Carlsberg’s Corporate Social Responsibility Reporting: Communicating by using tools to minimise scepticism

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Abstract

English version

In this project we have tried to see how Carlsberg - as our case company - addresses the challenges that contribute to scepticism in communicating Corporate Social Responsibility activities to consumers and the general public. In order to do it, we have identified the tools that cope with minimising sceptical reception. Hereafter, have we used these tools to look at our data - the company’s 2013 CSR Report. The purpose of this process was to investigate whether these tools could be identified in Carlsberg’s CSR report and can contribute to minimising scepticism. Moreover, our general theoretical background is based on strategic communication, stakeholder theory and triple bottom line. CSR conceptualizations, reporting strategies and approaches to paradox and scepticism relate to the CSR phenomenon aim at approaching the analysis of Carlsberg’s CSR Report.

Abstract

Polish version

Table of Contents

ABSTRACT ......................................................................................................................... 2
WHAT IS CSR? .................................................................................................................. 4
PROBLEM DEFINITION .................................................................................................... 4
OBJECTIVES AND RESEARCH QUESTIONS .................................................................... 5

CASE COMPANY - CARLSBERG GROUP ....................................................................... 6

THEORETICAL BACKGROUND: BASE THEORIES ......................................................... 7
STRATEGIC/PLANNED COMMUNICATION .................................................................. 7
STAKEHOLDER THEORY .................................................................................................... 7
TRIPLE BOTTOM LINE ...................................................................................................... 8

METHODS AND METHODOLOGICAL CONSIDERATIONS ............................................ 10
METHODS .......................................................................................................................... 10
METHODOLOGICAL CONSIDERATIONS ...................................................................... 11

THEORETICAL BACKGROUND: CSR COMMUNICATION THEORIES ......................... 13
VARIOUS CSR CONCEPTUALIZATIONS .......................................................................... 13
CSR REPORTING STRATEGIES ....................................................................................... 14
CHANNELS ........................................................................................................................ 15
COMPANY CSR REPORT ................................................................................................. 15
ON PARADOX AND SCEPTICISM .................................................................................... 16
GREENWASHING AND BLUEWASHING ........................................................................ 18
CSR COMMUNICATION: TOOLS FOR MINIMISING SCEPTICAL RECEPTION ............... 19
Means of presentation: the way to convey ..................................................................... 20
Rational link .................................................................................................................... 20
Commitment: CSR business incorporation, CSR employee integration, over time ...... 21

ANALYSIS ............................................................................................................................ 25
ANALYSING THE MEANS OF PRESENTATION ............................................................... 25
Structure of the message ................................................................................................. 26
Content of the message .................................................................................................... 27
ANALYSIS OF THE RATIONAL LINK ........................................................................... 29
Efficient brewery initiative .............................................................................................. 30
Sustainable packaging initiative ...................................................................................... 32
Promote responsible drinking initiative .......................................................................... 33

COMMITMENT AS INCORPORATION OF CSR INTO BUSINESS PRACTICES ............. 35
1. Communicating Broad CSR efforts: Diversity of Issues ............................................. 36
2. Communicating Broad CSR efforts: specific areas .................................................... 37
3a. On linking CSR to business practice and policy: making explicit statements ....... 39
3b. On linking CSR to business practice and policy: aligning CSR to practice & policy 40
4. Extra strategies at the integrated and transforming stages ......................................... 42

COMMITMENT AS CSR EMPLOYEE INTEGRATION .................................................. 45
COMMITMENT OVER TIME .............................................................................................. 51
Long-term commitment with a goal set in the more distant future .............................. 51
Continued commitment to building on past CSR activities ........................................ 52

DISCUSSION ....................................................................................................................... 54
CONCLUSIONS .................................................................................................................. 56
BIBLIOGRAPHY ................................................................................................................ 57
APPENDICES ..................................................................................................................... 60
Introduction chapter

What is CSR?
The idea of Corporate Social Responsibility (hereafter referred to as CSR) has been alive for half a century, though not in an agreed upon definitions. The European Commission\(^1\) defines CSR as a concept by which “companies decide voluntarily to contribute to a better society and a cleaner environment” (2001:5) by “going beyond compliance and investing ‘more’ into human capital, the environment and the relations with stakeholders” (2001:8).

According to H. Gordon Fitch “CSR is defined as a serious attempt to solve social problems caused wholly or in part by the corporation” (Fitch, 1975:1). This definition implies that CSR is a means for businesses to reconnect with society by addressing social problems. However, what is the social problem of a company? Instead of defining the exact problems, the United Nations has set up a pact used as guidelines for companies to create benefit not only for themselves, but moreover also benefitting society, namely The United Nations Global Compact (hereafter referred to as UNGC). We will elaborate further on this introduction, by outlining various conceptualizations of CSR below.

Problem definition
Due to stakeholders’ growing demands for accountability, responsibility and transparency, CSR communication has become an integral part of companies and organisations. However, companies and corporations face challenges in communicating CSR activities since these communication attempts rather raise scepticism instead of illustrating corporate contributions to society (Waddock and Googins, 2011). This issue of mistrust has become a major obstacle for companies and society at large in CSR communication - “given the general public’s distrust of major corporations, it is not unreasonable for a corporation to fear that stakeholders will perceive attempts to communicate CSR achievements as ‘greenwashing’.” (Illia et al, 2013).

Due to the public’s lack of trust for particularly large multinational companies, there is a paradox corporations face in communicating CSR in the sense that the more a corporation touts its CSR activities and policies, the more distrustful and sceptical its audience becomes (Waddock and Googins, 2011).

This communication problem can be viewed from many sides. One being from the sender’s point of view to explore how the communication as a whole is designed and executed as a form of strategic communication. In this instance, the aim will be to change the audience’s perception of the communication as a form of deception and

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\(^1\) European Commission: 2001, Promoting a European Framework for Corporate Social Responsibility (European
putting its CSR efforts on display, to instead view the communication as the company’s genuine contribution to society. Another side of viewing the communication problem is from the audience’s point of view to explore how an audience makes meaning and sense of the CSR communication. This project focuses on exploring the former point of view of the communication problem.

**Objectives and Research Questions**

Waddock and Googins identify two challenges in addressing the paradox of CSR communication - the challenge of developing trust with the various stakeholders and the challenge of ensuring that what is communicated is not just spin but rather based on authentic values, believes and practices within the company (Waddock and Googins, 2011). How a company addresses these challenges in terms of the strategies it uses to communicate CSR efforts to consumers and the public is the aim of this project. The research explores how a company designs and executes CSR as a form of strategic communication; what strategies a company uses to deal with consumer and public sceptical reception?

In line with the aims of the research, the following questions are the focus of this research:

**How does Carlsberg address challenges that contribute to scepticism in communicating CSR activities to consumers and the general public in the 2013 CSR report?**

- What tools identified as dealing with minimising sceptical reception can be found in Carlsberg’s CSR report?
- How does Carlsberg integrate such tools in the way they formulate general and specific CSR messages?

We are interested in this because we acknowledge that CSR is a topic that has been around half a century but its popularity has boomed in the past decade in that it is becoming a conventional part of how to do business. Doing CSR is an expectation from consumer, all forms of stakeholder, and from other business as being a good corporate citizen. More so, there is a whole different tone to doing business in a socially responsible way; there is a focus on company’s taking their power and influence not just to make more profit, but to ‘do good’ and carry out business in an ethically sound way. The communication challenge is that given companies really are behaving as sound corporate citizens, their efforts may not be taken seriously or communicated in a credible manner. There are many reasons for sceptical responses, and here we would like to cast light on the communication dilemma by looking closely at one reputable company’s CSR report.
Now that we have situated our project in communication of CSR and have defined our research objectives and questions in section one we will pursue our questions in the following manner. In section two we will introduce and give a bit of background information about the case company used in the project. In section three we will set the foundation with a general theoretical background, followed by an outline of our methodological considerations and CSR communication theory that allows us to approach our specific research question in section four. Section five is our analysis of Carlsberg’s CSR Report based on strategies, or tools we have identified as lenses through which to view the report. Finally, we conclude the project with a discussion of our analyses and concluding remarks about where the project has led us and how to take it further.

Case Company - Carlsberg Group

Carlsberg Group (henceforth referred to as Carlsberg) is a global company with operations in 140 economies and societies, and employs over 40,000 people worldwide. It operates by sharing best practices, standardising and centralizing functions and processes across the group. Carlsberg has been a participant of the UNCG since 2008 and the company has been working strategically with CSR through incorporating their CSR policies in their entire value chain. Carlsberg believes that incorporating their CSR policies with their entire value chain “has the benefit of making CSR not only a reputational and risk-mitigating buffer but also a strategic driver for business opportunities and future value creation for the Carlsberg Group and society”. Across the value chain, the company’s CSR policies focus on the areas of Sustainable Packaging, Environment, Responsible Drinking and Marketing Communication, Labour and Human Rights, Health and Safety, Business Ethics, Responsible Sourcing and Community Engagement. However, Responsible Drinking, Sustainable Packaging and Efficient Brewery are three sustainability initiatives the company is focusing on currently.

Carlsberg is one of Denmark’s best performing corporations according to the CSR Awards “Does CSR Matter” by the Reputation Institute. We choose Carlsberg as the company in this case study because they are a Danish-based but international company, with English as one of its primary languages, especially since it uses English in its publications. We also choose Carlsberg since it is such a reputable company and therefore likely that the company is experienced and/or sets good standards for how to communicate on CSR.

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2 http://www.carlsberggroup.com
4 http://www.csr.dk/carlsberg-og-lego-på-eksklusiv-csr-liste
**Theoretical Background: Base theories**

Here we will outline general theories in communication and CSR to lay the foundation of our research area in order to approach our research questions. The next step will be to explain various CSR conceptualizations and outline theories specific to CSR communications that will help us approach the secondary data analysed, Carlsberg’s 2013 CSR report.

**Strategic/Planned Communication**

Strategic or planned communication according to Svend Windahl and Benno Signitzer is ‘‘a planned effort on behalf of a sender to influence some or all groups in society with a certain message or set of messages’’ (Windahl & Signitzer, 1992:19). Put simply, strategic communication is ‘‘ infusing communications efforts with an agenda and a master plan’’ (IDEA, 2011). This concept of a sender’s planned communication efforts to influence an audience is the point of departure of this project.

The definition of planned communication and the work of Windahl and Signitzer for that matter conceptualises communication as a systematic way of planning and delivering a concept with the aim of creating change or promoting an agenda. Like all systematic approaches, there are a number of considerations about the role of the sender, the content of the message and various suggestions for disseminating the message in order to reach the overall aim. Some of these systematic approaches include understanding communication campaigns as communication with emphasis on long-term planning and widespread goals, having a bottom up approach, and communicating from a receiver’s point of view (Windahl & Signitzer, 1992: 20).

As authors of this project, we are viewing CSR communication as a planned process that involves the consideration of the various stakeholders of the company and has long-term goals of which inhibiting audience scepticism is one. With strategic communication as the background knowledge, this project identifies the CSR report as a piece of communication and explores, based on CSR theories, how Carlsberg uses this form of communication to address audience scepticism.

**Stakeholder theory**

This is the concept that stakeholders both internal and external have the right to make special claims on companies – “stakes require action of a sort, and conflicting stakes require methods of resolution” (Freeman, 1984). The principle behind this theory is that “corporations shall be managed in the interest of its stakeholders, defined as employees, financiers, customers, employees and communities” (Freeman, 1984).

In CSR, the stakeholder theory is a framework used in establishing CSR policies and is one of the methods of the Global Reporting Initiative (GRI). Organisations that
follow this concept have an outside-in view towards their decision-making in the sense that they look at the various stakeholders and identify how they are singularly affected by decisions made by the company (Brusseau, 2013).

The stakeholder theory is supported by CSR stakeholder communication strategy by Mette Morsing and Majken Schultz (2006), which is based on Grunig and Hunt’s (1984 in Morsing and Schultz, 2006) model of public relations. The strategy concerns manners of communication to/with stakeholders, but also sense-giving and/or sense-making of communication ideals, strategically involving stakeholders in the establishment of a corporation’s CSR.

In our report, we are going to explore the strategic way of communicating CSR policy with the internal stakeholders of Carlsberg Company, such as the employees to the public. For the most part, we focus on scepticism that may arise in consumers and the public when reading company CSR communication, here the CSR report.

**Triple bottom line**

The concept of the triple bottom line was first introduced by John Elkington as a reporting and accounting tool to measure sustainability. The concept is based on the idea that the measurement of a company’s success or failure should focus not only on the financial bottom line but also on social and environmental performances of the company (Norman and MacDonald, 2003). Elkington argued that companies should prepare three bottom lines. One being a traditional profit and loss account, a second report measuring how socially responsible the organisation has been in its operations and the final report measuring the environmental responsibility of the company.

Commonly referred to as People (social responsibility), Planet (environmental responsibility) and Profit (economic responsibility) the triple bottom line has become ubiquitous with the discourse on corporate sustainability and is incorporate in CSR. In the sense that both internal and external stakeholders expect that for a company to be successful, it needs to maximise and be accountable for all three areas - economic, social and environmental - of its operations (Gray and Milne, 2014). In CSR, the triple bottom line has become a framework by which companies can present an account of their performance. It is also the concept on which other CSR reporting frameworks and initiatives have been developed. As an example, the Global Reporting Initiative (GRI) encourages organisations to produce reports that cover People, Planet and Profit aspects of their operations.
The picture above illustrates the concept of CSR practices according to the triple bottom line. According to the diagram, reaching compliance reflects that a company is reaching the standard of CSR practices and that it does not cause any harm to society, environment and economy. However, overreaching compliance is the opportunity to “do good” and this is when companies are trying to make a difference with their CSR practices such as projects to support society or a group of society etc.
Methods and methodological considerations

Methods
In the early stage of a project, the process starts with identifying a field of interest, a field interesting enough and new to explore. In our case this was the field of Corporate Social Responsibility (CSR). While familiarizing ourselves with and within the field by reading articles, theories, conceptualizations and practices related to CSR, we expanded our knowledge and our insight in what CSR does and where it leads to, hence keeping in mind the communication nature of this project.

