

CORPORATE SOCIETAL MARKETING PROGRAMMES
INFLUENCE ON BRAND EQUITY WITH SPECIAL
FOCUS ON ECONET WIRELESS, ZIMBABWE

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ABSTRACT

The study was concerned with investigating the influence of corporate societal marketing on brand equity with a special focus on Econet Wireless, Zimbabwe. In this study deeper understanding on the influence of Corporate Societal Marketing (CSM) programmes on Brand Equity (BE) was achieved through in-depth interviews with five Econet Wireless, Zimbabwe marketing management. Purposive sampling technique was used to select five marketing management executives from Econet Wireless, Zimbabwe. Results of the study indicated Econet Wireless, Zimbabwe through its CSM programmes is positively influencing company's brand equity thus giving the company competitive advantage in terms of high brand awareness, increased customer brand loyalty, positive brand association, positive perceived quality and other competitive advantages.

Key words: Corporate Societal Marketing; Brand Equity; Brand Awareness; Brand Loyalty; Brand Association; Perceived Brand Quality and Other Proprietary Assets

Introduction

There is a lack of corporate societal marketing (CSM) practice by the corporate sector in Zimbabwe (Ncube 2012). According to Ncube (2012), lack of corporate societal marketing practice is attributed to lack of legal framework which encourages businesses to plough back a portion of their profits to society's wellbeing. Also, this is attributed to lack of understanding of economic benefits directly or indirectly derived from CSM practice by local companies. Kolter (2010) postulate that CSM practices accumulate marketing value through building positive brand equity (BE) which includes positive brand image, reputation and improved brand awareness. This study aimed at investigating the influence of corporate societal marketing (CSM) on brand equity using Econet Wireless, Zimbabwe.

Background to the Study

From its beginning in 1996 Econet Wireless, Zimbabwe established an enviable track record in corporate societal marketing programmes which have seen it initiating various social initiatives in the country. In a statement to its shareholders in unaudited financial results for the half-year ended 31st August of 2010 the company advised that 50 000 students have been assisted by the company through its different corporate societal marketing vehicles. Econet Wireless, Zimbabwe CSM programmes which include Capernaum Trust; Joshua Nkomo Scholarship Trust; National Healthcare Trust of Zimbabwe has changed the livelihood of ordinary and disadvantaged members of the society.

Over the same period, the company used US\$5 million to assist economically disadvantaged students under the Joshua Nkomo Scholarship Trust and Capernaum Trust. Established in 1996 the Joshua Nkomo Scholarship Trust is a Christian faith-based child-centred organisation operating under a Memorandum of Understanding (MOU) with the Government of Zimbabwe. It operates in all the 10 provinces of the country with headquarters in Harare. The Joshua Nkomo Scholarship Trust aims to transform and offer opportunities to orphaned children and turns them into what it terms "History makers" through education and training so that they realise their full potential and purpose in life. Joshua Nkomo Scholarship Trust works with needy and vulnerable children below the ages of 18 from around Zimbabwe, whom it provides with full scholarships.

This scholarship covers tuition fees, uniforms, books, stipend and any other essential requirements.

The social investment vehicle, Capernaum Trust established in 2005, is a pan-African scholarship fund for academically gifted Zimbabweans to pursue their higher and tertiary studies at local secondary schools and universities. A major aim of the scholarship is to develop a talented pool of future leaders in the mould of the late Vice President Dr Joshua Nkomo, after whom the scholarship fund is named. The aim of Trust is to create future leaders not only in the political field of politics but in other fields like commerce, science and entrepreneurial sector. This philosophy is reflected in the structure of the scholarship which has components of leadership and personal development. Each year an ambitious figure of 100 scholarships are awarded to deserving bright students drawn from the country's 10 provinces to enable them to commence studies at various schools or universities. Each scholarship package is fairly comprehensive and covers the core areas of need such as academic fees and accommodation/boarding fees. A small stipend is also available for University students.

