwill among target consumers. Conversely, the other non-economic or social impact is how CASD helps to achieve something which was not related to marketing strategy like raising awareness of certain social issue that is reflected in the ad. Given the dual elements in CASD, it will only be a total success when the viewers are able to remember and understand the social message being advertised, apart from acknowledging the company's social effort in advertising. Thus the receptiveness of the social message is regarded as another outcome that CASD should try to achieve. From this aspect, CASD should be studied on how well the viewers could remember and comprehend the social message and how this message may influence their thought or attitude about the issue.

In reference to television CASD in Malaysia which is dominantly corporate-typed and issue-oriented, company image and the receptiveness of social message become the two main aspects based on which impact of CASD could be investigated. In reality, measuring the advertising effective based on sales effect is problematic as the sales performance is not solely influenced by advertisement, but other marketing variables such as price, distribution channels, sales promotion, etc. Therefore, it is difficult to measure advertising sales effect unless those said factors other from advertising are controlled. In practice, commercials are typically evaluated on the basis of whether consumers remember and comprehend the ad and whether they are favourably persuaded by it (Laskey et. al. 1995), i.e. communication effect of advertising.

Indeed, attitude towards the ad has been postulated to be a causal mediating variable in the process through which advertising exerts its effects (Shimp 1981; MacKenzie et. al. 1986). In other words, the effect of CASD upon the company image or social receptiveness could be explored through the studying of
consumers’ attitude towards the ad. MacKenzie et.al. (1986) claim that the attitudes towards ad can be studied in three aspects i.e. cognition, affection, and action or conation (purchase intent). At the cognition level, consumer notices the commercial and is able to understand the ad content. At the affective level, the aware consumer who comprehends the meaning of the ad starts to shift his/her attitude towards the brand/corporation advertised. Finally at the action level, the consumer’s purchase intention is developed and thus taking action by marking purchase or adopting trial. Although the research of ad attitude in Mackenzie et. al.’s study is more valid for product-based advertisements, it has its implication for non-product-based ads like corporate-style CASD.

By applying the past literature on evaluation of ad effectiveness (e.g. Stewart and Furse 1985; Stewart and Koslow 1989, Laskey et.al. 1995, Stone et. al. 2000), the communication effect of CASD could be understood in terms of recall, liking, comprehension and persuasion. These four measures focus on the cognitive dimension (represented by recall and key message comprehension), affective dimension (represented by ad likability), and the action/behavioural dimension (represented by persuasiveness or purchase intent). Recall refers to how well the viewers can remember the ad and identify the advertiser. As such, questions like what make respondents remember the ad can be asked during the focus group discussion, or what make them associate the ad with the advertisers given less business element were found in most CASD in Malaysian television.

In addition, comprehension studies viewers’ understanding of the social message included in the ad. If people view advertising without thinking about it or processing the message embedded, one can argue that there could be no significant attitude change towards the social issues. From this, the researcher can ask respondents to describe an ad they found socially meaningful in order to understand how they interpret the social message in the ad or how they have understood the issue.

In another aspect, theory of likability suggests that if audience like a commercial, they should pay attention and respond to the message, or that if they like a commercial they will associate more positive feelings toward the subject
advertised (Stone et. al. 2000). Indeed, Walker and Dubitsky (1994) prove that likability is a reliable tool to measure advertising effectiveness. They assert that the more likeable the ad is, the easier it is to remember the ad content, also the more likely to develop positive attitude towards the brand/company advertised, thus the persuasion effect is higher. Persuasion, in this research context, refers to how likely the CASD affect their awareness or behaviour in regard to the social issue advertised as well as whether the CASD generate positive image. Accordingly, the researcher can ask questions like how the viewers perceive the company’s motive in developing CASD so as to find out the image of the company from their perspective. Besides, questions like how the viewers like the social message, or how they like the presentation of the social message, can also asked to find their receptiveness of the social issue.

In short, the understanding of the communication effect of CASD had helped to devise the interview guide which facilitated the focus group discussion. Based on the adopted research paradigm which is oriented towards phenomenology, this guide was more useful to extract meanings or thinking derived from ads by consumers rather than to prove the behavioural effects although an extent of such effects could be identified from the study.

9.3 PRESENTATION OF FOCUS GROUP FINDINGS

Since current research indicates that CASD in Malaysia are usually broadcasted over television during festive occasions celebrated by three major races respectively, focus group interviews were therefore divided into six groups where each of the two groups comprising members of one of these three major races in Malaysia (refer to Table 5.7 and Section 5.8.1 for further justification for such classification). Since no significant difference has been found among these groups, except in some aspects, the following section will sum up the findings gathered from the six different focus groups and the difference will be reported whenever relevant.
9.3.1 Consumer Awareness of CASD

Through investigating the respondents' awareness of CASD in Malaysia, it helps to understand how consumers interpret the existence of CASD in Malaysian television medium.

It is found that not many of them had much opinion about advertising in Malaysia and they rarely discussed ads with others. It shows two major causes for that. First, they generally felt most of those ads were not impressive and boring. Second, some said most ads were "too commercial", "hard sell" and "too direct". In their viewpoints concerning the existence of CASD, all of them felt that there were not many commercial ads broadcasted over television that were socially meaningful (i.e. "enlightening", "educative", "enhancing moral value", "helping us to identify the root cause of the social problem", "making one feel touching towards a specific issue", "making one to remember the social message for a long time"). In the meantime, they did not feel many ads were socially offensive (i.e. "irritating", "causing uncomfortable feeling", "disgracing a particular race", "use of indecent words or suggestive scenes", "setting bad example for the society").

Notwithstanding the lack of television ads which are socially meaningful in the perception of the consumer respondents, most of them were aware of advertisements with social messages that broadcasted during festive seasons. This finding conforms to the result of content analysis in Chapter 6 that most CASDs are found during festive occasions (refer to Figure 6.3). Many participants instantly related Petronas with CASD and some of them were able to describe few ads produced by this company. This is not too surprising when Petronas seems to be the symbol of CASD because the study has found that the company has been persistently adopting this approach since 1996. Such a persistency has indeed won its place in consumers' mind. Besides, there are also some participants who mentioned local advertisers such as Telekom, Tenaga, and PERODUA.

In reference to the advertisements which the respondents chose to describe, it can be argued from the consumer perspective that CASD are those which are usually
deep in social orientation and of which social message is easily to be recognised by the majority.

The findings also reveal that all participants identified racial integration being a major social issue in many ads with social dimension (which has been the issue constantly advocated by Petronas) while some also mentioned family values. However when racial integration was being seen as the general social theme in most ads, this actually leads to a problem where some participants would overlook other social issues promoted by other advertisers or even by Petronas. Although the racial integration has been a major concern of Petronas, the company has actually raised other issues such as respect of elderly, virtue of selflessness, and issue related to inferiority complex. Nevertheless, these issues had not been mentioned by respondents. On the other hand, even though some participants could recall other social messages, since Petronas has been a success story in its advertisements, other advertisers have been overshadowed by the company, unless their ads were more creative.

This problem of overlooking other social issues or other advertisers can be exemplified by what has been told by some of the respondents:

I remember Telekom, Petronas and Tenaga ads which have social message... but I don't remember very clearly what their ads are about, I guess most probably racial unity. (Chinese, Male, Accountant)

I remember the ad [with family value message], not sure who's the advertiser, could be Petronas. (Malay, Male, Operational Supervisor) note: in fact, based on the respondent's description of the ad, it was later confirmed by the researcher and another respondent that it was produced by another local advertiser

In consistent with the discussion on the Content Analysis, this indeed highlights the need for advertisers or ad agencies to adopt a differentiation ad strategy as well as the need to select a social issue that stands out more prominently than others who also adopted the similar CASD approach. This finding also explains the necessity for advertising practitioners to compete not only with advertisements developed by their client's industry but also outside the industry which involve
any advertisers that have developed CASD. This necessity has been confirmed by an agency respondent reported in the Case Study (refer to 8.6.2).

9.3.2 Perception of CSR through Advertising

Respondents were asked to conjecture about companies’ motivation behind CASD development and made inferences about it. While motivation of company in CASD development can influence the objective setting and the subsequent strategy, this section is to investigate the perceived company motivation from consumers’ perspective because it could influence their perception towards CASD approach in general.

Some respondents believed it was part of business strategy to create good image, while others believed advertisers may have sensed their social obligations.

I believe they do so as they recognize the need of fulfilling the company social obligation. (Malay, Male, Engineer)

Guess they want to create good social image, an added value for the company to look better in the consumer’s eyes. (Malay, Male, Graphic Student)

[the advertiser] is identified as a government company so has connotations of being Bumiputera. As such, their customer’s demographics may be skewed racially. This is a good way to be part of the multiracial consciousness, fulfilling their needs to be a real Malaysian company with customers from all races while at the same time portray the company a very positive light by their choice of ad topic. (Chinese, Male, Communication Manager)

In addition, it was also believed that such approach was a result of the increasing affluence in the society and more people receive better education and expect more social contribution from the business.

When the society is more affluent and more well educated, people would start to concern more about the social obligation of company especially big corporation. (Indian, Female, Business Student)

Furthermore, many of them also felt that only local advertisers have engaged in
CASD so they argued that these companies are government incorporated and therefore their commitment in such advertising was not entirely self-motivated but influenced by the government.

Those companies like Petronas, Telekom are related to government. They are national companies which are highly government incorporated. I am not sure whether they are committed to the government to do that... you seldom see a real private company does this kind of ad. (Chinese, Male, Accountant)

Since all the ads consumer respondents have mentioned are not product-oriented but corporate-oriented and deep in social orientation and which do not aim to induce purchase as perceived by them, respondents generally commented positively on the perceived motivations behind CASD and did not think such approach was cause-exploitative to earn money. Despite different opinions on the motivation of company’s commitment in CASD, all participants agreed advertising is one way for a company to contribute its social obligation to the consumers or the general public. Some believed that its social impact would be more significant if such ads could be shown also during non-festive seasons and if more advertisers would follow this approach. In spite of this belief, they also pointed out the importance for corporations to integrate social dimensions into other areas of their business operation so as to continue fulfil their other social obligations, and not only focus on advertising.

Furthermore, participants were also asked about their opinion on cause-related advertising. Few of them regarded such approach as a new way to encourage consumers to do good to the society.

It is good as it encourages people to donate, since we rarely take an active move to make donation, through purchasing products we somehow doing good to society. (Chinese, Male, Engineering Student)

Nevertheless, many of the respondents were sceptical about this kind of advertising approach mainly because they lacked the trust on businesses in general regardless of whether they are big or small enterprises, although some admitted they might be less sceptical towards the big ones.

Don’t know if the company would really donate the money earned to the said
charitable organizations. (Indian, Female, Business Student)

A lot of deception like this happens here or elsewhere where people are told that part of the money will be donated to XXX charity. But how could we be certain the money is actually donated. Even the advertisers are big companies, still I am sceptical about it. (Chinese, Male, Engineer)

In relation to the purchase intention, most of them do not think they would buy the product because of its cause-related advertising mainly due to their scepticism towards this approach. There were also respondents who claimed that culture is another factor.

I would not buy the product because of the ad, basically I don’t like the approach. If I want to donate money, I would rather donate directly to the charitable organization instead of through buying the company product. (Indian, Male, Programmer)

It is not easy to influence buying decision through this kind of ad (cause-related) in Malaysia, it may work well in overseas but not here because the culture here is different. We are more sceptical about something we are not familiar with and lacking the initiative to try something new. (Chinese, Female, Teacher)

However, the presentation of the ad is seen as one of the influential factors in persuading the buyers to make purchase, as some participants said that they might consider buying the product but provided the ad was shown in such a way that could impress them rather than irritate them and the product itself is not expensive.

