Appropriate marketing strategies for Corporate Social Investment in South Africa

A research report submitted by

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ABSTRACT

The new South Africa presents vast opportunities for companies and people. At the same time, there are significant societal needs and in an attempt to alleviate them, companies devise Corporate Social Investment (CSI) initiatives. Often these initiatives are carried out by companies under duress, or at least reluctantly, in response to legal and consumer pressure. In many cases, the initiatives are implemented to generate support from investors and from the market in which the company operates. In most cases, CSI is perceived as an obligation and an imposition; moreover, it is not seen as exhilarating or interesting when compared to marketing. Therefore, CSI is often unkempt or given little attention and a small budget.

Sports and affinity marketing are well known global practices that operate with huge budgets and teams in order to create brand awareness, brand loyalty and affiliation for the brands; these practices support popular sporting events, teams and players, as well as good causes. All these activities and their budget spend are for the good of the company and ultimately, higher profit, which is a priority for any company.

There is a very real need to identify a way of generating greater support for and investment into CSI that makes it worthwhile for companies as well as being more beneficial for CSI initiatives. The author believes that there is an imbalance of funds in South Africa, a country and economy in dire need of major development and growth support at the grass roots level. Therefore, the author investigates if there are strategies and techniques used by sports and affinity marketing that can be applied to CSI in order to achieve a company's primary marketing objectives concerning their brands and image. The author asks that whether common elements between marketing and CSI could be identified: if so, could CSI then learn from and apply marketing techniques and strategies in a manner that also benefits the company's primary needs on a much larger scale?

The research described in this report was qualitative in nature. An explanatory interview using a questionnaire was conducted after selecting a sample of the South African media with specific focus on Primedia.

The author concluded that it is possible to apply marketing tactics, techniques, processes and methods quite successfully in order to achieve the objectives of the CSI initiative, as well as basic marketing objectives such as brand awareness, brand loyalty and improvement of image. However, it was concluded that this outcome may be short-lived and the good perception of the company and its brand image may be tarnished if it is perceived or proven that the company is manipulating and exploiting the CSI initiative for the company's own purposes.

Therefore, CSI should be set apart from marketing and should have its own budget, team and infrastructure, in a well-co-ordinated operation, well supported by top management and if possible, aligned with key market initiatives in order to ensure long-term and effective CSI implementation.

If managed properly, the long-term positive impact of CSI on a company's brand and image and overall goodwill will be significant, worthwhile, and easily sustainable.

DECLARATION

I, Sean Brian Petzer, declare that this thesis is my own, unaided work. It is being submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of Witwatersrand, Johannesburg. It has not been submitted before any degree or examination in this or any other university.

All work and findings are based on research and data collected and compiled between 2008 and 2012.

Sean Brian Petzer

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To everyone who always knew I was doing my MBA and in your own unique way constantly encouraged me to finish it – thank you.

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1.1 Purpose of the study

The purpose of this research was to investigate the similar ideals and practices of marketing (including sports marketing and affinity marketing) and Corporate Social Investment (CSI) in South Africa. An investigation has been conducted to identify if there is a relationship between these two concepts and in addition, it was investigated whether the principles and techniques used in marketing can also be applied effectively to CSI campaigns. The subject of marketing spans many methods and processes, but for the purpose of this document, sports marketing and affinity marketing were selected for comparison with CSI, because of the rapid growth of these two marketing fields in the last decade within South Africa.

Sports marketing is an industry that consumes major budgets and is applied or used as a marketing tool by many large corporations in one form or another; all of this effort has a major impact on the global economy. Affinity marketing has been adopted by companies as a global practice that often piggy-backs on sport activities, teams and events. However, it also leverages off CSI activities and campaigns, and almost bridges the gap between marketing and CSI. Requiring major marketing budgets, it attempts to launch and activate a brand through the process of giving back to an initiative in exchange for the goods or services sold.

One major purpose of the study was to identify whether CSI can benefit from the skill sets of sports and affinity marketing, and if so, whether the company can financially benefit from CSI through increasing brand awareness and customer loyalty.

There is reason to believe that if the same benefits as those achieved in sports and affinity marketing could also be achieved through CSI, then companies could be persuaded to invest more of their budget into CSI. This in turn may create the potential for more people in need to benefit from the initiative and may possibly result in the creation of new markets and a more economically active market.

1.2 Context of the study

Since 1994 and the first democratic elections, South Africa has been a land of promise and opportunity for all of its people; with the most forward-thinking constitution and liberal social platforms, there truly is hope in the country. None the less, there is a major difference between those who have and those who do not and all over the country, people and companies willingly support initiatives that create social development and economic growth in the LSM 1 to 4 markets.

Corporate Social Investment (CSI) has been adopted by companies; initiatives are being launched every day in a multitude of forms that aim to alleviate poverty and strive to make a better South Africa for everyone. However, many of the initiatives carried out by companies are done under duress in response to legal pressure and the obligation does not receive the full attention or support from the organisation, its staff, or corresponding budget, as these initiatives are often seen as a chore and a cost (Gray, Owen & Maunders, 1991; Moir, 2001 and Ararat, 2008).

In many cases, the initiatives are implemented to generate support from investors and from the market in which the company operates. The funding of CSI is significantly less than the marketing budgets. Moreover, the staff teams and those skill sets assigned to CSI by the company are extremely disproportional to what the marketing department has. So CSI tends to get much less in many ways when compared to marketing departments. CSI is not perceived as stimulating or exciting when compared to marketing and so it is often neglected or given minimal attention. Government and social movements have been fighting for a more intensive drive for CSI in South Africa and incentives are given to companies that comply, but the shortfall in budget when compared to other corporate activities, means that the desired results are not often achieved.

There is a clear need to identify a way of generating greater support and investment into CSI that makes it worthwhile for companies and more beneficial for initiatives. CSI needs to improve its image and become a more attractive function for a company and even a good career option to encourage skills development and interest from educational institutes. Organisations should be more willing to invest their more talented staff as well more time and budget into CSI, but how this can be done is unknown; perhaps some of the answers can be found by looking at those activities that already fulfil the company's primary needs.

South Africa has hosted a number of international sporting events since 1994:

- Rugby World Cup 1995
- African Cup of Nations 1996
- IAAF World Cup in Athletics 1998
- All Africa Games 1999
- Cricket World Cup 2003
- President's Cup 2003
- Women's World Cup of Golf 2005, 2006 and 2007
- Women's World Cup of Cricket 2005
- World Amateur Golf Championships 2006
- IPL 2009
- FIFA World Cup Soccer 2010

(SRSA report, 2006)

This list excludes the Champions Rugby Challenge and other international competitions between countries touring South Africa on an annual basis.

Following on from the very successful Rugby World Cup in 1995 and the African Cup of Nations in 1996 and culminating in the very successful Football World Cup in July 2010, South Africa has become a popular choice for hosting these special events and the marketing and advertising budgets for such events are very high; the 2009 IPL generated twenty five million Rand in five weeks just in advertising signage and corporate entertainment spend (Primedia, 2011). Furthermore, broadcasting rights for the Premier Soccer League of SA were sold exclusively to Multichoice's Supersport in 2007 for R1billion for a five-year period.

There is at least a sixty to forty split between sport sponsorship spending and other forms of marketing and sponsorship (including arts, environment and philanthropic). Sports marketing managers do not devote as much of their time to environmental scanning and evaluation as they do to creating sponsorship deals, sponsorship planning and managing marketing communication activities (Van Heerden & du Plessis, 2004). A major problem is that broadcasting rights can only be exercised over certain networks and therefore only six to ten per cent of the total South African population is exposed to a given marketing campaign (Multichoice Vital Stats, 2010). The high cost of activating the brand is yet another cost.

It is alarming to note that in 2007, two JSE listed companies (ABSA and SAB) spent 20% of the total 2004 CSI spend of all JSE listed companies, just for sponsorship rights to the national football team (Thom McLachlan, Business Day, 15 June, 2007). Clearly there is an imbalance of funds in an economy and country in need of major development and growth support at grass roots level.

Affinity marketing is an activity in which, in simple terms, people support a company by purchasing its products or services on the understanding that in return, the company will make a contribution to a good cause. The concern is that the company will only support the affinity marketing initiative on condition that people buy their goods and provide the company with revenue and a profit. This blurs the lines between a willingness to do good and the obligation of CSI. It also asks the questions:

1. Does the company really have good intentions or is it simply manipulating an obligation and the hearts of the market?

2. Does it matter; does anyone really care as long as those in need are getting support?

1.3 Problem statement

Explore the strategies and techniques used by sports and affinity marketing that can be applied to Corporate Social Investment in order to achieve the company's primary objectives

Marketing is, amongst other principles, a process of leveraging brands across a number of popular platforms. Sport and the different sporting codes and events offer a unique and lucrative, albeit expensive, platform in order to leverage the brand and thereby increase brand awareness and brand loyalty. This is often achieved by monopolising a specific sporting code, tournament or event by a company purchasing sponsorship rights to such events.

Affinity marketing leverages a positive or good cause in order to gain further support and loyalty from the client base. Support of this cause puts the company in a good light and promotes an image of a good and caring brand to the market. Focussing on the good that can come out of a transaction, the company incentivises the client or customer to make a purchase.

The purpose of the marketing department and all marketing activities of a company is ultimately to generate revenue for that company. In contrast, CSI is focussed on society and community development with no return on investment expected. It is therefore no surprise that marketing receives a greater share of top management support, budget and other company resources and it is no wonder that it is regarded as a distinct function in companies and textbooks.

However, CSI gives back to the community and develops economic growth for all within the community, thus improving overall society through a positive impact on all. If common elements between marketing and CSI could be identified, could it be possible for CSI to learn from and apply marketing techniques and strategies in a manner that also benefits the company's primary needs on a much larger scale?

1.4 Significance of the study

One would expect marketing to get more attention and budget than Corporate Social Investment (CSI) as the purpose of any company and its primary need is to generate a profit for its shareholders. In many cases in South Africa, CSI is perceived as a costly obligation.

If CSI could benefit from the techniques of marketing and become a far more profitable activity for a company, while generating brand awareness and loyalty, and significantly contributing to, or even achieving the marketing objective, then it could draw a greater share of a company's budget. The result could be that CSI initiatives would have larger budgets and subsequently, efforts to address those social problems would get a greater boost. Communities would benefit more, people could become more economically empowered and new potential markets could be formed that could quite possibly exclusively support the organisation that provided them with the chance to have a better life.

1.5 Delimitations of the study

The study was primarily focussed on the Primedia group of companies, who participate in both sports marketing and CSI. The Group earns most of its revenue from selling advertising and marketing platforms and opportunities to other companies, while using the same platforms to market and build awareness of its CSI activities. In order to ensure validity, additional parties were incorporated in order to support any findings from Primedia.

1.6 Limitations

The concept of marketing and the associated activities, theories and methods are limited to sports marketing and affinity marketing.

1.7 Definition of terms

Harvard Kennedy School defines Corporate Social Investment (CSI) or Corporate Social Responsibility as follows:

> “We define corporate social responsibility strategically. Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm.”

(Source: http://www.hks.harvard.edu/m-rcbg/CSRI/init_define.html)

It is interesting to note that internationally, the term CSI is used for a broad spectrum of activities; for example, when referring to the practice of good corporate governance within a company, right through to giving back to the community in some form as per the definition above.

The ISO Strategic Advisory Group (SAG) on Social Responsibility states that there is no single authoritative definition of the term “corporate / organisational social responsibility,” and does not try to find one. However, it does note that most definitions highlight a key relationship between economic, environmental and social aspects as well as the impact of a company’s activities. It further states that organisations applying corporate social responsibility take a balanced approach when addressing economic, environmental and social matters of concern; this balanced approach involves ways that are focussed on benefitting societies, communities and people (International Institute for Sustainable Development, 2004).

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This literature review scrutinises the two subjects making up this research paper: Marketing, with specific focus on Sports Marketing and Affinity Marketing, and Corporate Social Investment (CSI). By studying each subject, the aim was to identify the common elements between these activities and to identify if there is any technique and methodology used in the two marketing fields that can be best applied to CSI.

The process followed was to identify what each subject entails as well as the key elements for the success of each. If there are overlapping features such as objectives and benefits for the company, then this will raise the question of whether CSI should be taken much more seriously and become a key function of a company so that it may result in greater benefits for the company and the CSI initiative.

2.2. Definition of topic

Three aspects were researched: Corporate Social Investment, Affinity Marketing and Sports Marketing.

2.2.1. What is corporate social investment?

This section examines the concept of CSI.

2.2.2. What are the specific characteristics and method of success for corporate social investment?

The objective of this section was to consider what CSI is and to identify successful ways of implementing the policies and processes of CSI. There may be numerous forms of CSI and the aim was to identify how companies carry out and apply their policies and the reasons for doing so.

2.2.3. What is affinity marketing?

This section examines the concept of affinity marketing.

2.2.4. What are the specific characteristics and methods of success for affinity marketing?

The objective was to answer the question: “what is affinity marketing and how is it best implemented in order to achieve the objectives of the company?” The focus was to identify any special features in the ways that companies carry out their affinity marketing campaigns and to highlight these actions.

2.2.5. What is sports marketing?

This section examines the concept of sports marketing.

2.2.6. What are the specific characteristics and methods of success for sports marketing?

The objective was to answer the question: “what is sports marketing and how is it best implemented in order to achieve the objectives of the company?” The focus was to identify any special features in the ways that companies carry out their sports marketing campaigns and to highlight these actions.

2.3. Corporate Social Investment

2.3.1. What is Corporate Social Investment?

Given the negative impact of business practices on society, as well as the corporate reliance on society, Corporate Social Investment (CSI) may imply a social contract as described by economic theorists (Bowie, 1983); thus, companies are increasingly reliant on the market and need to give back to society in order to develop the market and empower it to spend. Bowie continues by stating that this contract affirms the dependences and expectations on business by society and vice versa. However, while there are many definitions of CSI, Beltratti (2005) has warned that these definitions are too general and in some cases, their effectiveness can be somewhat limited.

CSI has been defined as the duty of an organisation to promote human welfare and respect individual's rights in its operations (Manakkalathil & Rudolf, 1995; Oppewal, Alexander & Sullivan, 2006). The World Business Council for Sustainable Development (WBCSD, 1999) defines CSI as a continuous commitment by corporations to act and operate ethically while contributing to economic development as well as improving quality of life for the organisation's workforce, their families and the local community. Ideally it should also filter through to society at large.

