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## Types of Corporate Social Responsibility Initiatives as Response to COVID-19 Pandemic in Emerging Economies

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### 7.1 Introduction

In today's competitive marketplace, corporate social initiatives (CSIs) have garnered significant interest due to their strategic importance to companies across industries (Jeffrey et al., 2018). The strategic importance of CSIs to corporate organizations and the increased interest in the subject is evident from the millions of dollars firms spend on CSR activities (Lu et al., 2020). For instance, KPMG's (2020) survey on CSR and sustainability reporting shows that over 80% of companies worldwide now report their CSR initiatives. The increasing interest in the CSI concept could also be attributed to the increasing interest of consumers, governments, and other stakeholders in the contributions companies can and should make to societal well-being.

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The continuous growth of the CSR concept in importance and significance is an indication that being committed to societal and environmental well-being is no longer a mere ethical or legal issue but a strategic means of achieving business objectives while making the world a better place (Park, 2017). Research has shown that consumers in recent times show more respect for firms that strongly engage in social initiatives and value their products/services more (Famiyeh, 2017; Nyarku & Ayekple, 2018; Park, 2017). For instance, Shukla et al.'s (2019) survey in India indicates that about 55% of consumers are willing to pay more for socially responsible products. As a result, CSR issues now prominently appear on the corporate agenda.

As part of their CSR obligations, several calls have been made on private sector businesses to support governments' efforts in dealing with the health and economic challenges posed by the new coronavirus pandemic, particularly in emerging economies. According to scholars (e.g., Kotler et al., 2012), there are six major types of CSR initiatives that these private corporations could use to respond to this clarion call. These CSR types are corporate philanthropy, cause-related marketing, cause promotion, corporate social marketing, workforce volunteerism, and socially responsible business practices. The CSI type/s used to respond to the fight against the Covid-19 pandemic, particularly in emerging economies, is not known in the literature. There is a need to evaluate these initiatives to identify the CSI mix useful for dealing with the pandemic's challenges in emerging economies. Therefore, the current study seeks to evaluate the CSI types as a response to the fight against the Covid-19 pandemic in Africa, Asia, and South America; provide differences and similarities in the response types and implications for practice and policymakers.

The study is structured as follows: the next section presents a brief discussion of the Covid-19 pandemic. The response from corporate organizations, particularly emerging economies, was discussed in section three. The fourth section presents the theoretical underpinnings of the study and a review of existing literature. The methodology followed was discussed in part five. The results and discussions followed. Finally, conclusions, suggestions, implications (theoretical and managerial), and future research directions were presented.

## 7.2 The Impact of the Novel COVID-19 Pandemic

Coronaviruses are a large group of viruses that are common among animals. In rare cases, they are what scientists call zoonotic, meaning they can be transmitted from animals to humans, according to the US Centers for Disease Control and Prevention. It is a dangerous disease with an incubation period between 4–6 days (WHO, 2020b). It is fatal, especially for those with a weakened immune system (the elderly and the very young). It could also result in Pneumonia and bronchitis. When it comes to human-to-human transmission of the virus, often, it happens when someone comes into contact with an infected person's secretions or touched something an infected person has touched and then touching one's eye, nose or mouth.

The coronavirus, which was first reported in Wuhan, China, has rapidly spread worldwide within eight weeks to become a pandemic the world is currently battling with. As of September 16, 2020, the Coronavirus (Covid-19) pandemic has affected 210 countries and territories worldwide, infecting 32.3 million people worldwide, resulting in 978,000 deaths (WHO, 2020a; World Bank Report, 2020). The rapid rate of infection and deaths, coupled with the fact that there are currently limited vaccines, had led to some drastic measures, including travel bans, physical distancing, total or partial lockdown by governments worldwide. The impact of the pandemic on businesses and economies around the world paints a bleak picture, with recessions in almost every economy across the world. The impact of the outbreak, for instance, is expected to reduce China's GDP growth rate to 1% in 2020 from 6.1% in 2019 (EIU, 2020). According to The Economist Intelligence Unit's estimations, the US economy will contract by 2.9% in 2020. The eurozone will be one of the hardest-hit regions, posting a full-year recession of 6%. Germany (−6%), France (−5%), and Italy (−7%) will register full-year recessions. Growth prospects are inferior across Latin America. Argentina (−6.7%), Brazil (−5.5%), and Mexico (−6.5%) will all register recessions this year, 2020 (EIUs, 2020).

Despite the hard-hit negative impact of the pandemic on businesses, they have not relented on their CSR commitment even in this challenging time. As of September 2020, the WHO has received over \$237 million as contributions and donations from corporate organizations and individuals as support to fight the novel Covid-19 pandemic (WHO, 2020a).