While exploring the subject, often the topic is criticised for how people associate the term with words like profit, marketing tool, greenwashing and a like. All terms leading up to a sceptical reception of the topic, which led us to the point where we questioned what actions organizations undertake to minimise the effect of scepticism on their CSR practices. It eventually led us to the questions of investigating how a company would deal with challenges that contribute to people’s sceptical view and opinion. We created the following Research Question: How does Carlsberg address challenges that contribute to scepticism in communicating CSR activities to consumers and the general public in the 2013 CSR report?

In light of this, we have chosen to take the Carlsberg Group as our case study as the company is from Danish origin with English as its corporate language. And as mentioned earlier, Carlsberg’s CSR practices were recognized by the Reputation Industry as one of Denmark’s best performing companies in CSR. In order to find the answer to the big question, we incorporated two sub-questions that would lead up to the answer of the main research questions. We firstly started of with identifying tools that contribute to minimizing the sceptical reception from Carlsberg’s CSR report(ing). And secondly we questioned how these tools could be formulated in regular CSR initiative communications. For the last mentioned, we used the 2013 CSR report, to analyse a communication channel by Carlsberg when reaching for its consumer and general public.

After having identified the problem field, the research question, the sub-questions that support finding the answer to the main research questions, lead up to identifying the scope of the research. Here we consider the Carlsberg CSR report with the focus on Carlsberg’s communication and how it communicates in the report. As the research will not lead itself, we have looked for theories that are CSR communication related and help us guide throughout the entire process. We have chosen to select our measurement tools based on existing literature, which focus on how Carlsberg conveys its message, the rational link between Carlsberg CSR initiatives and the core business (and how this is communicated through) and the overarching theme of Carlsberg commitment to the CSR initiatives.
Now having identified the research question and supporting questions, the scope and involved theories, we now continue with the analysis process. As part of the analysis process, we will use ‘coding’ to identify themes, followed with searching the text for these themes. Rather than reading the CSR reports and letting code emerge (grounded coding – Charmaz, 2003), our coding was guided by focusing on tools identified from pre-existing CSR communication theories, or *a priori* ideas (Taylor and Gibbs, 2010) "How and what to code"5, namely rational link and commitment. In our description of the tools we have shown in what way we will focus on the thematic content of the tools, along with justifying the choice of these tools with respect to minimizing sceptical reception in CSR communication. In order to show clear separation between the highlighted portions of the text, we have used colours in support of the coding process. The Carlsberg 2013 CSR report can be classified under the different themes, or tools identified; means of communication (green - CSR Report A), rational link (pink - CSR Report B), commitment as CSR incorporation into business practices (blue - CSR Report C), commitment as CSR integration amongst employees (orange - CSR report D), and commitment as spanning over time (yellow - CSR Report E). Each CSR report is included in the appendix as a separate document 1) to make transparent the process of coding that led to our analysis and 2) to serve as a reference for material cited in the projects analysis.

After the pre-analysis process, we proceeded to the analysis in which we reflected on the tools and how these tools contribute to minimizing sceptical reception of Carlsberg CSR report. Each of the different themes have been analysed and have been argued for whether and how Carlsberg makes or implements these communication tools. The analysis gives us space to reflect on the implements in not only a general manner, but also more specific by firstly going into the different CSR initiatives.

**Methodological considerations**

Our view of CSR acknowledges social constructionism on the conceptualization of CSR by different stakeholders in the sense that different stakeholders may have various conceptualizations of the proper way to follow CSR practices and communicate about it. We assume the perspective of the consumer and general public in terms of stakeholder position.

Furthermore, in this project we do not question the truthfulness of CSR Reports neither greenwashing/bluewashing. Instead, we look at the CSR reports as an objective reality. In our method we are following the process of making observations based on tools we have identified and presenting them at face value. The data we are using from CSR report, are influenced by these tools we chose to focus on. We are also looking for their evidence in Carlsberg’s CSR report. Our aim is not to confirm either to disconfirm a theory, here. We rather assume Carlsberg uses these tools consciously in the hope of minimizing scepticism. After our analysis, as the next step,

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we could include presenting identified sections of the CSR report to the public in order to see if scepticism would be minimised.

Based on the literature that provided us the tools that might minimise scepticism, we intend to observe (but not evaluate) the way how Carlsberg uses them. Besides, sceptical reception is our theoretical understanding that specifies the way we look at Carlsberg communicating their CSR as a real life occurrence.

In the approach of answering the research question we need to start of with the certain tools that minimise scepticism. The selected tools for will confirm or disconfirm in a real life case of Carlsberg whether or not these tools are being used in order to minimise scepticism. At the start of our research we hypothesis that Carlsberg uses \( X \) tools if it wants to minimise scepticism.

The scope of the research and the accessibility of the information carry methodological consequences, referring to these delimitations we acknowledge that our project will not take other companies then Carlsberg into consideration. The scope of data analysis will be based only on the Carlsberg’s 2013 CSR report and will not include communication through other channels.
Theoretical Background: CSR Communication theories

In this section we will explain various CSR conceptualizations and give some background on how CSR reporting can be done. We will expand further on the paradoxes and some roots of scepticism, also focusing on describing green- and bluewashing. Finally, we will outline theories specific to CSR communications that will help us approach analysis of Carlsberg’s 2013 CSR report.

Various CSR conceptualizations

CSR is often defined among researchers, evoking complexity of meanings and approaches for the understanding of the concept. Here, we would like to introduce some of the dimensional proposals most commonly applied to the study of CSR.

The United Nations Global Compact (UNGC) addresses 10 principles in the areas of human rights, labour rights, environment and anti-corruption. The principles are based on the triple bottom line: people, planet, and profit. The themes are based on other internationally recognized declaration/bills/conventions (Skadegård Thorsen and Meisling, 2011:349). Organisations are free to join the UNGC. Basing organisational CSR policy according to the UNGC gives an organisation a status of international recognition. The UNGC followed a document dealing with human rights and business practices called “Norms on the responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights” drafted in the late 1990’s (Ruggie, 2013:xvii). The 10 principles of the UNGC are not to be confused with the United Nations Guiding Principles on business and human rights of 2008 based on the “Protect, Respect, and Remedy Framework”, that is “the state duty to protect human rights, the corporate responsibility to respect human rights and access to remedy”.

Denmark is a leader in having established a law which states that the top 11,000 Danish corporation are obliged to report their CSR report, many (if not most) of these Danish corporation have therefore aligned with the UNGC.

Over the past decade the identity of CSR, the role it plays for and within organisations and the voice society on the matter, has changed. Due to the booming popularity and interest of society on the subject, organisations are often judged on their CSR practices - be it only reporting on strategic CSR actions and the process of implementing these CSR actions. Therefore, in this project we take a look at CSR reporting and CSR communication as a form of strategic communication.

Archie Carroll stands apart from the UNGC definition and conceptualization of CSR in two respects. One, he is very much focused on the legal aspect. In addition, he

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6 [www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html](http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html)
places much emphasis on philanthropic activities. Carroll’s CSR Pyramid which is a widely cited CSR model, conceptualizes four types of responsibilities for the corporation: the economic responsibility to be profitable; the legal responsibility to obey the laws of the respective society; the ethical responsibility to do what is right, just and fair and the philanthropic responsibility to contribute to various kinds of social, educational, recreational or cultural purposes (Carroll, 1979).

Another way to view a possible dimensioning of CSR is through sustainable development theory (World Commission on Environment and Development, 1987). The dimensions of CSR can be identified from the conceptual framework provided by the theoretical models proposed by Virgilio Panapaanaan (2003) and Rajat Panwar, Tomi Rinne, Eric Hansen and Heikki Juslin (2006). These authors conceptualize CSR based on sustainable development establishing that corporate responsibility is a multidimensional construct consisting of economic, social, and environmental focus. This conceptualization of CSR is very near to how the UNGC deals with CSR.

The next perspective for understanding the CSR concept is provided by stakeholder theory, where stakeholders are defined as “those groups or individuals who can affect or are affected by the achievement of the organisation objectives or are those actors with a direct or indirect interest in the company” (Freeman, 1984). Here, CSR initiatives are demonstrated as the obligations that companies have towards these groups. According to this, CSR activities should preferably be classified as a function of those stakeholders who are most benefited by corporate initiatives. Freeman encouraged the consideration of CSR focus on customers, employees, society, the environment and the market (Perez & Rodriguez, 2012). Stakeholder theory proposed a new way to organise thinking about organisational responsibilities.

Our view of CSR acknowledges different conceptualizations of CSR by different stakeholders. Here we are concerned with consumers and general public. That is a buyers and consumers of the product and the general public that may not have a specific set of interests that classify them as a group, as opposed to stakeholders with a set of stakeholder-specific interests.

**CSR reporting strategies**

CSR reporting is a communication tool for the organisations to regularly release information to stakeholders about its CSR approach, strategy and vision. It includes the information about the impact of the business operations on economy, environment and society. Through CSR reporting, the organisations have a systematic tool to review and analyse diverse CSR risks and opportunities, to improve internal management practices, to engage with different stakeholders, as well as to improve its reputation and influence. What is more, CSR reporting is increasingly becoming mainstream practice and an important mechanism for large companies to manage performance, build and communicate value and address stakeholder expectations.
There are different ways of reporting CSR. The UNGC, for instance, is the world’s largest corporate sustainability initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. In order to maintain ‘communicating status’ with the UNGC companies must annually submit a Communication on Progress (COP) where they disclose their progress on implementing the 10 principles to stakeholders. Also, there is the widely common Global Reporting Initiative (GRI) that has lead the way of the development of the world's most widely used sustainability reporting framework, with the basis of the G3 Guidelines. These guidelines set out the principles and indicators that organisations can use to measure and report their economic, environmental, and social performance. Besides, there is voluntary social and environmental accounting and reporting (SEAR). Its practices are becoming increasingly common among multinational corporations (Gray, 2006). Within the concept of triple bottom line, one of the main distinctions here is on the idea of ‘profit’ or economy. The UNGC compact focuses solely on anti-corruption and tax paying compliance, where GRI follows an understanding of profit that is based on basic triple bottom line theory where the economic sustainability should not be prioritised below CSR efforts. Our case company Carlsberg uses both the GRI G3 and the UNGC reporting strategy alongside one another (CSR Report, pp.44-49).

Channels
There are a variety of communication channels through which information about a company’s CSR activities or record can be disseminated. A company can communicate its CSR activities through official documents, such as an annual corporate responsibility report and a dedicated section of its official corporate website, including videos, for instance. It can also use TV commercials, magazine or billboard advertisements, and product packaging to communicate its CSR initiatives. The traditional advertising channels that communicate CSR activities serve to communicate the brand’s commitment and various ways for consumers to get involved. Companies can also use product packaging to communicate its CSR initiatives and values. They provide a scope for brand-building and engagement with customers, strengthens the bond between organisations and stakeholders, while increasing awareness of organisations and empowering stakeholders through engagement, encourages transparency when stories are shared about organisations’ achievements, which might encourage positive feedback and gives everyone a voice and makes it easier for one to share thoughts, stories and comments with a wide audience in real-time.

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8 http://www.unglobalcompact.org/cop/
Company CSR report

Reports are used by organisations to communicate and present various aspects of activities. The CSR report as an example is an ultimate evidence of an organisation’s transparency and commitment to CSR (Tehemar, 2012). The code of conduct is a means of communicating the various principles and expectations of the company and the Annual reports are a means of communicating an organisation’s financial and economic performances. Although, the code of conduct and Annual reports are not purposefully for communicating CSR, they serve as a means for the company to shed further light on their CSR activities such as the financial contributions and costs of CSR activities and the company’s expectations of conduct.

In the case of Carlsberg, the CSR report is used as a means to present the company’s engagement with CSR over the past year in terms of achievements, failures and ongoing projects. The report shows the various areas of the company’s CSR focus, explains the importance of these areas to the company’s internal and external stakeholders and elaborates on how these areas of focus integrate with the company’s value chain. The report also sheds light on the various CSR campaigns the company is involved in as well as presenting case stories.

In this project we focus solely on Carlsberg’s 2013 CSR report.

On Paradox and Scepticism

The paradox and the scepticism in communicating CSR are related but not the same. There are different roots to a so-called paradox in CSR communication, at the company level and at the communication level.

Waddock and Googins describe the paradox as the conflicting ideals between a general distrust in “large and multinational” corporations (much like Ruggie sets up the atmosphere that led to UNGC) and their intention to be socially responsible. Furthermore, “there is also a sometimes very real gap between corporate rhetoric and corporate practice (…) called “corporate hypocrisy” (2011:25). This is also known as CSR greenwashing (as opposed to “pure” environmental greenwashing). Another paradox is that CSR efforts are a response with the aim of being seen as a good corporate citizen and an ethical business in the eyes of others, but then trying to get others to see one’s efforts might result in just the opposite. “On the one hand, the general population has a high regard for those companies associated with social responsibility, while on the other hand, the majority of Danish citizens encourage companies not to communicate about their social responsibility or to communicate in a less conspicuous way” (Morsing et al, 2008:102). Again, the two levels identified are questioning the actual CSR efforts and questioning the communication about them.