I would not buy the product because of the ad...However, I may buy provided the ad is shown in such a way that it does not irritate me or in a way that really impresses me. I think it may work for low cost product like chocolate bar, unlike car no matter how impressive the ad, more consideration comes into play, won’t make my decision just because of the ad. (Chinese, Female, Medical student)

9.3.3 Reactions to CASD

In this aspect, the groups were asked to give opinions on what they like or dislike about CASD in general by examining why they like or dislike in a specific CASD of their choice.
Although some participants did look forward to the works of Petronas which they liked the “story telling” style of their ad, there were others who thought its ads as being “too fictitious”, “unrealistic” and “too long” (in average 40-90 seconds per ad). As discussed in 8.5, its ads tend to portray the ideal or desired state of the social phenomenon through the joyous interaction of characters of different races. During the discussion of some of the Petronas ads, some respondents especially from the Chinese and Indian groups tended to express their view on the unfair treatment in the country where many privileges have only been given to the Malay group (refer Section 4.5 for Malaysian Dilemma). This suggests that even though they think CASD can be a good approach to promote racial issues, it is more important for the advertisers to practically reflect the racial fairness in their business operation.

On the other hand, it is found that PERODUA was one of the few advertisers who marked quite a distinguishable style in its CASD from one and other. For example, one of its advertisements (the old lady advertisement as discussed in previous chapter) has struck a chord not only with the Chinese participants in the focus group, but also other racial groups. Many participants thought that Perodua ads style was generally “different”, “controversial”, “humorous”, “so metimes saddening”, “fresh and unexpected”, “deep or need second thought”, and “cool”. Despite being distinguishable, there were also a few respondents who criticized the carmaker’s ads as being “inappropriate”, “offensive” and “easily create misunderstanding”. They argued that the advertiser should be more sensitive to their message presentation in an attempt to create an outstanding ad.

Furthermore, many respondents gave credits to advertisers who were able to link the ad or social message to their business nature or product “without overdoing it with too much commercial element”. The y preferred ads to be short, and placed more emphasis on visual presentation rather than having “too much talking in the ad”. They liked ads easy to be understood yet not made in such a way that “insults intelligence” or “underestimates viewer’s comprehensive ability”. However complexity in advertising content raise another problem and one respondent expressed his view on one of the ads with social issues which he found
problems in understanding the message.

When you look at the ad, it shows friendship of 3 races since childhood until they grow older so you instantly think it is another ad about racial integration. But when I watched the ad again and pay attention to the voice over behind, I think the message is to tell us to be confident in ourselves and to look forward in life. That is a good message but I doubt people will pay attention and comprehend what has been told in the voice over since the voice over is too long and corny... easily distracted by the visual presentation of the ad which is more on showing the friendship of the three races. I don’t know maybe their focus is still in racial integration. Or they try to convey the message of looking forward in life while setting the friendship of three races as background. If it is the latter, I don’t think many will get the message. (Indian, Male, Programmer)

The above view was agreed by some other respondents. In addition, the relatedness of the issues to the viewers and personal preference towards an advertiser also influence how well the consumers could remember the ad and how this motivated them to interpret the social message in the ad.

That ad was really cool, totally rang a bell, you know I see this incident [the bad driving manner as projected in the ad] quite often and it is definitely amazing how that ad brought out this issue. I would tease my friends by reminding them about the ad whenever they drove recklessly. (Indian, Male, Engineering Student)

It [the social issue about abandoned elderly] seems so relevant to me... I have heard real-life story about this. For the second when the ad ended, I felt melancholy, reflective, provoke feelings of sadness. Makes me feel about what are really important in life. (Chinese, Female, Public Relation)

The study also finds out that a person who likes the company or its previous advertising style with social-oriented messages would tend to like its future ads.

Even before I saw their ads, I always buy from (the advertiser) because it’s our national company, but after viewing their ads I do feel that what they have done is good. (Malay, Male, Technician)

I do look forward to seeing their new ads [referring to ads with social dimensions], to see what new idea they will bring out next time. (Chinese, Female, Teacher)

Few of them who had initially felt indifferent to a specific advertiser, after
viewing its ads with social messages, admitted such ads made them appreciate the advertiser of their effort in contributing meaningful messages to the public. Nevertheless, they may not purchase the advertiser's product due to some negative preconceived opinion about the advertisers. The reason is also due to corporate ads do not tell much about the product benefits. Most respondents agreed such ads would lead to positive image of the advertisers. CASD, however, could have negative impact on the purchase intention as well as the company image when they dislike their ads by which they find offensive.

**9.3.4 Expectation or Idealization of CASD**

Finally, referring to the expectation of CASD from consumers, participants were given a scenario as below:

Think for a moment about various social issues in our society, they can be big issues that grab everyone’s attention, so can they be issues that people often take for granted such as family ties, respecting the elderly. What are the social messages or what social issues that you will ask the advertiser to include in their company advertisements? Make a list of those message that you feel are important to reflect in the mass media?

The results show that many participants hope to see issues that are of concern by everyone but not race specific and they would like to see more variety of issues related to
- Environment, e.g. recycling, energy saving
- health care, e.g. health conscious, healthy eating, exercises, stress
- personal safety, e.g. alertness of surroundings, self defense
- local culture development, e.g. traditional culture, reading culture
- juvenile delinquency or anti-social behaviour, e.g. vandalism, drug taking
- family related, e.g. child abuse, generation gap, elderly, parenthood
- take for granted social manners or issues of normalisation e.g. politeness, paying respect, modesty, personal confidence, sincerity
- issues happened in the world outside Malaysia which could enlighten and
broaden the thought of Malaysian e.g. cultural difference, consumerism

Some respondents also suggested that companies can advertise the social contributions they have actually committed and how they have committed such contribution.

We know (the advertiser) is a company that is supposed to purify the water we use, probably for environmental reason, but we want to know exactly how they do it and what have been done so far while we are paying our money (Malay, Male, Process flow supervisor)

In addition, most participants preferred ads that inspire the moral thinking rather than ads that intend to stimulate purchase and donation at the same time. They did not really concern whether social issues were related to the advertiser’s business nature although they admitted that the relatedness of the issue with business nature either directly or indirectly might stand better chance for them to remember the advertiser, as long as this relatedness would not create feeling of “hard selling” or “too commercial”. They also looked forward to more creativity, fresh ideas and different execution styles in future company advertisements with social dimensions as well as advertising in general in Malaysia.

Although advertisements with deep social orientation were welcomed by respondents, there have been some respondents who felt it is not necessary for all advertisements to have social message as long as these ads are interesting to watch. Besides, even though respondents will not dislike a company for not developing advertisements with social dimensions, they may not like a company simply because it has developed CASD. This is because the company’s product/service performance is still one of the main concerns for them. Therefore, it highlights the importance of both pragmatic and social legitimacy for a corporation’s survival. On the other hand, some indicated that they would like to see more ads with social messages in Malaysia not just only during festive days. In other words, the demand for meaningful social message to be included in an ad is not clearly shown from the research and there is no clear-cut expectation provided. Therefore, the inclusion of social message is rather a choice or desire of the business to engage in this philanthropic or voluntary responsibility.
In summary, based on the focus group interviews, the researcher has identified various critical factors that influence respondents’ perception and attitude towards CASD and towards the advertisers engaged in this advertising approach. These factors have been classified into few categories: Advertiser-related factors, Personal factors, and Advertisement-related factors. In additional to these factors, Perception of TV Advertising in General has been regarded as another element that indirectly influence respondents’ attitude toward specific company ad with social message or CASD in general. The following section will discuss each of these factors in relation to the communication effect. Future research is needed to testify the relationship since it is not within the scope of this study to generalise the result to the population or to prove the relationship.

9.4 ADVERTISER-RELATED FACTORS

Based on the research result, three aspects of advertiser-related factors are likely to affect the response towards a specific company advertisement with a social dimension: perception of the advertiser’s motive, familiarity of the advertiser, and liking of the advertiser. These factors relate to the consumers’ preconceived perception of the advertisers. Apart from what they learn from the advertisement, they may have known about the company or the product/service advertised through their own experience, news about advertisers or word-of-mouth from others such as friends, family members, colleagues, etc.

9.4.1 Perception of Company’s Motive

Some respondents have raised their scepticism about the motive of the advertisers in sponsoring CASD especially for cause-related ads. When they believe more of the altruistic motive of the advertisers than the egoistic motive in developing CASD, they tend to like their CASD more. According to the findings, when there is less commercial element in the ad, they find it more convincing of the altruistic motive of the advertisers.
I like [company name] ads as they simply want to make us to be proud of our country, and not trying to sell their business idea. (Malay, Female, Student)

I don’t like this kind of ad...the advertiser just wanted to make money, who knows if they would donate the money generated from the sales to the charity organization. Why doesn’t the company donate directly to the organization? (Indian, Male, Technician)

The findings also suggest that when there is lack of relatedness of the social message with the company or its product, respondents are more likely to believe on the altruistic motive of the advertiser and thus hold positive image of the company. However, it is not necessary the case when the ad is creatively presented even though respondents could identify the relatedness of the social issues with the advertiser. As mentioned earlier, respondents commended those advertisers who were able to link the message to the business without over selling the commercial message.

9.4.2 Familiarity with the company advertising style

When respondents are familiar with the advertisers or their advertising style, they are more likely to recall the content of the CASD. However, viewers may also take for granted of the other social messages advocated by the advertisers they are familiar with. In other words, they may not well comprehend the content of all the advertisements sponsored by the particular advertiser as they presume all the advertisements are generally attempting to convey similar social messages they previously learnt from the said advertiser.

I know [the advertiser] always advertise its ads in such a way, and its contents are usually related to racial issues. (Chinese, Female, Business Student)

This familiarity sometimes prevents other different social messages to get through and thus smother the creativity of some ads that attempt to convey a different kind of social messages by the same advertiser. This is probably because the audience are worn-out by viewing advertisement that remains unchanged over time. In reference to Sawyer’s (1981) Habituation-Tedium Theory, it explains audience’s response towards familiar and unfamiliar advertisement. Sawyer (1981) finds out
that audience need time to adapt themselves to new stimulus (i.e. new ad) so as to reduce uneasiness of first viewing the new ad. Thus the audience are said to be in the habituation period before they get familiar with the ad and eventually move to the tedium period when they start to feel tedious about the ad after several viewings. In a broader perspective, this may be applied to the situation when the same type of advertising theme and executional style or tactics have been used over time, the audience may find such advertisements boring or uninteresting.

9.4.3 Pre-existing attitude towards the Advertiser

When consumers are familiar with the advertisers, they form certain perception about the advertisers either positively or negatively and these perceptions lead to their liking or resistance to the advertisers which in turn affect their liking towards the advertisements sponsored by those advertisers. The findings suggest that CASD could alleviate some respondents’ pre-existing negative attitude toward the advertiser.

I don’t actually like the company, but its ads do surprise me, and I think they have done a pretty good job” (Indian, Female, Business Student)

Most respondents like to view CASD. They do not often have negative feelings towards CASD regardless of whether they like the advertiser or not, unless the ads are offensive from their perspective. There were also a few respondents who pointed out that they liked the advertiser more after watching their CASD. Others said they appreciate the advertisers’ effort in spreading meaningful messages through advertising. Nevertheless, they may not purchase the advertiser’s product due to some negative preconceived opinion about the advertisers or doubt about the corporate citizen image that the company intends to establish.