CSI appears to cover a large number of factors or issues including environmental concerns, corporate philanthropy, community relations, public relations and human resource management (Shahin & Zairi, 2007).

According to Roberts, Rapson & Shiers (2007), there are common themes emerging from literature reviews on Corporate Social Investment and these are as follows:

- Activities concerned with standard business operations through good business practice.

- Going beyond duty to shareholders and legislative requirements.
- Being voluntary by nature and not being done because of an obligation.
- Abiding by laws and regulations through meeting responsibilities to external and internal stakeholders
- Integration of environmental and social issues into business operations and activities that indicates that the company considers what impact their actions have on their market, society and the environment.
- Optimising positive effects of the company's actions while minimising the negative effects.
- Objective concern for the welfare of society, doing good for society and giving back.

It is interesting to note that a number these points also apply to the responsibilities and impact of the marketing function in a company, as will be shown later in the research. A company strives to achieve the same objectives and to leverage its brand across well-established corporate governance within the company, and the company must do so responsibly and efficiently in order to reap the rewards in the form of revenue. However, a major difference is that the marketing function aims to exploit an opportunity and the environment or market in which the company operates, while CSI does not aim to exploit but instead, to give unconditionally because it is the right thing to do. The impact as per Meenaghan and Shipley (1999) is that certain goodwill can be exploited and increased by sponsorship, but there is a risk.

From Meenaghan and Shipley (1999), the author created figure 1 below to summarise and show the latitude of exploitation by sponsorship category in which goodwill can be leveraged.

Category	Permissible level of exploitation
Broadcast / Advertising	**HIGH**
Sports	
Mass Arts	
"Highbrow" Arts	
Environment	
Education	
Social Causes	**LOW**

Figure 1: Latitude to exploit by sponsorship category

Friedman (1962) believes that the social responsibility of organisations amounts to no more than simply maximising their profits and operating within the bounds of the law, thus abiding by the rules and obligations of the country. In South Africa, Black Economic Empowerment (BEE) ratings are affected by a number of factors, including CSI, and a good BEE rating puts the company in a good position to be awarded business for government tenders and government support, or favour from large multinationals. However, the whole BEE transformation exercise has been manipulated by using token activities and people in order to secure business.

Others believe that one main duty of any business is to anticipate potentially serious impacts of its actions on society and the environment and then prevent undesirable results (Steiner, 1972). Some mines in South Africa are doing this very well by investing in the community and the environment affected by their operations. In addition, there is a real need for society or government to take responsibility for managing the power (influence and “pull”) multinational companies have over the SA government and economy, and by doing so, ultimately utilise this power for the greater good of society (Cannon, 1994); if left to their own devices, many companies would exploit the conditions and the desperation of the communities in need of economic empowerment.

It may even be assumed that without CSI, there will be no market to sell to, so another objective of CSI must be to enhance, develop and support those communities and environments that a company depends on for profits. Any good initiative that could assist in increasing the size of the market or even develop a new market must be noted as a huge potential benefit for the company, and this requires investment from organisations through CSI initiatives. Meenaghan and Shipley (1999) support this position by stating that environmental programmes and social causes carry greater benefits for the market and generate greater support from the market as consumers equate lower levels of goodwill to companies focussed on profit and shareholder value, and not the community or any true CSI activity. They have the appearance of not caring.

However, the perception of benefit to the community and those in need can be negatively associated if there is any degree of perceived exploitation. The implementation must be open to public scrutiny as well as audited and benchmarked. The processes and tools must be in place and overall, it should become part of the organisation’s culture and code of ethics and responsibilities or else the respondents may exhibit lower tolerance for the company’s brand (Meenaghan & Shipley, 1999).

2.3.2. Obligation or honest good intentions?

Businesses have to be profitable while abiding by all those laws and ground rules that guide their ability to achieve business success in a given environment. Moreover, they have an ethical responsibility that includes a range of social standards (Carroll, 2000a). Those companies that resist the change or move to more CSI initiatives typically have raised a trade-off between profits and being socially responsible (Shahin & Zairi, 2007). This in turn may have an effect on the image, and ultimately, the profitability of the company.

An organisation has an obligation to provide social disclosure (disclosing to the public its CSI activities) concerning the resources sourced and to whom they have been entrusted (Gray, Owen & Maunders, 1991). The assumption is that if disclosure draws a positive market reaction with a positive effect on profits, then investors in the company must clearly be utilising this type of information for their investment decision making. If so, then this information is important to the company's success (Epstein & Freedman 1994). This process requires regulation and accuracy, or else the disclosure is simply propaganda and if found out, will damage the reputation of the brand. This will negatively affect loyalty and brand image which will largely have a negative effect on the company's profits.

Moir (2001) states that there are various reasons for investor activity and these are classified under five approaches:

1. Agency theory:

    - Focuses on the relationship between the managers and owners as agents and principals.

2. Legitimacy theory:

    - Assumes corporate actions are legitimate, desirable and proper with some connotation of social benefits.

3. Political economy of accounting theory:

    - Operating under a series of social contracts between members of society and society itself.

4. Stakeholder theory:

    - To prosper in a society over a period of time, entities must have good relationships with their stakeholders.

5. Self-justification and advancement of corporate theory:

    - Corporate actions tend to be self-focused.

Moir (2001) provides descriptions of these reasons as background to three stages of Corporate Social Investment.

2.3.3. Stage 1 – Enlightened Self Interest

The first stage is known as enlightened self-interest which means that the company is focusing all efforts on achieving maximum shareholder wealth. The basic activities include paying taxes, complying with legislation and dealing fairly in business. Shareholders can be classified as either primary (the actual financial investors), or secondary (those who influence the decisions, such as shareholders directly involved in the company and rely on the company for a living – in other words, staff).

A company focuses on building sales and workforce skills, improving employee trust through schemes that make working life for the staff more desirable and more satisfying. The expected results include increased productivity, sustainable growth and better returns for the company.

Companies have an obligation to all their shareholders to ensure that there is maximum return on their investment. They also strive to increase employee loyalty and retention and to establish a belief in the system by the employee. The outcome will be the beneficial as it will influence the reputation of the company positively. Most of the benefits are from investors prepared to invest more favourably and market opportunities created through this form of CSI. The aim is ultimately to sustain long-term stability and growth for the company; this aim is very much in line with the objectives of sports and affinity marketing.

2.3.4. Stage 2 – Neo-classical Approach

The second stage is the Neo-classical approach and deals with what society expects from a company and thus, almost creates a license for the company to operate. In this case, the company carries out basic CSI for publicity and to earn "points" and favour with the customers as well as the government; however, this is still not truly developing society. The company focuses on minimising negative effects and acting within the spirit of the law.

Activities include using environmentally friendly machinery, resources and procedures. For example, companies avoid using risky suppliers and child labour practices as well as "unclean" resources. They are also involved in creating a better working environment for staff through a focus on working hours and working conditions.

2.3.5. Stage 3 – Moral Approach

The third stage is the Moral approach and is the true form of Corporate Social Investment as it focuses on the real impact and difference that a company can make in the community where it operates. Here, companies take responsibility for a healthy society and help to alleviate society ills.

Examples of this stage in South Africa include the *Supersport Let's Play* initiative where children of all ages and backgrounds are encouraged and financially supported to take part in any sport they choose, in order to gain from all the social and physical benefits of playing sport. The additional benefit is to teach them and guide them away from the negatives of society and encourage a positive lifestyle (Supersport.com, 2013). Another is the Lead SA initiative launched by Primedia that drives and supports the impact that individuals can have on the country. It encourages and empowers the good initiatives that people and companies have and aims to provide the necessary support to ensure that the initiatives are successful and sustainable. Primedia also launched the National Crime Line platform that provides a platform for anonymous whistle blowing on crime (which has been adopted by organisations across the country) (Primedia, 2011).

Most companies have unique resources and contacts within their target market and these can be of value for true CSI. It is believed that because the company has resources, it should help in improving the social environment in which it operates or where it has a target market generating revenue for the company. Such companies are actively involved in donations and community sponsorship programmes and they leverage their assets to support the initiative. In the case of Primedia, they leverage their broadcasting assets (amongst many other assets including major marketing assets) to publicise the good initiatives carried out by communities and companies, and to promote the Lead SA campaign.

These initiatives can be in areas within a city or country, or even on an international scale. Globally, organisations have embraced CSI not only because it is a reflection of their individual role in giving to social objectives, but also because of the impact it has on improving profits. Therefore, while companies are continuously striving to create corporate identity, they are also aiming at improving social standards and addressing the concerns of social exclusion and community development (Oketch 2004).

CSI is the continuing commitment by businesses to behave ethically and contribute to economic development, while improving the quality of life of the workforce and their families as well as of the local community and society at large. Business has become more global than ever predicted, leading to the creation of a larger society. This trend has created more responsibility for companies and their role is no longer just about maximising profits, but rather taking a closer look at the impact of their actions (Marzantowicz, 2002; World Bank 2002). Consideration needs to be given to the external costs of daily operations to the greater society (Oketch 2004).

2.3.6. Are there risks, who is responsible and who must be considered?

Focussing on the communities and the development of societies in need can take its toll on a company and so its primary function, which is to make a profit, can be negatively affected. The concern is that CSI requires funding, and therefore the optimal balance between CSI and profit must be found. However, with the belief that CSI is not as profitable as other activities within a company, there is a tendency to lean toward increasing the profits of a company and therefore, focus on activities such as marketing.

Oketch (2004) states that, with the aim of promoting quality corporate governance, certain actions or tasks need to be addressed and taken into consideration. Firstly, the rights of the stakeholders need to be considered. All stakeholders including employees, through teamwork, drive the company into a position of competitive advantage. Many employees identify with the company that employs them in numerous positive ways and often use the term “my firm” or “my company”.

However, the external environment affects corporate governance and the decisions made concerning CSI (Halal, 2000). Figure 2, below, shows that there are multiple factors that influence the company’s approach to CSI, but management is the centre of all and has the greatest influence.

Halal’s model sees the firm as a socioeconomic system where wealth is created through shareholder collaboration. It is important to note that this is not done to be socially responsible, but rather because it is a competitive advantage, characteristic of marketing activities. It is also interesting to note that management plays a role throughout and therefore holds the key to the success of the company and its different campaigns. A point later supported by the King III report that highlights the importance of the board and top management of a company and their involvement (King III, 2009).

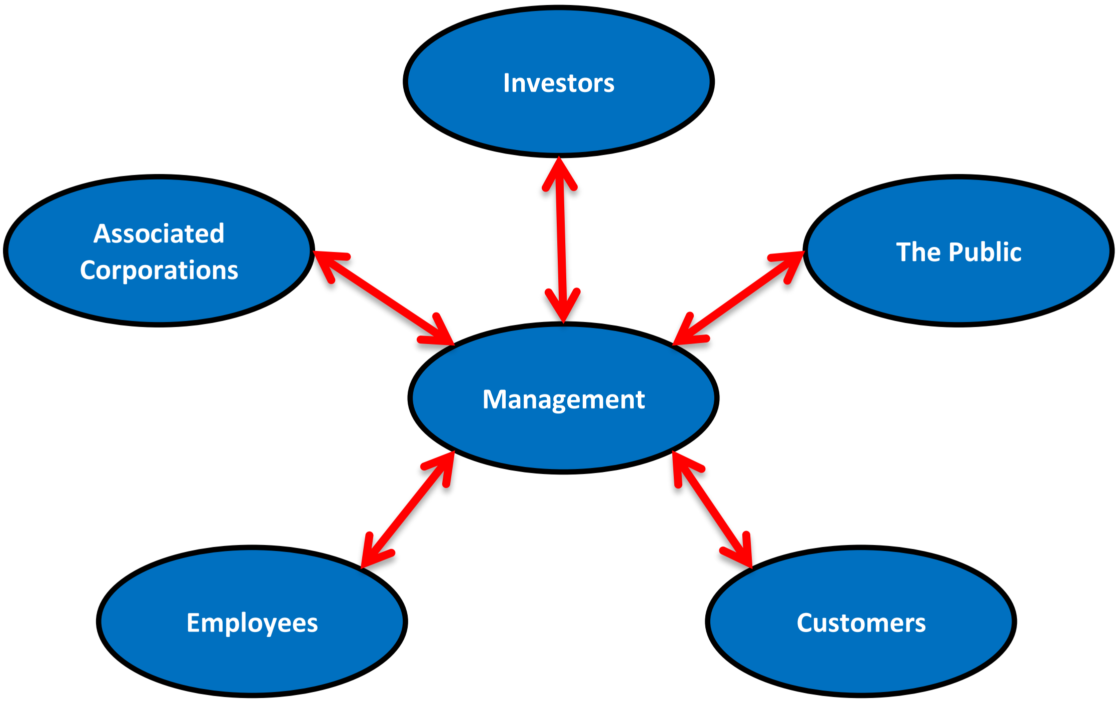

Figure 2: A new perspective of corporate community model (Source: Halal, 2000)

The wellbeing of staff is vital: if the staff does not believe in the cause, then the cause will be lost through lacklustre implementation. It would almost be hypocritical for a company to help others while its staff is unhappy (King III, 2009). Ishikawa (1985) strongly states that the first concerns for any company are the happiness and work satisfaction of the employees because without these, that company does not deserve to exist.

The second of Oketch's tasks to be addressed is that the shareholders need to be considered: it is their capital that empowers and provides opportunities for the company. Every shareholder will insist on seeing a return on his or her investment and CSI has become an important factor for an investor when deciding whether to invest into a company. Ullmann (1985) further states that it is highly beneficial for a company to make its CSI activities known to all potential investors; this will also promote client interest and at the same time, the publicity is often manipulated and even exploited through marketing activities.

The third issue to be addressed is transparency and full disclosure of all activities within the company. Examples of companies that have carried out cloak and dagger activities include Enron and the BP oil spill off the US coast in the Mexican

Gulf. Bad publicity can ruin any brand loyalty in the long run and therefore, this risk requires strict and accurate accounting procedures to combat corruption while the board of the company, the top management and centre of direction, must remain responsible for the actions of the company and lead the company properly through any situation.