In these cases, businesses must make the decisions not only about how they do CSR, but what they say about it. Clearly, being perceived as a socially responsible company
would benefit the company image. But if the same communication about CSR resulted in being perceived as distrustful or non-credible, it could also tarnish company image. Jahdi and Acikdilli (2009) examine this potential to swing either way as a result of CSR presented in marketing and advertising, where the intentions of advertising is the persuasion to buy, in this case persuasion to believe and approved. Morsing and Schultz (2003) report that some Danish consumers find CSR-based identity cues via advertising distasteful, although they may not otherwise be informed about a company’s CSR efforts. Here we see conflicting expectations between doing and talking about CSR practices as well as a conflict bourne from the means of communicating the intrinsic good of in CSR via the potential evils associated with advertising. This conflict of using CSR in advertising, marketing, and public relations ‘channels’ may also contribute to sceptical reception.

Self-praise, selling a CSR message, or boasting about CSR efforts can be associated to the Aristotelian idea of ethos and is related to a speaker’s or sender’s credibility (Gabrielsen & Christiansen, 2010). A speaker can tell about his or her credentials as a speaker either directly or indirectly. Similarly, a company can report on CSR explicitly or implicitly. As stated by Morsing et al. (2008), communicating CSR in “a less conspicuous way”, or implicitly may be received less sceptically, as shown in a survey conducted by the Reputation Institute. “[T]he public does not appreciate that companies communicate too ‘loud’ to them about this engagement” (ibid, p108). Today’s trends in CSR reflect a more explicit approach. For instance, The Body Shop is very vocal about their CSR on websites and all newsletter/consumer mails where this ad below appears.

Sceptical reception can be minimised if the source is *not* straight from the horse’s mouth, meaning that the company doing and reporting on its own CSR may not be viewed as the most reliable to initiate, formulate and send out CSR communication. Indeed, a 3rd party source may contribute to greater credibility than one’s own pat on the back. Morsing calls this the endorsed CSR communication process; from
employees and media, as opposed to the expert CSR communication process; strictly from top management (2008:105-7). Du et al. point to media and word-of-mouth as other less controllable and therefore more credible sources, or “independent channels” of CSR information (2010:13-4).

From the reader, or receiver perspective scepticism can also come from lack of understanding of the issues at hand or a conflict of the message in relation to “prior beliefs”, or conflict in beliefs, known as cognitive dissonance (Pomering, 2009a: 423-4).

The act of attempting to share one’s good acts might backfire and result in sceptical reception; either that one’s efforts are questioned, or that the communication itself, in terms of integrity and truthfulness, is questioned. Both CSR efforts and CSR communication might be questioned. What is at stake is credible or sceptical reception of a company’s CSR efforts where some factors contributing to reception have to do with if the CSR and corresponding communication are seen as true, if the efforts are communicated via a channel that will increase positive reception, as well as if this particular form of self-praise is received positively or negatively. Do stakeholders and the general public generally believe the company’s communication about CSR and do they believe the company is really doing what it says, or not?

To summarise briefly, the connected issues of the paradoxical nature of CSR communication and sceptical reception can originate from the company side and how CSR communication is sent out in terms of how the message is formulated or which channel of communication is used. Scepticism can also originate from the receiver side as a lack of or conflict in understanding what is being communicated. In this project we are only concerned with the channel designated for CSR reporting, namely the yearly CSR Report. We are in the scope of this project not concerned with other channels where CSR may appear.

Greenwashing and Bluewashing
Corporate activities ought to “promote human welfare and increase positive societal effects beyond core business activities” (Pomering, 2009). One may notice the increasing pressure on the companies to demonstrate their commitment to Corporate Social Responsibility. More and more companies are ‘going green’ and reducing the environmental impact of their operations, including packaging and distribution.

‘Greenwashing’, for instance, is often described as “the phenomenon of socially and environmentally destructive corporations attempting to preserve and expand their markets by posing as friends of the environment and leaders in the struggle to eradicate poverty or environmental whitewash” (FOEI, August 23, 2002). This means that the companies make misleading or false claims about their practices and policies in order to appear as eco-friendly. Greenwashing is therefore any activity that gives the impression that the company is acting responsibly, although it does not. A typical
instrument of the greenwashing may be abusing of annual reports or misleading
disclosure of information. Such efforts can be driven by a company’s desire to
improve its image or profit margin as consumers have demonstrated a willingness to
pay more for green products and services.

Additionally, ‘bluewashing’ is the term used while accusing companies of “wrapping
themselves in the United Nations blue flag without requiring them to do anything
new” (FOEI, August 23, 2002). This term is specifically used in reference to the
Global Compact, being the set of ten principles that companies sign up to (covering
human rights, labor, the environment and corruption issues) with the purpose of
bringing companies together with UN agencies, labor and civil society to support
universal environmental and social principles. There is nothing wrong with the
principles, but there are no admission mechanisms beyond application and a
commitment to adhere to the principles. There are also no auditing mechanisms to
ensure that the principles can be observed in practice.

These phenomena might lead to overall scepticism towards companies’ CSR
initiatives among stakeholders. One can think that Corporate Social Responsibility is
simply an attempt, where companies use CSR as a facade to conceal their real
activities, or to legitimize other activities. Besides, CSR projects that were
misleadingly marketed as ‘the right thing’ when in fact they were not feasible, can be
met with negative perception, giving a misleading impression of the whole.

**CSR communication: Tools for minimising sceptical reception**

In our analysis of CSR communication texts we will focus on the communication
itself, and in this project not be concerned with validating the truthfulness or accuracy
of what is reported or said in the text. While truthfulness is connected to whether
CSR efforts are carried out with integrity, it is out of the scope of the project at
hand. Admittedly, it is sometimes difficult to disentangle how a company does CSR
from how it communicates its CSR to the public. Both the efforts and the
communication of CSR are taken into consideration when making evaluations about a
company’s social responsibility by any type of stakeholder. Here we focus on what
we can analyse in text communication itself.

In order to approach the selected text material, Carlsberg’s CSR report for analysis we
will identify a limited set of tools that contribute to dealing with sceptical reception of
CSR communication that are employed by companies. The first tool deals with the
way the material is presented as part of the communication strategy to convey a
message. The next two tools are about thematic content of the CSR communication;
rational link and commitment, described in detail below. Identifying the means of
presentation of the material is an extra analytical element that can been seen on its
own, as a way to facilitate understanding, or together with the two thematic factors
used in CSR communication.
Means of presentation: the way to convey
There are several ways in which communications can be expressed to convey a message, for example traditional text and words, narratives, numbers and/or figures, tables and graphs, as well as other images and visual rhetoric. All these means of communication are a way to explain, make comparison and/or illustrate a message in part or whole. Here we will focus on identifying the means of presentation used and how using that means works to strengthen how the message is conveyed from the sender and so contributes to minimising scepticism from the reader’s side. This part of the analysis derives from Perloff’s interpretation of message factor analysis from different angles: we will focus on the structure of how the message is constructed and an interpretation of the content of the message (Perloff, 1993/2010, ch. 7. in *The Dynamics of Persuasion*).

We will look at what types of CSR information are presented in what ways. Moreover, we predict that the ways of conveying a message will be combined with the thematic tools, for instance Carlsberg uses narratives in combination with CSR employee integration as individual employee stories. Also Carlsberg uses visual rhetoric, as ‘value-chain icons’ combined with CSR business incorporation as a simple and direct way to illustrate involvement.

Again, to make the distinction that the way material is presented from the sender side is connected to how it may be understood by the receiver. Various ways to present material can be seen to enhance cognitive understanding of the material by presenting or sending it in the clearest way possible given the part or whole of the key message.

Rational link
How are CSR initiatives linked to core business? Du et al refer to this as fit (2010). Some examples of this are the Drink Responsibly\(^\text{10}\) initiative by Carlsberg is rationally linked to the product of the business -alcoholic beverages, while Body Shop’s link to stop sex trafficking\(^\text{11}\) is less tied to their core business of body care products. In most simple terms, rational link refers to how the CSR initiatives/reporting is linked rationally to the core business of the company.

Companies need to propose a solid set of arguments, principles, and processes, which show the integration of the corporate CSR initiatives to the core business that CSR matters for corporate survival as well as for stakeholder benefit (Morsing 2006b: 241).

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9 [http://www.carlsberggroup.com/csr/Pages/default.aspx](http://www.carlsberggroup.com/csr/Pages/default.aspx)
Low CSR fit, owing to the lack of logical connection between a social issue and a company’s business, is likely to increase cognitive elaboration and make extrinsic motives more salient, thereby reducing stakeholders’ positive reactions to a company’s CSR activities. Therefore, a company should highlight the CSR fit of its social initiative if there is congruence between the social issue and its business. When a company does not have a natural fit with the social cause it supports, it should elaborate on the rationale for its social initiative to increase perceived fit (Du et al 2010:12).

It should be noted that the above quote focus narrowly on social issues, often charitable causes, and comes from an article that deals with a conceptualization of CSR that is primarily philanthropic-based. In this context the following should be noted:

under certain circumstances, communication of low fit may actually lead to more favorable stakeholder reactions: aligning with a low-fit cause might differentiate a company as being more sincere in its motive and increase the effectiveness of CSR communication (ibid:13).

Here the idea deals with going above and beyond compliance and what is required, not just to ‘do no harm’, but also to ‘do good’ in order to further benefit from CSR efforts. However, there seems to be some kind of trade-off then between philanthropic deeds and rational link, or simple compliance with the bottom-line standards, unless CSR elements like charity and community engagement can also be linked to core business.

Does a company endeavor to be socially responsible within the realm that affects and is affected by core business? If so, we assume that the initiatives will be better understood by stakeholders and the public and therefore be received with less scepticism than if the link between initiative and core business is neither transparent nor rational. There are ways to illustrate this link from simply relying on telling about the initiative with no background or extra information, to spelling out the rational link in terms of how it is connected to business, to spelling out the CSR problem and solution dealt with and/or spelling what the aim and effect of the specific initiative will be.

Commitment: CSR business incorporation, CSR employee integration, over time

The theme of commitment will be split into three main areas: incorporation of CSR and business practice, integration of CSR across the company at the employee level, and finally as company commitment over time. Although these three themes are interconnected around the concept of commitment, I will go through them independently to introduce and define the themes, in order to make clear what we will be looking for in analyzing Carlsberg’s CSR communication. Again, the purpose is not to judge the company’s CSR commitment, but to investigate how these types of
commitment are conveyed in CSR communication. When coding the selected materials, these are the key ideas we will hone in on.

**CSR business incorporation**

Company incorporation of social responsibility deals with how broad and how deep CSR efforts influence the company and is connected to but not the same as integration of CSR across company employees. For example, incorporation of CSR would look at how far out into distinct work areas efforts would reach, where integration of CSR would focus on how efforts affect employees at all levels.

A company’s incorporation can be focused on how broad CSR runs. The number and range of initiatives reflects the involvement and thus spells out how they specifically address the triple bottom line of people, planet and profit. The depth of influence refers to the fact that the company’s CSR is essential to its being and is incorporated from everyday practices to its overall mission.

Waddock and Googins sketch out stages that incorporate CSR more and more deeply “as [companies] move through the stages, particularly as their commitment to responsibility and sustainability begins to become more deeply embedded or, as practitioners like to put it ‘part of the corporate DNA’” (2011:30). The stages progress from elementary, to engaged, to innovative, to integrated and finally transforming and are outlined in the table below (ibid:30-33). We reference this article since it marks clear guideposts signalling a company’s incorporation of CSR into business practices, especially those that also show up in reporting communications. There are some things mentioned like relations and one-way communication with stakeholders, as well as control of information to stakeholders that we will not be looking into. We focus mainly on the plain content in the CSR report.

<table>
<thead>
<tr>
<th>Stage</th>
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| elementary  | -limited to legal compliance, e.g. paying taxes  
-communication about CSR is one-way to stakeholders  
-“relationships with stakeholders tend to be unilateral”                                                                                                       |
| engaged     | -a company adds philanthropy and some environmental management to their efforts along with an awareness of “the need to maintain societal ‘license to operate’”  
-voluntary and philanthropic activities “may have little real relationship to the business impacts that many external stakeholders are concerned about.” Here we see the idea of rational link.  
-there is some stakeholder engagement but limited communication  
-communications with civil society organizations (CSOs) and nongovernmental organizations (NGOs) may begin “mostly on a project-by-project basis rather than systematically” |
-stakeholder relationships are similar to previous stages  
-at this point there may be a rise in reports (social and environmental) and so there is potential for ‘window dressing’ if CSR efforts are not incorporated into the business model

| Innovative stage | -the main change is that the company starts to “pay real attention” and be “more responsive” to stakeholders and their interests  
-while the company strives to be more transparent about reporting its efforts, “the company still attempts to control the information that is released to stakeholders” |
| Integrated stage | -the company’s business models and corporate activities are more holistically integrated  
-“leadership begins to understand not only the importance of reputation to their success, but also that corporate citizenship (CC) plays an integral role in developing the company’s reputation”  
-takes “the lead on many various issues as they attempt to align business strategies and practices” with CC targets  
-welcomes “external assurance practices” like auditing from outside agencies  
-code of conduct reflects values of social responsibility  
-link performance assessment directly to CSR issues, for example Novo Nordisk integrates sustainability report into Annual Report and creating “an authentic approach to its responsibilities” |
| Transforming stage | -transparency and full disclosure of CSR efforts, including the negative or points of failure  
-new venues and new markets for ‘prosocial benefits’  
-CSR efforts are incorporated into business models

Waddock and Googins make the following comment on the integrated stage:

> Clearly, consistency of performance and outcomes with stated values is a key to creating credibility and actually in some respects defines the authenticity that a company seeks at this stage. (ibid:32)

What is key for analyzing CSR communication is that we acknowledge a range of the level of involvement that demonstrates a company’s commitment to CSR. From beginning stages of simple compliance (legal compliance or compliance reporting, for examples UNGC’s COP) to deeper incorporation of and commitment to CSR, where “[c]ompanies’ business models and their responsibilities are not viewed as distinct, but are linked tightly together” (ibid:32) as is shown in the more advanced stages of implementing social responsibility. In other words, it can be the aim of a company to achieve carrying out CSR in both daily and overarching business practices; CSR can ultimately be part of the way a company does business and not just a CSR report of good intentions alongside usual business practices.
**Commitment as CSR employee integration**

To what extent does CSR as a company mission permeate into the corporate culture? CSR incorporation could be at very advanced stages of commitment, but still restricted to upper-management. Here we are looking to see how CSR communication expresses the importance of efforts running throughout the whole company in terms of employees knowledge of and connection with CSR efforts. There may be some overlap here with incorporation where CSR may for example touch how business is done in different departments, work areas, and places in the value chain in the sense that integration focuses in on employees at all level and far-reaching across departments and work areas.