Therefore, the researcher suggests that when the negative pre-existing attitude towards the advertiser is strong, the advertiser needs to investigate the cause of such attitude so as to re-design a proper communication solution or corporate strategy which could narrow the distance with the public or consumers.
9.5 PERSONAL FACTORS

Personal factors deal with the level of perceived personal importance and/or interest evoked by the product/corporation as well as by the social message appeared in the advertisement. The consumers’ level of social consciousness and advertising literacy could also affect their involvement in processing the ad information.

9.5.1 Sensitivity to the social issue

When a respondent can derive meanings out of an ad, the ad will achieve more results in terms of enlightenment. This happens when the consumer can connect to the ad’s context to his/her own life. Under such situation where the social message in the ad is pertinent to their personal life or daily surrounding, viewers may process information in greater details or they tend to give more attention to the social issue than to ads which they cannot attach themselves to. As a result, they could better remember and understand the ad and then show their personal preference to the company ad.

I prefer the ad by [the advertiser] that talked about the social manner on the road, to those ads portraying the racial issues. For me, I feel the closeness of the driving manner issue to myself as I drive everyday and see many impolite drivers as shown in the ad. The ad somehow reminds me to be more patient when driving. I don’t dislike racial issues yet it is shown in a too corny or unrealistic way which I don’t feel myself connected to it. (Indian, Female, Teacher)

Therefore, when personal sensitivity to the particular social issue in the ad is positively high, the receptiveness of the social message is thus higher. However, when the social issue is over sensitive or the presentation of it is seen as controversial by certain group of individuals, such an ad may gain high recall rate yet the social message may not obtain high receptiveness from the viewers. This is because they may interpret the message in the way not as intended by the advertiser, and thus it leads to resistance to the ad. In turn, this could also jeopardize the company image. The finding is consistent with the belief of Petty et. al. (1981) that personal involvement in an issue is one of the most important
guiding variables, giving an idea as to how the individual might possibly react to a
given situation. Petty and Cacioppo have shown in previous studies that
"message-relevant thoughts showed higher correlations with message acceptance
when the issue was of high rather than low personal importance" (Petty et.al. 1981:848).

Given this perspective, it is important for advertisers to give serious consideration
on social issue selection and more importantly the ad presentation by considering
the possible reaction from their potential target as well as unintended audience. As
discussed in the literature on legitimacy, advertisers have the choice to either
conform to the existing norm or seek to upgrade or go beyond the societal
expectation which they found necessary and socially beneficial. Ad practitioners
have to take more caution when dealing with the latter issues because there is
always a risk to challenge some behaviours or thoughts that have always been
taken for granted.

9.5.2 Personal Social Consciousness

Some viewers have higher levels of social issues involvement than others.
Socially conscious type of viewer tends to pay more attention to CASD in general
and thus they are able to recall the CASD better. Their social consciousness is
higher than other viewers and they tend to have more opinions on social issues
either personally relevant or not relevant to themselves. This type of viewer is
willing to process the social messages in the ad and to interpret the ad in a more
positive light compared to others. As a result, the researcher argues that their
receptiveness to the social message is higher if they agree with the message. In
addition, they would more appreciate the advertiser’s social effort through
advertising. It is found that those participants, who have more positive opinion on
CASD or who show more concern of the current social conditions, tend to feel
that CASD approach would have long term effect to the society as well as on
individual’s thought or behaviour. However, they also believe positive social
effect can only be significant with more advertisers adopting such approach.

As a result, a socially conscious advertiser may want to know the existing level of
9.5.3 Individual's Ad Literacy

The viewer’s ad literacy level may influence how they comprehend the social message embedded in the ad. Ad literacy is the ability of ad reader to process the advertisement. Holden and Husin (2002) assert that Malaysia houses a population that is concerned with making rational decisions about how to stretch their scarce personal financial resources and/or striving to improve their lot and ascend the social ranks, therefore, Malaysian ads more emphasize on themes of utility and status. In other words, advertising in the country usually employ rational appeals to communicate specific product information or presents products as embodiments of attributes that suggest viewers that they might do well to obtain such products. Although Holden and Husin (2002) have identified that most Malaysian ads emphasize more on themes of utility and status, this does not apply to the development of CASD with deep social orientation. As discovered from the content analysis of CASD, the ad format of most CASD is largely story-telling oriented, adopting emotional appeals and most of the time viewers have to make sense out of the fragmentation of narrative or the use of appeals in the ad. Some of these ads require viewers to process the social messages or have a second thought about the social issues which are sometimes reflected in an indirect way. In addition, higher level of ad literacy is needed to form the link between the social message and the business nature when there is no apparent association between the nature of the social issue and the advertiser’s business nature. Therefore, whether the social message portrayed in the ad would get through to viewers depends on their ability to comprehend the ad or make sense of the message. As revealed earlier, there were a few respondents who found it not easy to understand some ads with social dimensions.

The ad was too ‘full’ to comprehend, the visual presentation, the voice over, the wordings, too brain consuming to see, I like simple ads (Indian, male, technician)

Advertisers therefore need to investigate the characteristics of the targeted viewers
to understand their level of ad literacy, so that it is easier for advertisers to aimed at their intended audience or to ensure their message can be understood by the target viewers. In general speaking, it can be assumed that complicated message or message that needs second thought is more likely to be made sense by viewers of higher ad literacy.

Alternatively, based on the observation of the focus group session, an individual's ad literacy level can be affected by others who have higher ad literacy level.

I started to see a different aspect of the ad after [another respondent] explained what he understood from the ad. And I do agree with what he said. (Malay, Female, Housewife)

This indeed highlights the possibility of viewers of different ad literacy level exist even within a small group. This could be due to the heterogeneous cultural background of Malaysian society as discussed in Chapter 3. According to Schütte and Ciarlante (1998), the rate of diffusion of innovative in homogenous cultural and socio-economic backgrounds (e.g. Japan, south Korea and Taiwan) will proceed rapidly once a brand has gained acceptance among early adopters; whereas in more heterogeneous societies, such as those of Malaysia and Singapore, the transfer of ideas takes longer and diffusion of innovation proceeds at a slower pace. Given this perspective, the researcher argues that the diffusion rate is higher in homogenous societies because people in these countries share similar backgrounds in terms of cultural and socio-economic context thus their way of interpreting or processing an idea is more consistent than those in heterogeneous societies where the imbalance of economic distribution are more prominent and individuals’ traditions and upbringings are more complex. Therefore, the existence of varied ad literacy could be found even within a small group of people who are from the same ethnic origin.

Based on this particular finding, it can be argued that social messages, especially the complex ones are easier to get through to or be understood by individuals when they watch the ads in group. It is more likely to happen in group since an individual may discuss instantly after the viewing when they feel doubtful of the
ad meaning. In view of this, the time slot of when the CASD is to be broadcasted becomes one influential factor to determine if the message could reach and be understood by viewers. Ad practitioners may choose a period where there is higher chance that the ad will be viewed by the target viewers in group (e.g. family hour) especially when the ad involves complicated message.

In addition to the ad literacy level of viewers, the advertisement itself is a crucial factor in determining the impact it poses on the viewers since a number of respondents pointed out that the presentation of an advertisements could change their decision in purchase intention or to help them to remember or understand the ad.

9.6 ADVERTISEMENT FACTORS

The result from the focus group discussion identifies two critical aspects of the advertisement content in terms of overall ad creativity and complexity of the message that are most likely to affect the attitude of viewers towards the CASD and in turn determine the effectiveness of the ad.

9.6.1 Ad creativity

I like watching an advertisement if I found it entertaining and creative even there is no social dimension in it...... I would be indifferent to the social message if the overall presentation of the ad is boring. (Chinese, Male, Engineering Student)

In viewers' definition of creativity, an creative ad is one which has the following characteristics: - "different", "striking the chord", "unexpected", "with twisting effect", "entertaining", and "leaving room for imagination". They were also anxious to see how creative the social message is linked to the company product/service or its business nature without emphasizing the commercial elements. Some also suggested the use of celebrity to convey social messages. Many of them liked to see more application of humorous appeal in CASD although female respondents tended to get more emotionally involved in ads.
which were using emotional appeals like sadness. The creativity also applies to more variety of social issues to be attached to company advertisements.

Indeed, there is not a single formula to develop a creative ad. Advertisers or agencies often need to break the rules of advertising, if there is any, in order to create a breakthrough and capture attention. It has also been found that visual material is more memorable than verbal material and the use of soothing background music could affect the emotional involvement of viewers. In addition, advertisements that tell a story and leave consumers wondering tend to be well remembered. Nevertheless, it is equally important for viewers to identify the advertiser correctly instead of just remember the ad and yet forget the ad sponsor.

9.6.2 Complexity of the message

How the social message is constructed and integrated with the product/company message can also affect the communication effect. In respect to the formulation of the advertising message, Tellis (1997) suggest that complication of ad message can affect the response rate of audience. He states that if the audience were not able to understand the message conveyed in the ad for the first time, they would be more likely to be interested in viewing the ad for subsequent times. Thus they would be more likely to remember the ad. In addition Pechmann and Stewart (1990) also state that ad contents of high complexity can also increase the persuasion effect. This is reflected in one of the respondent’s opinion as follows:

I didn’t actually catch the meaning of the ad initially, but everything seems to make sense to me after I view it the second time. It is definitely a mind-boggling ad that I have ever seen. The way they present the issue, the wordings they use really struck me.....For me the advertiser had done a wonderful ad which left me a good impression of the company. (Chinese, Female, Marketing student)

However, this formulation of message development should take into consideration of the ad literacy of majority of the target viewers as it is found that some respondents would simply ignore the ad which they cannot understand at the first time. Furthermore, when there are more than one social messages included in a single advertisement, the viewer would not be able to fully comprehend the ad as
a whole and thus may mitigate the overall effect of the ad especially in regard to social message receptiveness.

9.7 PERCEPTION OF TV ADVERTISING IN GENERAL

The focus group interviews reveal that personal perception of television advertising in general can be understood as an intervening variable which indirectly influences viewer's awareness on CASD in general. It also influences their awareness towards a specific CASD. This is supported by the past literature which suggests the study of attitudes to advertising in general maybe especially significant because it can influence attitudes towards a particular ad (refer to Muehling 1987; Metha 2000).

9.7.1 Comparison of TV advertising in general with foreign advertisement

When asked about their thoughts concerning television advertising in general, there were only a few respondents who actually have personal opinions on it whereas the rest rarely discussed ads with others. Some respondents compared local advertisements with those in overseas and felt that local advertisements were not interesting to watch. Therefore it is easier for them to tell ads they dislike than ads that they like. Some respondents indicated that when they perceived local ads in general as dull, they tended to show no interest in all the advertisements and would zap the channels whenever ads appear. In turn, they may overlook ads which convey socially beneficial message.

9.7.2 Comparison of CASD in general to other advertisements in general

Apart from comparing the general local ads with that shown in foreign medium, respondents also compare between the local CASD in general with other generic advertisement appear on local television. Due to such comparison, many respondents prefer CASD in general to normal advertisements without social
dimensions because they like advertisements to have less business elements and which bring out positive social message. In addition, viewers’ awareness of a particular CASD could be formed through comparison with other CASD they have seen during a certain period of time for example during a particular festive season.

In short, the upgrade of the local advertising in general may help consumers to have greater concern of the advertisement development in the country and in turn it raises public social expectation on advertising development. The advantage of increased public expectation on company activities, such as advertising, can promote the sense of social consciousness in the society while motivating companies to strive for better improvement of their social and business performance.