CSI also has strong links with corporate governance, which originally emerged from the need to address the demand for increased corporate social responsibility by stakeholders and shareholders (Rosen, Sandler & Shani, 1991). This shows that CSI is not only a concept but also a way of doing business that can and must be part of a company's culture and objectives. Shahin and Zairi (2007) support this view by stating that the only way to address the complete spectrum of CSI requirements is to look at how the entire organisation operates and carries out its objectives and activities.

However, good corporate citizenship is likely to be adopted by a company as a worthwhile investment if the activities clearly trigger consumers' active support (Maignan & Ferrell, 2001). This leans towards a tool, process or even technique used by marketing where an opportunity is seen in the event or act (initiative), and this is exploited in a manner that benefits the company's brand.

It is interesting to note that the manufacturing industries are further ahead of the service organisations in their efforts and commitment to CSI (Hazlett, McAdam & Murray 2007). This is mainly because they have more of a direct impact on society due to the work force they employ, the environment in which they operate, as well as how they operate and the resources they use.

2.3.7. The rules and conditions for true CSI

There is an old Chinese saying that "the fish rots from the head". Social activities do not fail because they are bad ideas; they fail if they are badly managed. As already mentioned, all shareholders need to take responsibility and it is imperative that top management be very much involved in driving proper CSI. Incorrect management of resources and activities is detrimental to the company and can dramatically damage the image and reputation of the company which could in turn cause the company to shut down.

Government plays a major role in the decisions made by companies regarding their contributions to CSI. If forced, most companies will do only as much as they see fit or are legally bound to do. Ararat (2008) looked at the difference between countries such as the UK and countries such as Turkey. The significant difference found in the study was that countries such as the UK, Germany and Holland are characterised by high individualism and freedom as well as support from government. They are relatively more future orientated.

On the other hand, countries such as Turkey tend to be governed by authoritarian governments with high in-group collectivism. There is very little intellectual and emotional independence from government. Turkey also has a much lower level of CSI activity than the countries that experience more freedom from government control. In fact, many companies in Turkey referred to obeying the law as an instrument of social investment.

Ararat also noted the significant influence that trade unions have on social investment; in most cases, their influence is negative as companies which are dictated to and forced by such unions into unfavourable business situations, become disillusioned with trying to help others whom they are not obliged to help.

Porter and Kramer (2007) suggest that the established displays of social investment by a company are disconnected from the business as they represent a response to pressure from NGO activism. Therefore, a sustainable social policy and agenda can only materialise if social responsibility is integrated into the business strategy of a company.

As an opinion maker and as a reflective mechanism of society's expectations, media plays an important role in influencing corporate behaviour. Questions then arise when media is government owned in some countries (Dyck & Zingales 2002), and companies are not able to trade freely and are forced into certain activities by government regulation. If allowed to operate without government interference, corporate philanthropy can provide communities, especially poorer ones, with services and facilities (medical, education and recreational) far more easily than public services can. Moreover, expenditure by businesses on these purposes can often exceed the corresponding expenditure carried out by governments (Robins, 2008).

Four forces are cited by Pryce (2002) as the drivers of CSI in a company. These forces are:

- Customer pressure.
- Changes in business procurement.
- Government legislation and pressure.
- The rise of CSI and the pressure and expectations of employees.

Wilson (2000) and Carroll (2000b) state that there are new rules for corporate business manners and these should include:

- Legitimacy.
- Governance.
- Equity.
- Environment.
- Employment.
- Public / private sector relationships.
- Ethics.

CSI is not only good for those directly benefiting from the initiative, but it is also good for the economy of the country and therefore should be supported and incentivised by government. If the partnership between business and society fails, governments will revert to fiscal instruments such as taxation, and strict regulation (Oketch 2004).

In 1994, the birth of the new South Africa took place through the first democratic elections. In that year, the King Report on Corporate Governance (King I report 1994) was produced by High Court Judge Mervyn King S.C. and it incorporated a detailed Code of Corporate Practices which included the highest standards to meet the requirements of the new South Africa. The report included regulatory and financial characteristics of corporate governance, and also an amalgamated approach to good governance to meet the interests of a wide range of shareholders. Since 1994, the international and local economic environments have undergone some fundamental changes and there have been many legislative developments that gave rise to the need to update the King I report; in due course, in 2002, the King Report on Corporate Governance for South Africa (King II) was commissioned.

The King II report acknowledges that there is a move away from the single bottom line which is a focus on the profit for shareholders. In fact, the report says that there is now a triple bottom line that embraces not only the economic aspects but also the environmental and social aspects of any company's activities (King II Report 2002).

The report is primarily targeted at listed companies, public sector entities as well as financial services companies. However, it is not limited to these organisations and can be applied to any company carrying out business in South Africa. The report accentuates the importance of establishing the right balance between the performance of a company (all decisions and actions taken in order to ensure that the company is profitable with a high rate of financial return for shareholders), and the conformance of a company (the process of adhering to the right principles and ethics when doing business). There is clearly potential for a conflict of interest for stakeholders when trying to find this balance.

The King II report categorises seven primary principles or characteristics of good governance as follows:

1. Social responsibility.

   This is a measure of a company's demonstrable commitment to ethics and of its appreciation of the environmental, social and economic impact of its activities on the communities in which it operates.

2. Transparency.

   The ease with which somebody outside of a public company, such as an auditor, can analyse the company's performance.

3. Discipline.

   This is a commitment by senior management to act in accordance to widely accepted standards of proper and correct behaviour.

4. Independence.

   The level to which conflicts of interest are avoided so that the best for the company is achieved at all times.

5. Accountability.

   This measure deals with shareholders' rights to query and to receive information on the management of the company's performance and assets.

6. Responsibility.

   Acceptance of all consequences of the organisation's actions and behaviour. This includes the commitment to constant improvement as and when required.

7. Fairness.

   Balance between, respect for and acknowledgement of the interests and rights of the various stakeholders.

These seven primary principles instil the key guiding principles provided in the Code of Corporate Practices and Conduct (King II Report) as well as the respective supporting commentary section of that report. These principles are applied to all aspects of the company, including financial management, health and safety, and the environment.

Castka, Bamber, Amber and Sharp (2004) emphasise that CSI must be treated in the same way as any other investment and that the return on this investment must be measured to identify the optimum level and thereby satisfy all stakeholders and shareholders in the company.

However, in 2009, the third King Report on Governance in South Africa (King III), compiled by the King committee as well as the King subcommittees, was necessary in anticipation of the new Companies Act and the changes in international governance trends. The purpose was to focus on the importance of annual reporting on the following:

- If and how a company has both positively as well as negatively affected the economic situation and dynamics of the community in which it operated during the year under review.

- To identify how the company intends to improve those positive aspects and eliminate the negative aspects mentioned above on the economic situation and dynamics of the community in which it will operate in the year ahead.

The fundamental and underlying message of the report was around leadership and sustainability and the impact on corporate citizenship or CSI (King III, 2009).

The report highlighted that good corporate governance is about good leadership and there is a real need for leaders to take full ownership and address the challenges of CSI if there is to be any success as well as sustainable results. Their strategy and direction have an impact on the company and its shareholders, and the company’s impact on society. The report went further to state that sustainability is the primary moral and economic imperative in today’s economic forum as well as the future economic forum.

Because nature, business and society are interconnected in highly complex ways and manners, innovative development and collaboration will help secure a positive outcome for all. In fact, it is vital for South Africa to leave the legacy of apartheid behind and to grow as a nation through social transformation that must be supported by all organisations (King III, 2009).

The introduction of King III has resulted in a number of changes to CSI practices and these changes unavoidably impact the organisation with a number of challenges (Muwandi, 2010). The main changes introduced by King III relate to the composition and role of the board as well as the board committees. In addition, the new topic of IT governance and the need to publish an integrated report becomes a factor.

The King III report emphasised the link between CSI, ethics stakeholder relationships and integrated reporting. However, the greatest challenge was around how to apply the report to all entities, irrespective of form of incorporation. The report further aims to establish an “apply or explain” concept from a “comply or explain” concept.

King III could also result in an increase in the diversity as well as the size of the organisation’s board and this may be the challenge as there is a need for qualified people to fill directorship posts and provide integrated reporting on non-financial activities of the organisation (Muwandi, 2010).

2.3.8. Are there benefits for a company with a true CSI initiative?

As in the case of marketing, the benefits of CSI for a company may not be measurable and this is partly because of the sheer scale of the task. However, there is no doubt that CSI can have a positive effect on a company’s brand and it has already been mentioned the positive effect it can have on investor and stakeholder decision making.

Findings suggest that consumers have the ability to decide what the role of business in society should be as they move from a preconceived idea of cognitive moral development to a principled level; their decisions all depend on the information they receive (Maignan & Ferrell, 2001). The consumer's level of trust in the source of information will help determine his or her willingness to believe and accept that information (Osterhus, 1997). Consumers concerned with the level of a firm's social responsibility are likely to display high levels of involvement in the market place. Those consumers who are aware of the social activities of a company, both positive and negative, are very likely to share the information with others; in some instances, a consumer may be persuaded to purchase a product simply because of their knowledge of the company and not of the product (Maignan & Ferrell, 2001).

Financial decisions are always difficult, because of competing priorities, and CSI is often seen as a lower priority than other functions. It is perceived as a high-cost, low return expense with minimal benefits for the company, as well as being a legal obligation. However, CSI need not be poorly regarded by the finance department as many companies with strong CSI programmes fare just as well, or even better, on the stock market than companies with non-social agenda (Wildes, 2008).

2.3.9. How should CSI be managed?

The benefits of CSI highlight the need for proper management of this activity; it should not just become an additional, secondary role for other divisions of the company. Donaldson (1990) and Davis, Schoorman and Donaldson (1997) claim that a stewardship management environment is better suited for the CSI activities of a company. They hypothesise that managers in that role may be less opportunistic, individualistic and self-serving by serving the interests of the organisation through collectivist, pro-organisation activities. These writers state, moreover, that *homo economicus* (people who are primarily economically focussed) can be replaced by a steward who is still able to achieve his or her own goals, but can do so with the company and the customer's best interests in mind. Finding such managers is not easy and furthermore, managing them and creating the ideal environment for them to thrive is a continuous task of top management with long-term dedication needed.

In addition, Porter and Kramer (2002) claim that stewardship management can be the most cost-effective manner in which a company can improve its competitive context and enable that company to leverage the infrastructure and efforts of non-profit institutions. They view philanthropy as an initiative driven by leadership(and management as King III suggests) and not one to be delegated just to a corporate foundation or public relations department.

When profits are down and the markets are in turmoil, the first thing to be cut is philanthropy (Wildes, 2008). This reaction is very much in line with the attitude of management towards marketing: in a crisis this is often the second thing to be cut from the budget.

2.3.10. Leveraging off CSI

Strategic philanthropy has been defined as the synergistic use of organisational core resources and competencies to deal with key stakeholders and their interests, and ultimately achieve both social and organisational benefits. Organisations are best suited to engage in societal activities in which the company has experience and knowledge (Wildes, 2008). Therefore strategic philanthropy requires the alignment of organisational resources with the needs of society, in turn creating expectations for a form of return on, or value for, the organisation's investment (Deutsch, 1997).

Companies address or tackle CSI in a number of ways. Zairi (2000) states some examples of commitments made by some companies:

- Sustainable use of natural resources.
- Protection of the biosphere through control and reduction of any substance that may cause damage.
- Reduction and safe disposal of wastes by utilising recycling processes and policies wherever possible.
- Energy conservation.
- Risk reduction for the environment.

- Manufacture, sell or use safe products and process.
- Environmental restoration.
- Informing the public in a timely manner of any problems that may arise.
- Commitment by management.
- Audits and reports and full disclosure.

Other examples of CSI include development of partnerships with selected non-profit organisations with a strategic fit to the objectives of the company, direct contributions to non-profit organisations, employee matching gift programmes, scholarship programmes, equipment / product contributions, contribution of technical expertise or employee management as well as providing in-kind services. Generally, relationships are pursued with institutions in health care, education, civic affairs and culture.

Another significant method of CSI is cause-related marketing. Corporate philanthropy can be viewed as an extension of the company's public relations or communication functions (Genest, 2005).

The common reasons for a company to engage in philanthropy are that it can enhance the corporate image, strengthen consumer loyalty, gain competitive advantage through this generation of loyalty and ultimately, can increase profits for the company (Paul, 1993). These are also the objectives of any marketing programme implemented by a company wanting to compete profitably in any market. Simon (1995) states that the objective of the strategic use of philanthropy is now seen as being a constituent of long-term competitiveness.

Many companies abuse the idea and benefits of CSI. In many cases, the company undertakes societal activities for self-gain with no real interest in actually giving back and improving either the environment or the lives of the people and communities. Some companies use CSI to hide many of their illegal and shocking business methods; often, the truth is hidden from society through carefully managed window dressing. In some instances, people are placed by the sponsoring company in certain management positions in an establishment such as a school or hospital being sponsored. Often, the reason is that companies have a direct financial interest in the decisions these managers make (Robins, 2008).

However, one can reasonably ask the following: if the community is benefiting and if meaningful and obvious developments are taking place because of the investment made by a company, does it matter if that company also benefits in some way? An alternative could be that the funds are spent on activities such as marketing where only the company benefits.

2.4. Affinity Marketing (Cause Related Marketing)

Brown and Dacin (1997) carried out a series of tests within a laboratory environment and found that negatively-perceived social activities by a company can have a damaging impact on the overall evaluation of the company by the market. However, they found that the converse is also true. Maignan, Ferrell and Hult (1999) carried out a survey that established a positive relationship between proactive social activities by a company and customer loyalty: consumers are fickle but generally are looking to do good.

In recent years and in order to generate further support from customers, some companies have turned to Affinity Marketing (AM), also known as Cause Related Marketing (CRM); this approach is increasingly favoured in very competitive markets with developing consumer sophistication (Mekonnen, Harris & Laing, 2008). Ross et al. (1992) define AM or CRM as the linking of the company's marketing activities with revenue generating activities of Corporate Social Investment campaigns; this is done by offering consumers a proposition whereby the purchase of particular services or goods results in the company making a specific payment or donation to its CSI campaign.