### **7.3 Response from Private Businesses in Support of the Fight Against the Pandemic**

In Ghana, corporate organizations have contributed immensely to the fight against the pandemic in many ways. For instance, the Ghana private sector COVID-19 Fund, a private sector-led initiative, was established with the sole objective of providing prompt response to health and other associated crises the pandemic presents. Several organizations, including the Fidelity Bank Ghana, Standard Chartered Bank, Kasapreko, the CH Group, Zenith Bank, and others, have made contributions to the fund. In less than 100 days, the fund built and handed over a 100-bed infectious disease center (the first of its kind in the country) to the government of Ghana. As of August 31st, 2020, private corporate organizations have contributed over \$40million to support the COVID-19 private sector fund. To curb the spread of the pandemic, mobile money companies in the country waived charges on transactions to reduce physical money usage for transactions.

To address the shortage of hospital beds for infected patients, Chinese companies have contributed to building a 1000-bed and 1,600-bed facility at Huoshenshan Hospital and Leishenshan Hospital in Wuhan, respectively, under ten days. Huawei and China Telecom jointly set up a 5G-enabled remote video diagnostic center, enabling medical staff to conduct remote online consultations with potential patients.

In South America, Brazil is one of the countries severely hit by the pandemic and the second most exposed country globally after the USA in the number of cases and deaths. According to the Brazilian

health ministry, as of June 25, 2020, the country has recorded over 1.2 million cases, with 54,971 deaths (The New Humanitarian, 2020). Several measures and policies have been implemented by the Brazilian government to curb the spread of the pandemic (World Bank Report, 2020). Private sector companies have also responded swiftly to support communities and the government's effort to alleviate the impact of the pandemic. As of July 20, 2020, Brazilian companies have donated over \$1 billion to the COVID-19 response fund (The New Humanitarian, 2020). For instance, Chevron has contributed R\$ 1 million to construct a hospital in the Gavea district and R\$ 45 million to a fund to build a hospital in the Leblon district. The company also donated about 1,800 personal hygiene kits totaling R\$ 32,500 to parents and children at the Gavea hospital. After investing US\$ 15 million globally in the fight against the pandemic, Citibank donated R\$ 5 million to No Kid Hungry and an additional R\$ 5 million to reduce severe suffering in areas hard hit by the crisis. The employees of the company voluntarily created a campaign to donate 10,000 baskets with essential goods to families living in underserved areas. Several other companies like Colgate-Palmolive, Cummins, Dow, ExxonMobil Brasil, etc., have contributed colossal amounts of monies to support the Brazilian government's effort to mitigate the impact of the Covid-19 pandemic.

In Sub-Saharan Africa, South Africa is one of the countries severely hit by the pandemic (Osseni, 2020). The country leads the region with 653,444 cases, 15,703 deaths, and 584,195 recoveries as of September 16th, 2020 (Worldometer, 2020). The private sector companies in SA have supported the government's efforts to dealing with the threat posed by the pandemic to human life. The WHO has particularly applauded the exemplary response of the SA's private sector. Companies such as AECI, Standard Bank, NBI, B4SA, Direct Relief, etc., have contributed over \$26 billion as of August 2020 to the Covid-19 relief fund.

The private sector's response in other African countries to curb the spread of the pandemic has also been awe-inspiring. For instance, in Nigeria, private sector companies are at the forefront of the fight against the pandemic. The Dangote Group, Access Bank, Zenith Bank, Guaranty Trust Bank, MTN, UBA, and KPMG have come together to form

the Coalition Against COVID-19, providing financing for the immediate purchase of medical supplies and the creation of isolation centers (WEB, 2020). For example, United Bank for Africa (UBA) donated an amount of \$13 million to provide beds for isolation centers and intensive care units. In Kenya, Safaricom implemented a fee-waiver on its mobile money product, M-Pesa, to limit physical money exchange.

## 7.4 Literature Review

Corporate social responsibility is described as the commitment by corporate organizations to make the world a better place through corporate investments (Lee et al., 2017). It is the discretionary business practices or voluntary commitments businesses make to improve societal well-being rather than mandatory, moral, or ethical activities expected of them. This concept of contributing to societal well-being has grown considerably due to the importance consumers, and other stakeholders attach to being responsible to society beyond just creating value for shareholders (Su & Swanson, 2019). In other words, there is an increasing demand for corporate bodies to contribute toward making the world a better place to live. Many companies now engage in CSIs to improve public health, safety, community, or environmental well-being as a strategic means to achieve a competitive advantage, corporate reputation, and financial performance (Xie et al., 2017). Empirical studies by scholars have shown that firms that strategically engage in CSIs are more likely to be competitive than those that are not socially responsible (Chen-Ying, 2019; Han et al., 2020; Kim et al., 2019; Zayyad et al., 2020). For example, Han et al. (2020) have shown that consumers positively respond to brands that support CSR initiatives. The findings of Kim et al. (2019) also show a positive association between cause-related marketing activities and firm reputation.