Morsing et al describes an “inside-out” view focused on employee involvement in CSR activities “ensuring employee commitment before they start communicating about their CSR activities to external stakeholders” as well as communication with employees (2008:102-104). Moreover, Morsing stresses the importance of the inside-out approach as instrumental in CSR communication, in that employees are seen as 3rd party actors who ‘endorse’ and can carry the company’s CSR outwards; they are spokespersons for the company who convey their understanding of CSR to stakeholders and the public. As stated above, scepticism may be minimised depending on where the source of CSR communicate originates (Morsing 2008, Du et al. 2010).

**Commitment over time**

Another aspect of a company’s CSR commitment that is communicated to stakeholders and the public has to do with the time span of their commitment. A one-time, short-term initiative is assumed to be less effective and so received with more scepticism than an initiative that spans time with potential far-reaching consequences now and into the future. Pirsch et al. show that whether the CSR effort is long-term institutionalised or short-term promotional affects consumer “scepticism toward the company’s motivation for participating in the CSR program” (2007:132). An institutionalised approach shows that a “commitment is employed liberally throughout company policies and reflects the company’s commitment to demonstrating social responsibility across all stakeholder groups” where a promotional approach is both short-term and aimed at a limited stakeholder group, mainly to rally support from consumers (ibid:128).

Another short-term strategy is crisis-response or damage-control, where CSR may be limited only to the time until image is (perceived to be) recovered. On the other hand, the commitment can be expressed as long-term commitment with a goal set in the more distant future, as a continued commitment building on past CSR, or as long-term goals that extend over longer periods of time.

Here we will look further into how Carlsberg explains CSR with respect to commitment over time with the expectation that they will put emphasis on commitments spanning over long periods of time where possible in the CSR
efforts. We believe this is one of a handful of strategies to minimise sceptical reception that will appear explicitly in the CSR communications examined. It may appear in the form of word choice like ‘continue’ or ‘maintain’ or it may appear in the way time limits for goals are expressed.
Analysis
In order to close the gap between what certain existing theories and literature say about how to do and communicate about CSR as to minimise sceptical reception and how Carlsberg communicates about CSR to the public, we focus in on certain tools that will help us learn about how they inform about their efforts. The tools identified above (means of presentation, rational link, and commitment) help to centre our analysis around specific strategies in their CSR communication. In other words, coding for occurrence of these tools helped to show that Carlsberg was communicating CSR using tools we were looking for (i.e. showing rational link and commitment). Then, analysing the coded section further showed us how Carlsberg was using these tools and communicating about its CSR efforts.

Analysing the means of presentation
This section elaborates on the investigation of how the text is constructed to reach the audience with the intended purpose. We will address several techniques we have identified that Carlsberg is using to convey their message in CSR reporting.

To conduct an analysis on this type of communication tool - means of presentation - we refer to Perloff’s ‘Message Factors’ (1993/2010). Inspired by how Perloff described the different message factors, this specific analysis will look at the structure of the message and content of the communication (Perloff, 1993/2010:184).

Structure of the message
When looking at the Carlsberg’s 2013 CSR report, the report starts off with a CEO foreword by Jørgen Buhl Rasmussen (CSR report A, p. 4). Rasmussen states that Carlsberg is committed to the UNGC. Commitment to the UNGC calls for companies to embrace and enact on the ten principles in the fields of ‘Human Rights’, ‘Labour’, ‘Environment’ and ‘Anti-corruption’. The CSR report specifically elaborates on these themes and the included principles. Carlsberg’s CSR report elaborates more thoroughly on the principle “Environment”, logic for this choice is motivated by the course of what Carlsberg produces, namely beer. For its production, Carlsberg relies on natural resources - the product is based on water, malted barley, yeast, hops and cereals. The production requires energy, water and CO2 emissions which is harmful in the logistics of the product as trucks use fuel. According to Perloff (1993/2010) structuring of the message strengthens what it wants to communicate. But it also includes the effects of conclusion drawing for persuading the reader but also on the organization of the message - in this case, predicting the influence of a certain target and its causes. In this process, the text presents the reader with a detailed conclusion, “…messages clearly or explicitly articulating an overall conclusion are more persuasive than those that omit a conclusion (O’Keefe 1997, in Perloff 1993/2010:186-187). Here, the conclusion is drawn on how a specific CSR efforts are
relevant in reaching the mentioned targets. For example, one of Carlsberg’s target is to reduce energy consumption by setting a three-year target (2014-2016).

Organization of the message reflects on how the message is structured to influence an attitude or in this case how to influence a belief towards credibility of Carlsberg’s CSR efforts. For each of Carlsberg’s CSR efforts they report on initial commitment made for 2013, followed with the targets for 2013 and concluded with what has been achieved in 2013. Reporting continues on the new three-year targets (2014-2016). All are displayed in summary tables that sum-up the text in a table - see for example pages 14-15. Under the theme of environmental sustainability, Carlsberg explicitly elaborates on the different factors on how they could and aim to contribute to returning something to society. As brewers with a large market, Carlsberg is well aware of their major influence on energy usage and emission, water consumption and litter waste.

The production of beer is dependent on a stable flow of raw materials sourced directly from nature. As such, we appreciate the importance of a healthy, clean environment to our production and future growth and we remain dedicated to reducing our impact on the environment and the climate (CSR report A, p. 9).

The introduction starts off with identifying the problem, and finishes off with what it wants to achieve. The message is delivered through the 3 focus points of ‘environment’ (reducing energy consumption, reducing CO2 emissions and reducing water consumption) and are aimed to reach the goal of ‘a healthy, clean environment’ (CSR report A, p. 9), for example sustainable packaging to reduce litter waste. As reported, packaging accounts for about 45% of their total CO2 emission and the purpose of focus on this area is meant to have a positive impact on the climate and environment as packing leads to the scarcity of natural resources (CSR Report A, p. 9). To reach this goal, Carlsberg initiates participating the Cradle-to-Cradle initiative - focus on recycling and re-usage of raw materials.

We understand that in this sense of structuring and organizing the message in a manner to make the text and the underlying message are strategic measured taken into account to communicate with the consumers and the general public.

Content of the message
Secondly we looked at the content of the message. Again referring to Perloff (1993/2010) we are specifically looking into two aspects of this factors: evidence of argumentation (1993/2010:187-190) and case histories (pp. 190-192). When Perloff defines ‘evidence’ he refers to John C. Reinard, who describes it as a “building block of arguments”, “information used as proof” (Reinard 1991:102 in Perloff, R.M., 1993/2010:188). Evidence are considered graphs, tables, statistics, testimonials, or any type of information with the effect of persuasion and purpose to strengthen motivation (Perloff, 1993/2010:189). The report uses this message factor extensively. For example, the first paragraph on page 10 sums up energy consumption of 2012 and
2013. The graph below then sums up the information in an illustration to create a visual message. The illustration is then self-explanatory on the reduction of energy consumption.

Graphics are another example of using statistical information as evidence. One example is on page 37 of the CSR report – see above. Here merely illustrations communicate on community investment activities and are self-explanatory. Illustrations such as these explain in a more brief and clear visual way what it meant instead of elaborating upon it in a detailed complicated textual message. The benefit of evidence is that information may become more clear when an illustration supplements or strengthens the purpose of the text. Illustrated information sums up and elaborates on the message and is considered as a strategic way to convey the message. There are several examples on how illustrations clarify or supplement to the text. In our research it came to our notice that especially evidence with tables and graphs, supplement text very well when mentioned comparison figures (improvements from 2011 till 2013). According to Perloff “Evidence, in short, must be processed.” The more information is presented (regardless to how), the better the understanding and processing process goes.

Another way to present evidence is testimonials. In the case of Carlsberg this factor is closely related to case histories. As Perloff (1993/2010) states “Vivid case histories - also called personalized stories or narratives - exert particularly strong effects on attitudes ... [it] evokes stronger mental images than abstractly presented information, are easier to access from memory, and are therefore more likely to influence attitudes when the individual is trying to decide whether to accept the message recommendation” (Rook, 1987, in Perloff, R.M., 1993/2010:190-191). Carlsberg uses this tool to strengthen their message as it includes several Case Stories. The stories give clear examples of what the targets contain and serve to influence readers’ attitude on the text. Most of the chapters are supported by Case Stories in which examples are given of the particular CSR focus points. The case stories are also examples of successfully achieved targets in the different countries and departments.

It has also come to our observation that with the majority of the CSR efforts, Carlsberg is referring to associations they are participating with or are committed to.
As Brian Sternthall, Lynn W. Phillips and Ruby Dholakia (1978) explain, that communication practitioners want to create an effect on the reader on the persuasiveness of their appearance. Name-dropping of other organizations and participation in organization are results of source credibility. Sternthall et al. (1978) define source credibility to be dependent on two factors: expertise by the speaker to the extent that he is capable of making correct assertions, and trustworthiness that the assertion is valid and correct (Sternthall et. al, 1978:286-287). For starters, in the introduction of the report, Carlsberg states its commitment to UNGC, a globally recognized organ on CSR reporting followed with structuring the report in lines of the UNGC principles. Credibility of the report is strengthened by the assurance reporting by the auditing multinational KPMG (one of the largest international audit first) - “Selected information in this report is assured by KPMG” (CSR report A, p. 6). The Cradle-to-Cradle initiative is integrated into the CSR effort sustainable packaging. The partnership with the Cradle-to-Cradle project shows the genuine effort Carlsberg puts in developing packaging design, usage and re-use and that Carlsberg consciously participates in working for a “positive force for society, economy, and the planet”

To briefly conclude how Carlsberg uses its CSR report to convey the message of its CSR efforts, we have identified with theoretical background several tools to communicate its efforts. Illustrations are integrated in the report to sum up what a text refers to or to in a simple matter illustrate various information. The illustrations are types of evidence of what is textually communicated. The structure of the message from introducing the issue, how Carlsberg deals with the issue and early conclusion drawing of how this problem will be solved, gives a clear explanation of what Carlsberg aims to achieve with its CSR efforts. To strengthen the text and to convey the message, we have identified several tools which strengthen the way the messages come across and to create reliability to believe what it said and to minimise scepticism.

**Analysis of the rational link**

In the following section of this analysis, we describe how our observation of how Carlsberg communicates CSR efforts and the rational link between the efforts and Carlsberg’s core business - beer brewing.

Carlsberg is one of Denmark’s best performing corporations according to the CSR Awards “Does CSR Matter” by the Reputation Institute, listed as 78 among other international corporations. As Henrik Stroier, Managing Director of Reputation Institute, quotes on CSR reporting: “Og så skal kommunikationen tage udgangspunkt i de værdier, man har i virksomheden” - Communication must be based on the values

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12 About the institute - [http://www.c2ccertified.org/about](http://www.c2ccertified.org/about)
the company has. This statement supports our starting point of examining how Carlsberg explains the rational link of CSR efforts in relation to Carlsberg’s core business efforts.

As Morsing argues “Companies need to propose a solid set of arguments, principles, and processes, which show the integration of the corporate CSR initiatives to the core business“ (Morsing 2006b: 241). The analysis starts as follows with an elaborates on the identified arguments, principles and processes employed by Carlsberg in their CSR report. After having identified these, the report will be reflected on these initials and their rational link to Carlsberg’s core business.

We will focus on Carlsberg’s CSR key initiatives for 2013: Efficient brewery, Sustainable packaging, and Promote responsible drinking. All initiatives will be dealt with individually on how arguments, principles and processes are linked to Carlsberg’s core business.

**Efficient brewery initiative**
"The production of beer is dependent on a stable flow of raw materials sourced directly from nature” (CSR report B, p. 9). And this initiative stands for maintaining business growth but also with a focus on reducing their impact on the environment and the climate. As the core business is to produce beer, and the initiative involves ‘Environmental’ improvements to identify the Carlsberg Group efficient breweries. Therefore, to make Carlsberg a more efficient brewery, their CSR initiative is divided into more specific focus points: reducing CO2 emissions and energy consumption, and reducing water consumption. These focus points, require Carlsberg to make changes, improvements, amendments in their production process. The analysis is taken with inspiration of Morsing’s (2006B) explanation on finding rational links by identifying and analysing arguments, processes and principles.