Macchiette and Roy (1992) define AM as presupposing some form of social bonding or cohesiveness, identity and conformity to the standards and customs of a specific reference group. AM can be likened to strategic CSI or strategic philanthropy or to what is termed benevolent philanthropy. In the case of AM, a percentage of revenue from the sale of specified items is allocated to a company's CSI initiatives. For example, the ice cream giants, Ben & Jerry's, gave one percent of their pre-tax profits to programmes supporting peace initiatives (Nelson, 1997). The result was that people wanted to do the right thing and therefore supported the cause and campaign and the spin off was that Ben & Jerry's revenue went up as well. This shows that CSI can be used at a strategic level by a company.

The process of targeting a specific group or market, using the relational nature of AM, is the main feature that highlights the break from orthodox marketing. AM capitalises on the goodwill the consumer has towards the campaign and the existing non-commercial affinity relationship is adapted and exploited for profit (Mekonnen, Harris & Laing, 2008). Having identified the right partner, a company will look for complementary strengths and reputation in order to capture a new segment of the market (Horne, Naude & Worthington, 2000).

By supporting a specific cause, a company is able to build a relationship between the cause and the company itself, and in turn, can become well regarded by that segment of society in favour of the cause (Shiekh & Beise-Zee, 2011). Another advantage of AM may be that a more unfocused corporate social responsibility campaign may not harvest much of a competitive advantage or differentiator for the company if CSI is expected to be a company's normal and required behaviour.

There are five major sources of affinity group centeredness (Worthington, 2001):

1. Professionally-based groups.

   These include lawyers, doctors and dentists whose main affinity is group affiliation.

2. Socially-based groups.

   Examples include fan clubs and sports clubs, where the affinity is derived from enjoyment of leisure activities and socially centred motives.

3. Value-centred groups.

   These are groups that share a common cause, value system or ideology.

They include political parties, environmental groups and charities.

4. Demographic-based groups.

   Alumni associations, regional or city membership cards and age related groups.

5. Marketing-generated affinity.

   This can be linked to any of the four categories above but with the defining distinction that it is conceived and generated by the affinity package for marketing purposes.

By bridging the gap between marketing and CSI in the form of AM / CRM, it places the company (in the market's mind) in a good or positive light and as it leverages off the CSI initiative and the image benefits thereof, it is able to manipulate and even exploit the opportunity for the brand. The reason is that AM / CRM is usually more appealing to the consumer than CSI activities and is much easier to communicate. It is usually cheaper than the marketing budgets allocated by companies. A key element of AM is that the organisation offering the affinity package has cemented a relationship with customers that it might otherwise not have reached, or that would have cost a great deal of money either to reach or even to attract their attention (Worthington, 2001).

The other very important benefit of AM is that it creates the all-important linkage between cause and the company (Shiekh & Beise-Zee, 2011). This key advantage of customers associating the company with the cause is known as the "cause affinity" of the customer and target market (Barone, Norman & Miyazaki, 2007; Drumwright, 1996). The fundamental objective is that the customer's attitude towards any cause-related product or service is influenced by the cognitive belief, as well as the elevation of these beliefs, about the benefits towards the cause (Fock, Ka-shing & Hui, 2005).

Companies are therefore making substantial investments into AM / CRM in order to establish an affinity with those customers interested in entertainment events, social causes and sports teams, in order to secure their loyalty and support. The objective, as with sports marketing and marketing in general, is to improve loyalty, reputation, brand preference and ultimately, profits of a company. All this differs greatly from the practice of some companies that, in the past, may have sponsored or supported an activity because an executive felt like helping a favourite team or cause (Bloom, Hoeffler, Keller & Meza, 2006).

2.4.1. How does Affinity Marketing work?

Companies such as Timberland, American Express, Starbucks and KFC (to name a few international brands) have used some form of AM whereby an initiative is supported. This is also true for South Africa's own Nedbank have taken on the approach of green marketing. In 1999, Scottish and Southern Energy (SSE) partnered with the Royal Society for the Protection for Birds (RSPB) in an attempt to convert customers to their "green" electricity generated by hydro-electric plants. SSE aimed at offering "green" electricity to the one million RSPB members, and to do so without charging any premium. They claimed that for each customer that joined them, the SSE would pay twenty Pounds into a fund for the conservation of birds (Worthington, 2001).

All companies that have engaged Affinity Marketing (AM) have done so to generate client support and loyalty, according to Bloom et al. (2006). They report that this is achieved through:

- Cause-related marketing:

  Every unit bought from the company triggers a donation from the brand to a cause.

- Green marketing:

  The environmental friendliness of a brand is stressed as a differentiator, and a donation is made by the brand to a cause.

- Cause sponsorship:

  The brand is clearly identified and promoted as a supporter for a cause.

- Social advertising:

  A cause is promoted in a brand advertising campaign.

Barret and McCarthy (2002) add that companies have used AM to differentiate their brand in the consumer's mind, leading to a range of desired effects including greater efficiency for other marketing efforts, the ability or right to charge higher prices, an increase in market share, and favourable treatment from stakeholders. It has been shown that most people in the USA would move to brands affiliated to good causes if quality and price is similar (Cone Inc., 2002).

Nedbank were once market leaders in launching their affinity programme, with their Green Credit Card being linked to the World Wildlife Fund (WWF); this was one of the first cause-related programmes in South Africa. They have since expanded (and possibly diluted) their campaign with affiliation to other causes such as sport and the arts. The objective of the donation or payment by Nedbank is to encourage the affinity group to help market the card while the card holder is also encouraged to use the card for the benefit of the affinity group. The key to profit is not based on the number of cards sold, but on the usage frequency of the cards, with long-term profits based on favourable customer experience shared with others (Ziethaml, 2000). While this encouragement will ultimately help increase the funds for the affinity partner, the use of the card will have a positive impact on the bank's profitability through bank charges (Worthington, 2001; Macchiette & Roy, 1992).

Other banks have affinities not based on good causes but on other activities. One example is ABSA's credit cards with logos of favourite Currie Cup Rugby teams printed on them. Although this is a form of sports marketing, it is also a good example of AM but without the good cause. The key difference between a normal ABSA bank card and Nedbank's Green Card is that when the customer signs up for the Green Card and then uses it, a payment is automatically made to the affinity partner group.

None the less, there are benefits for ABSA with its Rugby affinity card. While there is no donation to an affinity group, the ABSA rugby card plays on the customer's pride and support for his team and encourages the customer to use the card more often, hence more profit for ABSA. Thus, sports marketing can be linked to and benefit from AM (just as CSI can be linked). It targets a product, or in this case a card, to customers through endorsing a rugby team and a competition and this can be a differentiator for the bank (Macchiette & Roy, 1992); the resulting revenue can be defined as cause-related (Worthington, 2001), but in this case, only for the bank.

However, not only banks offer affinity packages. Manchester United Football Club (one of the world's biggest football fan bases) offers its supporters affinity loans, savings accounts, mortgages and life assurance through the Club's 30 000 affinity cards (Garrahan, 2001). In the year 2000, this generated five hundred thousand Pounds for the club. In the UK alone, market research in 2000 found that there were 430 different financial packages linked to sport. This is becoming evident in South Africa as well with examples such as Kaizer Chiefs Soccer Club which offers funeral policies to its fan base and supporters. It is important to note that for the majority of their supporters, funerals are culturally very important, and so the club is leveraging off cultural factors and the loyalty of the fan base.

Many case studies have shown that social marketing activities such as AM and CSI cost considerably less than conventional marketing activities such as sports marketing (Bloom et al., 2006). However, it is imperative for a brand to fit well to the cause in order to have a high and successful level of affinity. In other words, a milk company would achieve better results by providing milk to underprivileged children as opposed to promoting responsible drinking of alcohol (Sen & Bhattacharya, 2001). In addition, it would be ideal for a brand to be one of only a few brands affiliated to a cause, if not the only brand, otherwise the company will lose the ability to create a clear and bold distinction for the brand (Bloom et al., 2006). Affinity packages can be tailored to the customer, but it should ideally stay within the context of the group (Worthington, 2001).

In short, revenue from AM is directly related to use and support (Fock, Ka-shing & Hui, 2005), and there has definitely been success for companies implementing AM, across the globe.

2.4.2. *The risks and concerns of Affinity Marketing*

In practice, CSI, also known as Corporate Social Responsibility (CSR), is often perceived as being motivated and communicated for marketing purposes (Lantos, 2001). The disclosure of all CSI activities may result in benefits such as customer loyalty, supportive communities and markets, as well as enhanced reputation (Lou & Bhattacharya, 2006). It is also strongly linked to risk management and long-term profitability (Juholin, 2005).

According to Polonsky and Jevons (2006), CSR branding explicitly means that because CSR is an essential part of the company's brand, any, and possibly all, associated activities communicate these brand characteristics to the public and the market in which it operates. However, questions on the effects of the combination between CSI and CRM remain unanswered.

Banks such as Nedbank have their own cause-related offering to the market with their Green bank cards. Benefits from such cards are based on an assumption that there is a direct financial return to the affinity group and this is a core element of the value proposition being offered by the bank to the customer. However, this is rather simplistic as customers are interested in a range of alternative benefits and this affects the attractiveness of the card (Mekonnen, Harris & Laing, 2008). The customer's ego is not always an advantage for the bank.

Shiekh and Beise-Zee (2011) state that CSI is generally the perception of an organisation's integrity and is not a synonym of a good brand. It is instead, a manifestation of Corporate Social Investment or a dimension of that called cause specifity. CRM can be part of CSI but it can never embody CSI fully.

The final impression of a company involved in or practising AM, is one of putting additional effort into society over and above normal good corporate governance and citizenship (Shiekh & Beise-Zee, 2011). However, the disadvantage of cause affinity or cause specificity is that the market may perceive the company to be merely wooing the market and not sincerely concerned with or even sincerely supportive of the cause. In addition, any person, group or company actually opposed to the cause may not only turn away from the company practising cause affinity, but may negatively affect the market through word of mouth. Good examples of causes having this effect often incorporate gender or religious issues, or any issues relating to a sexual nature.

If cause-related marketing campaigns are not implemented and managed properly, consumers may have a negative impression that companies are exploiting the affinity groups for their own benefit and not taking care of the cause (Varadarajan & Menon, 1988).

2.5. Sports Marketing

Sports marketing dates back to ancient Rome, when compatriots sponsored gladiator duels and chariot races (Ukman, 1984); nowadays, it is a strategic activity for a company (Amis, Slack & Berrett, 1999). The reasons for sponsoring those gladiator duels and races were very similar to the reasons given by companies today in using sports marketing: to win public respect, admiration and loyalty (Ukman, 1984) of a person, team or, in the case of a company, of a brand. The field of sports marketing is multifaceted and involves sponsorships, event management, sales of television broadcast rights, public relations, marketing and even sports club management (McKechnie, 2011).

Modern sports sponsorship can be traced back to the 1950s when Dwight D. Eisenhower, then the President of the USA, asked two companies, Mutual of Omaha and Union Oil, to sponsor the first presidential fitness programme (Lazarus, 1984). Sports marketing is about money and in large quantities. In 1994, sport was ranked as the eleventh largest industry in the USA (Shannon, 1999) with worldwide sponsorship expenditure exceeding US$15billion at the end of 1996 (IEG, 1996).

The author drew up table 1 to show the rapid growth of sponsorship across the world for the period 1984 to 1997, a staggering growth of 905% in just thirteen years.

Table 1: World-wide sponsorship market

Year	Value ($ billion)
1984	2.0
1987	4.1
1989	4.5
1990	5.2
1991	8.3
1992	9.4
1993	10.8
1994	13.02
1995	15.1
1996	16.57
1997	18.1

Sponsorship or sports marketing has evolved from an ancillary role to being an underpinning strategy in marketing (Meenaghan 1998) in what Cornwell (1995) termed "sponsorship-linked marketing". Farrelly, Quester and Burton, (1996) further emphasise that this strategic role is evident because it is often senior managers making the decisions on sponsorship and not the brand or product managers. Sports marketing echoes and underlines a global stature of a brand as it has the remarkable potential to transcend cultural boundaries and is therefore a tool of choice for global marketers (Cunningham, Taylor & Reeder, 1993; Miyazaki & Morgan, 2001).

Today, global corporations fight for the rights to be affiliated to a league or team in order to reap the benefits of the affiliation (King, 1995). This is often referred to as sponsorship where there is an exchange of resources with an independent partner with the aim of gaining a return on investment (McCarville & Copeland, 1994). The Olympic Games held in Los Angeles in 1985 is recognised as the event that started the trend of sports marketing on a formal basis and thereby turning athletics into a business generating revenue from sponsorship (Schlossberg, 1991).

Sponsorship materialised as an important brand building tool and initially most of the revenue generated from sports sponsorship came from tobacco and liquor companies. Tobacco and liquor products were banned from conventional broadcast media in the 1980s and so these tobacco and liquor companies were required to explore alternative ways to generate and instil positive associations for their brands and products in the eyes of the target market (Whannel, 1992). Realising the potential of sports sponsorships, tobacco and liquor companies were some of the first to invest into sports sponsorship on a worldwide scale (Quester & Farrely, 1998). For the corporate user, this is a highly versatile form of communication that is capable of achieving many objectives, specifically the projection of brand imagery.

Much has been written about the evaluation and planning of sports marketing and sponsorships but little is known about how sponsorships are managed. This is in spite of the belief that implementation is a critical factor in determining whether sports sponsorship is a failure or success (Meenaghan, 1998). There is evidence that sports marketing and sponsorships can be successful, but the empirical research available is limited (Bloom et al., 2006).

Sport has “delocalised” the world marketplace and with the help of television, sport is now less attached to specific places around the world. This is especially true with sports such as football, with its world-wide appeal and popularity (Mason, 1999). The sporting codes benefit from well publicised and televised events and they achieve this through sponsorship. The recent FIFA Soccer World Cup in South Africa in 2010 introduced brands such as Telkom and MTN to many new markets and gave well-known brands such as Adidas huge exposure. The survival of many sporting codes depends on the support and viewership of fans. These fans make up potential markets for brands and therefore brands or companies sponsor events for exposure in order to generate support and revenue for themselves as well as sponsors, teams and unions.

For example, large TV viewings are vital for the well-being of English Cricket because large numbers of viewers increase the financial value of future broadcasting rights, and augment the attractiveness of cricket to commercial sponsors. These large numbers aid merchandising and stimulate coverage in newspapers and other non-broadcasting media (Mason, 1999). After all, sport is now a business and is no longer simply for fitness and enjoyment. In fact, to enjoy the sport one no longer has to be at the stadium as it is easier and much more affordable to watch it on TV.