CSIs are categorized under six major types: cause promotion, cause-related marketing, corporate social marketing, corporate philanthropy, workforce volunteering, and socially responsible business practices (Philip Kotler & Lee, 2005). These CSI types are briefly discussed below.

### 7.4.1 Cause Promotion

Providing support for promotional activities to create awareness of a social issue through paid sponsorships is termed cause promotion (Kotler et al., 2012). In short, supporting social causes through paid sponsorship. For instance, Toyota Ghana sponsored multimedia group Ltd (Joy FM) to run a campaign dubbed “arrive alive” to raise public concern about the dangers of reckless driving. In Canada, Molson Coors (a beverage company) is the primary sponsor of the “Red Leaf Project” campaign to incorporate tree planting and greening behavior among the citizenry.

### 7.4.2 Cause-Related Marketing (CRM)

This is when an organization donates a specified percentage of its revenue from selling specific items/products to support a social cause/s (Kim et al., 2019; Kotler & Lee, 2005). The objective is to build a mutually beneficial relationship that will benefit the company by increasing its sales and generating funds to support the charity initiative. For instance, Kasapreko Co. Ltd in Ghana donates 0.02USD to the Kole-Bu cardio center on each bottle of water sold.

### 7.4.3 Corporate Philanthropy

Corporate philanthropy involves gifts or monetary contributions given by corporations to social and charitable causes, such as those associated with education, culture, health care, and disaster relief (Hogarth et al., 2018). The organization contributes directly to a charity or cause, usually in the form of cash grants, donations, or in-kind services (Kotler & Lee, 2005). This type of CSI is the oldest and the most common type of social initiative undertaken by corporate organizations, particularly in disastrous cases.

#### 7.4.4 Corporate Social Marketing (CSM)

CSM refers to a means whereby a corporation supports the development and implementation of a behavior change campaign intended to improve public health, safety, the environment, or community well-being (Kotler & Lee, 2005). The main goal of a CSM initiative is to promote behavioral change for improved health, safety, or well-being of the environment (Kotler et al., 2012). Thus, the focus on behavior change is the key difference between CSM and other CSR initiatives. Scholars (e.g., Kotler et al., 2012) describe CSM as “the best of breeds” when it comes to achieving a competitive edge while supporting a social cause. When people benefit from a behavior change initiative supported by a company, they are likely to have a strong and positive association with the organization that supported the initiative. Thus, the current situation of the Covid-19 pandemic, which is crippling both national and individual economies, supporting a behavior change initiative is much likely to be appreciated by consumers and other stakeholders.

#### 7.4.5 Workforce Volunteering

This is when employees and other partners of an organization are encouraged to voluntarily provide support in the local community or support a social cause or when they are encouraged to engage in charitable activities as part of the organization’s CSR effort (Kotler et al., 2012; Lee, 2016). Supporting employees to voluntarily get involved in social causes benefits employees and society while helping companies meet their CSR obligations (Barkay, 2012; Basil et al., 2009). The work of De Gilder et al. (2005), for instance, found that employee volunteerism positively contributed to a company’s value chain and enhanced the morale of employees. The findings of Yadav et al. (2018) also demonstrate that employees’ involvement in charitable activities enhances the organization’s public image. These empirical findings suggest that employees’ support during this challenging moment of Covid-19 will positively affect organizational performance in terms of reputation, loyalty, and sales.



### 7.4.6 Socially Responsible Business Practices

This is defined as discretionary or voluntarily conducting a corporation's business activities in a manner that aligns with a generally perceived social good (Kotler et al., 2013). Put differently, doing business in a manner that protects society and the environment voluntarily is described as responsible business practices. These perceived social goods could be using recyclable packaging materials, reducing CO<sub>2</sub> emissions, and other sustainable business practices that protect the environment. These perceived social goods, though good for society, the organization is not under obligation to abide by them. Thus, abiding by them is discretionary. For instance, DTE Energy, a Michigan-based utility company, has voluntarily set a target to reduce CO<sub>2</sub> emissions by 45% by 2030 and 80% by 2050. Coca-Cola's voluntary effort to reduce the 3.7 million metric tons of greenhouse gases its delivery trucks contributes to the world by 25% by 2025 and Dukes energy's commitment to generate electricity with net-zero carbon emissions by 2050 are few examples of responsible business practice (Lee, 2016; Kotler et al., 2013). In the context of the current Covid-19 pandemic, doing business in a manner that protects people from contracting the Corona disease could be described as a responsible business practice. Research has shown a positive association between socially responsible business practices and firm reputation, customer loyalty, and purchase intention (Jermisittiparsert et al., 2019; Kornilova & Karashchuk, 2017).