According to Econet Wireless, Zimbabwe Annual Report (2015), since inception the company provided educational support to close 100,000 children. Capernaum Trust set up 5 additional Learning Hubs to an existing 16 facilities nation-wide, which provides a convenient and accessible platform for educational research, learning support and spiritual enrichment for beneficiaries and communities at large. One of the 21 Learning Hubs was commissioned at Bindura University of Science Education cementing the strong strategic collaboration that the Trust has long cultivated and enjoyed with universities and tertiary learning institutions around the country and abroad. The Trust also collaborates with the University of Zimbabwe and the university's College of Health Sciences, and with several universities in the region, including Monash University in South Africa and the highly regarded Waterford College in Swaziland. Capernaum Trust made significant impact through the Learning Hubs as 320,000 students used the facilities to take advantage of the free and diverse learning resources. The Trust trained 1,836 'contact teachers' in IT skills, equipping them to train 389,200 students by 2015 in basic IT skills that ensure they fully utilise the online learning resources available at the Learning Hubs and

elsewhere. The Trust also distributed close to 10,000 study solar lanterns to secondary school students. This was over and above food pack support that impacted over 35,025 families.

The National Healthcare Trust of Zimbabwe is a strategic partnership amongst various non-state actors in Zimbabwe, including Econet Wireless, Zimbabwe, who came together in direct response to the need to strengthen the capacity of the country's health delivery system to deal with various challenges, such as epidemics and brain drain. The National Healthcare Trust of Zimbabwe mobilised resources in response to the devastating cholera outbreak of 2008 and donated US\$1 million to the University of Zimbabwe's College of Health Sciences aimed at building and maintaining capacity within the health delivery system through skills training. Considering this, it is clear that Econet Wireless, Zimbabwe is playing a major role in national workforce development through its various social investment vehicles.

Since inception Econet Wireless, Zimbabwe has registered phenomenal growth capturing more than 50% percent of the market share. Econet Wireless, Zimbabwe business growth has intrigued this researcher to establish if corporate societal marketing (CSM) programmes have contributed positively to the company's success. Also, the study will confirm or reject the argument put forward by some scholars (Kotler 2010; Drumwright and Murphy 2001; Keller 2003 and Sankar and Bhattacharya 2003) that CSM influences BE.

Statement of the Problem

How has Econet Wireless, Zimbabwe influenced its brand equity (Brand awareness, brand loyalty, perceived brand quality, brand associations, and other proprietary assets) through its various CSM programmes?

Research Questions

1. How do Econet Wireless, Zimbabwe corporate societal marketing programmes influence Econet Wireless, Zimbabwe brand awareness?
2. In what ways do corporate societal marketing programmes influence brand loyalty?
3. How do Econet Wireless, Zimbabwe's corporate societal marketing programmes influence the way the customers associate Econet Wireless, Zimbabwe and its products?

4. How do Econet Wireless, Zimbabwe corporate societal marketing programmes influence perceived quality and other proprietary assets of Econet Wireless, Zimbabwe brand?

Review of Related Literature

A number of authors have identified a number of influences of corporate social responsibility on brand equity. Bhattacharya and Sen (2004) cites that corporate social responsibility influence customer brand preference and brand loyalty. This view was supported by Du et al (2007). Brand loyalty gained from doing social good according to Luo and Bhattacharya (2006), influence the financial performance of a brand. Zeithaml and Lemon (2000) acknowledge that corporate social responsibility positively influence brand perceptions. Holt et al (2004) argue that social responsibility is an important driver of brand evaluations nationally and globally. More evidence was provided by Hoeffler and Keller (2002), who report that corporate social marketing can enhance brand metrics such as brand image, brand awareness, brand engagement and brand credibility. Du et al (2007) emphasise that visible corporate social responsibility leads to stronger brand identification and brand loyalty.

When Companies are regarded or labeled as socially responsible, they prevent the spread of negative image. Orlitzky (2003) advocates that corporate social responsibility makes company products visible and credible. This positively influence brand equity. Orlitzky (2003) goes on to say that corporate social responsibility creates a company's competitive advantage through the provision of valuable intangible resources that in turn create company value. Jayachandran and Rose (2006) argue that corporate social responsible improve brand reputation among the company's stakeholders.

Gotsi and Wilson (2001) point out that corporate social responsibility creates corporate brand reputation. They define corporate brand reputation as a stakeholder's overall evaluation of the company overtime. Company reputation according to Endacott (2004) is crucial factor in consumer decision making process. Endacott (2004) recognises reputation as an important element of brand equity which gives a company a competitive advantage. According to Husted (2001), corporate social responsibility enhances brand differentiation.

Heslin and Ochoa (2008) identify five company benefits that can be yielded from positive brand equity as a result of its corporate social responsibility. These include growth in market share, organisational learning, committed and engaged employees, external stakeholders and financing and investors relations.