However, sponsors need exposure and therefore will spend large sums of money on promoting a game to get it broadcast. Corporates tend to associate their brand with highly publicised sports individuals and events (Quester & Farrely, 1998). This creates popularity and so broadcasters fight for the right to broadcast a particular game and in turn sell advertising and other sponsorship to pay for the purchasing of the right. In order to keep the appeal high, attractors such as good players and teams are also sponsored through very large budgets.

Advertising is a vital method of bestowing a brand with specific values through message content and the media vehicle (Meenaghan & Shipley, 1999). However, sponsorship is different because the medium and the message elements are not separate but instead are inextricably linked. Similar to CSI in that emotion plays a significant factor of influence, sponsorship works on emotions and the personality of the sport or event or the competitor, and the sponsor has no control over the content but instead, buys a time frame of exposure and affiliation for that period and the success of the team and / or individual. This is similar to CSI, where the emotional element associated with CSI may be the one element highly sought after by the company in order to generate positive affinity to the brand and even possible returns.

Often, remarkable emotions are generated by sports events within a community. The reasons for supporters to get behind their teams include patriotism for local or national games as well as for international games. Nostalgic national images are evoked, social pressures arise and tension builds up. The desire for drama and interest in star players are all part of the experience for fans. By understanding and gaining a detailed knowledge of these emotions and their characteristics, sports management and sports marketing departments of all sporting code authorities can determine the genre of promotional messages to use and emphasise in future advertising campaigns (Bennett, Ali-Choudhury & Mousley, 2007). One must ask whether CSI offers such scope for manipulation of emotions.

One of the benefits of sports sponsorship is it can be used to transfer positive impressions, inherent to a sports team, an individual sports person or sports event, to the sponsor's brand image. Ferrand and Page (1999) state that the concept of image within the framework of marketing has a number of attributes:

1. General positive feelings, impressions or characteristics.
2. Personality of the brand.
3. Linkages between the emotions and the characteristics.
4. A group or set of emotions organised in a specific way.
5. A set of consumer beliefs about a particular object.

Sports sponsorship has gradually taken the top place on the agenda of many corporations and companies because, unlike many other potential marketing or marketable platforms, sport is omnipresent and transcends class, cultures, languages and even continents (Megapro, 2009).

Other potential benefits of sports sponsorship arise from how the sponsorship messages are processed by the target market and consumers (Quester & Farrely, 1998); jubilant fans associate sponsored brands with positive events. In 2009, the Vodacom campaign of Elton and Jan shows how two people with supposedly different backgrounds and differences of opinion are united behind one country, one team and the team's successes, and as per the campaign, it is thanks to Vodacom that they can feel this way (Supersport.com, July 2013). The uniqueness of sports marketing is further explained by Whannel (1992) who refers to sport as a form of entertainment similar to that of movies. Sport offers an ideal world where things are simple, exciting and dramatic and where there is always a possibility of euphoria.

This warm and woolly feeling is similar to the emotions created by successful CSI initiatives and is also exploited in Affinity Marketing. However, while sport entertains, it can also frustrate, annoy and depress and it is this uncertainty that gives the unpredictable emotions and associated intensity that is characteristic of sport. This can present a risk to companies.

In many cases, it has been argued that sponsorships that are well managed can be a distinctive competence and in turn, enable sponsors to gain a competitive advantage in their market (Amis, Slack & Berret, 1999). In a similar fashion, in spite of many examples of sponsorship successes, the entire process by which successful sponsorship is achieved is not well understood (Fahy, Farrelly & Quester, 2004).

2.5.1. How does Sports Marketing work?

One has to bear in mind that no matter how powerful the goodwill link that the brand has in the public's eyes, it is fairly perishable over the course of time (Crimmins & Horn, 1996) and so there is a need to evolve and create new differentiators and to create new opportunities which will benefit the company. Marshall (1992) asks whether spectators are so preoccupied with the sports event that they fail to absorb the marketing message from the sponsor?

Against this background, it is apparent that the required definition and objectives of sponsorship campaigns must come from the top of an organisation. While this is in line with CSI campaigns, large budgets are needed to remain competitive and to achieve a good return on investment. However, there are limited means of measuring the return on investment and there is a need to manage any controversy and problems that can arise. All stakeholders require a detailed breakdown of what their roles are and the time lines (Dolphin, 2003).

By sponsoring and affiliating with a league or event, corporations are not buying the outcomes of the games; instead, they are buying an alignment to the reputation of the league, team or event in order to increase revenue for themselves (Mason, 1999). Companies enter into sponsorships for commercial reasons and not for philanthropic reasons (Barnett, 1990) but with three inter-related drivers as described by Whannel (1992):

1. Sport has the ability to attract media coverage.

   The sponsoring company and its brand will obtain exposure and publicity through this coverage.

2. There is a link between the sponsored team and the company providing the sponsorship.

   The positive emotions and overall affiliation to the team or league will paint the sponsor in a similar light. There is a hero factor in sport that is easily exploited and is something that cannot be achieved by other forms of advertising (Meenaghan & Shipley, 1999).

3. There are various demographic profiles of participants and spectators.

   This can create a wider net of exposure for the sponsoring company, into markets not normally focussed on or obtainable by the company.

Sponsorship does not only involve the sponsoring of the team or the league, but it can also involve the facilities or equipment of the sport. A marketing practice was started when an US company sponsored a stadium allowing over 100 placements for the sponsor’s logos throughout the stadium, that embedded the brand into the consumer’s mind (Heistand, 1996), and this resulted in the sponsor seeing substantial increases in revenue. As far as sports teams are concerned, sponsorship is not only achievable in television, but also in signage, advertising and other team related sponsorships.

Sport encompasses a very large and dynamic range of symbols and values and these are all expressed in terms of the image when presented to the audience: success is measured when fans are able to relate emotionally to the team, players and brands while revelling in their team’s success (Cialdini, Borden, Thorne, Walker, Freeman & Sloan., 1976).

2.5.2. The risks and concerns of Sports Marketing

The ever-increasing costs of sponsorship have caused major losses and failures for many sponsorship deals and these have cost companies millions of Rands. Companies invest large sums into a campaign at the risk of many dangers that can result in a failure and loss for the company. For instance, ambush marketing occurs when other companies reap the benefits from other campaigns without incurring the same costs (Sandler & Shani, 1989), and the risk of this makes sponsorship decisions more and more difficult for marketing executives. An example of ambush marketing is when Nike displayed its logo prominently on a building facing the location of the Atlanta Olympic Games (Meenaghan, 1994), gaining exposure without having to pay the exorbitant advertising rights to the event.

There are numerous sports marketing campaigns taking place in the world every day, and there is a large amount of muddle and confusion that influences and confuses decision making for the target market (Meenaghan, 1996; Payne, 1991). The aim of a company would be to avoid this general disarray and present clearer and more direct messaging in order to ensure that the company's efforts and campaign are not a failure.

There are two examples given by Fahy, Farrelly and Quester (2004) on how sports sponsorship can either be damaging or unable to save a brand.

The first is the case of Credit Lyonnais in France and the high profile sponsorship of the Tour De France. However, this could not prevent or subdue the public outcry from distrust in the brand after reports of mismanagement and financial losses by the company. While this association may seem unfair it is very difficult to control fully what markets remember.

In the case of Ansett, once the second largest airline in Australia, the AUD50million sponsorship of the Sydney Olympic Games did little to relieve the financial demise of the company. In fact, it may have even contributed to its demise. As in the case of Credit Lyonnais, investment into high profile events can at times offer little or no protection. A lack of return on one investment makes further investment very difficult. Copeland (1991) goes on to state that any unexpectedly high costs related to sponsorship deals as well as the extreme difficulty of actually allocating value to the outcomes, have been reported as major reasons for contract dissolution.

In closing, it should be noted that there is a need to leverage sponsorship investments in order to gain both image benefits and awareness. However, there is a cautionary note that any increase in goodwill is dependent on the intensity of the leverage and the proper exploitation of the sponsorship. This needs to be taken into account when deciding on a sponsorship programme.

2.6. Conclusion of Literature Review

Sport and affinity marketing both involve high budgets in a high risk environment with sports marketing having little to no control over the content. Both practices are aimed at increasing brand loyalty and brand image in exchange for exposure and affiliation to a prominent activity or cause. Sports marketing entails affiliation to a sporting code, team or event, while affinity marketing involves affiliation to a good cause: the returns on investment for both forms of marketing are difficult to measure. However, when managed and implemented properly, these forms of marketing provide unique opportunities for a company and its brand which if exploited properly, generate greater support and revenue for the brand and the organisation.

Corporate Social Investment (CSI) can also help organisations to gain legitimacy with government, shareholders and consumers and has the potential to lead to a well-functioning society. Society as a whole may receive benefits from CSI activity, but companies do not focus as much effort or budget as this function is not seen as a revenue generator for the company. In fact, many companies have CSI initiatives simply because of legal requirements for business practice in some industries. The potential is however, to create new and distinct markets that would benefit the company. It has been shown, in this Literature Survey, that CSI is often vital in luring investors and ultimately creating growth and increasing profits. This shows that one of the main purposes or reasons for CSI is to ensure that customers and investors are attracted to the company and support its brands. The same can be said about sports marketing and affinity marketing.

Appendix A shows distinct differences between CSI and the two marketing activities, AM and sports marketing: it highlights the restrictions or limitations that CSI has if trying to maintain the right image and at the same time, benefit the company, without exploiting stakeholders' emotions. Appendix B shows interesting similarities; some of these were surprising. A key finding was that all three activities have a positive effect on the brand and the brand loyalty, and this implies that they all have an effect on the company's revenue. All three activities thrive on emotion but there is a clear difference on which ones can exploit this emotion.

There are also a number of differences between the three activities and because of this, they require different management policies and planning. It is a fact that marketing takes the main share of the budget of most companies involved in CSI. Effective sports and affinity marketing campaigns undoubtedly generate loyalty from the target market.

2.6.1 Proposition

It is proposed that there are lessons, techniques and skills that CSI can learn from sports and affinity marketing and these can be applied to increase the effectiveness of CSI campaigns while also achieving sports marketing and affinity marketing objectives of generating loyalty from target markets and investors.

The company may also benefit from a more loyal market through the development of an untapped and possibly new market. Through developing the community, the company can develop a new market and it is quite possible that, if managed properly, the new market could become very loyal to the company or brand that helped them, possibly creating a captive market.

The propositions are:

1. There are techniques and strategies of sports marketing and affinity marketing that CSI can use.

2. Is it beneficial to apply these techniques to CSI?

3. CSI could be part of the marketing department.

4. CSI could be exploited and manipulated (as done by marketing) in order to benefit the company, if it means that the benefits for society and the CSI initiatives will be greater.

5. CSI could become a more prominent activity in the company, and therefore receive a greater budget and infrastructure as well as top management support, resulting in greater community and society development.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research methodology / paradigm

The research methodology was qualitative in nature. This is described by Leedy and Ormrod (2001) as research that tries to understand phenomena, which are often complex, by describing them from the point of view of the participants contained by the trend. There are a number of characteristics of qualitative research described by Leedy and Ormrod (2001), of which a few apply to this study:

- The sample size was relatively small.
- The research process has the potential to reveal unknown variables.
- Due to the nature of the data collection method, the research included personal views.
- There are multiple possible realities constructed by different individuals.
- The purpose of this research is to explore and interpret.

This research consisted of evaluating qualitative responses obtained from respondents with the aim of developing comment and reaction and thereby directing further questioning and research. Therefore, the research is carefully considered to be qualitative in nature.

The Primedia Group was the main focus. However, in order to get an alternative insight and improve reliability, three other companies were interviewed. Representatives of each of these companies were being asked about their experiences in marketing and Corporate Social Investment (CSI) in order to identify any common themes and relationship.

3.2 Research Design

3.2.1 Expert interviews

An explanatory interview using a questionnaire was conducted by selecting a sample of the media sector in South Africa, targeting the Primedia group of companies, which is involved in affinity marketing, sports marketing and Corporate Social Investment (CSI).

The extent of the campaigns and corresponding size of the budgets, for those companies in the sample, need not all be the same. The marketing professionals in those sample companies were questioned on the basics of marketing techniques and how they should be applied. They were also be asked about what they believe are the best processes and tools in today's market environment in South Africa.

An interview process using a questionnaire was the most suitable as this helped to prevent short, single sentence or "one liner" answers. An interview allowed the interviewer the opportunity to probe the interviewees and to explore answers in greater detail; this information allowed the interview questionnaire to grow and evolve, if necessary, and enabled points to be scrutinized in detail.

Because the data from the interviews are purely qualitative, the interview guideline in Annexure C was used to get the initial conversation started.

3.3 Population and sample

3.3.1 Population

The population, from which the sample was taken, consists of companies involved in marketing and CSI initiatives. There were a number of companies and corporations in South Africa available for selection.

3.3.2 Sample and sampling method

The size of the sample is often limited because of time, location of interviewees and money constraints (Mitchell, 1991) and so a sample of ten individuals was interviewed. Note that one individual was interviewed at nine of the companies while in the Lead SA interview, it ended up having two people being interviewed due to the unique roles they play. For reasons of confidentiality the name of each individual is not given. Moreover, the precise designation of each individual is not given. However, each individual is in a management role and is senior enough to have a good understanding of his or her employer's policies and strategies, especially in the activities under discussion. Typically, the individual is involved in a marketing or related role but in some instances the individual is at a more senior level of management and is involved in policy decisions. The list of interviewees and the reasons for the interview as well as the interview process are as follows:

Table 2: A summary of the ten interviewees

	Company	Reason for interviewing them	Process / Questionnaire
1	Lasec SA	A laboratory equipment company involved in business to business marketing and very involved in CSI activities in African countries in need of medical support	The questionnaire in Appendix C was emailed: the response emailed back to author
2	Elvey Security Technologies	A leading distributor of electronic security equipment involved in business to business marketing; with their own CSI initiaitves	The questionnaire in Appendix C was emailed: the response emailed back to author
3	Yonder Media	A mobile marketing services company (not part of Primedia) that carries out its own CSI initiative. I was used as the litmus test for Primedia in certain areas	The questionnaire in Appendix C was emailed: the response emailed back to author

Interviewees cont.