The following section will discuss which of the above factors would be more influential to the impact of CASD in terms of company image and receptiveness of social message.

9.8 KEY DETERMINANT FACTORS ON IMPACT OF CASD

As mentioned at the beginning of this chapter, due to the mixed business and social dimensions in CASD, company social image (since CASD in Malaysia is dominantly corporate style) and receptiveness of social messages are the two main aspects based on which CASD impact is to be investigated.

From the social perspective, to make an impact on the viewers as a result of a particular CASD, the social message included should be remembered and understood by the viewers, and the overall presentation of the CASD should be favoured by them. Therefore the choice of the issue, the message presentation tactics, the tone used and the creativity of the CASD as a whole are critical factors. In this aspect, advertisers or agencies need to understand well the target viewers’ sensitivity to the social issue, their ad literacy level, and their preference of tone. Besides, they need to be aware of the existing level of social consciousness of the viewers towards the issue so that they know how far they aim to upgrade this level.
In short the personal factors as well as the advertisement factors as discussed in Section 9.5 and 9.6 have more direct effect on the social message receptiveness of the viewers. However, for the long run societal betterment as a result of CASD, it needs collective and persistent efforts from more advertisers and ad agencies.

From the company perspective, viewers’ perception of the company’s motive is very likely to affect their perception of the company’s social image. The findings show that the social orientation of the CASD is an influential factor in this aspect and so is the financial appeal or non-financial appeal used in the ad. In other words, viewers place higher trust on CASD with more social orientation and less scepticism on ads that do not use financial appeal. Alternatively, it is also found that when the overall presentation of the ad can creatively relate to the business nature of the advertiser without giving “too commercial feel”, it is easier for viewers to remember the name of the advertiser. However, not all CASD will generate a favourable response as some CASD could cause offence to the viewers. Besides, when negative preconceived attitude towards the advertiser held by the viewers is strong, it is not easy to change their perception through the CASD. Referring to the literature review in Chapter 2, corporate image is the totality of the stakeholder’s perception of the way a company present itself. Therefore to become legitimate, advertisers need to consistently review its corporate identity strategy not only focus on its advertising approach in order to establish or enhance the company’s social image. In short, besides the advertisement factors, ad practitioners should place greater attention on the effect of advertiser-related factors as discussed in Section 9.4 when trying to create or enhance a company’s social image.

On the other hand, it should be noted that, cause-related advertising effect on consumers is not as similar as those of corporate-style CASD. Although no respondents remember they had seen cause-related advertisements over television Malaysia, many consumer respondents voiced their scepticism about this approach. They felt that although it could be a good way to encourage people to contribute charitable donation in the form of purchase, they were uncertain if this would enhance the advertiser’s image because they were more doubtful to the motive of advertisers in cause-related ad. Nevertheless, the result also suggests
that creativity of the ad presentation through the use of carefully crafted tactics can mitigate the negative perception of ads that use this kind of financial appeal. A few respondents have indicated their purchase intent in the conditions when the ad itself attracts them and when the product marketed by the advertisers is not expensive (e.g. snacks, daily consumables).

Given the above views, creativity of the ad becomes a more influential factor for cause-related advertising development that can affect consumers’ attitude towards purchase intent. In term of its evaluation, apart from brand image and social message receptiveness as discussed earlier in this section, the measure of purchase intent can also be used as an indicator for the effectiveness or impact of cause-related advertising.

In sum, Figure 9.1 is drawn to help readers visualise the connection between the above various factors and the communication effect. It should be noted that none alone is an adequate condition and further research is needed to determine if there could be some other necessary conditions or factors. However, the diagram in Figure 9.1 might be at least regarded as an initial attempt and hopefully it is meaningful to make sense of what has been under researched.
Figure 9.1: Factors affecting CASD Evaluation

- Advertiser-related Factors:
  1. Perception of Company's Motive
  2. Familiarity with the company advertising style
  3. Preexisting attitude towards the brand

- Personal Factors:
  1. Sensitivity to the social issue
  2. Personal Social Consciousness
  3. Individual's Ad Literacy

- Advertisement Factors:
  1. Ad creativity
  2. Complexity of message

- Recall
- Liking
- Comprehension
- Persuasion

- Company
- Social image
- Purchase Intent (for cause-related ad)
- Social Message Receptiveness
9.9 FURTHER DISCUSSION

Based on the discussion above, this section will further review its implications for future CASD development and evaluation.

9.9.1 The Essence of CASD development

The focus group interviews show that companies (e.g. Petronas) which have been adopting CASD approach persistently are able to leave their mark on viewers. However, the research also reveals that in the advertising field, where creativity is saluted, persistency does not mean applying the same styles or methods continuously, advertisers need to seek differentiation out of the choice of social issues as well as their presentation tactics when time passes by, when competition becomes more visible, when viewers' taste changes, and when the society gradually encounters more varied forces that challenge the moral integrity as well as the environmental sustainability. Moreover, apart from persistency, consistency is another crucial factor that enforces the corporate citizenship image through presenting various aspects of social concern and also through integrating social dimensions into its other business activities, including making quality products and giving quality service. In other words, if a company adopts the CASD approach yet it does not engage in other social responsibility, its social image is not likely to last long. Based on the focus group interviews, the company image held by viewers is influenced by their pre-existing attitude towards the company which is formed before the exposure to the CASD. Therefore, after the exposure to the CASD, viewers will look for consistency between the company social image and its actual social performance in general. Besides, some viewers will also concern whether the issue presented reflects the true identity of the company. Taking an example from the focus group interviews, respondents have asked a question of whether companies that advocate issue of racial integration have practised racial equality in their working environment. As a result, there is a danger for CASD development in this case due to its potential in creating the legitimacy gap if social issues incorporated in the company ads do not reflect on its actual business undertakings.
From this perspective, consistency can be viewed in two levels. At a broader level, there should be a consistency between the company’s adoption of CASD approach and its actual corporate social performance in general. In other words, when a company consciously integrates a social issue in its company ad, the company has in a way positioned itself as socially concerned or such act may be perceived by viewers as a way for the company to perform its social responsibility. However, viewers will not simply grant the title of corporate citizen to the company merely because of the CASD or its adoption of CASD approach. They also expect the company to reflect such social orientation in its conduct of business in general, e.g. producing quality product, ethical pricing, environmental concern, community development, gender equality in working environment, etc.

Secondly, at a more specific or challenging level, companies should strive to achieve consistency between the issue advertised in the ad and the actual performance of the company related to that issue. As discussed in 2.3, Elsbach (1994) identifies that the distinction between the strategic and institutional legitimacy is a matter of perspective, with strategic theories adopting the viewpoint of organisational managers looking ‘out’, whereas institutional theorists adopt the viewpoint of society looking ‘in’. The implication of this is that when a CASD is developed, advertisers should look out, be alert to or anticipate forces that could enhance or threaten the societal betterment. In the meantime they should also bear in mind the possibility that the members of the society will also look inside the company to see if it has practiced or will practice what its CASD has advocated or broadcasted externally. Thus, it is important for advertisers to integrate that particular social dimension into its other business or communication activities so that they are able to show the public what they have actually contributed to the social issue which they have been promoting.

Indeed, consistency and persistency are critical success factors in enhancing corporate citizenship reputation. These two qualities can also be a strong protection shield for the company when crisis occurs or when viewers question the motive of the advertisers in developing an offensive CASD as perceived by the viewers. Some people may think the development of a controversial ad is merely to exploit the social issue in order to highlight the company. Nevertheless,
in the opinion of the researcher, if people get to know the various other social performance of the company, it may reduce their scepticism towards the company and make them give a positive thought about the social message embedded. Therefore, as what has been suggested in previous chapters, it is necessary for the advertisers to let others know or communicate to the stakeholders what they have done instead of telling what others can do. Furthermore, it is important to lift up the cultural obstacle in individual mindset so as to communicate in modesty and honesty of the actual social contribution the company has engaged. Given the case of Benetton advertising, although its advertising has been criticised for exploiting the shocking effect to generate society’s concern of the social issues, several of its communication projects have been developed in cooperation with prestigious associations (e.g. United Nations organisations) obtaining important acknowledgements at an international level and its campaigns have also gathered awards and acclaim worldwide. The Benetton Group has also long been involved in a series of cultural and humanitarian activities. As such the company has a firm ground to defend its action upon social critics. Quoting from Luciano Benetton, the founder of the Group, “Communication should never be commissioned from outside the company, but conceived from within its heart”\(^1\).

**9.9.2 Implications on CASD Evaluation**

The purpose of this focus group interviews is not to evaluate the effectiveness of a particular CASD, nevertheless, it has uncovered some important implications for future CASD evaluation. As discussed in 7.7.2, three elements have been identified and should be taken care of when an ad is developed, i.e. creativity, commercial objective, and social effect. In relation to CASD evaluation, ad creativity is seen as one of the critical factors that can influence the communication effect and in turn leads to the impact on company image and social message receptiveness, as the ultimate goals of CASD. In order to evaluate the communication effect of CASD, the researcher suggests that measurable advertising objective that reflects the ultimate goals should be set at the beginning of the process. Examples of these objectives are:

Chapter 9: Consumer Response towards CASD

- To increase awareness of XX issue from 35 per cent to 50 percent within ten weeks of the campaign launch among 25 to 40-year old working class
- To be known as the top advertiser who are most dedicated to XX issues in the market within 12-month period among 70 per cent of car users

In other words, advertising objectives refer to how the communications should affect the mind of the target audience, e.g. generate awareness, attitudes, interest through advertising. According to the advertising guru, Solomon Dutka (1997), measurable objective setting is fundamental to evaluate the effectiveness of a campaign as seen by the majority. It should be noted that the researcher does not discredit the usefulness of qualitative method because as discussed in the Methodology Chapter, the choice of a research method very much depends on the purpose of the research. Therefore, qualitative approach is more useful in generating insights than large-scale generalisation which is necessary in the evaluation of CASD effectiveness.

Referring to the case study in previous chapter, the judgement of the success of ad effectiveness relies mostly on informal public commentaries or words-of-mouth. Instead, advertisers should take initiative to evaluate their CASD impact on both the company and social aspect, rather than merely waiting for consumer feedback. This is mainly because the literature indicates that Malaysian consumers tend to express their thought, dismay or dissatisfaction with products or company less actively than western consumers. It is evident during the conduct of the focus group interviews where respondents were quite reserved in giving opinion actively or lacking initiative to express themselves more openly until they were asked or encouraged to do so. Although the research finds that consumers do not usually take the lead to start the discussion about advertisements with others in their daily life, this does not mean that they feel totally indifferent to advertisements. Instead, Malaysian consumers are merely passive in expressing themselves. In other words, a low level of expression of consumer dissatisfaction or thought should not be considered to be the equivalent of a high rate of
consumer approval. Thus, it requires the advertisers to take a more proactive approach to discover their viewers’ response.

9.10 CONCLUSION

CASD, in consumers’ eyes, are those ads which are usually deep in social orientation or which contain apparent socially meaningful message that is recognisable. In their impression, there are only a few local large corporations doing it during festive occasions. As a result they do not think there are many television ads in Malaysia which are socially meaningful. The research finds that this type of CASD approach has been appreciated by them because they generally do not like advertisements which are too commercial-oriented. They also believe it is one way for advertisers to commit their social responsibility through mass media when social issues are properly presented. At the same time, they expect advertisers to dedicate their social effort in other business activities in addition to advertising. While they like to be informed of the actual social contribution of the advertisers, they are also looking forward to more variety of issues to be included in company advertisements apart from race-related issues which could easily create controversy or legitimacy gap if not handled with great sensitivity. In consistent to the findings from previous chapters, this study on the consumer response also highlights the need for advertisers to make use of different mixture of visual or audio presentation tactics or differentiation ad strategies so as to attract the attention of the public and to stand out amid the current clutter of images.