Growth in Market Share: Positive corporate social responsibility, undertaken by companies, affects customers' evaluation and awareness to company brand. This directly leads to increased sales. Products and service can be sold at a premium price. Company can contribute some of its profits towards improving the standard of poor communities. According Heslin and Ochoa (2008), during the process of helping the community the company can get new opportunities which the company can exploit.

Organisational Learning: Companies through engaging in corporate social responsibility, in specific communities, can get an opportunity to learn and get knowledge about the community. This helps the company to build core competencies that helps it to come up with relevant marketing strategies (Heslin and Ochoa. 2008).

Financial and Investor Relations: Strong brands as a result of corporate social responsibility can attract the investor's attention. Positive corporate social responsibility can help to build a good relationship between the company and investors. This leads to high profits (Heslin and Ochoa 2008).

External Stakeholders: The company and the society needs each other to thrive and this is achieve through corporate social responsibility. Heslin and Ochoa (2008) argued companies should stabilize the society through corporate social responsibility activities. The argument is that a stable society offer greater business opportunities.

Committed and Engaged Employees: According to Heslin and Ochoa (2008), corporate social responsibility is a factor that attracts excellent workers to be eager to work for the company. On the same wavelength positive social contributions can a powerful tool to retain hardworking employees.

Bronn and Vrioni (2001) identify corporate social responsibility as an effective communication for the company. The authors say corporate social responsibility can be used to give meaning and create a positive perception of the company's brand so that it can stand out or differentiate their brand among the competitors. The argument they gave is that the marketplace is becoming saturated and companies are at the same level in product quality, physical attributes and price. Therefore, for customers to recognise and remember the brand so easily that companies should adopt effective marketing communication to increase social awareness. They further say that it is beneficial for companies to differentiate their brands through the image of attention and empathy to society. This view is reinforced by Middlemiss (2003) who say that corporate social responsibility is a major approach for building sustainable and long-term brand value. Bronn and Vrioni (2001) argued that a company by adopting a pro-social plan it builds brand equity.

Bruch (2005) cited that corporate social responsibility activities create true value to the beneficiaries (support good cause for the society) as it enhances company performance. It establishes a win-win for both the society and business. Werther and Chandler (2006) pointed out that corporate social responsibility leads a company to achieve corporate citizenship. Demetriou et al (2010) state that corporate social responsibility allows business the opportunity to strengthen their corporate reputation and profitability by signaling to its various stakeholders with whom the organization interacts with and that it is committed to meeting its moral obligations.

Methodology

Purposive sampling was used to select 5 marketing management executives. According to Stevens et al. (2000), the numbers of participants in purposive sampling are determined by the insight judgment, experience or financial resources of the researcher. A purposive sampling technique was used because it ensured proper representation of the universe at the marketing management level of the company. According to Ross (2005), a purposive technique is most popular in qualitative research. Purposive sampling allowed flexibility in that the researcher was able to select participants that would give useful information relevant to the study at a low cost and within a limited time span. These were selected because of their positions in the marketing

department. They are responsible in the implementation of CSM programmes by the company. This was done in order to get as much needed, authentic qualitative data from responsible people.

The in-depth interviews were done with the five marketing management staff of Econet Wireless, Zimbabwe. An in-depth interview can be defined as an unstructured personal interview which uses extensive probing to solicit information from a single participant through free talk and the participant is able to express detailed beliefs and feelings on a topic (Kinnear and Taylor 1996). The in-depth interview enabled the researcher to obtain responses below the respondent's surface reactions to gain deep insight into the respondent's attitudes and in this study, it is used for Econet Wireless, Zimbabwe marketing management staff to establish the objectives and influence of CSM programmes on brand equity from the managerial point of view.

In-depth interview were adopted in this study because of the advantages postulated by Stevens et al. (2000).

- Firstly, the authors cited that an in-depth interview allows for flexibility as most executives have very tight schedules.
- Secondly, it also allows the interviewer to directly associate responses with participants, and thirdly, participants can ask questions and the interviewer can view the behaviour of the participants.

However, Stevens et al (2000) identify the major weakness of in-depth interview as creeping into the personal opinion of an interviewee. The researcher treated interviewees as active participants rather than mere participants giving them the opportunity to explain their responses in the interviewing process. To guard against personal opinion creeping-in the researcher stuck to the interview guide. No question was asked out of the interview guide. The interview guide was used to ask similar questions to the 5 participants.