	Company	Reason for interviewing them	Process / Questionnaire
4	Primedia Outdoor	A division of Primedia, a market leader in various marketing activities with major CSI initiatives in SA	The questionnaire in Appendix C was emailed: the response emailed back to author
5	Reflect Group (Primedia)	A division of Primedia: a market leader in various marketing activities with major CSI initiatives in SA	The questionnaire in Appendix C was emailed; response emailed back to author
6	Matchworld (Primedia)	A division of Primedia: a market leader in various marketing activities with major CSI initiatives in SA	The questionnaire in Appendix C was emailed : response emailed back to author
7	Primedia Broadcasting (Kfm and 567 Cape Talk)	A division of Primedia: a market leader in various marketing activities with major CSI initiatives in SA	Face to face interview using the questionnaire in Appendix C – it is important to note that the conversation took a different turn *
8	Primedia (Pty) Ltd	Group Level of Primedia: a market leader in various marketing activities with major CSI initiatives in SA	Face to face interview using the questionnaire in Appendix C – it is important to note that the conversation took a different turn *
9	Lead SA (Primedia) Interviewee number one	Group Level of Primedia, focussing on Lead SA and other CSI Initiatives for the group	Face to face interview using the questionnaire in Appendix C – it is important to note that the conversation took a different turn *

	Company	Reason for interviewing them	Process / Questionnaire
10	Lead SA (Primedia) Interviewee number two	Group Level of Primedia, focussing on Lead SA and other CSI Initiatives for the group	Face to face interview using the questionnaire in Appendix C – it is important to note that the conversation took a different turn *

In interviews denoted by *, the intention was to use the questionnaire in Appendix C as a starting platform to gather information, but in the interview, the conversation took a different turn towards a more casual approach during the interview. The flow of the conversation was not scripted and it revealed a vast amount of information and insight that would not have been obtained through adhering strictly to the questionnaire. Certain points were raised as a result of the discussions and these were investigated in more depth. This resulted in greater detail on Primedia and that organisation's CSI initiatives (especially the Lead SA initiative).

Seven of the interviewees (1 to 7 in Table 2 above) were all from mainstream marketing and only two (9 and 10 in Table 2 above) were not involved in media but solely focussed on CSI initiatives for a media company. In fact, their backgrounds come from media and this aids them in implementing a successful CSI initiaitive.. Three respondents (1 to 3 in Table 2 above) were not from the Primedia group although Yonder Media is involved in another form of media.

3.3.3 Why Primedia as the focus?

The author has first-hand experience of Primedia gained from working on a number of projects for the Primedia group for fourteen months. This experience and the development of working relationships provided easier and much more in-depth access to the organisation and to the various companies making up the group.

Another factor is that Primedia, once a listed company until 2007, is an important player in the South African and African media market with major assets in sports marketing and broadcasting. Companies such as Megapro and Warwick are significant players and leaders in above-the-line sport sponsorship and marketing, setting up deals for all major stadiums and sports teams in South Africa.

In addition, Primedia has a broadcasting network of four radio stations covering the two biggest metropolitan areas of South Africa. Primedia capitalises on its broadcasting assets and has important CSI initiatives that have led to Lead SA and Crime Line becoming national campaigns; these are examples of successful CSI initiatives that have been eagerly adopted by organisations and communities across the country.

The initial questions to the first seven respondents were based on the questionnaire in Appendix C. The individual answers are recorded in detail and are available on request, including a summary of all answers.

Further detail on Primedia as a group is also available and may provide greater detail into the Group's CSI activities. It also includes a summary of interviews with Primedia Limited and Primedia Broadcasting where the questionnaire was used. It was possible to conduct these interviews face to face and they therefore evolved greatly in terms of length and details, over the time spent together.

Based on the initial findings from the first set of interviews, details of the face to face interviews with the two representatives from Lead SA (Primedia) are also available and it deals specifically with the Lead SA initiative.

Tersine and Riggs (1976) mention the general feeling that the minimum sample size is to be chosen by the researcher but is generally ten. Any larger numbers may lead to management issues and problems in completing the research due to logistics restrictions. They believe there would be no improvement in the findings if a larger sample were selected (Story, Hurdley, Smith & Saker, 2001).

Interviewees were first approached by phone with confirmation of the discussion via email. The email included the questionnaire with a brief explanation of the process and the objectives. A time frame of one to two weeks was given for people to respond and further interviews took place for clarification purposes or for further research. In accordance with Leedy and Ormrod (2001), experts were selected and were expected to give their normal perceptions and perspectives.

Purposive sampling methodology was used; as mentioned in the introduction to this section, respondents with the experience as well as the authority to respond to the research questions were selected (Creswell, 1994).

3.4 The research instrument

The research instrument was a questionnaire (Appendix C) consisting of a series of questions and prompts aimed at gathering data. The questionnaire was created taking into account the subject of the study and the findings in the literature review. The objective of the questionnaire was to address the questions in the Research Proposition.

One main advantage of using a questionnaire is that it is very cheap and requires very little to compose; also, it can be carried out face-to-face, by phone or can even e-mailed to respondents to complete and return. The limitation is that questionnaires may frustrate respondents if they are too complicated or too vague or are simply too long and boring.

3.5 Procedure for data collection

Initially, the backgrounds of the companies in the sample were investigated. All mention of marketing and CSI activities in their publications was examined as well as making contact with key people for background information, in order to acquire a proper understanding of what the companies do in those fields, and to what extent.

Primedia was selected as the primary group of companies while the other three companies were used to ensure validity and reliability. Interviews of staff members at the three non-Primedia companies were of a confirmatory nature to ensure that the results are not just applicable to the Primedia group.

Once a content analysis of each issue was completed, a semi-structured questionnaire was sent to each company, containing nine open-ended questions.

As recommended by Tersine and Riggs (1976), a short covering letter accompanied the questionnaire and the letter included a word of thanks to the respondents for their participation. It also gave instructions on how to complete the questionnaire with a written explanation of the aims of the study.

Sackman (1975) noted that increasing the number of iterations in a questionnaire may lead to boredom and thereby compromise the study. This point is supported by Mitchell (1991) who feels that multiple iterations will lead to high rates of respondent attrition due mainly to fatigue or boredom. In fact, Brockhaus and Mickelson (1977) have stated that the most studies contain three or fewer iterations. In view of these findings, the questionnaire was presented to each individual once only, and the results were then analysed.

3.6 Data analysis and interpretation

The objective was to gather and study the responses to the questionnaire and to identify if there is a relationship between the concepts, with the objective of looking for:

- Common themes and any consistencies.
- What each concept may involve and what their individual purpose is for the company.
- Explanations for their actions and decisions.
- Best practices.
- Lessons that can be learnt.
- Similar policies and procedures.
- Possibilities for the processes, techniques and skills of marketing to be applied effectively to CSI.
- Possibilities for the objectives of marketing to be achieved through CSI.

The initial objective of the study was to find out whether there is a relationship between marketing and CSI and if the purposes of these two activities are similar. From there, it was possible to investigate whether marketing skills can or should be applied to CSI activities in order to obtain a positive outcome for a company's revenue objectives while also ensuring the success of the CSI initiative.

3.7 Validity and reliability

Validity has been described by Leedy and Ormrod (2001) as the degree to which an instrument or tool measures what it is supposed to measure. These writers also state that reliability is the consistency that a measuring instrument obtains a certain result when the entity being measured hasn't changed.

3.7.1 External validity

Qualitative research is not intended to conclude the general from the specific or even to project its findings onto the population as a whole, but, instead, its purpose is to interpret the event from a unique perspective (Creswell, 1994). Interestingly, this contradicts the criterion for external validity as stated by Leedy and Ormrod (2001). These writers state that the findings have to be universal and thus imply that the sample must be representative of the population.

The sample chosen for this study was functional to address specific objectives. The findings are not generalisable as the sample does not represent the general population and therefore the universal element may be affected.

The results obtained and conclusions drawn from the respondents depend on the extent to which they are actively involved in marketing and CSI, and the extent of their expertise in these fields. However, the external validity of this research is assured because it takes place in what Leedy and Ormrod (2001:105) refer to as a real life setting.

3.7.2 Internal validity

Leedy and Ormrod (2001) state that internal validity is crucial as it endeavours to decrease the number of alternative explanations for the results obtained in the research. Internal validity in this study is assured as the respondents themselves determine the aspects of rules and regulations, such as common business sense, and appropriate techniques a company may apply to an opportunity to achieve increased awareness for a brand and possibly affect revenue and profit positively. This is achieved through the use of open-ended questions.

3.7.3 Reliability

"*Reliability is a necessary but insufficient condition for validity*" (Leedy & Ormrod, 2001: 31).

In addition, it is very possible that a survey could give results that conflict with a researcher's personal views and opinions and the researcher may have overall feelings towards some respondents that could create bias. However, it is very likely that any other researcher using the same research methodology and posing the same questions to the same group of respondents under the same conditions and timeframe, will achieve very similar results.

Three non-Primedia respondents were included in the final study to determine if the questions were clear and easily understood. This duly eliminated any confusion amongst respondents that might compromise the results (Mitchell, 1991). This method or process is more appropriate for large samples of experts. However, the researcher was well aware that it should be treated with caution with smaller groups of experts such as the groups identified for this study as the independent experts who are not selected are not easily available.

For the purpose of this research paper, the use of a pilot was considered to be unnecessary because the questions were simple with no element of vagueness; indeed, they gave no difficulty to the respondents, because of the high level of their individual expertise.

To ensure reliability, three non-Primedia companies were approached. In each instance, an employee with marketing responsibilities was interviewed. Each employee was senior enough to have a good understanding of his or her employer's policies and strategies, especially in the activities under review in the questionnaire. They were asked the same questions as the seven other respondents in the sample. The three non-Primedia companies and their industries were:

1. Electronic industrial security: Elvey Security Technologies
2. Media and mobile business solutions: Yonder Media
3. Scientific laboratory equipment: Lasec SA

The results from the interviews differed in numerous ways but the general findings about techniques and skills required, as well as what could be applied to corporate social investment, are very much the same. The real differences lie in application of marketing and CSI, as well as opinion of CSI.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Are there techniques and strategies of sports marketing and affinity marketing that CSI can use?

When looking at the objectives of marketing, one notices a similarity with CSI insofar as these objectives are perhaps inadvertently achieved by a CSI initiative. The general consensus from all interviewees is that marketing (sport and affinity) aims to do the following:

- Create awareness and a desire for the brand.
- As stated by Yonder Media, it gives the customer a reason to believe in the brand.
- Build loyalty to the brand; Yonder Media also added that it can create a personality for the brand. This implies that an emotion is created which is a benefit for marketing.
- Add value (not already in price) to the brand for the customer.
- Show that the company is responsible, innovative and ultimately serves a higher purpose on a socially conscious level.
- Create differentiation from other brands.
- Matchworld, a division of Primedia, added that marketing is a primary driver to increase sales by stimulating demand.
- Lasec SA, supported these points and concluded that the role of marketing is now a strategic activity and not just sales, and is now a "power house of a company" and not a once-off function.
- All agree that marketing (sport and affinity) is highly influenced and even driven by top management.

From the literature review, it appears that CSI also directly impacts on the brand image, as well as the market awareness of the brand and what it stands for. Focussing more on this impact may result in CSI campaigns being redefined in order to help achieve the objectives of marketing (sport and affinity). However, a difference in approach is that CSI focusses on the beneficiaries of the CSI campaign, typically a community or group of people or a charity, while this is not the focus of marketing. The Elvey Security interviewee argues that marketing is the process of gearing the business around the market and the customers, and looking at ways to stop competitors from winning that business.

There are a number of techniques and theories that can be applied to CSI and so the opportunity must be analysed in detail before anything is done in respect of planning a CSI project. There are many generic techniques and strategies that can be applied to CSI campaigns although the right idea and objective are prerequisites. Any CSI campaign needs a core objective stated up-front and underwritten by all top management of the company. According to the Lasec SA interviewee, clear and defined objectives are crucial to success. These objectives include determining whether the aim is to increase sales or to launch a new product or merely to create awareness.

Any key message must support the media available to the company and in short, tell a story of interest to the customer based on the company's strategy. The Matchworld representative states that one needs a good understanding of the target market and must be able to identify what appeals to the market and what will register with that market. That representative states that messages should be simple, clear and direct with a value proposition for the customer. Elvey Security's representative also adds that the extent of the reach is inversely proportional to the frequency complexity of the message.

Another factor is that there is often a call to action from the customer in successful campaigns. This especially applies to affinity marketing although the result does not benefit the customer in any tangible manner. A function not performed by CSI is to evaluate the impact of the campaign and to measure the benefits for all stakeholders; this is often a neglected key to success for marketing.

Primedia Outdoor suggests that creativity is important and results from staying abreast of market trends in order to remain relevant to the market. Elvey Security emphasised that the approach cannot be confined to industry norms and thinking. However, Reflect Group warns that it depends on the context of the objectives and therefore, it is not as easy as it might appear to the uninitiated to apply any techniques, whether specific or generic, to CSI.

4.2 Should these techniques be applied to the CSI function?

The literature review explored authoritative views on whether CSI should be treated like a marketing function. One key finding was that the core objective of true CSI is not the same as the key objectives of marketing. The true focus of CSI is actually the community or the campaign benefitting those in need. CSI is not focussed on the company and the company's objectives.

The purpose of marketing differs from CSI and yet, the results are often the same in that CSI also:

- Creates awareness of the brand.
- Helps the customer to believe in the brand because of the good value that the company displays or provides.
- Builds loyalty to the brand.
- Creates personality for the brand and this emotion is another way to secure loyalty to a brand.
- Creates a unique value for the brand.
- Shows that the company is responsible.

The extent of these achievements of CSI is often not as high as anticipated by the marketing staff, but perhaps that is because CSI is not a primary function.

However, CSI does not necessarily:

- Create a differentiation from other brands.
- Increase sales.
- Operate as a “power house” in a company but instead is perceived more as an obligation.
- Get full support from the top management.