On the other hand, consumers do not expect all advertisements to have social message especially with deep social orientation although they like to see this kind of ad and believe that if more advertisers adopting CASD approach, the impact on societal betterment is greater in the long run. Moreover, many respondents are sceptical to cause-related advertising yet some said that they may purchase the product if the ad is creative enough to reduce the ‘commercial feeling’ in the ad. This ambivalence of public attitudes to advertising could be identified in the focus group discussions. In fact, this ambivalent attitude is often acknowledged, yet
undertheorized (O'Donohoe 2001). This research has found out that consumers’ attitudes to CASD do not only focus on the content of the ad. In addition to that, consumers do relate to the advertising based on their perception of others advertisements, knowledge or experience about the advertisers or their products/services, personal social consciousness and sensitivity as well as advertising literacy. In other words, consumers’ response towards CASD is not to be understood in isolation from these various contextual factors. As a result, advertiser-related factors, personal factors, advertisement-related factors and factors about the perception of TV advertising in general have been identified in this study which has led implications for the ad practitioners in investigating the communication effect of CASD especially in Malaysia.

As revealed in the group interviews with consumer respondents, the impact of CASD, especially corporate-type CASD is more prominent on the company image than on the purchase intent. Additionally, due to the dual elements in CASD, the receptiveness of the social message is suggested by the researcher as an important outcome that CASD should try to achieve. While the advertisement-related factors are crucial factors in influencing both the company image and message receptiveness, the advertiser-related factors are believed to be more significant in shaping consumers’ perception on company image, whereas the personal factors are more likely to affect consumers’ receptiveness to the social message. The researcher also postulates that two-levels of consistency and persistency are important qualities that could enhance corporate citizen reputation through CASD approach. In addition, measurable objective setting is fundamental for effectiveness of CASD to be evaluated. If CASD begins with a good intention, it is reasonable to measure how this good intention has been received so that more effective CASD could be developed for the betterment of the society as well as for the company in future.
10.1 INTRODUCTION

The previous four chapters have respectively discussed the key research questions set out in the beginning of the dissertation and several issues related to each question have also been brought up as a result of the implications of the study. The adoption of a multi-method research strategy is in consistent with the features of the phenomenology approach to address a holistic picture of a phenomenon in a particular context. Therefore as the final chapter of this dissertation, it will first present an overall picture of the CASD practice in Malaysia by pulling together the important findings from the previous chapters (See Figure 10.1). In accordance to the Malaysian context, a redefinition of CASD and the model of CASD development are then created as a result of the input from the various perspectives. Furthermore, this chapter will focus on the implications of this research in relation to knowledge contribution and practical inference. The limitation of the overall research will be discussed and finally followed by proposals for further study which may shed light to this research topic in the future.
Chapter 10: Consumer Research

CONSUMER RESEARCH

- Consumer research findings on CSR for line leaders
- Educational experience regarding social media usage
- The role of social media in CSR implementation
- Government role and influence of social media

CASE STUDY

CASP in Malaysia

- Education on the importance of CSR
- Expectation from employees
- CSR strategies and methods

CONTENT ANALYSIS

Figure 10.1: Key Research Findings
10.2 REDEFINING COMPANY ADVERTISING WITH A SOCIAL DIMENSION

As discussed in Chapter 4, Malaysia has been undergoing a dilemma in striving for racial harmony in the country as well as preserving its own distinctive cultures in the midst of globalisation. Therefore, advertising codes of the country have been designed to reflect the vision of the government who believes television advertising is a powerful business communication tool which can assist the national social development. For example, one of the advertising codes for television requires commercials to portray the multi-racial nature of this country. Given that Malaysia is a multi-racial society, a balanced mixture of actors of the three major races (i.e. Malay, Chinese, and Indian) that reflects racial unity can be found in most advertisements. With this particular context, it can be argued that a social message relating to racial integration is indeed commonly found in most Malaysian ads, regardless of its extent of social orientation in the ad. Besides, since the country is largely influenced by the Asian cultural values that emphasize on family bond, filial piety, collectivism, self-sacrifice, and tolerance, it is not unusual to see social messages related to family values lurking between the lines in company advertisements.

Indeed, there are different opinions on the existence of a social message in company advertisements. There are researchers, advertising practitioners, consumer association or even consumers themselves who are doubtful as to whether the advertisers in Malaysia actually adhere to the requirement of second message as stated in the Preamble or whether many commercial advertisements contain socially meaningful messages. Moreover, coders employed in the content analysis initially also had different interpretations on the selection of CASD sample. Based on the focus group interviews, the researcher has identified that some ads broadcasted during festive seasons were favoured by consumers because these ads usually contain less commercial elements. However not all festive ads are regarded as CASD because some simply convey festive greetings without highlighting a social subject in particular. Besides, interviews with ad practitioners have revealed that without proper definition of CASD, advertisers can argue the
existence of a social message in their company ads so as to fit into their own justification or defence. Therefore, due to the ambiguity of the CASD in the Malaysian context, the researcher finds the need to give a more specific definition to CASD.

Company advertisement with a social dimension was initially understood as an advertisement that is developed and sponsored by profit or commercially oriented organisations and into which socially oriented messages are integrated. These messages convey the concern of a social issue or a sense of civic mindedness that attempt to bring about a better welfare for an individual or a society in the long run. The understanding of the different opinions from different perspectives has facilitated the redefinition of CASD. From the consumer perspective, CASD is known as ads that explicitly aim to promote a particular social issue in addition to a business-related message. Ad practitioners may attempt to strike the balance between social message and commercial message although this is not always easy. When more weight is given to commercial message, the social message may then be ignored despite its existence in the ad. As a result, consumers can only identify the existence of the social message in an ad when the ad emphasizes more of the social dimension rather than the commercial message. For example, an ad showing the presence of three housewives of different races buying a product together in a supermarket may not necessarily be interpreted as containing the message of racial integration. This second message forms as the background of the advertisement rather than seeking to actively promote a social cause or issues or bring the issue up for discussion. In other words, the racial integration issue in this ad has been so lightly projected that such a message cannot actually get through to the audience. Thus, it explains why consumer respondents in this research claim that they do not often see company ads with socially meaningful messages.

From the ad practitioners’ perspective, the different opinions about the existence of a social message stem from whether the social message is consciously integrated to promote the particular issue or is it merely a light-hearted work. Despite numerous advertising restrictions existing in the Malaysian advertising
industry, including the second message requirement, they are only reminders for advertisers and ad practitioners not to do harm instead of doing some good to the society. In other words, the inclusion of social issue needs the voluntary discretion from the advertisers or ad practitioners. When a social message is inserted because it is felt by the advertisers as a right thing to do, the message will be clearly portrayed in the ad to raise social awareness of a particular issue and thus it is easier to be identified by consumers. Sometimes, such a social message becomes the primary message rather than the secondary one and with this kind of ad, there are fewer problems in identifying the social message. Alternatively, the social message which is incorporated unconsciously may not appear explicitly in the ad and thus the perception of whether an existence of this second message is arguable. Furthermore, in reference to the contrary opinion held by the consumer association and the advertising association (as discussed in Section 7.2), the researcher highlights that CASD should refer to ads that not only cause no harm to the society but also contain apparent messages that create the public awareness towards a particular issue.

Overall, the research findings show that social messages are easier to be identified when inserted into the ad intentionally and when it appears as the primary message or at least with moderate social orientation. Unless the consumers or receivers recognise the existence of the embedded social message, CASD is no different to generic advertising. Of course it is not very likely to obtain recognition from all parties of different interpretations because individuals are brought up in a complex social background especially in a multi-cultural environment in Malaysia and therefore individuals have varied level of sensitivity to a particular issue. In short, despite the difference in interpretation, the existence of the embedded social message should be identifiable by the majority of the potential viewers.

On the other hand, it is also possible that viewers may sense the existence of the social message although it is not intentionally integrated by the advertiser. Drumwright’s (1996) study on CASD where she found out that sometimes the effects of the inclusion of social messages were merely ‘unintended and largely
unanticipated by-products, accidents, or serendipitous effects'. However, the author argues that it is important that CASD is developed on the belief that business has the consciousness to raise a social issue voluntarily through its advertisement in spite of egoistic motives behind such approach. This view is also shared by some ad practitioners interviewed in this research.

As a result of the above discussion, a newly defined CASD is presented below:

**CASD: any kind of paid nonpersonal communication or message from an identifiable sponsor, i.e. a commercial organization, through a conventional medium of advertising, which voluntarily and consciously presents a point of view, bearing on a publicly concerned issue or recognized social issues that have been taken for granted, in a majority identifiable way.**

The following highlights the important elements of the definition which should be emphasized so as to give a clearer picture of what CASD is in the author’s definition.

CASD is
1. paid nonpersonal communication – that is clearly and identifiably paid for (not donated space of time) and it is not obtained on the basis of any kind of pretences, e.g. public relations
2. identifiable sponsor- logotype or other kind of signature appear in the ad which indicates the sponsor (i.e. the profit organization) of the ad
3. through various advertising media – e.g. television, newspaper, radio, magazine, etc.
4. voluntarily and consciously present a point of view bearing on a publicly concerned issue or recognized social issues that have been taken for granted – which reflects a genuine intent to advocate the issue at hand so as to enhance the well-being of the society or as a reminder of the generally agreed-upon social values.
5. in a majority identifiable way - recognition and acknowledgement by the
majority of the receivers exposed to the ad that the message being brought up is socially meaningful.

In essence, the definition separates CASD from the general mass of advertising in terms of its intention and extent of social orientation in the ad. As discussed earlier, philanthropic responsibility is a voluntary and proactive act of a firm to be aware of, anticipates, and meets its stakeholders’ demands where there is not a clear-cut expectation. Therefore, the gist of the newly defined CASD becomes realised when a company voluntarily and consciously incorporates the socially concerned issues in its commercial advertising in an identifiable way in the absence of apparent demand of this approach from the society.

10.3 CASD DEVELOPMENT MODEL

By integrating the findings from this research as well as literature review, a model of CASD development process is created (see Figure 10.2) to give readers a better visualisation of the process.
Figure 10.2: CASD Development Model
This model may be more applicable to corporate-style CASD since the corporate advertising has been constantly referred to during the study. Corporate advertising brings to marketing the ability to use the vision and culture of the company explicitly as part of its unique selling proposition or positioning. Therefore it is fundamental to recognize that corporate advertising with a social dimension is not to be separated from corporate identity and CSR. Firstly, it plays a crucial role in the corporate identity program, a way for a company to project itself well by projecting good. Secondly, as the literature suggests, CSR concept needs to be integrated into the core strategy and operations thus corporate citizens should search for ways to steer all parts of the company on a socially engaged course. Given this perspective, when CASD is developed, the social positioning of the company or CSR concept being the core of business philosophy has to be reflected during the process. In other words, ad practitioners or those who are involved in the process should constantly keep in mind of the company identity as a corporate citizen that the company wants to portray.