The interview guide used in this study was composed of 7 open-ended questions (Appendix 1).

A thematic analysis principle was applied in the process of qualitative data analysis. Data extracted from the digital voice recorder had to be sieved, sorted, grouped and assembled in accordance with researcher participants that acted as the coding system. The participants' responses were written verbatim, paying attention to exact words used by the participants. The transcripts were typed into Microsoft Word, and thereafter they were printed out and read several times over to fully understand and comprehend what the participants said. The same process was repeated for all five interviewees. During the process, the researcher tried to do some preliminary cross-interviewee analysis. This process was carried out by comparing and critically evaluating individual interviewee data with other interviewees. The researcher went through each case interview line-by-line. The data segmented or grouped data which were placed into themes were presented in frequency tables and some aspects captured verbatim. Participants were labelled P1 to P5 to protect their identity.

P1-Marketing and Sales Manager

P2-Customer Services Manager

P3-Public Relations Manager

P4-New Product Development Executive

P5-Corporate Social Responsibility Executive

Findings

Influence of CSM Programmes on Brand Awareness

In Question 2 the researcher wanted to find out the interviewees' views on whether Econet's CSM programmes are influencing company's brand awareness. The responses have been summarized in Table 1.

Table 1 : Influence of CSM Programmes on Brand Awareness

Interview Response	Participants	Frequency
• Makes the company popular	P1, P2,P4.P5	80%
• Promotes brand recognition	P5,P2	40%
• Make the company visible	P1, P2, P3, P5	80%
• Ability to attract new talents	P4	20%
• Promotes knowledge about the company	P4, P5	40%

• Improve awareness of the company	P1, P2, P3,P4, P5	100%
• Put the company on spotlight	P2, P3, P4, P5	80%
• Made us household name	P3, P5	40%
• Retrieve the brand in the customer's memory	P1, P3, P5	60%
• Ability to identify the brand under different conditions	P1,P2, P3, P4	80%

The interviewees identified ten (10) influences of CSM programmes on brand awareness. The interviewees' responses indicate that Econet's awareness levels are being influenced by its CSM programmes. Eighty percent of interviewees show that CSM programmes influences brand awareness by making the company popular, making the company visible, put the company on spotlight, and have ability to identify the brand under different conditions. *'I think Joshua Nkomo Scholarship Trust and Capernaum Trust have placed Econet on the spotlight and made us a household name among the our customers' (P2)* Forty percent identified promotion of brand recognition, knowledge about the company and building of household name as brand awareness influences from CSM programmes. Ability to attract new talents was identified by 20% of the participants as brand awareness influence of CSM programmes. Hundred percent confirmed that CSM programmes influence brand awareness.

Influence of CSM Programmes on Brand Loyalty

Question 3 asked the interviewees, whether Econet is influencing positively its brand loyalty through its CSM programmes.

Table 2 Influence of CSM Programmes on Brand loyalty

Interview Response	Participants	Frequency
• Gain more brand acceptance	P2, P4, P5	60%
• Gain customers loyal	P1, P4, P5	60%
• Spreads information about the brand to others	P5	20%
• Reduce marketing cost through loyal customers	P2.P3.P4 P1, P2, P3, P4,P5	60% 100%
• Lock customers	P3,P4, P5	60%
• Help in retaining the customers		

Sixty percent of the participants were of the view that customer loyalty, brand acceptance, marketing cost reduction and customer retention are products of Econet CSM programmes influences to customer brand loyalty. Other brand loyalty influences from CSM programmes were identified by interviewees as locking customers to the brand (100%) and spreading of information about the brand to others. Twenty percent interviewees stated that if customers see that the company is active in CSM activities, they are likely to spread information about the brand to other potential customers. *Some loyal customers when they are excited with company's CSM activities they would recommend the company's products to others' (P1)*

Influence of CSM on Brand Association

In question 4 the researcher wanted to find out from the participants whether Econet is earning positive brand associations through its CSM programmes.