There is no doubt that CSI has a positive offering to the company and as Yonder Media’s interviewee confirmed, public relations (PR) in most forms is a powerful tool, and this kind of PR resulting from CSI activities is free and travels far and wide. However, to ensure a positive perception of a brand by its target market, the marketing staff should conduct regular evaluations to support and benefit CSI campaigns; this should ensure that the right investments are being made and that milestones are being reached.

In the discussion with Lasec’s interviewee, their CSI initiative was referred to as an example of a good CSI initiative. Lasec specialise in a vast range of scientific equipment and the company’s CSI initiative is focussed on community upliftment through better medical supplies and tools for humanitarian campaigns in Africa. By partnering with well-known celebrities, ex-presidents of the USA, and other prominent figures on these campaigns, Lasec’s donations of equipment to initiatives that fight malaria or TB fit perfectly with their strategy of being a dominant player in the laboratory and scientific equipment market.

It is not easy to align a CSI campaign with the objectives of a company but as shown with the mining industry, it can be done and success can be achieved. The emotion factor is always being stirred by the CSI campaign and this is a huge benefit and opportunity for the marketing department to acquire and retain client support. The marketing skills found in the sports marketing and affinity marketing functions of a company will provide help to ensure that all CSI activities are aligned with the objectives of the company and this should help achieve the company’s objectives.

Marketing skills and processes are ideal for assisting the proper planning of a CSI campaign. These skills ensure that the message is not only clear and specific, but will also ensure that the campaign is effective in raising awareness to a cause and to a brand behind the cause.

The Reflect Group interviewee emphasises that, whatever the approach, success depends on the market, macro and micro trends, as well as the company and the competition. That company reportedly feels that sustainability is a key issue; however, a constant campaign is not enough, as there is a need for innovation and evolution of the approach to stay ahead of the trend.

According to the Elvey Security representative, these macro and micro trends also influence the media platforms used in order to leverage a brand across a CSI initiative in a successful and profitable manner.

The two Lead SA respondents had a number of points regarding the positioning of CSI and emphasised that any start of a CSI initiative is with the individual in a company. This could translate into the company having CSI initiated from the top and getting everyone in the company, at every level, involved in the objective. This is the call to action of Lead SA, which is adamant that successful CSI cannot be just a legal obligation but instead a willingness to do the right thing. How the company maximises this and what techniques are applied, are driven by the objectives of the cause.

It was noted in both interviews with the two Lead SA respondents, that perhaps marketing could learn from CSI; specifically, the reach achieved. The Lead SA initiative engaged (exposure and recognition or recall of the initiative) with more than three million people within a year of launch. This is remarkable when considering what the exposure would be for very costly sponsorship over the Multichoice network in the same period.

People’s knowledge of Lead SA was not basic but instead, they knew what Lead SA was about and what the message was. This was not achieved through major marketing campaigns but through word of mouth, involving stories of good news and great achievements. This promoted the Primedia brands and assets over which Lead SA was leveraged and exposed.

There was full agreement by the respondents that a marketing strategy and therefore, the techniques and processes of marketing, are required to best publicise and gain exposure for the CSI initiative. Thus, the marketing function in a company is in the best position to ensure that CSI obtains the support from stakeholders, investors, customers and government, and ultimately, success for the company.

However, the respondents warned against endorsing CSI initiatives in order to gain brand exposure. This may be a technique of sports marketing and affinity marketing, but the objectives must remain for the initiative and not for the brand; these are often blurred. Association or affinity is a powerful marketing tool but it can blur the purpose of the CSI initiative. One Lead SA interviewee stated that CSI should not be managed in the same way as traditional marketing. The intention of CSI differs greatly from that of marketing.

4.3 Should CSI be part of the marketing department?

The Primedia Outdoor representative reiterated that because CSI is generally implemented in disadvantaged areas, these communities become aware of the associated product. The right message must always be sent to these communities. In addition, by placing CSI with the marketing team or department, CSI may be able to maximise exposure gained from such marketing campaigns. The benefitting community will be exposed to a limited number of brands and theoretically should become loyal to those brands in exchange for the good the brands have brought them. This supports the initial paragraph of the proposition in 2.6.1.

CSI provides significant positioning within the community and the developing market, which have high barriers to entry. According to the Lead SA interviewee, CSI positively affects the company’s reputation and this has been shown by Lead SA to attract other companies to partner with it in implementing its CSI initiative. The result is that a company actively involved in a well-publicised CSI initiative may gather synergy from other companies, which could have a positive effect on revenue for the company. In other words, a good CSI initiative gains positive perceptions from the market, government and investors.

Marketing will ensure that the opportunities presented through CSI are properly and fully capitalised on. That Lead SA interviewee further stated that marketing requires a high level of responsibility and as explained in the literature review, there is a high risk of perceived exploitation tarnishing the brand if customers perceive that the company is abusing the situation for its own benefit and profit.

The Yonder Media respondent observes that there definite ways of incorporating CSI into the marketing department and that companies already obtain a tax break from CSI; they felt that the reasons for putting CSI into the marketing department will contradict the point of CSI. According to the Primedia interviewee, if the CSI initiative is not linked to actual products or services of the company, it will not work. The Lasec interviewee asks whether a specific CSI initiative is benefitting the community or company: the answer to that question will dictate whether the marketing department should manage that CSI initiative or not.

The actual management of the CSI function may also be difficult with the management team either focussing on client perception and loyalty, or the initiative itself, and this may blur objectives as they are not the same as shown in the literature review. The objectives of CSI as per Roberts, Rapson and Shiers (2007), are to carry out activities concerned with standard business operations through good business practice and going beyond duty to shareholders and legislative requirements. In addition, being voluntary by nature and not being done because of an obligation, as well as integrating environmental and social issues into business operations and activities so that the company considers what impact their actions will have on their market, society and the environment. Ultimately, the company has an objective concern for the welfare of society, doing good for society and giving back.

While the King Reports also refer to CSI as starting with good corporate governance, the actual objectives for most companies as per the interviews, are that it is all for self-interest and self-benefit with little to no consideration for the initiative if there is nothing in it for the company. The interview with Lead SA respondents revealed that while there are good intentions behind the CSI initiatives carried out by companies, these remain an obligation; this view was also evident in the literature review. Simply put, companies do not feel that CSI will make much difference and is not a revenue generator; instead, it is an obligation and the intention is not always to do good but rather to look good.

The two Lead SA respondents further explained that CSI follows trends according to the latest fashion: one year the theme may be education and the next year it may be the plight of the rhino; thus, there is little continuity and coordination. CSI may benefit by being part of the marketing department as it would be subject to strict processes of market research and trend analysis. As in the case of marketing, it is very difficult to measure the return on CSI investment. Nevertheless, marketing skills may allow a more accurate account of the success of any CSI campaigns.

While the benefits that CSI could gain from being part of the marketing department are clear, the risk of blurring the two functions may override these benefits. The Lead SA interviewee spoke of the Tiger Brands initiative where the funds allocated to CSI by the Tiger Brands group go to an independent foundation that is operated as a separate entity. This ensures that the objectives of the company as managed by the marketing department do not influence or abuse the CSI campaign. There is a need for clear distinction between the marketing and CSI departments and their objectives. While the benefits are often mutual, the objectives differ too greatly to risk combining the two departments.

4.4 Should CSI be exploited and manipulated (as done by marketing) in order to benefit the company if it means that the benefits for society and the CSI initiatives will be greater?

The Lasec representative supports the suggestion of CSI being part of marketing and generating revenue but warns that caution must be taken when approaching CSI as a revenue generator; one should not mix the message and the objectives. CSI has an objective that is very different to that of marketing and so, manipulating this may affect the brand image. However, proper management of the opportunity presents major benefits and revenue for the company. The Primedia Outdoor interviewee believes that synergising stakeholders with CSI efforts will provide new opportunities that can be manipulated to benefit the company.

Even though it is almost impossible to measure, properly, the return of investment from CSI, there is no denying that the value from the goodwill generated is highly sought after by any marketing department. This goodwill provides very many opportunities to promote a brand and to increase the company's status in the market.

The Elvey Security respondent feels that CSI should not be part of the marketing department as the value of CSI will be lost and the brand image may be tarnished. The Lead SA respondents support this view in that exploitation of the CSI initiative is wrong as it will negatively affect the company's credibility to an extent that the company may not recover. They state that, for this reason, Lead SA is very hesitant to partner or associate with other organisations. They also expressed the view that companies just wanted to associate with Lead SA to get free publicity, while doing no CSI initiatives themselves. According to their respondents, Lead SA does not intend to gain commercial value for its CSI initiatives and perhaps this is the lesson for all CSI initiatives.

As CSI stirs emotions in a way that conventional marketing strives to achieve, it is easy to understand why marketing departments may wish to manipulate and exploit CSI. One Lead SA respondent suggested that manipulating and exploiting CSI for the commercial benefit of the company is not "playing the game" and just insults the market. He ended by saying that it is only a matter of fooling oneself as well as the market.

4.5 Considering the many common themes throughout all activities, should CSI become a more prominent activity in the company, and therefore receive a greater budget and infrastructure as well as top management support (possibly resulting in greater community and society development)?

In today's market, with the level of competition ever increasing and combined with the need to differentiate and stand out from other brands, CSI can most definitely offer a company with a unique opportunity and differentiator. However, the sincerity of the motivation for CSI is a cause for concern.

CSI will easily stir the emotions of customers and even sway opinions of a brand, but generating support for the brand is another issue. The literature review clearly states that marketing may not control the content at times; it is far easier to adapt a marketing campaign to the trends of the market and market opinion. CSI however, is focussed on one objective and initiative and is not necessarily in line with the market.

The literature review shows that CSI will provide unique brand exposure and the Lasec interviewee underlined this by confirming that the right brand exposure is achievable through CSI and therefore, can have a positive effect on revenue. The risk lies in the possibility that the customer may perceive the marketing campaign as manipulation or exploitation of the CSI initiative.

None the less, CSI will always welcome greater support and larger budgets because the benefits for those in need will then also increase, making a more successful and sustainable CSI campaign. The opportunity to create a new and distinct market, exclusively for the company, is very real and is one that may allow the company to be more risk averse in a very tough economic environment. CSI therefore provides an alternative opportunity to generate revenue albeit that this is not the objective of CSI.

Lead SA respondent defined CSI as campaigning to make a positive change in any possible manner that will improve someone's life. It is a stand-alone department within the greater Primedia with its own budget requirements and the need for proper management. The results are positive for the Lead SA initiative and also Primedia and there is no doubt that Primedia has benefited in one way or another but this was never the intention.

Both Lead SA respondents wanted better coordination of the CSI function not only in the Primedia group, but also in the market and the country. CSI, they felt, should be a separate entity within a company but with budgetary and top management support. The current CSI process is far too selfish in that companies have CSI initiatives in order to gather favour and generate support from investors, government and the market in which they operate and there is far too little focus on sustainability for the community and the environment. It is short sighted. They used the recent 2010 FIFA World Cup in SA as an example and argued that there was much campaigning for stadiums and investment into the communities and yet now, two years later (at the time of the interview), there is nothing to show at grass roots level. In their opinion, it appears that promises made have not reached those people who needed them the most.

Thus, companies need to select one initiative and remain with it. Even Nedbank's affinity marketing programme, originally linked to the World Wildlife Fund, has been diluted after the other initiatives were added to their Green Card programme. The market loses interest if the message does not remain fresh and relevant but at the same time, the market also loses interest if the message is not maintained and consistent.

The Lead SA interviewees added that there should be a separate budget for CSI that is not manipulated in any way by staff in the marketing function. They agreed that if the communities benefit more from exploitation then perhaps exploitation is not entirely bad. However, the long-term effect of CSI may be lost in translation where there is a battle for image and brand revenue as opposed to the true meaning of CSI. If this is the case, then the real message and benefits will eventually not be achieved as the companies seek to promote their own brand at the expense of the CSI initiative.

The Lead SA representatives concluded that there are major benefits and spin-offs from CSI and these positively affect revenue and enhance growth for the company, although this is are not the prime intention of CSI.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Summary of conclusions from research

There are distinct similarities between marketing and CSI that imply that these activities use similar techniques. CSI has a huge impact on the brand and the goodwill alone adds immense value to a brand and company. However, it seems that a successful CSI exercise can have a greater long-term impact than a marketing exercise on a brand, and the same can be said, even for a failed CSI campaign (Meenaghan and Shipley, 1999).

Whether successful or not, CSI has a greater influence on shareholder decision making than marketing activities; CSI, assuming support from top management, appears to be far more sustainable than marketing activities. CSI also has a greater reach because it is not limited to a specific event and is easier to understand. In addition, is easier to reach the market from an emotional point of view. Basically, CSI is simpler and understood by all (Moir, 2001).

CSI bridges and or creates partnerships and co-campaigning while marketing is precise and focussed on a much shorter campaign (Oketch, 2004). The Lasec respondent asks whether a specific CSI initiative is benefitting either the community or company; the answer to that question will dictate whether the marketing department should manage that CSI initiative or not.

An important conclusion is that the marketing function could almost certainly learn much from CSI.

5.1.1 Other conclusions include:

Many companies feel that there are a number of theories and processes of marketing, similar in various ways, and very powerful in creating brand awareness and loyalty, and ultimately revenue (Moir, 2011). However, true CSI-focussed companies, entities or departments still agree that CSI should remain separate from any marketing exercises. In addition, CSI could learn from the marketing function about how to maximise initiatives, and the converse is true: marketing can learn from CSI campaigns with regards to approach, sincerity and sustainable campaign (to name a few). CSI should remain separate and should remain untouched by other concerns.

Primedia is one of numerous companies that believe in their implementation of similar marketing theories and techniques, and act accordingly by showing similar approaches and guidelines. However, true CSI focussed departments or entities agree that while CSI will benefit from marketing and the lessons marketing has to offer, CSI should remain a separate activity and remain true to its objectives.

A key finding was that all three activities addressed in this document have a positive effect on the brand and the brand loyalty, and this implies that they all have an effect on the company's revenue. All three activities rely on the emotions of customers but there are clear differences on which ones can exploit this emotion.

Table 3: Summary of Key Conclusions

Success criteria – external factors	The objective of CSI should be to get companies and people to become involved willingly; it should not be an obligation. CSI would then be done more willingly by companies (Ararat, 2004).
	Government must encourage and support CSI by incentivising instead of forcing companies from a legislative approach (Oketch, 2004).

