Are Social Marketing Investments Used as a Tool for Voluntary Reporting or Disclosure?

Tugba Ucma Uysal
Mugla Sitki Kocman University, Turkey

Ganite Kurt
Gazi University, Turkey

Ali Naci Karabulut
Mugla Sitki Kocman University, Turkey

INTRODUCTION

The need to respond to conditions that change with the effect of social transformation in line with the globalization phenomenon and developments in information technologies, have resulted with the development of new corporate behavioral patterns of enterprises. It is possible to observe these behavioral patterns both in terms of reporting activities and also in terms of marketing activities. The sustainability and corporate governance concepts that are being applied in businesses in an increasing manner stand for the cumulative efforts for accountability or a convergence. Because, as long as sustainable reporting of businesses are questioned, the meaning and nature of accountability are manifested. This in return is associated with the sense of transparency of businesses (Kolk, 2008) and even stands for the voluntary reporting of non-financial information.

On the other hand, if the situation is assessed in terms of marketing activities, it is possible to observe a similar evaluation to the assessment made in terms of reporting. In other words, the accountability of the business concept is once more in front of our eyes. Because, a number of issues such as air pollution, deterioration of public health, wasting of natural resources, economic stagnancy, inflation, unbalanced income distribution etc. that are experienced due to increasing population at the global level and volume of production result with the questioning of businesses and modern marketing approaches by the people (Clifford, 1998; Drucker, 1974; Doğaner, 2011; Torlak, 2006; Yükselen, 2014). Furthermore, people have become more aware of illegal and unethical behavior in financial and legal presentations (Salimbene & Ferrera, 1996) believing that both stakeholders and non-stakeholders of organizations have the right of information on specific social agenda (Miles & Munilla, 2004).

There are a number of definitions for what sustainability reports stand for of which the importance is being emphasized at many points. But to this date, there is no globally accepted definition of corporate social responsibility (CSR) or sustainability reporting. However, a common European understanding of what CSR means has emerged on the basis of the European Commission definition of CSR as *"a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis"* (The Council and the European economic and social committee 2006, Dilling, 2010). Or these reports are being expressed as follows in the general sense and their relation with CSR concept is being underlined in the definition.

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Sustainability reporting can be considered as synonymous with other terms for non-financial reporting; triple bottom line reporting, CSR reporting, and more. It is also an intrinsic element of integrated reporting; a more recent development that combines the analysis of financial and non-financial performance. (https://www.globalreporting.org)

Sustainability reporting encompasses a process that gives way to the forming of a relation between the enterprise and the society (Porter & Kramer, 2006). Voluntary reporting and disclosure are thus being used as a reporting process that reduces the amount of asymmetrical information between the business and stakeholders (Verrechia, 2001) and is being supported by means of a set of social sanctions. Social problems that emerge in the global scale have given way to the development of new social standards for the sustainability of organizations (Drucker, 1974: 337-338; Doğaner, 2011: 27; Torlak & Barca, 2012: 21; Wasik, 1996). The business community has to yield reasonable profits for stockholders and owners on one hand, while supplying decent products at reasonable prices, honest advertisements, fair treatments and profitable opportunities to employees, customers, suppliers and competitors with a strong sense of responsibility to the communities it inhabits and serves on the other hand (Gini, 2005; Pava, 1998). A distinct marketing discipline has emerged since the early 1970's which is called as social marketing which is more comprehensive than modern marketing and which refers primarily to efforts focused on this kind of social issues (Lee & Kotler, 2011; Doğaner, 2011). Therefore social marketers are primarily concerned with social issues and financial consequences of their actions only to the extent that they want to insure their organization's financial viability (Bloom & Novelli, 1981).

Investments in social marketing which were deemed as implementations that bring forth additional costs to organizations at the outset can actually be used as efficient tools in terms of voluntary reporting and disclosure of organizations. In this context, this chapter aims to find out if social marketing investments are used for voluntary reporting or disclosure by examining the websites of the companies which are ranking in the Turkey ISE 100 Index with Structuring Content Analysis method. Investigating the only way of voluntary reporting is the limitation of this study even though websites are the primarily disclosure instruments for the companies.

THEORETICAL BACKGROUND

According to the accounting literature, it is observed that these studies coincide with early 1990's (Lamberton, 2005). The measurement of social effects of these costs in particular and the reflection of these effects to reporting constitute the starting point of social accounting implementations (Aras & Crowther, 2009). Taking a look at the studies within the scope of said literature, it is observed that the relation between corporate social responsibility and financial performance is being focused upon in particular. Global Reporting Initiative (GRI) was established in 1999 to publish CSR reporting standards which is the sole system aiming to fill the gap in related literature and a model was presented to the US financial reporting system. GRI provides a standardized approach as an aid to reporting of sustainable information. GRI has also turned into a framework with the highest level of acknowledgment worldwide for voluntary reporting.

GRI is effective for the reporting of corporate social responsibility projects or voluntary reporting activities of businesses besides marketing strategies. One of the reasons for this is the fact that CSR is an important communication tool for stakeholders to have access to necessary information. Another reason is listed as the influence of CSR on the reputation management and brand protection activities of enterprises (Nikolaeva & Bicho, 2011). Important information is provided for social or environmental disclosure from variants obtained from markets. For instance, it has