Table 3 Influence of CSM on Brand Association

Interview Response	Participants	Frequency
• Makes customers eager to associate with the company	P1,P2,P3.P4,P5	100%
• Company becomes a community brand	P1.P2, P3, P5	80%
• Highly responsible company	P2, P3. P4, P5	80%
• Ethical and considerate company	P1, P2, P4, P5	80%
• Reliable and dependable brand	P1, P2, P3, P5	80%
• Celebrity associations	P3, P5	40%

According to the results, 80% of the participants indicate that Econet is associated positively as a community brand, highly responsible, ethical, considerate company, reliable and dependable brand from society and customers by doing good through its CSM programmes. *'Our Social programmes gives me a good impression of Econet in that they return some of their profit to society and this shows the company is an ethical and considerate company'(P1)*. Hundred percent of the participants indicate that customers are eager to associate with the company and 40% eager to see customer associating the company with celebrity status as a result of CSM programmes.

Influence of CSM on Perceived Quality of the Brand

In Question 5 the researcher wanted to find out if they perceive Econet's CSM programmes as the influencers of the company's perceived brand quality. The responses have been summarized in Table 4.

Table 4 Influence of CSM on Perceived Quality of the Brand

Interview Response	Participants	Frequency
• Improve brand quality perception	P1, P5	40%
• Customers becomes less sensitive to price	P2, P3,P6	60%
• Improves brand satisfaction	P4, P5	40%
• Improves perceived brand value and differentiation	P1, P2, P3, P4, P5	100%

Improvement of brand quality perception and brand satisfaction were identified by 40% of the interviewees as positive brand attributes gained by Econet through CSM programmes. Hundred percent of Interviewees remarked that the company is improving perceived brand value and differentiation through CSM programmes. *'I think the Joshua Nkomo Scholarship Trust gives the company a good image among the customers and the beneficiaries' (P3)*. Interestingly, 60% of the interviewees indicated that if a company is active in CSM programmes, customers become less sensitive to price.

Influence of CSM Programmes on Other Proprietary Assets

Participants in Question 6 were asked to indicate their views on whether Econet is building its proprietary assets through CSM programmes.

Table 5: Influence of CSM Programmes on Other Proprietary Assets

Interview Response	Participants	Frequency
• Creates competitive advantage	P1, P2, P3, P4, P5	100%

• enhance customer's confidence in a purchasing decision	P2, P3,P4,P5	80%
• provides a rationale for buying the product	P2.P3.P4, P5	80%
• Enhance excellent reputation	P1, P2, P3, P4, P5	100%
• Promotes product acceptance	P1, P2, P3, P4, P5	100%
• Switch to competing brands difficult	P2.P3.P4, P5	80%
• Brand becomes distinct	P1, P2, P3, P4, P5	100%
• Brand becomes easier to market	P1, P2,P3 P4, P5	100%

All the interviewees (100%) identified five (5) brand proprietary assets gained by a company through active participation in CSM programmes. The proprietary assets include creating competitive advantage, enhancing excellent reputation, promotion of brand distinctiveness and easier marketability of a company's brands. . *'Our social responsibility programmes can make a good impression on our customers so that they are able to differentiate our products from other similar products which don't do anything good for society' (P5)*. *'The social programmes could be a good tool for brand for easier advertising and communication to potential customers' (P4)*. Eighty percent stated that CSM programmes enhance customers' confidence in a brand, provides the rationale for buying the product, and make it difficult for customers to switch to competing brands

The interview results confirm prior studies showing that CSM positively affects brand equity (Luo & Bhattacharya, 2006; Margolis & Walsh, 2003; Orlitzky et al., 2003). In a study by Hoeffler and Keller, (2002) on "Building Brand Equity through Corporate Societal Marketing" the authors describe six means by which CSM programmes can build brand equity: (1) building brand awareness, (2) enhancing brand image, (3) establishing brand credibility, (4) evoking brand feelings, (5) creating a sense of brand community, and (6) eliciting brand engagement. The results are also consistent with the study by Lai, Chiu, Yang, and Pai, (2010), who found out that insurance company social responsibility has significant positive impact on brand equity. Studies by Jian, ZhiJian and Yongji (2000), also concluded that performing of corporate social responsibility has significant positive impact on brand equity.

Conclusion

The findings of this research are critical for business practitioners in Zimbabwe, especially for companies that have not fully embraced corporate societal marketing activities. A major contribution of this research work was to discuss the corporate societal marketing and brand equity. Corporate societal marketing programmes influence brand equity thus brand loyalty; brand awareness; brand association and brand perceived quality and other proprietary assets and all of these variables create competitive advantage for the firm.

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