Success criteria – management factors	The success of a CSI project depends on the involvement, support or underwriting from top management as well as buy-in from all involved.
	CSI should not be under the firm control of the marketing department, to prevent exploitation (Lead SA). Nevertheless, CSI requires a co-ordinated drive by more than one function area in a company.
	CSI should not be fragmented but instead, should be a co-ordinated initiative where all resources and stakeholders are brought together. This applies not only to the organisation and the various departments in it, but also between organisations and the market as a whole.
General considerations	Marketing and the theories, processes and techniques will provide a very strong guide and driving force behind any campaign.
	The lines between marketing and CSI should not be blurred as the risk of losing the impact and the resulting respect from the market is too high. CSI must remain unexploited.

5.1.2 Learnings about / from CSI:

Table 4: CSI Learnings

<table>
<tr><td rowspan="2">There are many ways of implementing CSI</td><td>Based on the company's ability and budget, numerous ways of carrying out CSI exist, including:
direct contributions to non-profit organisations;
employee matching gift programmes;
scholarship programmes;
equipment / product contributions;
contribution of technical expertise or employee management;
providing in-kind services.</td></tr>
<tr><td>If allowed to operate without government interference, CSI could provide communities with facilities and services far more easily than public services can. In fact, expenditure by businesses on these purposes can often exceed government spend (Robins, 2008).</td></tr>
<tr><td rowspan="2">Good CSI practise</td><td>CSI is good for the economy of a country and therefore should be supported and incentivised by government.</td></tr>
<tr><td>CSI should be supported by top management; good CSI should start within the organisation itself because, without happiness and work satisfaction for staff the company does not deserve to exist (King reports I, 1994, II, 2002, & III, 2009) and (Ishikawa, 1985). Therefore, just having a window dressing CSI initiative for the market will never last.</td></tr>
</table>

Good CSI practise cont.	CSI must be treated in the same way as all other investments and the return on this investment must be measured regularly.
	If successful, CSI will generate investor support.
	All stakeholders need to be considered as they are the ones who will empower the company to carry out a successful CSI initiative.
	Good corporate citizenship will probably be embraced by a company as worthwhile if the CSI activities undoubtedly prompt consumers' active support. Therefore, there must be a call to action.
What to avoid when implementing a CSI campaign	A stewardship management environment is the most suitable as CSI is not compatible with any opportunistic, individualistic or self-serving behaviour. Stewardship management serves the interests of the organisation through collectivist, pro-organisation activities (Davis, 1997).
	CSI requires regulation and accuracy, or else the disclosure is simply propaganda that will damage the reputation of the brand as well as brand loyalty and image (Roberts, Rapson & Shiers, 2007). This in turn will negatively affect the company's profits.

What to avoid when implementing a CSI campaign cont.	A real need was identified for establishing the right balance between the performance (financial, returns on investment) and the conformance (legislative requirements) of a company (King III, 2009).
	Shahin and Zairi (2007) support this perception by stating that the ideal and possibly the only way to successfully address the complete spectrum of the requirements of CSI is to analyse at the whole organisation and the way the organisation carries out its activities.
Influences from the Micro and Macro Environments	As with first world liberal countries, there is a high level of individualism in South Africa, and an inclination towards pure CSI when compared to countries under stricter legislation; especially countries when there is religious indoctrination or law (Pryce, 2002).
	Trade unions cause a market to steer away from CSI if there is already a negative and unfavourable business situation for the company; that company then becomes disillusioned in trying to help others whom they are not required to help (Ararat, 2008). In short, companies don't want to just keep giving because they are forced to. Success may be easier to achieve through development of partnerships with selected non-profit organisations (Zairi, 2000).

Benefits of CSI	CSI evokes feelings that include caring, security, quality and longevity.
	An objective of CSI could be to assist in sustaining long-term stability and growth for the company and it is interesting to note that this is also the objective of the sport and affinity marketing (Moir, 2001).
	In many cases, companies carry out basic CSI for publicity and to earn favour with customers and government. However, the outcome is usually positive for society.

Table 5: CSI Guidelines

DO	DON'T
Secure top management support and underwriting.	Window dress.
Make CSI a separate division.	Manipulate or exploit.
Maintain a positive initiative.	Make it an exchange for support. In other words, allow for CSI initiatives on condition that revenue is positively affected.
Disclose all CSI activities.	Make it fashionable and risk it losing impact within a short period of time.
Stick to commitments and promises.	
Evaluate the campaign.	
Have a call to action in order to cement support and sustainability.	

5.1.3 Learnings about / from Affinity Marketing:

Table 6: Affinity Marketing Learnings

Benefits of Affinity Marketing	Affinity marketing creates a linkage between cause and the company and this is a key advantage as this creates “cause affinity” (Barone, Norman & Miyazaki, 2007; Drumwright, 1996).
Good Affinity Marketing practise	Ideally the brand should be the only brand affiliated to the cause otherwise the company may lose the chance to create a clear and bold distinction (Bloom et al., 2006).
	Affinity packages can be tailored to the needs of the organisation’s marketing objectives, but should remain in the context of the organisation and not deviate from who the company is and the image of the brand and organisation (Worthington, 2001).
	It is important that the organisation offering the affinity package has cemented a relationship with customers.
What to avoid when implementing an Affinity Marketing campaign	Too few benefits or attributes to the cause may result in the market losing interest in the campaign and the company will lose credit and the affinity to the initiative, thereby losing all opportunities for the company to capitalise on (Mekonnen, Harris & Laing, 2008).

Table 7: Affinity Marketing Guidelines

DO	DON'T
Select a strong, powerful initiative / cause.	Lose focus.
Ensure sustainability.	Choose too many initiatives.
Ensure market appeal.	Shift from the context of the company.
Chose a specific initiative that suites or compliments the brand and organisation.	Over manipulate and / or exploit.
Manipulate the opportunity best to exploit the benefits for the brand.	
Find complementary strengths and appeals of the initiative.	

5.1.4 Learnings about / from Sports Marketing:

Table 8: Sports Marketing Learnings

Good Sports Marketing practise	Positive emotions and overall affiliation to the sponsored team or league will paint the sponsor in a similar light and the hero factor can be exploited (Bennett, Ali-Choudhury & Mousley, 2007).
Benefits of Sports Marketing	Because sponsors need exposure, they are prepared to allocate large budgets in order to achieve this and consumers tend to associate brands with highly publicised sports individuals and events (Dolphin, 2003).

Benefits of Sports Marketing cont.	Sports sponsorship is taking the top place on the marketing agenda of many corporations because sport is ubiquitous; transcending class, languages and borders (Megapro, 2009).
	The hero factor cannot be achieved by other forms of advertising.

Table 9: Sports Marketing Guidelines

DO	DON'T
Involve and maximise and leverage off emotions.	Lose focus.
Captivate and capitalise on positive attributes of the event and create the positive affiliation (the benefit) for the company to the player(s), team(s) or event.	Stagnate or harp on just one event or campaign without future options and plans.
Leverage sponsorship investments in order to gain both image benefits and awareness.	Over manipulate and / or exploit.
Ensure sustainability.	Choose too many initiatives.
Manipulate the opportunity best to exploit the benefits for the brand.	Shift from the context of the company.
Find complementary strengths and appeals of the campaign, team, event, sport.	

5.1.5 Key findings and further lessons applicable to CSI, sports marketing and affinity marketing:

Table 10: Key Findings

Benefits	The PR generated from CSI is free and also transcends borders and cultures. For example, word of mouth was the main factor that strengthened Lead SA.
Best Practise	There was full agreement by the respondents that a marketing strategy and therefore, the techniques and processes of marketing, are required best to publicise and gain exposure for the CSI initiative.
	The marketing skills in the sports marketing and affinity marketing functions of a company will provide help to ensure that CSI activities are aligned with the objectives of the company, making them more successful campaigns for the brand over a short term. However, it may seem like exploitation and not have a long-term benefit.
	CSI must become a way of life for people, organisations and the leaders of these organisations.
	Creativity is vital for the success of any marketing and CSI campaign and this should be kept in mind at all times.

Notes of Caution	There is a distinct lack of evaluation of the real return on investment in affinity marketing, sports marketing and CSI (Van Heerden & du Plessis, 2004).
	However, the respondents warned against endorsing CSI initiatives in order to gain brand exposure. This may be a technique of sports marketing and even affinity marketing, but the objectives must remain distinct for the CSI initiative and the brand; these can sometimes become blurred.
	There is a need for a clear distinction between the marketing and CSI departments and their objectives. While the benefits are often mutual, the objectives differ too greatly to risk combining the two departments.

5.2 Conclusion

There are appropriate marketing strategies that can be applied to Corporate Social Investment in South Africa in order to make CSI campaigns more successful. The techniques and strategies would be applied in accordance with the CSI initiative, the company's objectives and its brand requirements in order to get the best long-term results (for the CSI initiative and the company).

However, the risk of being perceived as, or even found out or caught manipulating and exploiting these initiatives is far too high as the result may not be reconcilable and the brand may be permanently tarnished.

It is recommended that CSI be driven from the top of the organisation with proper buy-in on every level throughout. It does require proper and independent infrastructure and budgets, and a plan and objective that is very much in line with, and well suited to the organisation as a whole.

CSI should remain separate from marketing and not become blurred with short term objectives and opportunities in the market. Instead, it should operate and be seen as an independent activity.

There is a real need to create a common platform throughout the market and economy that allows a more co-ordinated CSI implementation. In addition, it is vital that the campaigns are measured for success and return on investment on a constant basis.

If managed properly, the long-term impact that CSI will have on the company's brand and image and overall goodwill is significantly and surprisingly big and easily sustainable.

5.3 Possible future studies

From this research and application of the knowledge obtained, new opportunities for further and future research have been identified by the author. The two subjects for this research are CSI and sports marketing only; affinity marketing is regarded as an unequal mix of the two. Possible research may be as follows:

1. There is limited empirical research available on sports marketing and CSI. Also, the process leading to successful sponsorship or CSI is not well understood. In view of this, it would be of interest to investigate if it is possible to measure the real return on investment for sports marketing and CSI.

2. Arising from point 1 above, studies could be carried out to identify if one well-defined CSI campaign has long-term effects, either positive or negative, on a company and its brand. Similar studies could be done for sports marketing.

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APPENDIX A

Comparison of principles and approaches

Table 11: Comparison of Corporate Social Investment with sports and affinity marketing

Corporate Social Investment (CSI)	Sports Marketing (SM) and Affinity Marketing (AM)
Theoretically focussed on doing good	Fundamentally focussed on profit
Porter (2007) believes that it could be more effective than conventional marketing	n/a
Does not exploit the initiative but instead, focusses on the people or project in need and ensures that the full benefit is achieved for them	Looks to exploit an initiative in a way which will lead to the best financial benefit to the company, while remaining within the law.
Difficult for people or cultures to accept the different forms of charities as acceptable	Easily acceptable by society
Companies often carry out CSI based purely on the merits of the CSI project	Only carried out for a company’s benefit
Influences investor decisions	Investors do not necessarily consider marketing activities unless they have high impact
Emotions are stirred by CSI that cannot be manipulated but only publicised	There is a hero factor that sports marketing relies on, and manipulates emotions, to generate loyalty
Can highlight the negatives of a company and could become far more damaging	Only mentions the positives of a company but only has a short term impact that is measurable
Does not require major marketing research before implementation	Require detailed marketing research before implementation

Corporate Social Investment (CSI)	Sports Marketing (SM) and Affinity Marketing (AM)
Grants and support from government and political societies	Governments will not support an advertising or marketing campaign
CSI controls the content but is not able to exploit it	sports marketing has little or no control over the content
Takes longer than sports marketing	Often the impact is much faster than CSI
Governed by legislation and therefore an obligation	No obligation to sponsor but often pressured to by market conditions
Not difficult for the market to understand the message and intention	Not easily understood – the message can be lost
Much more conservative and humble	Both activities very “Hollywood” in their approach and publicity
Considers many more players when implementing a campaign	Considers the target market and the time period
Not as popular with the target market as it is less entertaining than marketing	Very popular as it is often very entertaining
Positively influences profits in the long term	Influences both short term and long-term profits
Staff are positively influenced	Staff may not even know of the campaigns

The above table shows the differences between the two marketing activities (sports marketing and affinity marketing) and CSI.

APPENDIX B

Similarities of principles and approaches

Table 12: Similarities between affinity marketing and sports marketing and Corporate Social Investment

Common elements of all concepts
Multiple definitions of all concepts
Success requires buy-in from the top management as well as stringent financial controls, and detailed planning and implementation plans agreed by top management
Can be a strong marketing tool for building brand awareness and brand loyalty
Highlights the positives of a company
Reflect and influence the image of the company
Strengthen loyalty from customers
Trust is a factor for customers when deciding whether to support a company's products or services
Benefit the company's profit
Build brand awareness
Build relationships with customers
In order to properly manage the objectives as well as possible controversy and problems, proper planning is required from the top
Can be costly with little to no accuracy in the measurement of the return on investment
Needs to be measured regularly and focussed

Common elements of all concepts
Difficult to know what customers are thinking, feeling or deciding as it targets emotions
All are fairly new concepts globally – especially in SA
Can aid in crossing borders and cultures in foreign markets

The purpose of the table above is to highlight the many similarities between affinity marketing, sports marketing and Corporate Social Investment.

APPENDIX C

Questionnaire

1. Please tell me your thoughts on the role that marketing plays in business today, highlighting

   - Reasons
   - Purposes
   - Objectives
   - What a company hopes to achieve from marketing

2. Why do you think companies invest so much in marketing – especially sports marketing?

3. In your experience, what percentage of total company budget is allocated to marketing? (an average estimate is fine)

4. What key techniques, strategies and skills are vital for a successful marketing campaign?

5. What critical factors make marketing a success or failure?

6. How would the success or failure impact the budget and the revenue of a company?

7. How do you / have you measure(d) your return on investment (success) from a campaign?

8. How would CSI best apply the key techniques listed in questions 4 and 5 above in order to generate:

   - Brand awareness?
   - A positive brand?

- Brand loyalty?
- Revenue?

9. Do you think corporate social investment activities could become a revenue generator such as marketing?

    - IF YES - Why and how would CSI need to go about achieving this?
    - IF NO - Why not and what would have to change in order for CSI to become a revenue generator?