In doing so, decision makers are to be culturally sensitive of its environment including understanding of the stakeholders’ implication on the impact and influence of CASD (as discussed in Section 8.8.1). The sensitivity to the environment is important as what is considered socially justifiable may not be accepted in other cultural contexts. After all, advertising is a culturally bound subject. They also need to anticipate the sustainable needs of the society to which the advertisements will be broadcasted. The literature suggests that in addition to complying with some social ethical norms, corporations have the choice of seeking to modify others and harmonize corporate practices to the social welfare because not every taken-for-granted behaviour or belief present in the existing cultural system is beneficial to the society. For instance, racial stereotyping as illustrated in Figure 8.5 in the case study is an example of how the CASD brings out the taken-for-granted issue in the society.

The consumer research indicates that many respondents feel that it is not necessary for all company advertisements to have identifiable social message or with deep social orientation. In other words, there is generally a low consumer’s expectation on companies’ engagement in promotion of social issues through their
advertisement, although they agree that ads should be ethically presented. Thus, it can be argued that the consumers expect advertisers or practitioners not to cause harm instead of doing some good. The literature reviews suggest that legitimacy is about meeting expectations of those who determine the survival of the companies. At this particular context, it seems that the expectation of Malaysian consumers in relation to the advertisement development have been met by the advertisers who ‘do no harm’ instead of ‘do some good’. Nevertheless, while the threshold of CSR is beyond legal obligation as indicated in most literatures, the researcher argues that the threshold of CASD in Malaysia should go beyond the ethical requirement. On the other hand, this research also reveals that promoting an issue and yet not practicing it could cause legitimacy crisis when such an inconsistency is found. This somehow implies that inaction is a wiser move for advertisers. However, the emergence of societal marketing concept highlights the importance of sustainable development of the society where marketers should go beyond meeting consumers’ satisfaction or expectation and emphasize the long term benefit for the consumer even though this benefit may not be in the interest or awareness of the consumers. As such, anticipation for the long term social betterment is equally important apart from meeting the existing expectation. Furthermore, with greater concern of CSR globally, companies with higher social performance may gain better competitive advantage and enhanced reputation. Therefore, it is an option for corporate leaders to place their companies at a temporary safe and mediocre position or at a forefront and outstanding status. This sense of social consciousness is important as the motivational study suggests that it is one of the critical factors in developing CASD. In short, social consciousness has to be considered an inextricable part of their daily life as decision makers or leaders of the company or of a communication project, and it is essential for them to maintain an operational and continuing concern for social integrity.

In the strategic planning of CASD, ad practitioners also have to take into consideration of or make decision on several aspects. The case study reveals that these aspects are not always dealt in isolation or in a rigid sequential manner since each decision has an implication for each other.
First and foremost, the viewers of CASD can be divided into four groups. First, the most potential viewers, i.e. in festive ads the potential viewers would be those celebrating the particular festive occasion. For instance, all Chinese would be the potential viewers during Chinese New Year. Second, the target market, i.e. potential buyers or users of the company’s product or service in general regardless of their ethnic origins. Third, intended target viewers, i.e. the potential buyers/users that belong to the potential viewers group. Fourth, unintended viewers, i.e. viewers who do not belong to the potential viewer group or the potential buyer group. While practitioners have to focus on the third group of viewers, they shall not ignore the other groups since the CASD has broader impact on the society as a whole. This is because most CASD in Malaysia that is discovered from the content analysis include messages that are not only beneficial to the target market but also the general public. In other words, from the social perspective, advertisements with social issues are generally beneficial to the whole society. For instance, although the ad about driving manner (illustrated in Figure 8.3) was only broadcasted during Malay New Year, this social message is beneficial to other races. Additionally, from the business perspective, ad practitioners need to learn about the common psychological characteristics of their potential buyers across the ethnic boundary (refer Figure 8.4) to allow them to design a more receptive message that can get through to their target market.

Having decided the intended target viewers, a decision is needed for which social issue is to be integrated into the company ad. The research reveals that this selection could be inspired by various sources such as the business nature (e.g. road safety for car industry), the national policy (e.g. racial integration), ad hoc event/festive related thoughts (e.g. issues related life saving after the tsunami, or lessons from history during the National Day), global trend (e.g. global warming, poverty), or personal concerns of other issues (e.g. taken-for-granted social manners that related to an individual’s daily life). On a further note, at the macro level when CASD is to be showcased to other nations, it may worth some considerations by the corporations whether social issues should reflect the local or global concern, or regional concern e.g. Asian-oriented issues. With Asian economies booming, the researcher suggests that a standardised use of Asian-related issues by local marketers in Malaysia or foreign marketers who plan to
expand their market to the Asian region in their company advertisements would help to foster closer knit with consumers in the expanded region while in the meantime maintain economies of scale in advertising production. Schütte with Ciarlante (1998) claim that despite the multiplicity of cultures in Asia, there are many characteristics that are more or less common across many Asian cultures, and the differences within Asia are less significant than the differences from the world outside Asia, particularly the West. However when time passes by, what is considered global issues will gradually become a major local concern sooner or later (e.g. environmental issues). Nevertheless before the dust has settled, the existing local issues may still remain the most concerned topics in the local market. Notwithstanding the importance of local issues, the consumer research in Chapter 9 suggests that over repetition on the same social issue may not always be appreciated by viewers as they do expect other social issues to be integrated into company advertisements.

Another decision ad practitioners will need to make in CASD development is the intended impact of the advertisement i.e. to determine in what extent the ad is regarded as effective, or what it is to achieve, or how they want the ad viewers, either all of the four groups of viewers as mentioned earlier, or just viewers from a particular group(s), to react. The researcher argues that measurable objective setting is essential to allow later evaluation to find out the response of the viewers that have been specified. While generic advertising emphasises on the business impact, CASD is to look at the social impact alongside with the business one.

Subsequently, the case study reveals that media used for the CASD is largely depending on the budget of the advertisers as well as their intended target viewers. It is found that television medium is generally seen by practitioners as the most effective, yet most expensive, means to integrate a social dimension in a company advertisement for the betterment of a larger public. However, as shown in Figure 8.7 in the case study, use of other media such as newspaper is also feasible with the creative talents of practitioners. The use of other media can indeed supplement the television CASD to enlarge the coverage of the viewers.
At the tactical level for CASD broadcasted over television, ad practitioners need to design how the social message is to be presented. Studies of the other CASD from other product or industry category as well as ads developed by competitors of the same industry help creative writers to produce a differentiating message that is distinctive to the company. This can be done through the creative use of actors, appeal, tone or executional style that has not been used by others. The content analysis of CASD in Chapter 6 may provide some useful reference in this case. In addition, as discovered in Chapter 8, the use of real life figure in the CASD featuring an old lady (illustrated in Figure 8.6) has unexpectedly create a positive side effect for the actor in the ad as well as the old folk house where the actor was staying.

Finally, evaluation is seen by the researcher as a necessary final step to find out if objectives have been achieved as intended. Since the qualitative focus group carried out in the consumer research reveals that there are different reactions towards a particular ad, a quantitative review (given that the objective is measurable) of the CASD impact is essential to unravel the attitude of the majority of the viewers, who have been specified in the objective setting stage, towards the ad. This is useful to determine the receptiveness of the social message by the viewers and the company image held by them.

The literature review indicates that pragmatic legitimacy and social legitimacy are conceptualized as two elements that make up the legitimacy construct (Handelman and Arnold 1999) and the total corporate social responsibility entails the fulfilment of the business’s economic, legal, ethical and philanthropic responsibility. Companies engaged solely in CASD will not be granted the title of good corporate citizen in a straightforward manner as the overall evaluation of corporate citizenship is based on whether the organisation’s actions are consistent with the welfare of the society as a whole which includes the company’s internal and the broader external stakeholders. While other supportive programmes such as public relations should be consistent with the CASD to reflect the social position of the company, other CSR activities or behaviour of the company also needs to reflect the corporate citizenship value of the company. This is exemplified in the case study where apart from developing CASD, the company also engages in
other CSR activities or programmes aiming at its different stakeholders. The consumer research in Chapter 9 (Section 9.9.1) also finds out that two levels of consistency are important to enhance corporate citizen reputation through CASD approach. At a broader level, corporations need to achieve consistency between the company's adoption of CASD approach and its actual corporate social performance in general. At a deeper level, companies should strive to achieve consistency between the issue advertised in the ad and the actual performance of the company related to that issue. Persistency also represents another crucial quality for companies to enhance corporate citizen image. This includes the continuous adoption of CASD approach in the long term which the consumer research reveals that Petronas has proved to leave a distinctive mark in consumers' mind given its persistency. Moreover, persistency also means long-term commitment of the company to be proactive and voluntary in anticipating and meeting the demands of the society at large to strive for societal betterment. In Willmott's (2001) words, the most important value of corporate citizenship is 'putting society at the heart of business' so that it can to be integrated consistently into corporate strategy and corporate communication to establish long lasting corporate citizenship reputation acknowledged by both internal and external stakeholders.

10.4 THEORETICAL IMPLICATIONS: CONTRIBUTION OF KNOWLEDGE

Due to the exploratory nature of this research, it has contributed to new understandings of CASD in several ways. First and foremost, the redefinition of CASD as well as the CASD development model as shown in Figure 10.1 may help future researchers to understand the main qualities of CASD and how it can be developed to reflect the corporate citizen identity of the company. The model has also illustrated how the various concepts that have been mentioned in Chapter 2 (i.e. CSR concept, stakeholder theory, legitimacy theory, corporate identity and societal marketing concepts) are integrated to inform the CASD development process. Theoretically, by applying the four-part definition of CSR concept to
CASD, the advertisers who develop CASD have to be able to withstand claims from these four aspects of social obligations. Firstly, with the economic responsibility, advertisers have to ensure the quality of its product or services meet the satisfactory level by the consumers. Although, this aspect may not be presented in the ad, it is the basic expectation from a socially responsible company to achieve its pragmatic legitimacy. Advertisers should also avoid making unlawful or untruthful claims and promises without substantiation in their ads. Ethically, advertisers should be sensitive to the traditional culture of the society where it operates. From the philanthropic aspect, ads should promote awareness of issues that affect mankind such as environmental issues. In short, the study has contributed to the understanding of how CSR concept can be flexibly applied into company advertising so as to enhance its corporate citizen image. In other words, a true CASD approach is more than an advertising concept to create awareness of certain issue or to portray good corporate citizen image, but it has to be understood as a communication concept which has extended itself from the societal marketing theory with numerous corporate strategic implications embedded.

Second, previous research has often focused on the economic interest and economic impact when segmenting stakeholders during communication process. However, the drawback of taking the economic stance is that it seems to neglect the social interest and social impact that stakeholders have towards the corporation. Therefore, the researcher suggests a social approach to look at the advertising process where stakeholders are to be segmented as those who have social influence (Marketing/Advertising Manager or Senior Management, Advertising agency or partner, employees, Government, Consumer and general public, pressure groups/non-profit organisation), and social impact (Employees, Consumer and general public customer, and Pressure Groups/ Non-Profit Organisation). The major benefit of understanding the stakeholder concept’s implication on the communication process is that it will help advertisers to better develop their advertising strategy and content based on awareness of the social influence and impact that CASD may cause (see Section 8.8.1). This research has demonstrated that CASD is a highly effective communication tool that can enhance the relationship building within and outside a company. As identified in
Chapter 10: Conclusion

the case study, the development of CASD has helped to strengthen the relationship with the company's marketing partner i.e. ad agency, and enhancing the self esteem of the workforce within the company. Furthermore, it can change the negative societal perception of advertisement and create awareness of a particular issue.