**Environment: Energy and CO2**
In order to reach reduction on CO2 emissions, Carlsberg focuses on three main areas. The first identified area is reducing energy consumption that is the starting point of the chapter ‘Environment: Energy and emissions’. The report identifies several times the focus area of reducing energy. The ‘Environment: Energy and emissions’ starts off with a summation of the reducing energy figures. When looking at page 10 of the CSR Report, the chapter starts with quoting figures of the energy reduction, supported with graphs reflecting on energy consumption and CO2 emission, and a thermal energy mix illustration. Carlsberg’s report argues for why this initiative is relevant - as mentioned above to reduce the impact on the environment and the climate. The process is poorly elaborated upon. It merely mentions, “Good 2013 results reflect the fact that employees are working systematically to share best practice, track and monitor performance and improve forecasting abilities” (CSR report B, p. 10).
Carlsberg does not extensively report on how it is reducing its energy consumption, however it does mention initiatives for example the ‘Eco Company’ programme in their plant in Russia, where it only reflects the areas it managed to reduce energy consumption. And in one of the case stories, it gives an example that the China brewery site managed to reduce its energy consumption by optimizing operations in general, by improvements on equipment and preventative maintenance to reduce unexpected production stops (CSR report B, p. 7 - Case Stories Continuous focus on efficiency in China).

As for the second area, Carlsberg focuses on the reduction of CO2 emissions. Argumentation was given before as this focus point falls under the same initiative of ‘Efficient brewery’. However, this focus point has been given more explanation. As the report states, in Carlsberg’s strategy to reduce CO2 emissions, it focuses on: “reducing energy consumption (overall and recurring event), changing Carlsberg [our] energy mix towards cleaner energy sources; and offsetting emissions by purchasing renewable power certificates” (CSR report B, p. 10). The picture on page 10, illustrates which energy sources Carlsberg uses in their production process and that 3.7% is contributed by renewable energy from wastewater treatment and biomass. With this, Carlsberg argues for why it focuses on changes in their energy sources, it states where the change in energy sources come from and it follows with an argument for what it aims to do, namely a study on renewable energy deriving from by-products at Carlsberg plants. The report also states the study for renewable energy being tested in a pilot project at three selected plants. This is complemented with Carlsberg’s purchase of renewable power certificates “which offsets emissions generated by the use of CO2-intensive energy sources” (CSR report B, p. 11). With these certificates Carlsberg proves to be using renewable energy and as this energy cannot be resold it strengthens their statement on reducing CO2 emissions and energy consumption. With statements and reporting on renewable energy, Carlsberg shows what it is doing to create a positive turn in their operations to reduce harm to the environment and the climate. In one of the case stories, the report reflects on the usage of environmentally friendly vehicles in Western Europe. The reduction on fuel consumption and reduced CO2 emissions are significant features of these trucks. Reduction of CO2 emissions is a factor which consumer are not able to measure themselves nor can consumer exercise efforts on reducing CO2 emissions. Information regarding reduction of CO2 emissions can only be retrieved by what Carlsberg publicly shares. The fact that the concept of ‘environment’ fits good to what CSR efforts Carlsberg has chosen, openly choosing to report on this can be considered to be a strategic action of Carlsberg to communicate about this matter.

Environment: Water
As the chapter starts: “Water is essential for producing beer and enabling future growth. Water is also an increasingly scarce resource. We are constantly exploring new ways to reduce water consumption and enable sustainable use of water” (CSR
The statement clarifies that Carlsberg identifies the problem and gives reason to work on improving the situation. The report states on water-saving projects on production sites, but lacks in explaining what these projects consist of. The report continues with recent figures of their water consumption. According to the previous year’s objectives, the target set for reduction on water consumption for 2013 had not been reached. Nor does the report reflect on why exactly this target has not been met it merely provided sloping figures and how many plans have not successfully reached this target. Even though the target has not been met, Carlsberg does show its best efforts in trying to reach this target. Carlsberg reflects on an ongoing project “Public-Private Partnership” in Russia with the civil society and local government. It sums up that the partnership with UNIDO (United Nations Industrial Development Organization) is a project between Carlsberg and the Russian local community around the production site. The project deals with restoration of ecosystems, water system, improvements on environmental management and waste management. A project from which both the society and the Carlsberg production site benefiting.

**Sustainable packaging initiative**

The second CSR initiative by Carlsberg concerns sustainable packing. As stated in the report packaging is accountable for 45% of their CO2 emission. Carlsberg sees this as a potential area of improvement:

> We want to build up our resilience and prepare for future growth in a business environment that is facing an increase in the scarcity of natural resources. We are aiming to develop solutions that benefit not only our business, but also the environment and society (CSR report B, p. 13)

With this statement, the report starts with giving an argumentation on why this initiative is relevant - namely business growth accompanies increased use of natural resources, with this CSR initiative, Carlsberg aims to return to finding a solution that will benefit both society and business. This is what ‘doing good’ in CSR stands for, business’ giving something in return to society. The report elaborates on how Carlsberg has achieved this in the past corporate year. Without specific details, the report does indicate that Carlsberg took an life cycle assessment on its produced products. These assessments goes hand-in-hand with their initiative to participate with Cradle-to-Cradle. This initiative stands for “thinking about how a product is designed, what it contains, how it is made, and where it goes after use”\(^\text{14}\). The organization is a trademark for sustainable packaging, and participation in this programme shows Carlsberg’s involvement and ambition in developing/designing the product in an environmentally friendly manner. Part of the Cradle-to-Cradle programme is Carlsberg’s intake in the Circular Community - a partnership between the Carlsberg Group and its global suppliers to design the package and the materials used in an

\(^\text{14}\) [http://www.c2ccertified.org](http://www.c2ccertified.org)
innovative and environmentally friendly manner. For other partnership on how Carlsberg relies on other organizations see pp. 11-16, 20, 21, 23, 35-37 of the CSR report. The report indicates commitment as it states “Our joint aim is to create more sustainable products by optimising our packaging portfolio to re-enter either the technical or biological cycles at the same or higher quality and value” (CSR report B, p. 13). As the life cycle of Carlsberg’s products continue after reaching its consumers, Carlsberg is also taking actions to encourage the consumer to complete the cycle to involve consumers in the reusing and recycling process by returning the cans and bottles. In an attempt to increase awareness and knowledge, Carlsberg retrieves feedback on recycling. This customer engagement process is for example conducted at festivals. Direct and on the spot communication with the consumers, is a strategic option to show CSR ‘in action’. It allows consumer to experience what Carlsberg is doing to create awareness for its CSR practices and an attempt to minimise scepticism.

The two above-mentioned initiatives of ‘Efficient brewery’ and ‘Sustainable packaging’ both fall into the environment category. The aforementioned factors that supplement the initiatives are dealing with the different ways of returning something to the environment. As Carlsberg is associated with the UNGC, it commits to the ten principles set in the areas of human rights, labour, anti-corruption and environment. Environment is described in three principles, namely:

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility;
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

As the reporting above indicates, Carlsberg CSR key initiatives on Environment reflect these three principles with involvement of their core business - beer production. This shows that there is not only a rational link between the CSR initiatives and Carlsberg core business, but that there is also a rational link between these initiatives and Carlsberg commitment to the UNGC and their way method of CSR reporting.

**Promote responsible drinking initiative**

The process above shows the rational link between the CSR key initiatives and Carlsberg core business and these are identified and tracked down by proposals with a solid set of arguments, principles, and processes (Morsing, 2006b: 241) and the analysis continues with this process for Carlsberg’s third and last CSR key initiative - Promote responsible drinking.
Earlier in this report we described the triple bottom line theory, in which CSR initiatives are in compliance when ‘doing no harm’ on the levels of ‘People, Planet, Profit’ (the triple bottom line) which stand for social responsibility, environmental responsibility and economic responsibility. When CSR initiatives overlap these areas, it indicates that its initiatives do no harm to society, however beyond this the corporation has the opportunity to ‘do good’ to society and this initiative would exceeds to triple bottom line. Sune Skadegård Thorsen and Annemarie Meisling (2011) refer to it as the Opportunity or the proactive side of the CSR. (...)

In the proactive approach, the companies go beyond the compliance side and use their CSR strategy to brand themselves and create a competitive edge. This can only be done by passing the line of compliance and adopting a proactive approach. Taking a proactive approach, means choosing some values or rights that the company actively promotes, beyond what they are obliged to do. (...) When choosing a proactive strategy, it is important that the values are relevant to the specific sector (Skadegård Thorsen & Meisling, 2011: p. 356-358).

The first two CSR key initiatives are a great fit to the UNGC CSR reporting style as they cover elements from the social principles. The ‘promote responsible drinking’ initiatives ought to be justified in a different manner. This CSR key initiative is observed as the ‘proactive’ side of Carlsberg. This observation is made due to the fact that this initiative goes beyond what is required by the principles of the UNGC. A focus on the consumer to promote responsible drinking does not fall in the UNGC areas of human rights, labour, environment or anti-corruption. The report also states:

We (Carlsberg) believe that our proactive measures to encourage consumers to drink responsibly and our enforcement of responsible marketing practices are contributing to public health and reducing harmful drinking. In this way, we aim to create value for society while enabling long-term sustainable growth for the Carlsberg Group (CSR report B, p. 21).

As Carlsberg’s product is a beverage containing alcohol, overconsumption has severe and harmful effects. Carlsberg’s ‘proactive’ approach to focus on responsible drinking is focused on society’s well-being, it chooses values and rights of which Carlsberg is not obliged to take. As Skadegård Thorsen & Meisling quote “when choosing a proactive strategy, it is important that the values are relevant to the specific sector” (Skadegård Thorsen & Meisling, 2011: p. 358). Morsing (2006b) calls it the rational link to the core business and Du et al. (2010) identify it as having “a good fit, or a logical association, with their core corporate activities” (Cone 2007; Haley 1996 in Du et. al. 2010: p. 12).

As mentioned, most of Carlsberg’s beer contains alcohol. Overconsumption has harmful efforts. The Drink Responsibly CSR initiative aims to reduce harmful consumption and other effects that come along with the consumption of alcohol. The aim of reducing overconsumption equals to discouraging consumption the product
Carlsberg to a certain extent. Which is a contradiction as sales of this product is precisely what Carlsberg profits from. But as reported the Carlsberg Group “aim(s) to create value for society while enabling long-term sustainable growth” (CSR report B, p. 21). The opportunity here is to do something for society without asking for anything in return, and this may also negatively influence profit - a value used to describe CSR.

Carlsberg tries to set a positive standard when it comes to the consumption of alcohol. Which for example is done by leaving healthy message on packaging and with campaign like “Drink with Respect”. As the Group CSR director Morten Nielsen describes it “‘Drink with Respect” means having a good time while respecting yourself, the people you are with, the moments you share and the good memories you take with you” (CSR report B, p. 22). This campaign was for example launched at Denmark’s Roskilde Festival in the attempt to associate consuming beer with having a good time, instead of over-consuming just for the sake of it. With this initiative Carlsberg also tried to reduce underage beer consumption. This is a running campaign in Poland, where Carlsberg, other breweries and the police are participating. With the slogan “Appearances can be deceptive, ID is not”, the campaign tries to draw awareness for the mattering issue. Carlsberg anticipates proceeding with this campaign, including providing training to key employees as this increases the capability to reduce harmful beer consumption.

To sum up, the analysis above whether the CSR key initiatives are rationally linked and fit to the core business of Carlsberg shows that all three initiatives involve the production of beer and how this can be improved and what Carlsberg is doing to improved this process and the other focus is put on what overconsumption of the product would lead to and that Carlsberg is trying to create awareness that the product should be enjoyed and not over-consumed. The CSR initiatives are explained and are provided with arguments on the relevance of the initiatives. The initiatives are not simply stated but are provided with reasoning on why these initiatives are important and how this contributes to ‘do no harm’ and ‘do good’ to society. The report gives reasons and evidence in support of the initiatives. Overall with this transparent and explanatory approach Carlsberg gives an attempt to reach the audience and convince them that the chosen initiatives are related to what Carlsberg does and how this contributes to society. This explanatory way of communicating may lead up to openness and a less sceptical perception of Carlsberg CSR initiatives.

Commitment as Incorporation of CSR into business practices

The two general ideas of how broadly the efforts spanned and how deeply their efforts influenced the company’s practices guided us in identifying, or coding, sections of Carlsberg’s 2013 CSR report where commitment as CSR incorporation could be demonstrated in text communication. We have outlined in our toolbox above that showing one’s level of commitment to CSR by broadly and deeply incorporating
efforts business is a communication tool by which sceptical reception may be minimised by means of communicating credibility and authenticity of performance and outcomes (Waddock and Googins 2011:32).

Here we will focus on showing 4 key ways that Carlsberg shows incorporation of CSR efforts into how they do business that appear in their CSR report.

1. Carlsberg shows how broad their efforts run in terms of covering a diversity of issues and detailing those efforts very specifically
2. Carlsberg shows how broad their efforts run by pointing to specific areas in the company that take on or are affected by the CSR activity
3. Carlsberg show how closely linked CSR is to business practices and models by a) making explicit comments that display an awareness of how incorporating CSR affects business in various ways and b) aligning CSR efforts and internal policies and values
4. While some of the above points fit into early stages of Waddock and Googins’ stages on incorporating CSR, there are extra strategies used that fit into the later stages, namely the last 2 of the 5 stages in demonstrating CSR commitment.

1. Communicating Broad CSR efforts: Diversity of Issues
Carlsberg shows how broadly their efforts run in terms of covering a diversity of issues and detailing current and continuing efforts very specifically in two ways. First, Carlsberg addresses the issues under primary headings, which may be analysed in terms of what is reported on and relatively how much attention is paid purely in terms of text space, or pages devoted. Secondly, Carlsberg describes their efforts from general to very specific details. Also, Carlsberg reports on potential future initiatives by informing about studies and investigation underway that are used to identify future efforts. As an overview Carlsberg uses visual rhetoric, as ‘value-chain icons’ combined with CSR business incorporation as a simple and direct way to illustrate involvement (CSR Report, p.5).

