

Csr – fast food industry

[Business](#), [Industries](#)



Since the late 1960's and early 1970's, the term "corporate social responsibility" has come into common. The concept of CSR has attracted considerable attention in recent years. However, CSR may have confused many corporations whether CSR brings benefits to the corporations, whether it is worthwhile to contribute organizational resources to CSR. Different studies have brought different answers to those questions.

In the following paragraphs, we will briefly discuss whether CSR are necessary and the effectiveness of CSR. As the competitors have started showing they are socially responsible, it becomes necessary for a fast food corporation to consider the need and importance of CSR if it wants to stay at an advantaged position in the fast food industry. As consumers have more choices due to globalization and consider more today, it may be necessary for a corporation to show it is socially responsible to attract consumers.

According to Scalet and Kelly (2010), people are demanding CSR, the market incentives are following consumer preferences for CSR activities and the market is producing it. In related to the fast food industry, Schroder and McEachern (2005) 's research suggests that " Most respondents favoured an involvement of global fast-food companies in CSR, whether in the context of providing healthy choices, assuring animal welfare or the sponsoring of community activities. They also suggest that fast-food retailers for example McDonald's and KFC should emphasize on customer health, food quality and CSR activities in order to maintain and have new customers.

On the other hand, some studies argue CSR may not be helpful in developing corporations' brand and gaining advantages. Nicola (2007) describes "awareness of CR policies is low" and "consumers do not act on their beliefs about CR - they will continue to buy brands they know to be irresponsible. Product quality and consumer fairness are more important than CSR in consumers' mind, most consumers agree corporations should have CSR, but only one-third of them consider CSR when shopping and not more than 4% would really not purchase a product due to the corporation's ethical policy (Peter 2007). John (2006) mentions Milton Friedman, the famous economist, has said "few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible".

Corporation should not have conscience like a human being as a corporation's nature is to maximize returns to its shareholder without breaching the law. These perspectives supporting the need of CSR show the consumers today choose our products not only depending on the quality of our products and service, but also depending on our contribution to CSR activities. As the whole market is producing it, a corporation has to fulfill the consumer demand of CSR in order to remain competitive.

However, it assumes consumers are rational and act like what they think about CSR. In fact, consumers are not always rational and their consuming behavior may not consist with their thought. At the same time, there are some other perspectives showing the corporation contribution to CSR may

be useless in gaining advantages. It strongly states that consumers focus much more on the product quality and consumer fairness, rather than CSR. Even the consumers know the corporation is irresponsible, they would still buy its products.

It makes CSR seems to be less important than what scholars have described. However, CSR not gaining advantages to the corporation doesn't mean not gaining advantages to the society. As a responsible corporation, it should have a conscience to keep on committing itself to CSR activities. These perspectives focus too much on what a corporation can gain from a society, but not on what a corporation can give to the society. Only obeying to the law is not enough for a responsible corporation.

In conclusion, different perspectives may have certain strengths as well as weaknesses in their arguments. These perspectives supporting CSR provide a clear picture of the necessity of CSR by showing the consumers' demand for CSR activities and indicating fast food corporations should have more CSR activities to maintain their competitiveness. However, it ignores the fact that consumers are not always rational and they may behave differ from what they think.

Those perspectives questioning the effectiveness of CSR place a strong emphasis on that fact that CSR is not consumers' priority and the role of a corporation is to maximum profits. However, it focuses too much on the benefits of the corporation rather than the benefits of the society as it puts the role of corporations in a too utilitarian position. On the whole, although we understand much about CSR through the process of analyzing different

claims, it is still hard to have a clear conclusion on those perspectives as obvious contradictory findings do exist and it may need a further research.