Third, with the formation of analytical framework in Chapter 6, it has identified the various aspects of CASD that would be useful for future comparison between the categories created, for example to see the pattern of CASD according to the product type or business nature when larger sample is available and when more advertisers adopting the ad approach. In addition, the analysis of each category as well as the comparison between categories has allowed practical implications. For instance, the result has shown that in ads with deep social orientation, the creative use of association cues could narrow the link between the issue and business nature. The framework is also useful for future researchers to study the effectiveness of the various presentation tactics by investigating the viewers' preference towards them.

Fourth, the research finds that the classification of motivations into different dimensions informs the implications on objective setting of CASD. As such, Table 7.1 has been developed to contribute to the understanding of the possible relationship between the objectives and motivations. Finally, the research also contributes to the understanding of the measurement of CASD where its success is best to be studied from the aspects of company image and social message receptiveness. Since reliance on subjective evaluation is problematic, the development of appropriate quantitative measures is needed. Besides, the consumer research also identifies the various contextual factors in addition to the advertisement factors which facilitate the understanding of the communication effect of CASD.

Overall, the results obtained will be important to other countries in the world which face similar circumstances as Malaysia, especially concerning public policy towards advertising, and also to countries which lack a close social scrutiny of
advertising through mass media. This study of CASD indeed allows western scholars, as well as those in other eastern countries to understand how advertising has been used as a CSR tool in Malaysia. According to Chambers et. al. (2003), although CSR in Asia lags behind best practice in countries such as the United Kingdom, there is a new wave of interest in this in Asia. Therefore, Welford (2003) claims that it would be wrong to conclude that European companies are always ahead of Asian ones in respect of their corporate social responsibility agendas, instead there is great scope for companies to learn from each other.

10.5 PRACTICAL IMPLICATIONS: CHALLENGES OF CASD

Based on the discussion of CASD’s implication for the global communication trend in 8.8.2, it is anticipated that companies advertising with social dimension may be seen as a corporate communication trend globally to enhance the corporate image and reputation as well as competitive advantage. However, it is not without challenge for a new approach to become widely accepted and adopted. Besides, results obtained from the motivational study have explored the various drivers behind the development. This implies that unless the appropriate drivers for integrating social dimension into commercial advertising are encouraged, CASD will remain the approach employed by a small number of advertisers. Six major challenges have been summarised based on the research which include:

- The government’s role;
- Issue association;
- Social commitment of ad agencies;
- Ad creativity and advertising knowledge management;
- CASD evaluation;
- Business culture and education; and
- Consumer or public social awareness.

The discussion of these challenges will suggest practical implications.
10.5.1 The Role of the Government

Since the research finds out that not many commercials in Malaysia is seen as actively promoting a social issue, it may imply the existence of an intention-behaviour gap in Malaysian public policy towards the second message requirement in advertisements. Nevertheless, as discussed earlier, the existence of social message is depending on the argument of the advertisers, and the understanding of the preamble is also subject to their interpretation. In other words, it poses a question of whether the public policy in Malaysia in this particular aspect should enforce stricter and clearer rules on the social message requirement in company advertisements. The researcher thinks that the use of forceful enactment may leads to criticism of over control of the advertising industry. In addition, as discussed in Chapter 7, the researcher also argues that the motivation behind socially responsible activities should be guided by corporate conscience rather than legal boundary. Consequently, the government should cultivate a culture that makes companies more responsive to social needs, for example, encouraging the adoption of CASD through other ways such as organising ad awards or offering tax deduction. It can propose to the advertising association to add an award category that specially acknowledges the creativity in CASD so as to motivate agencies and advertisers to place more attention to the social effect of advertising. In short, the government stakeholder is to set as a crucial foundation, rather than a forceful momentum, above which the adoption of advertising approach with social message can proliferate.

10.5.2 Issue Association

It is a challenge for an advertiser to investigate the suitability or compatibility of a social issue to be associated with. Advertisers may question whether it is better for the association with the social issues to be placed at the product level or the corporate level. Although the research reveals that a social dimension is more commonly identified in corporate advertising, inclusion of an apparent social message in product advertising is not impossible. The example of the air-conditioner and energy conservation used in Chapter 6 (as mentioned in Section 6.5) has pointed out the feasibility of this.
Furthermore, the motivational research also finds out that many advertisers tend to select the safe and universal social issues such as racial harmony and family values and move away from narrowly-focused, controversial yet vital ones, e.g. Aids, domestic violence. The problem of using those safe and universal issues may lead to the tedium period where consumers start to feel tedious about the same issues (e.g. racial issues in Malaysian advertising) over time. Besides, the repetitive use of the same issue by different advertisers may lead to the confusion of consumers to associate the ad with a particular advertiser. The implication is that for advertisers who wish to adopt CASD, they need to select a more unique issue or presentation style that can distinguish themselves from others. It is also important for companies to understand the need to set itself as an example or role model for the issue they have chosen to advertise in their company ads.

Apart from the above, with global business expansion, cultural connections often become a forceful obstacles confronted by multinational corporation. This requires these corporations to look within and outside the national boundary sensitively when selecting social issues and designing CASD content so as to enhance the well-being within their own country and also be beneficial to countries which they are given license to operate.

With the findings from the consumer research, the researcher has provided insights for understanding how to facilitate building connections between brands and social issues so as to increase the value of CASD. The key implications are:

- When the social issue is associated at the corporate level, more resources and support of senior management is expected and thus gives it more visibility.
- Additionally, company will benefit more by pairing with social issues that can reflect the true identity of the company.
- CASD will be more effective to benefit the corporate brand when adopted persistently over time.
• When selecting an issue to promote, select a issue that is not already associated with other companies since consumers are more likely to remember the advertisers when the social issue presented is ‘different’ and ‘unexpected’.

• More importantly, the company should reinforce the association with the issue in as many areas of its corporate or marketing activities as possible.

10.5.3 CASD Evaluation

According to the interview feedback, very often evaluation on CASD with deep social orientation has not been discreetly weighed by some local advertisers. Therefore, the impact of the social message integrated in a company advertisement has not been clearly addressed. If this aspect was neglected, the creation of CASD would seem meaningless. Therefore advertisers should take a more active and initiative role in evaluating their CASD impact on both the company and social aspect, rather than merely waiting for consumers’ feedback. At the pre-exposure stage, qualitative data collection may enable more insights to be channelled into the development of copy writing while appropriate quantitative measures are needed to evaluate the communication effect of the CASD after ad exposure. As a result, it is important for ad practitioners to set measurable objective at the beginning so that to facilitate the development of a well-designed evaluation scheme.

10.5.4 Social Commitment of Ad Agency

Professionalism in advertising should emphasise the creativity, commercial objective, and social effect (as discussed in Chapter 7) when designing any ad. In relation to CASD development, agencies need to take into account various considerations, not only from the client corporation’s perspective (as discussed in the case study in Chapter 8) e.g. company’s social stance and competitive environment, but also consumer factors (as listed in Chapter 9), such as consumers’ ad literacy, their pre-existing attitude towards the company/brand, their level of social consciousness towards the particular issue, etc. Indeed, the
research has found out that in general it is more time consuming to develop an ad with social dimension than those without. In a way, this requires advertising practitioners to constantly observe and be aware of the current social phenomena happening in the society or the world that would concern the well-being of the local society.

The researcher suggests that ad practitioners can classify social issues based on their relevance or importance to the geographic location to help them to broaden their views of the existing social environment through which to gain their ad inspiration. For instance they may categorise which issues are related to the national development, global concern, Asian concern, Western concern or the third-world concern. Practitioners can further relate the issue’s relevance on the individual level, industry level, company level or societal level so as to form ideas on what impact they could achieve through the company advertising or how message is to be delivered. Additionally, they should take into consideration of the stakeholders’ implication on CASD to identify the possible impact and influence of CASD on these members of society.

10.5.5 Ad Creativity and Advertising Knowledge Management

The consumer research reveals that the overall ad creativity is a more critical element than the social issue itself in catching the viewers’ attention. The research finds that consumers do give credits to advertisers who can link the issue to the advertisers’ business nature without creating too commercial impression. Thus, the challenge lies in how to balance the social and commercial element in a commercial ad without undermining the company’s value or being felt by the consumers as “too hard-selling”. Some of the ads shown in the case study have managed to project the feasibility of striking the balance in this aspect. With reference to the content analysis of the overall ad tactics (see Chapter 6), the result has suggested that there are more rooms for creativity to be applied on CASD development by making use of other non-frequently applied advertising tactics. In addition, the case study also uncovers that in order to catch consumer’s attention in Malaysia, a company ad with social issue is to be different not only from ads
Chapter 10: Conclusion

devolved by the company’s competitors but also different from those CASD by other industries in general. The consumer research also indicates that perception of generic ad or CASD in general would affect consumers’ attitude towards a specific CASD. This suggests the importance of the creativity of an ad.

It has long been recognized that the success of many advertisements depends on the creativity of the copywriter (Ewing and West 2000). The associative theory views creativity as the ability to bring otherwise mutually remote ideas into contiguity to facilitate creative solution (Reid and Rotfeld 1976). Indeed, no one would argue against the importance of creativity in great advertising. While there are controversies against the idea of having ‘rules’ for developing creative, it is equally counter-productive for an agency not to systematically learn from past and current client successes, and such learning should not, of itself, stifle creativity. Thus, to enable the growth of advertising effects, it is crucial for agencies to continuously develop general knowledge of what actually ‘works’ and what does not, for example, which issues are better to be associated with which industry, which presentation setting would most likely enlighten the thought of individual, which type of consumers would react more positively to the social message, etc. This knowledge may not only come from previous projects of CASD but also from other experience or studies related to the development of generic or pro bono advertising since CASD is a combination of business and social advertising. The gathering and organising of this information would support future copy writing, decision-making, planning and campaign evaluation. Agencies must therefore make use of the potential information technology, such as web-based and intranet technologies, data mining, in order to convert information into knowledge, and turn knowledge into competitive advantage and tools for enhancing societal betterment. With the force of globalisation, large corporations either in the West or the East may employ international ad agencies or different local agencies to handle their ad campaigns aimed at their local and expanded market. Thus, knowledge sharing may begin to take place when the various independent agencies begin to co-operate with one another at an ad hoc project-by-project basis so as to establish a consistent image of good corporate citizen for a particular client.
10.5.6 Business Culture and Education

Practice of CASD will less likely to be effective if there is lack of support, cooperation or commitment from the senior management of the advertiser company. Therefore, for the concept of corporate citizenship to be apprehended and accepted within the company, it must have the complete blessing and support of top management and be inculcated and totally supported all the way down the organizational ladder. Personal morality and collective morality must be linked together. A truly moral person does not strive only for personal salvation but he or she also wants to be involved in the fight for collective morality so as to transform a society for the benefit of everyone, whenever possible. As a result, management today can no longer permit organisations to be devoid of moral values as its guiding philosophy. The management philosophy must constitute as a guide to all employers who hold the key to new era of righteousness in organizations they lead.

In addition, advertising knowledge sharing as mentioned in 10.5.5 also requires an organizational culture which emphasises the value of collective benefit to be built within the ad agencies. This is the most problematic barrier as competition between professionals usually results in a natural reluctance to share. Perhaps, this is a universal phenomenon even in many Asian countries which are oriented towards the collectivist culture. Drucker (1998) stresses that only once the people have been addressed, should there be investment in the necessary technology to support a knowledge-sharing and organization learning culture. This again highlights the importance of personal value in deciding the culture of a corporation and its business operation.

