## WARC News

## Local companies lead Chinese CSR rankings

Data sourced from R3; additional content by Warc staff, 08 April 2010

BEIJING: Multinational companies are perceived to be falling behind their domestic rivals in China when it comes to their corporate social responsibility efforts, a new study has revealed.

**R3**, the consultancy, and **CSM**, the research firm, surveyed 1,500 people in ten cities across the country, to establish their views about the CSR credentials of 188 corporations, 72% of which were Chinese.

**China Mobile**, the telecoms giant, led the rankings, with its recent activities in this area having included supporting schemes encouraging youth employment and giving away free concert tickets online.

"China Mobile now has a customer base of over 523 million users, and it is leveraging this well to showcase some of its social and community messages," *Emma Zhao*, a senior consultant at R3, said.

**Mengniu**, the dairy specialist, claimed second place, and has utilised this area of its operations to overcome popular concerns about the potential safety of milk, sending free products to 1,000 schools.

"After the milk scare of 2008, all of the dairy companies have changed their mindset to community marketing, recognising their role with consumers as a privilege, not a right," Zhao argued.

**Haier**, the white goods group, was in third, and was credited for initiatives including "Project Hope", through which it finances dozens of schools based in some of the poorest areas of China.

**Coca-Cola**, the soft drinks manufacturer, took fourth spot, and was the best-regarded multinational operator, having placed its weight behind a range of educational and environmental platforms.

**Wang Lao Ji** rounded out the top five, and played a particularly high-profile role in responding to the earthquake that hit Sichuan in 2008, donating 100 million yuan (11.0bn; £9.6m) to the relief effort.

"With the right programme in place, a company can make a more lasting impression – one of the best examples is still what Wang Lao Ji did for the Sichuan earthquake," Zhao said.

**Lenovo**, the IT company, was in sixth, and has run a competition offering funding, guidance and training to young entrepreneurs this year, promoted through channels such as **QQ**, the social network.

**Yili**, another organisation in the dairy sector, took seventh, having provided its backing to drought-relief programmes in southwest China through an alliance with the **Red Cross**.

Nike, which has formed a similar such partnership with Mercy Corps to help the victims of natural

disasters, was in eighth.

It came in ahead of **China Telecom**, the telecoms provider, and **Alibaba**, the e-commerce portal, which made up the top ten.

"Whilst there was ... no shortage of initiatives from foreign brands, they are having trouble standing out in the clutter to the same extent as the local players, which will have an impact on the size and scope of such investments," said Zhao.

"The best marketers in China are treating CSR campaigns with the same strategic rigor as they would a sales or brand building project."

Related news stories:

China a "guiding light" for digital media - 7 Apr 10 Multinational retailers gain ground in China - 6 Apr 10 Online video proves popular in Asia Pacific - 5 Apr 10