To elaborate a bit more on the first way the diversity of issues is covered in the CSR report, Carlsberg states what their CSR efforts are under seven main headings; environment, responsible sourcing, responsible drinking, health and safety, business ethics, labour and human rights and community engagement. In terms of priority and relative page space, it is apparent that environmental efforts are significant since it appears first in the report with six pages of information detailing efforts on environment. More or less equal attention is paid to the other headings (four pages), with labour and human rights and business ethics trailing by a margin (three pages). The second way that Carlsberg communicates about the diversity of issues is to go into great detail about their CSR efforts, which offers a more in depth understanding to the reader as to where and how their efforts are directed. For instance, in the section on environment, Carlsberg first breaks down the report into the categories of energy and emissions, water, and sustainable packaging. They go a step further in
their reporting by giving very specific aims and detailing their efforts in depth. For example, under energy and emissions they aim to lower energy consumption and also to reduce CO2 emissions. Then they talk about the specific ways these aims can be reached. For instance, some means of reducing CO2 emissions is diversifying energy sources to include renewable sources, or capturing biogas from brewery wastewater treatment (CSR Report C, p.10). They go into specific detail for the other environmental categories; water and sustainable packaging, as well as for Marketing Communication for the campaign Drinking Responsibly (CSR Report C, pp. 22, 23), Health and Safety (CSR Report C, pp. 26, 27), Business Ethics (CSR Report C, pp. 29, 30, 31), Labour and Human Right (CSR Report C, pp. 32, 33), and Community Engagement (CSR Report C, p.36)\(^\text{15}\). Often these details are listed in tables that summarize the adjoining text.

Finally, Carlsberg does not only report on actual efforts and initiatives, but also identifies that they have started the process on future initiatives. They mention “feasibility studies on the use of by-products as an energy source” (CSR Report C, p. 10), “conducted assessments” and “created a roadmap for integrating the Cradle-to-Cradle®” (CSR Report C, p. 13), and construction of “a field research station to study the impact of barley cultivation and train farmers to reduce land degradation” (CSR Report C, p.15).

To communicate how the broad spectrum of issues covered in their CSR efforts, Carlsberg divides the efforts and reports on them in sections devoted to certain issues. These ways of reporting on CSR efforts fit into Waddock and Googins’ mid-way innovative stage in that the company strives to be more transparent about reporting its efforts. Carlsberg does this by 1) covering a broad spectrum of issues and 2) showing transparency in reporting on these efforts in very specific detail.

2. Communicating Broad CSR efforts: specific areas
One way of showing how broad CSR efforts run is in terms of the diversity of issues the company covers, while another way it to express the span of areas covered. As part of describing specific initiatives, the primary way Carlsberg uses is pointing to a geographical region (from local area, to larger regions, or globally). A less used way is to point at a business area or department to emphasize where efforts are focused. Yet another alternative is to report that efforts run “across the Carlsberg Group” to communicate that the company in its entirety is affected.

In terms of geographical coverage of CSR initiatives, it is important to note that while Carlsberg has acquired local breweries worldwide, they strive to preserve and draw on

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\(^{15}\) We have used underlining to indicate where these specific details appear in CSR report C.
the local tradition that has been built up with that local brand\textsuperscript{16} while also striving for a common identity for Carlsberg as a whole. In the CSR report they tell case stories that feature or exemplify their efforts in a specific place (see pp. 17, 20, 24, 28, 38). They point to the different regions (Asia, Eastern and Western Europe) when reporting on reduction in energy consumption and also report overarching successes “across the Group”. They also point at regions when reporting on supplier quality audits (CSR Report C, p.19) and when reporting on cross-audits in health and safety (CSR Report C, pp. 26-27). Lost-time accident rate (LTAR) and days lost rate (DLR) are reported both by region and by work area (logistics and production), while fatal accidents are specified by exact city. Carlsberg also specifies regions in terms of where to take ‘best practices’ from (Western Europe) and where to share them (Eastern Europe and Asia) with respect to Marketing and Communication Policy compliance (CSR Report C, p.23). Responsible advertising of alcohol products is a commitment made within Europe (European Beer Pledge, CSR Report C, p. 21) as well as internationally (Responsible Marketing Pact, CSR Report C, p.22). Reporting on community engagement is also place specific (e.g. “the Sinebrychoff Park Rangers and the Seven Rivers clean-up projects, introduced at Olivaria Brewery in Belarus and Carlsberg Kazakhstan”, CSR Report C, p. 35).

On the one hand, reporting by geographical location serves simply as a way to organize how information is presented, by focusing on the places where efforts are concentrated, where on the other hand it is a way for Carlsberg to acknowledge a variety of challenges in different regions and different business environments that they face having such a broad geographical range of countries and cultures where they operate.

Carlsberg also reports on CSR efforts by business area, for example reporting specifically on production and logistics under the heading of Health and Safety, along with an explanation of why this particular business area is in focus (CSR Report C, pp. 25-26). Brewery production, packaging and logistics are also the focal point when reporting with environmental efforts (CSR Report C, pp. 9-11, 13-14). Alternately, they report on CSR using the “across Carlsberg Group” many times (pp 9, 10, 12, 19, 22, 25 - 3 times, 26 -2 times, 29 - 2 times, 30, 32 – 2 times, 33 – 2 times + table – 5 times, 37), as well as using similar variations like “throughout the group” p. 25, “within the Group” p. 29, “across countries” p. 29, “in all our regions” p. 33, “in the Carlsberg Group” p. 35. On one occasion, the focal point is what percentage of the Group is affected (p.30). Here they are still using “the Group” as the measuring stick, rather than pointing to or singling out exact places or work areas (all examples highlighted in CSR Report C).

\begin{footnotesize}
\textsuperscript{16} Anne-Marie Skov, Senior Vice President for Communications and CSR, \url{https://www.youtube.com/watch?v=oPReEzLEJ54} (relevant clip at 8:50-16:00).
\end{footnotesize}
The fact that Carlsberg uses a couple different strategies tells us that Carlsberg may have two views of itself as a company; first as an entity constituted of many smaller and local actors and secondly that Carlsberg sees itself as a one united entity. The communication strategy of reporting on CSR by referring to “across the Group” demonstrates that efforts are incorporated throughout the company as a whole. Pointing to specific local places and regions showcases an awareness of the specific challenges arising in specific environments and moreover, helps Carlsberg to identify places where special CSR attention may be needed.

### 3a. On linking CSR to business practice and policy: making explicit statements

There are two ways that Carlsberg shows how their CSR efforts are linked to business practice and policies. First, we will report how Carlsberg makes explicit statements reflecting why they have linked CSR to business practice and/or internal policy. Second, we will report how Carlsberg communicates about how CSR is aligned to business practice and policy.

Carlsberg shows the tight link between CSR efforts and business practices by straightforwardly acknowledging the motivation and results of their efforts (see italicized text in the excerpts below)\(^\text{17}\). These meta-comments, a comment about what is being reported, appear in all main sections of the CSR report. Here is a sampling of excerpts that are introduced briefly. Additional examples can be seen on pp 8, 29, 31, 35.

In the Foreward by Jørgen Buhl Rasmussen, President & CEO, states the importance of CSR efforts for Carlsberg’s licence to operate, costs and for future prospects.

> ... improving environmental efficiency in our breweries, delivering sustainable packaging solutions and promoting responsible drinking will be important drivers for securing our licence to operate and creating future growth and value (CSR Report C, p. 4).

> CSR helps us to manage risk, reduce costs and create future business opportunities. (...) we will engage with stakeholders and enter into new partnerships so we can continue to grow responsibly for the benefit of the Carlsberg Group and the environment and society of which we are a part (CSR Report C, p. 4).

Under the heading of Responsible Drinking, growth in the long run and value created are results of the campaign that is motivated by Carlsberg taking initiative on the matter of drinking. Moreover, the result of responsible marketing of alcohol products is seen to ensure credibility and therefore ensuring the present and future product market.

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\(^{17}\) In the CSR report C, these meta-comments are highlighted in red.
For us, the responsible drinking initiatives and Marketing Communication Policy are not reactive measures but proactive levers to enable long-term growth and create value both for the Carlsberg Group and for the societies in which we operate (CSR Report C, p. 23).

Responsible marketing brings credibility to the beer category and enables the Carlsberg Group to create and maintain a sustainable market for our products (CSR Report C, p. 24).

What is shown by these meta-comments is an awareness Carlsberg has about why the company engages in CSR. More so, they are explicitly making the reader aware that they are aware. There is the not only a voice of reporting CSR, but there is also another layer of author voice reflecting on motivations and purposes for doing CSR. Such comments show that Carlsberg is not solely interested in performing and reporting on CSR, but also is engaged in a reflective process about the motivations for and results of CSR, which adds a somewhat philosophical tone to their communication.

The dynamics of how Carlsberg explicitly states and justifies their reasons for tying CSR efforts to business practices are two-sided. On the one hand, they discuss the results and impact of their efforts (on reputation, current business operations and costs, future opportunities and future growth) and on the other hand they discuss the people or places affected (Carlsberg Group itself, the societies in which Carlsberg operates, the environment, and employees). As Waddock and Googins describe in the integrated stage “leadership begins to understand not only the importance of reputation to their success, but also that corporate citizenship (CC) plays an integral role in developing the company’s reputation” (p. 31). Carlsberg does not just take reputation into consideration, but other factors of how CSR influences business. Du et al. put the question forth of whether companies should “only emphasize altruistic, intrinsic motives, denying business-related motives in their CSR communication” (2010:12), especially in light of the challenge of reducing stakeholder scepticism. They report Forehand and Grier’s finding that “acknowledgement of extrinsic, firm-serving motives in its company’s CSR message will actually enhance the credibility of a company’s CSR communication and inhibit stakeholder scepticism” (2003). Du et al. cite Porter and Kramer 2006 in concluding that “a company should emphasize the convergence of social and business interests, and frankly acknowledge that its CSR endeavors are beneficial to both society and itself” (2010:12).

3b. On linking CSR to business practice and policy: aligning CSR to practice & policy
One strategy used to show how closely linked CSR is to business practices and models was by making explicit meta-comments displaying an awareness about Carlsberg’s motivations for carrying out CSR efforts and what the resulting impacts are for the company and people and places associated with the company. One other
strategy used to show how closely linked CSR is to business practices is explicitly telling about how CSR efforts and internal policies and values are aligned. The interrelation of the effort and the policy is described with different types of emphasis. Here is a brief listing, followed by excerpt examples of the first and last point (where emphasis is in italics).

• Drink Responsibly is not simply a CSR initiative, but also a company philosophy and affects both Marketing Communication Policy and internal rules (CSR Report C, pp 21-22 and MCP18, p.2)
• Health and Safety Policy is integrated into the working environment of production and logistics and is carried over to other work areas like Sales and Marketing and Administration (CSR Report c, p. 25)
• Principles of Business Ethics Policy integrated into both business practices and relations (CSR Report C, 30)
• Human Right and Labour Policy are foundational for defining manager competences (CSR Report C, p. 32)
• Community engagement CSR initiatives are integrated into local communities into business plans (CSR Report C, pp 35-36)

The idea and philosophy of drinking responsibility is not just an initiative for consumers with the aim to guide consumer behaviour. It is enacted in the way Carlsberg markets its products, meaning that Carlsberg modifies its own marketing and communications behaviour to align with this philosophy. What is more, internal rules at Carlsberg reflect the same philosophy. Here are excerpts from both the 2013 CSR report, as well as the Marketing and Communications Policy [4] that illustrate the alignment of the CSR effort and company policy.

Throughout 2013, we have developed a Responsible Drinking Policy and accompanying guidelines as well as reviewing our existing Marketing Communication Policy (MCP) to ensure that our internal rules and self-regulation support our ambition and efforts for future growth in the responsible enjoyment of beer (CSR Report C, p. 21).

In the next excerpt, on Labour and Human Rights, it is expressly communicated that Policy is embraced and is foundational for defining manager leadership competences. The values of passion and integrity are common for management and for policies dealing with Business Ethics and Labour and Human Rights.

We have defined eight leadership competences for Carlsberg managers. One of these competences is Passion and Integrity, which embraces both our


It should be mentioned that in terms of environment there is not an explicit comment as seen above which states the alignment of CSR efforts with business policy and values. However, efforts that have to do with the environment clearly influence the way Carlsberg carries out beer production and delivery (CSR Report C, pp 9-17).

In brief summary CSR efforts and initiatives have a wider interrelation to the company, either in part or as a whole. Like meta-comments above, this type of information or commenting, makes clear Carlsberg’s company voice and that they do not just report on what their initiatives and efforts are, but are reflective about how deeply incorporated such efforts are into the company. These two ways of communicating are a way for the Carlsberg Group to tell that and to tell how CSR can ultimately be part of the way the company does business, not just reporting good intentions alongside usual business practices that are not changed or influenced by CSR efforts. This would put Carlsberg at the transforming stage, in terms of Waddock and Googins in that “[c]ompanies’ business models and their responsibilities are not viewed as distinct, but are linked tightly together, as are their values, and their willingness to be ‘out there’ leading on issues like sustainability, business-society relationships, and other game-changers” (2011:32).

4. Extra strategies at the integrated and transforming stages
These are additional strategies that are employed to convey how Carlsberg incorporates CSR into business practices and who they are as a business that do not fit into the three ways defined above. Still these strategies are crucial for a comprehensive description of how Carlsberg communicates CSR as Carlsberg expressly shows how deeply incorporated CSR is according to specific descriptions given by Waddock and Googins, namely the last 2 of the 5 stages that demonstrate CSR commitment; integrated and transforming.