It will require extensive educational process which takes time and management commitment and it raises the challenge for the role of business education to enlighten the existing and future business leaders to embrace a social approach in every aspect of its business activities, including advertising, so as to help businesses to reverse the ‘money-sucking’ image. This is a continuous challenge of leadership in Malaysia as well as the business education of future management leaders.
10.5.7 Consumer or Public Social Awareness

Instead of relying on few businesses to spread social messages, consumers themselves have to equip themselves with more alertness to the social environment so as to exert pressure on business communities to develop more CASD that are beneficial to the society. When CASD helps to raise the social awareness of viewers in some extent, the proliferation of CASD will be slowed down without a greater support of consumers or the general public of higher social consciousness. As a result, more education on consumer rights is to be encouraged through media or other sources. The communication bridge between consumers and related party such as the consumer association should also be established through different channels such as holding discussion forum, online correspondence, and telephone helpline. For consumers with relatively higher social awareness level but who lack initiative to make their voice heard, it is important to promote the availability of these channels. It should be noted that unless people know where and how they can give their suggestions or complaints without too much hassle, the establishment of the communication channels would not be fruitful.

10.6 LIMITATIONS OF THE STUDY

The main purpose of this dissertation is to explore the practice of company advertising with a social dimension (CASD) in Malaysia through different perspectives. The multiple-method approach has been employed in this dissertation to study in greater detail of the subject. Each of the research method used in this study presents drawbacks of its own and the justification of the choice of each of the research method has already been discussed in Chapter 5. Therefore, in this section, the author will review more on the limitation of the result obtained from the research.

In particular, CASD broadcast over the national television channels has been examined in the content analysis. Sixty-five sample ads were collected for the purpose. Due to the high cost of acquiring copies of ad, the copies available for
analysis are merely a convenience sample. Although the number is considered adequate for the first attempt in categorizing these ads, more sample ads from different industries and companies would allow comparison between product or business class. This would present a more diversified picture of the presentation of CASD over the television medium. Besides, since only television CASD were focused, the findings may not be applied to the other media. For example, although the content analysis indicates that lack of CASD can be found in foreign brand, this only suggests that foreign advertisers are less active in promoting social issues through television advertising compared to that of local national companies. Furthermore, the sample ads are those broadcasted during 1996 until 2002 so more issues or advertising styles could have been used in CASD after year 2002. Nevertheless, given that racial issues have been the major issues promoted by various advertisers during that period (i.e. 1996-2002) and with the feedback from various respondents who have frequently mentioned these issues and their thought on the styles adopted in CASD, the researcher shall believe that there is not a significant change or difference in the content development of CASD over the years. However, a larger sample size with more rigorous and systematic selection would be useful to give a more precise pattern of CASD.

Additionally, since the aim of the motivational study is to identify the key drivers behind CASD, it has not examined the different motivational factors based on each individual campaign. However, given that most CASD described by the respondents were corporate advertising with deep social orientation, the classification of motivation based on campaign type is found less meaningful. Furthermore it is not purpose of the study to compare the motivational factors. Besides, due to the limitation of access, only one company is permitted for case study. If more companies were used as case studies, it would enable further cross-comparison between their motivation and CASD strategy development of different companies. This would be meaningful to understand how the motivation affects the strategy differently. Moreover, if time was not a constraint, instead of studying the motivation behind CASD development, it would also be useful to study why many companies were not motivated to engage in CASD development.

Finally, focus group interviews were conducted to extract the opinion of consumer
respondents on CASD practice in Malaysia. With the coordination of sufficient time, access and opportunity, a long term assessment of a specific and new CASD campaign would allow more insight on the consumer reaction towards CASD by comparing their views before watching the ad and views after watching the ad.

Despite the limitations above, the author wishes that this dissertation might at least be regarded as an early investigation of the subject, and it is hoped to be a significant step in understanding the CASD approach especially in the Malaysian context. Indeed, the conduct of this research has also triggered other areas of interest which are worthwhile for future studies.

10.7 RECOMMENDATIONS FOR FUTURE INVESTIGATION

In addition to what have been discussed in the previous section, this section will further present several suggestions for future research which relate to:

- Practise of CASD by small and medium businesses;
- Effective integration of media and other business tools;
- Feasibility in encouraging CASD approach;
- Issue selection;
- Partnership with non-profit association;
- Cross cultural comparison of CASD practice

10.7.1 Practise of CASD by Small and Medium Businesses

As shown in the research, almost all CASD developed and broadcasted over television were sponsored by big local corporations. It may be mainly because they are more affordable than other smaller businesses for this expensive advertising medium. Although more attention is placed on large businesses, small- and medium-sized companies should not be ignored since they are outnumbered by large ones in the country. It is therefore worth studying how the small- and medium businesses have made use of advertising to accomplish some social objectives.
10.7.2 The Effective Integration of Media and Other Business Tools

Over decades, scholars and advertising practitioners have gradually recognised the added value of integrated communications campaigns that is more likely to produce the desired results. Future investigation can look into how the efficient use of media mix can mutually reinforce each other to generate increased desirability for the advertisers. Although the preamble regarding second message requirement is also applied to radio in Malaysia, it could be more difficult to integrate social message in commercials broadcast over radio as there is lack of visualisation. With lower advertising rate compared to television, newspapers could be another option since it has a wide circulation in the country although the lack of audio effect could be a drawback of sending the message across. The Internet is also a useful interactive advertising tool to convey social message or further elaborate the social idea.

Furthermore, due to the multi-racial composition of the country population, four main languages, namely Malay, English, Chinese and Tamil, are used in radio and television broadcast as well as print media (e.g. newspaper, magazine, and poster). As a result, studies can also examine how social message can effectively reach the masses through the integration of media using different languages. In addition, researchers can probe into greater insight of how other businesses and communication tools like public relation, business events, the Internet, can be used to supplement the CASD to achieve better social and business effect.

10.7.3 Feasibility in Encouraging CASD Approach

Despite the existence of the preamble stated, it is a question of what the government or a self regulatory body could do to promote the approach of integrating social message in commercials. Further to the practical implication as stated in Section 10.5.1, future attempts can be made to identify ideas of encouraging such approach, their obstacles and feasibility. For example, to assess
the feasibility and possible disadvantage or problem in offering tax exemption for companies producing such ads, reduced advertising rate from the broadcasting channels, and organising competitions on CASD development. In addition, what should be the criteria for the ad award for CASD.

On the other, the researcher has found an interesting phenomenon in Malaysia during the research process and interviews. Although television advertising has been seen by the government as a powerful tool to affect social life and value, there are only a few public service advertisements run by the government or non-profit organisations which can be seen on television. It is also the observation of the researcher that there is not as much social advertising in Malaysia as compared to social advertising in U.K. television or other Asian countries like Hong Kong and Taiwan. Besides, this kind of public service advertisement often appears during non-prime time hours and has been perceived by many locals as being lack of creativity. Future investigation can also look into the reason of lack of social advertising in television Malaysia in addition to the cost factor. It seems to be less convincing to persuade business executives to integrate social messages in their company advertisements while there is lack of social advertising developed by the governmental bodies over television.

10.7.4 Issues Selection

Literatures on CSR suggest that the choice of social responsibility activities can be affected by the nature of the business. Future research can compare the effectiveness of ads which choosing an issues related to the business nature and that with non-related issue. Promoting an issue related to the business nature may help consumers to remember the ad and the advertiser, yet it is possible consumers may criticise it as cause-exploitative or the social message may be overlooked by the consumers as they may feel it is part of the selling message instead of a social message. For example, insurance companies promote the importance of education planning for the children. Therefore, is it advisable to choose an issue unrelated to the business nature? However choosing an issue unrelated to the advertiser’s business nature may be less helpful to associate the
ad with the advertiser. Therefore, researchers may investigate in what situation choosing an issue related to business nature would not result in negative response from consumers or in what situation ads with unrelated issue would facilitate consumers to form an association.

Alternatively, it is also a question of whether a CASD approach is adoptable by all business industries. Future researchers could examine the reaction of consumers when organizations most targeted by the public as ‘unethical’ (e.g. tobacco, alcohol, etc) engage in CASD. Whether such action would be accepted by consumers or would it result in greater contempt? Or it depends on which social issue such companies have associated with or how it is presented.

10.7.5 Partnership with Non-Profit Associations

Ad awards have been granted for pro bono work over the recent years either in Malaysia or internationally and this indicates that such creative work has gradually received considerable attention from the advertising industry. In Pro Bono ad development, non-profit organizations have regularly used advertising space and time, which are donated by business corporations or media, to promote a social issue. While both pro bono advertising and CASD involve corporate engagement in promoting a social issue and reflect the corporate social contribution in advertising, it is worth looking into the question of whether it is better for companies to involve in pro bono advertising which does not show the identity of the corporate sponsor in the ad yet the corporations may entitle tax deduction on donation; or for companies to involve in CASD which could enhance reputation but with possible risk of being criticised as cause-exploitative or creating unwanted legitimacy gap when inconsistency between the issue and the corporate practice is found or suspected. Identification of the pros and cons of these approaches would facilitate corporate decision of which way is more beneficial to the society or the company.
10.7.6 Cross Cultural Comparison of CASD Practice

Although the overall CSR level in Malaysia is generally lagging behind the West, the awareness of the social impact of advertising in undermining social values has been heightened in greater extent by the Malaysian government than governments in the West. Moreover, the practice of CASD is assumed to be varied in different cultural backgrounds. For example cause-related advertising is less commonly practised in Malaysia. The research discovers that many consumer respondents are more sceptical about advertisements of this type than ads without financial appeal, therefore it is important that they believe the campaign is trustworthy. Since cause-related advertising is popular in countries like the U.S., this highlights the possible cultural difference towards the acceptability of this approach. Future research can identify factors that may help to overcome customers’ scepticism towards cause related advertising through examining the cultural aspect.

Indeed, comparison of the practice of CASD between the West and East would generate more revealing understanding of the practice based on varied socio-cultural contexts. Additionally, despite the similarity of the culture that Asian countries have shared, comparison among countries within this region would also enhance the knowledge of CASD formation such as the difference in the executional styles adopted, issues integrated, the form of advertising partnership between non-profit organisation and business corporations, as well as the varied response from consumers. The data generating from the comparison will become a useful input for the advertising knowledge management which was mentioned in 10.5.5. In short, the researcher believes that the identification of the difference as well as the causes of the difference will enable international advertisers to carry out their CASD more effectively for the benefit of the society as well as the business community globally.
10.8 CONCLUDING REMARKS

The dissertation has presented the different aspects of CASD in Malaysia, namely the influence of the political and socio-cultural background to the CASD practice, the content development of CASD over television advertising, the key drivers and strategy behind CASD as well as the consumers' response to CASD. In addition, it has also identified important managerial and research implications pertinent to the topic. As a result, in reference to the five objectives set out in the beginning of this dissertation, this exploratory research of the CASD practice in Malaysia has fulfilled all the objectives as stated despite the limitations of the study. To conclude, given the pervasive and persuasive power of advertising, the most potential social contribution of a successful CASD is perhaps its possibility to instil a socially-conscious thought in a consumer's mind, in an extent to make a difference, if not a change. Therefore, the most challenging question is: how CASD, which creates new value for a company advertisement, would leave a positive seed in the society for it to grow without over reliance on mandatory enforcement. The researcher argues that it is important to deal with the matter from its root. Apart from the many drivers identified in the study, e.g. greater global concern of CSR, gaining competitive advantage, for CASD to proliferate, personal moral values and social consciousness among practitioners in business or advertising communities is a crucial factor to determine the corporate social conscience or culture. Besides, the level of social consciousness especially among consumers in developing countries needs to be upgraded to act as a greater motivational force for businesses to integrate social dimension into more of their business activities and decision-making processes, not only in advertising.
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