To illustrate other strategies employed by Carlsberg that show that they are at the integrated stages of social responsibility are welcoming third-party audits and the Code of Conduct reflecting CSR values. At the integrated stage, it is also important to point out that under the heading of Responsible Sourcing, supplier quality audits are conducted by “third-party auditing companies” (CSR Report C, p.19), while cross-audits in health and safety are internal, or what Carlsberg calls ‘self-audit’ (CSR Report C, p.26). Also at the integrated stage, Waddock and Googins state that code of conduct reflects values of social responsibility. We can see by looking at Carlsberg’s Supplier and Licensee Code of Conduct19 that, like the CSR report, it is organized

http://www.carlsberggroup.com/csr/ourfocusareas/responsible_supplier/Pages/Supplier_and_licensee_code_of_conduct.aspx
according to CSR headings (Labour and Human Rights, Health and Safety, Environment, and Business Ethics).

Moving on to the transforming stage, we will discuss a high level of full disclosure shown by reporting also negative results. The way in which these negative results are dealt with and reflected upon in the report also give that added layer of an author’s voice to the report.

As we have discussed, Carlsberg follows with this tradition of dual aims and presents this information primarily in the form of tables, starting with a comparison of past targets set and target achieved and also with a forecast of 3-year targets. Carlsberg reiterates past goals, or targets and then says if the target was reached or not. In several cases targets have not been reached and Carlsberg openly discloses this information by stating, “target partially achieved” where the reader can compare the extent to which the goal was/was not reached based on the target and the result (CSR Report C, pp. 11, 12, 22, 26, 30, 36).

In addition, throughout the text, Carlsberg is very explicit in stating where CSR efforts were not as fruitful as anticipated (CSR Report C, pp. 9, 10, 11, 12, 18, 22, 25, 26, 27, 28, 29, 30, 33)20. What is more, Carlsberg does not just inform about these negative instances in their CSR efforts, but adds four different types of comments to the negative reporting:

Type 1. Carlsberg reacts to the negative report (pp. 12, 26).
Type 2. What either what was done in response or what will be done to prevent negative results in the future to prevent this type of negative result (pp. 9, 12, 18, 26, 28).
Type 3. That Carlsberg will investigate the reasons or causes that contribute to negative results (pp. 10, 12, 18, 26-27).
Type 4. Carlsberg tells how the negative situation was resolved (p. 33).

We will use some of the above-mentioned instances of disclosing negative information to give examples of the four comment types. The first is an example of type 1. “We regret to report that we lost four colleagues to work-related accidents in 2013” (my italics, CSR Report C, p. 26).

The following two examples show either what was done in response or what will be done to prevent negative results in the future (type 2):

However, we did not meet our 2013 water reduction target. Going forward, we will further stress the importance of water savings at our breweries (CSR Report C, p.9).

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20 In CSR report C, these negative results are highlighted in gray.
In September 2013, when our brewery in Aldaris, Latvia, was undergoing restructuring and had to lay off 62 employees, the HR department worked together with the local trade union to find new positions and make the process as constructive as possible for the employees (CSR Report C, p. 28 case stories).

The next example shows types 2 and 3, that is, what will be done in the future in addition to some investigation into causes for the negative results.

A number of minor non-compliances with our Supplier and Licensee Code of Conduct were identified and resolved. This resulted in improvements in safety and environmental issues at supplier sites. Some non-compliance issues are still being monitored and closely tracked. In the next three years, we will expand the scope of this programme, including more suppliers and focusing in particular on conducting audits in our Asian supplier base (CSR Report C, p.18).

Here are three additional examples of type 3, in the second example there is a different, and less productive tone in that the comment about the negative report is not how they will research or rectify the issue, but is an explanation or justification as to why it occurred in the first place.

At the same time, [water] consumption increased at 26 sites, and the procedures and systems of these sites will be investigated in order to determine the root cause and initiate corrective measures if necessary (CSR Report C, p. 12).

In Asia, 32 audits were carried out across China and a programme of cross-audits between countries has been established. However, implementation in Asia and Eastern Europe has not met the expectation of at least one cross-audit per year per health & safety coordinator due to turnover of coordinators, different levels of maturity and restricted budgets (CSR Report C, pp. 26-27).

Finally, here is an example of type 4, where Carlsberg tells how the negative situation was resolved.

During August 2013, there was a strike at Carlsberg Danmark involving 130 workers. (...) The strike was ruled to be illegal by the competent court as Carlsberg Danmark does not and cannot legally require employees to join specific unions (CSR Report C, p. 33).

Carlsberg goes beyond the requirements to report efforts and also tells about efforts gone wrong or obstacles in being socially responsible. The voice of Carlsberg is clear in that such negative reports are regrettable. Carlsberg surely has the option to omit this types of information, but the fact that they do include it adds a realistic and authentic view to doing CSR and also reporting on it, that it is not only the good and the kudos for the company that contribute to good CSR, but also acknowledging that carrying our CSR initiatives is a process, often a learning process of being able to ‘do
good’ if the company is more aware of the risks and challenges it faces. Without being able to ask Carlsberg about their reasoning to include negative information, one speculation might be that such negative information is outweighed by the successes and target achieved shown in the rest of the report. This kind of plain honesty in reporting may lead to yet another paradox in CSR communication, namely that reporting negative information leads to positive reputation or a reduction in sceptical response. However, only an audience study would be able to confirm this.

In summary, coding how Carlsberg communicates CSR in terms of how broadly across the company or how deeply into business practices revealed four primary ways that commitment as incorporation CSR is a tool that is utilized in the CSR report. Carlsberg shows the broad range of efforts by reporting on a diversity of issues across many geographic and work areas across the company. Carlsberg also shows how closely linked CSR is to business practice and policy by making straightforward comments and also aligning CSR with internal policy. Last but not least, Carlsberg uses some other strategies to communicate their commitment, the most notable is including negative information in the CSR report.

Commitment as CSR employee integration

Now we will show the way CSR communication expresses the importance of efforts running throughout the company in terms of employee engagement. We will see the way Carlsberg communicates how important it is for the company that the employees are familiarized with CSR efforts and in what ways are they engaged in them. Here we would like to focus on demonstrating two key ways that Carlsberg shows integration of CSR across the company at the employee level that appears in the CSR Report.

Firstly, Carlsberg shows how deeply the employees are engaged by the company in the CSR efforts. Here, we would like to refer to Morsing and the essential ‘inside-out’ view focused on employee involvement in CSR activities before they start communicating about their CSR activities. (2008:102-104)

Secondly, Carlsberg shows the ways in which the employees are active with regard to CSR activities performed by Carlsberg. Here we will bring in Waddock and Googins’ point on participation and engagement as deep incorporation of CSR as described previously. (2011, p.30)

Looking at Carlsberg’s CSR Report we can observe that CSR incorporation is at quite an advanced stage of commitment. The company pays attention to its employees, too. “We aim to build a strong foundation of employee engagement because our employees are our best and most qualified ambassadors” (CSR Report D, p.29).

Following the first key way, the primary aspect we have noticed was the fact that there are different types of employees trainings, projects, surveys e-learning program
provided within the company. They might serve as the ‘inside-out’ essential approach in Carlsberg’s CSR communication (Morsing, 2008).

In reference to reinforcing the performance and optimization logistics networks and systems, reducing fuel consumption and CO2 emission, Carlsberg informs about the training for the drivers. “We also focused on driver training to improve fuel consumption in distribution.” (CSR Report D, p.11) Moreover, in ‘Energy and Emission’ table, driver training is clearly presented in terms of commitment, target, and achievements as seen below:

- ‘2013 commitment’: “Continue driver training programme in Western Europe and monitor implementation status.”
- ‘2013 target’: “Establish a 5-year plan in Western Europe to ensure training for all drivers.”
- ‘2013 achievements’: “Target partially achieved, Driver training conducted in all Western European countries throughout 2013” (CSR Report D, p.11).

In the ‘Marketing Communication’ section of CSR Report, the information on e-learning program for the employees is shown as:

- ‘2013 commitment’: “upgrade e-learning programme”
- ‘2013 target’: “100% of employees developing marketing communications to be trained”
- ‘2013 achievement’: “68% of employees trained’ as the achievement” (CSR Report D, p.22).

In the same section it is demonstrated that Carlsberg is aiming to keep promoting responsible drinking as part of a healthy, active style. Here, another training is suggested in the form of a plan for the next year.

In 2014, we will take further actions to deliver on our external commitments to reduce harmful use of alcohol. This includes training all key employees in the Responsible Drinking Policy, thereby increasing our capabilities to be part of the solution to reducing alcohol harm (CSR Report D, p. 23).

There is an explanation that the term ‘key employees’ refers to senior management levels in the global sales and marketing functions and senior managers in regions and local markets and ‘relevant employees’ are defined as those involved in developing consumer- and customer-facing materials (CSR Report D, p. 23).

Under the ‘Health & Safety’ heading, training among the leaders is shown.

A cornerstone of our health & safety strategy is training our leaders to become role models in demonstrating visible engagement with health & safety. We have developed tools to support Carlsberg Supply Company leaders and keep them committed to safety (CSR Report D, p. 26).
Training provided to other workers is also shown under the Health and Safety heading.

Baltika Breweries launched an online training programme to raise awareness and improve skills among its drivers. Baltika will continue to roll out the programme during 2014 (CSR Report D, p. 26).

Moreover, within presented strategy concerning health & safety, there are demonstrated goals within Supply Chain training programme.

- ‘2014 commitments’: “roll out a training programme as part of the Carlsberg Supply Chain Academy’ and ‘Conduct at least 3 training sessions”
- ‘2016 targets’: “100% of VPs and directors within Carlsberg Group supply chain sites and facilities to be trained in Health & Safety Academy” (CSR Report D, p. 27).

In the presented Case Story on Carlsberg Ukraine and the intention of combating corruption, another employees’ engagement in terms of training is communicated as: “With the support of the Supervisory Board, the legal department completed 11 training sessions in the procedure involving a total of 123 key employees” (CSR Report D, p. 28).

In ‘Business and Ethics’ section, it is shown how fighting corruption is an important part of the Carlsberg Business Ethics Policy.

The policy and guidelines, e-learning programme, live training, third-party screening procedure and various toolkits are designed to provide clear guidance for our employees on how to resolve not only corruption issues but also other business ethics concerns such as conflicts of interest, misuse of company assets, wrongful donations and breaches of confidentiality. (CSR Report D, p. 29)

What is more, there are more detailed facts presented concerning employees’ training, the goal of it and achievements.

We aim to empower our people, through education and training, to make the right decisions, and we monitor the measures that our companies have in place to avoid policy breaches. Training has been a focal point in our implementation measures, not only in 2013 but throughout the three-year target period that has now come to an end. All key employees must undergo biennial training (CSR Report D, p. 29).

There is concrete data when it comes to the number of the trained workers. We can also see the clearly declared benefit that they may obtain.

In 2013, 3,765 employees were trained through our e-learning system. The e-learning gives employees a thorough knowledge of the policy and guidelines, and all participants must pass an exam to complete the training (CSR Report D, p. 29).
Moreover, we can see the efforts that facilitate the training to the wide range of workers coming from all over the world.

We have translated the e-learning into three additional key languages (...), the e-learning is now available in eight languages (...). Through our network of in-house legal counsels, we have conducted a total of 184 training sessions across 29 companies (CSR Report D, p. 29).

Furthermore, the following target is presented: “100% of key employees to be trained in business ethics” with the achievement: “Target partially achieved. 89% of key employees trained e-learning programme available in Chinese, English, Finnish, French, German, Polish, Russian and Vietnamese. Swedish to be launched at the beginning of 2014.” (CSR Report D, p.30)

Both commitments and targets are presented with the focus on training key employees and ensuring that the updated policy and guidelines are communicated to employees in a language they understand.

Under the ‘Labour and Human Rights’ section of the report, increasing employee engagement and training in Carlsberg is shown as:

Overall implementation and training have progressed as planned. Data disclosed in this report reflects that we have made good implementation progress and taken important steps to build up the foundation of a Labour and Human Rights Policy fully anchored in the organisation (CSR Report D, p.32).

In the next excerpt we can see the indication for the communication with the workers, the reached implementation status and the declaration of maintaining high integration level.

The policy has been communicated to all employees at our majority-owned production sites in a language they understand. The implementation status reached 95%, an increase on previous years. Also, we conducted training for managers with direct reports in 85% of our companies. This is an increase of
10% on 2012. Furthermore, the policy was integrated into local onboarding programmes in 100% of all companies, maintaining the stable and high integration level from 2012 (CSR Report D, p.32).

Carlsberg continues the efforts to ensure progress on policy implementation and awareness across the Carlsberg Group.

This effort reflects our commitment to provide a productive, supportive working environment where our employees feel empowered and valued. Going forward, we will broaden our approach to continuously ensure adherence to the UN Guiding Principles on Business and Human Rights (CSR Report D, p.32).

Additionally, in the same section it is stated that Carlsberg wishes to proactively drive gender diversity in top management.

In our global recruitment policy, we state that our employee composition should reflect the different societies in which we operate. We have signed the equality charter stating that we will work to leverage equality and increase the number of females in management positions (CSR Report D, p.32).

Next, it is shown that “(...) more than 30,000 employees were invited to complete the survey on working conditions and satisfaction. 88% participated. The results show continued high engagement scores as well as pride in working for the Carlsberg Group” (CSR Report D, p.33).

We can see that all of the above initiatives aim to increase workers’ knowledge and awareness of CSR as a concept, its implementation within Carlsberg and the current mission the company undertakes. We can identify that the communication of CSR relies on the ‘inside-out’ approach. Carlsberg as a company bases their CSR communication on ensuring employee commitment before communicating their CSR activities to external stakeholders. We can see that throughout provided trainings, projects, e-learning programmes, etc. Carlsberg CSR management intends to ensure that the employees are committed to the CSR policies and actions. “The Carlsberg Group was founded on very strong ethical values by our founding father, J.C. Jacobsen. We strive to keep these values alive as a vibrant part of the way we conduct business and cooperate with our employees” (CSR Report D, p.33).

As Morsing (2008) stresses, “an organizational anchoring of CSR activities is a precondition for trustworthy CSR communication and it implies active involvement of employees in the CSR activities themselves”. Thus, one may notice that presenting employees engagement together with their performance in an active way may be a factor that helps to combat scepticism. That is probably the intention of Carlsberg as they state: “We aim to provide all relevant employees with sufficient awareness and the necessary knowledge to ensure that we develop and grow our business in an ethically responsible way” (CSR Report D, p.33). The CSR Report presents internal commitment concerning CSR issues. What is more, the employees involvement in the
development of CSR agenda may encourage employees to contribute to the further development and support of the CSR policies and efforts. Mostly, we could see that the trainings and other activities were mainly initiated and promoted by top management. However, as the second key way implies, there is also a way in which Carlsberg employees are actively engaged in CSR as volunteers in their local communities.

In the ‘Community Engagement’ section active employee engagement in CSR initiatives in terms of volunteering is shown.

Each year, our employees make great efforts to integrate our CSR policies and initiatives into their local communities. In 2013, 7,432 employees across the Group volunteered in 1,599 various local community activities. Together, they invested more than 23,000 hours (CSR Report D, p.35).

Moreover, to “Actively involve Carlsberg Group employees in global community efforts” is presented as 2013 target and the 2013 achievement is the fact that: “7,432 employees spent 23,162 hours on volunteering activities.” (CSR Report D, p.36) Furthermore, the 2014 commitment is also shown when it comes to employees engagement: “Improve engagement score through employee volunteering. Scores should reach 40,000 hours of employee volunteering activities” and 2016 target: “100,000 hours of volunteer activities to be spent by employees of the Carlsberg Group annually.” (CSR Report D, p.36)

As we can see, there are a number of employees involved in community engagement activities in Carlsberg Company. We can also see CSR incorporation in accordance to Waddock and Googins’ stages, specifically stages four (integrated) and five (transforming) where CSR commitment is demonstrated. While looking at the second key way we can clearly see the employee engagement where one may notice CSR initiatives integrated into local communities. That is how they value employee engagement: “We aim to build a strong foundation of employee engagement because our employees are our best and most qualified ambassadors” (CSR Report D, p.35).

The CSR report demonstrates the spectrum of employee’s engagement in CSR from the stage of the provided trainings and other activities in which employees become familiar with the CSR strategy. Through these kinds of efforts employees become aware of the message the company tries to disseminate. Besides, they get to know the reasons behind Carlsberg’s CSR objectives. The next stage is when the employees feel conviction towards the company’s CSR values and objectives and enter the highest level of commitment, feeling that they can act on their own. This would be the example of volunteering, as shown above.

Moreover, Carlsberg demonstrates how essential its internal stakeholders (namely employees). The company declares that the employees are businesses’ brand ambassadors. Hence, communication to internal stakeholders on CSR is crucial to their engagement and loyalty and achieving the overall aim of the whole strategy.
Commitment over time

To explore how Carlsberg shows commitment to time we will look at the CSR Report. In this section, we are going to elaborate on how the CSR communication expresses the company’s commitment to time in terms of their campaigns and initiatives. Through the analysis, we would explore if and how the commitment to time inhibits audience scepticism towards the CSR communication of Carlsberg. We would focus on the main areas that demonstrate the company’s commitment to time by showing where applicable some examples by referring directly to text from the CSR report. As explained earlier, we will look into how Carlsberg explains CSR with respect to commitment over time with the expectation that they will put emphasis on commitments spanning over long periods where possible in the CSR efforts.

A large aspect of the CSR report of Carlsberg highlights the various initiatives of the company. These initiatives vary between long-term and short-term initiatives and are referred to in the various sections of the report. In relation to inhibiting consumer scepticism through long time commitment as explained earlier in this research, we have identified and coded aspects of Carlsberg’s CSR report where the company explicitly communicates through text, its commitment to long-term projects and initiatives. This analysis therefore focuses on exploring how Carlsberg shows commitment to time in the communication of the company’s CSR report.

In its entirety, the focus of the CSR report of Carlsberg communicates the companies CSR policies and activities presently, over the past years, and the future. For example, the 2013 CSR report of Carlsberg, which is the focus of this research, includes the progress of CSR initiatives and activities that took place in 2013 as well as the company’s CSR projections of as far as 2016.

In 2013, we came to the end of our current three-year target period. In this report, we will review how we performed in each of our policy areas and communicate the new targets defining our direction and ambitions for 2016 (CSR Report E).

Furthermore, the report includes a time duration with every mention of the company’s CSR initiatives in terms of projects and campaigns. Although we cannot establish at this stage that this way of communicating the company’s CSR activities inhibited audience scepticism, it however served as a way for us to put the company’s communication about their CSR initiatives and campaigns into context. We identified two time contexts in the CSR report.

Long-term commitment with a goal set in the more distant future

One of the ways the CSR report of Carlsberg shows the company’s commitment to time is through communicating about future goals. When possible, the CSR report
explicitly communicates about progress of initiatives and campaigns by expressing specific time limits and projections as shown in the figure below. However, emphasis on long-term commitments also appear in the form of word choice such as ‘continuously’, ‘progress’, ‘maintain’, ‘going forward’, ‘future growth’, etc.

Diagram showing an example of Carlsberg’s long-term commitment via future targets

(CSR Report, p.16)

**Continued commitment to building on past CSR activities**

Another way the CSR report of Carlsberg shows the company’s commitment to time is through communicating about the company’s continued commitment to building on past activities. For example, in the introduction section of the report, the company makes one of many mentions of its commitment to time.

(…) each year, we measure progress, or lack of progress, in each policy area by conducting local self-assessment questionnaires (…) (CSR Report E, p.6).

Throughout the report, the company communicates about past activities and policies and establishes intents to build on successes and improve on on-going policies. As an example, under the environmental section of the report, Carlsberg communicates about the progress of the water reduction initiative in terms of what has been achieved and how the company intends to continue to improve on the initiative. This was one of several ways the company established that they have a long-term commitment to building on past initiatives.

We reduced our water consumption by 5.7% (0.2hl/hl) since the beginning of our target period in 2011, but we did not reach our target of 3.2hl/hl for 2013. This result is not satisfying. In the future, we will pay special attention to strengthening the water-saving culture at our breweries (CSR Report E, p.12).

Although we cannot conclude this analysis by stating that Carlsberg emphasizes on commitments spanning over long periods, as we were not able to establish this with
the data we have been able to collect from CSR report, we can conclude that the company shows in their communication, a commitment to building on CSR initiatives. We can speculate that in theory, this might inhibit audience scepticism but a more definite way to know if it indeed does is to test the communication text on the intended audience. This however is beyond the scope of this research.
Discussion
To reiterate, we started out by identifying the tools that we will use as coding themes to comb the CSR report and see what types of tools, or strategies to minimise scepticism, could be identified in the way Carlsberg communicates CSR. We looked at two types of tools. The first tool looks at how Carlsberg presents the report, in terms of strategic communication to convey a message. The second tool is thematic based and looks more specifically into the content of the CSR report, namely the rational link between the CSR initiatives and the core business, and the company’s commitment. We will summarise our findings in this discussion based on the analysis where we showed how these tools are integrated in Carlsberg’s CSR report.

Intentions on being transparent and open reflect on Carlsberg being genuine on its CSR practices and on what they are communication. The CSR report states, “This report reflects our ambition to be a transparent company. Reporting on progress, achievements and challenges is important to us and our stakeholders” (CSR report p. 5).

On the theme of how Carlsberg conveys its CSR message, we identified elements that strengthens if the CSR message is more easily readable and understandable. This part of the analysis did not concern the content of the report but rather how the message was structured and delivered. In this sphere, the tool is inspired by what Perloff describes as structuring and organizing the message. In order to get the message clearly from the sender (Carlsberg) to the receiver (consumer and the general public) Carlsberg shows this integration by the process of describes its CSR initiatives in a clear and repetitive pattern. Strategically the CSR initiatives are substantiated with argumentations of relevance and with processes of how Carlsberg’s CSR initiatives are achieved.

Identifying the rational link between Carlsberg’s core business and the set CSR key initiatives are tools that support the thematic content. Authors such as Morsing and Du et al. argue for success of this tool, which is ultimately judged by the audience’s understanding of where the logic comes from when a company chooses to engage in a certain CSR initiative. And while an initiative may make sense, to communicate with argumentation and elaboration are essential. When for example, Carlsberg introduces its sustainable packaging initiative, it describes in the report how this initiative is benefiting society, how this fits to Carlsberg’s core business and what Carlsberg can achieve with focussing on this specific CSR initiative. In this process, Carlsberg justifies this by guiding the reader about how this CSR initiative fits.

For the particular theme of conveying company commitment to CSR by showing how broadly and deeply incorporated CSR was in how Carlsberg conducts business, we used the tools that Waddock and Googins describe as stages of commitment as a way to show how companies can do CSR. These efforts also show up in communications like reporting. Then we were able to focus in on the coded sections of text to see what sorts of patterns emerge. Coding in this way helped us to show that Carlsberg was communicating CSR using tools we were looking for. Then, analyzing the coded sections further showed
us *how* Carlsberg was using these tools and communicating about its CSR efforts as more specific sub-strategies. Carlsberg does some very standard things (strategies like reporting on a diversity of issues and areas) and then takes them a step further (sub-strategies).

For instance, by looking at the theme of how broadly CSR efforts run in Carlsberg led us to 1) a diversity of CSR issues and 2) a diversity of areas in the company that are covered. Then looking closer at how specific company areas talked about in the CSR report, two other sub-strategies become apparent; first to point to geographical location, as a kind of fragmented picture of where CSR efforts are focused in a broad range of areas and secondly, to refer to Carlsberg as a unified company, giving a more holistic picture of how efforts are applied throughout the company. Sub-strategies also become apparent when looking at the text coded by the overarching strategy of how closely linked CSR is to business practices, for example. By examining that theme in and of itself, it is clear that two sub-strategies are used in communication; first that most text sections open with an explicit comment where Carlsberg tells of its awareness and motivations for linking CSR to business practices, as well as what results are sought after and secondly, that CSR efforts are also aligned to internal policies and values.

As commitment to CSR is not only a tool that describes integration of the CSR efforts, we expanded on this tool by reflecting on employees’ engagement to these efforts. And when it comes to the employees’ engagement, we have seen that Carlsberg proposes involvement from top up management (directors, managers’ utterances, head of CSR) to bottom (drivers, assistants, workers who volunteer).

Besides, there are number of practices that Carlsberg uses for employee engagement in their CSR strategy. The employees take part in volunteering activities, for instance, performing the highest level of commitment. Carlsberg also provides CSR programmes for their employees, most of which are related to business ethics and sustainability. In order to engage employees in company’s CSR activities, first of all it is necessary to ensure their understanding of CSR concept as well as company’s CSR strategy as a whole. In order to do so, Carlsberg provides CSR related trainings. Here we can refer to the tools we identified while focusing on employees involvement in CSR activities before they start communicating about their CSR activities. Using the tools described by Waddock and Googins, we have presented Carlsberg’s use of employee’s feedback (e.g. surveys) to shape CSR strategy.

Finally we have taken a look at how Carlsberg commits to CSR from the time perspective. We concluded from the analysis that the report reflects on its commitment over time by touching upon long-term and continued commitments to existing or new CSR initiatives.
Conclusions

We were able to reflect in our Discussion on what we have achieved, how we have achieved results and what these results mean. And at this final stage of the report, we have come to the point where we are also able to propose processes on how to continue the research. But we also argue for a different approach to our work and what this approach would involve.

To add to what the report currently contains and how it could be expanded upon we can propose several approaches. A future project could for example extend the research by questioning the consumers and the general public on their opinion towards what and how Carlsberg is communicating its CSR initiatives. Suitable to this approach would be an audience reception analysis where we test our actual findings in this project to see if scepticism in fact would be reduced. Another alternative would be to carry out a comparative analysis with either a company in the same branch or a company in a different branch with a different product type. The comparative study could be a way to test how our chosen measuring tools function and contribute to credibility for different companies and/or branches. In this report, we retrieved and fully relied on the information provided through only one channel - the CSR report. Including other channels of communicating information can extend the project. One can think of Carlsberg’s ‘Mission Videos’ which are used for internal employee training and it aims to reach potential employees by specifically posting these videos in job advertisements, Carlsberg’s Code of Conduct, and information published online on the website of Carlsberg in addition to the CSR report 2013. For continuation with this project, another suggestion would be to include in the analysis the different stakeholder perspectives. CSR initiatives have different effects on different stakeholders and extending the project would be to analyse how Carlsberg strategically communicates with different audiences (e.g. suppliers) to minimise sceptical reception.

We could improve our work in terms of expansion with some empirical data collection. We would conduct the interviews within Carlsberg’s CSR and Marketing departments that would provide us material with their point of view on CSR initiatives they are undertaking and how they strategically formulate them in communication internally and externally. We could also take into consideration some projects that Carlsberg is leading and see how CSR initiatives are integrated in events.

Furthermore, we could also approach the project with the different perspective, including audience reception study. However, keeping in mind that this audience reception analysis would be a different scope than the audience reception study mentioned above. In this case, we would use the audience input to identify the tools for us in order to analyse the roots for scepticism, as the next step.
Bibliography


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Appendices:
CSR Report A (means of communication) Coded and analysed by Sippora
CSR Report B (rational link) Coded and analysed by Sippora
CSR Report C (commitment as CSR incorporation into business practices) Coded and analysed by Kelly
CSR Report D (commitment as CSR integration amongst employees) Coded and analysed by Klaudia
CSR Report E (commitment as CSR efforts spanning over time) Coded and analysed by Toni