## 7.5 The Stakeholder Theory as Underpinning Theory for the Study

The stakeholder theory's core argument is that organizations should consider the interest of all stakeholders, not just the interest of shareholders, to achieve superior performance (Argandona, 1998; Freeman et al., 2004). Thus, since organizations do not operate in isolation, managing the aspirations of societies in which they operate and the interest of other stakeholders is crucial to companies' success and survival. Previous findings have shown that fulfilling the legal, economic,

ethical, and philanthropic expectations of stakeholders is necessary for superior performance (Jamali, 2008; Xie et al., 2017). For instance, the work of Kim et al. (2018) has shown a positive and significant relationship between CSR and financial performance. From the European context, Martínez and Rodríguez's (2013) findings provide empirical evidence to show that hotel guests are more loyal to firms that engage in CSR initiatives. From the Indian perspective, the work of Yadav et al. (2018) also shows that engaging in CSR initiatives can lead to trust development among employees and, at the same time, enhance the organization's corporate reputation. These findings provide justification that being stakeholder-oriented is key to success and survival. These findings suggest that engaging in CSR initiatives and being perceived as a socially responsible company is one way to gain customers and other stakeholders' support. It also shows that embarking on CSR initiatives to curb the impact of Covid-19 in these critical moments is likely to impact firm performance positively.

One of the critical reasons why firms are motivated to invest in social responsibility initiatives could be traced to the stakeholder theory. The theory suggests that the organization's survival is much dependent on social performance, just as it is on financial performance (Xie et al., 2017; Yadav et al., 2018). According to Yadav et al. (2018), this recognition has led to the increasing CSR engagement by firms both broadly and for particular CSR tools such as philanthropic, cause marketing, cause promotion, and employee voluntarism. Given the ability of CSR to create shared values between a brand and its consumers, it has the potential to enhance both the competitiveness and economic performance of the organization as well as the well-being of societies in which the firm operates.

## 7.6 Methodology

The study aims to identify and analyze CSI types used by private sector companies to curb the impact of Covid-19 in emerging economies (Asia, South America, and Sub-Saharan Africa). The study further seeks to draw similarities and differences among the CSI types in these economies. The

study's sample population was drawn from private corporations from Asia, South America, and Sub-Saharan Africa. These regions were purposively selected due to the severity of the cases in these regions and to have a balanced view of CSR actions undertaken by corporate organizations to mitigate the impact of the pandemic in different parts of the world.

In Asia, China was selected since the virus originated from that part of the world. In South America, Brazil was chosen given the severity of the pandemic in that country. As of the time of this study, Brazil was the hardest-hit country in South America and the second most exposed country globally after the USA (The New Humanitarian, 2020). In Sub-Saharan Africa, Ghana and South Africa were selected since these two countries recorded the highest number of cases in Africa at the time of this study. CSR initiatives by the top three listed companies on the various stock exchanges were selected in each country. The top three listed companies were selected because, according to Dias et al. (2019), top-tier organizations are more likely to engage and report their CSR activities than small and medium-sized organizations.

The study follows Hinson et al.'s (2010) approach by searching the websites of these companies for information regarding their CSR activities to combat the Covid-19 pandemic. Besides, the author also searched the Google browser for information about the CSR initiatives of these companies concerning the alleviation of the Covid-19 burden.

In China, the Shanghai Stock Exchange (SSE) was selected ahead of the Shenzhen Stock Exchange since it is ranked the 4th largest stock market in the world, with a market capitalization of US\$4.0 trillion as of December 2020. The top three companies selected are Kweichow Moutai Co. Ltd, Industrial and Commercial Bank of China (ICBC), and Agricultural Bank of China. In Brazil, the top three companies listed on the Brazilian stock exchange as of September 16, 2020, are Petrobras, Itau Unibanco, and Banco Bradesco. Compagnie Financiere Richemont SA, Anglo American PLC, and FirstRand Limited were the top three companies on the Johannesburg Stock Exchange as of September 16, 2020. In Ghana, the companies selected are MTN Ghana, CAL Bank, and Total Petroleum. The study adopted the thematic categorization approach used by Mbah et al. (2007) to analyze the data.

## 7.7 Results

### 7.7.1 CSIs to Mitigate the Impact of Covid-19 in China

Although several organizations have responded favorably to the fight against the pandemic, the study is limited to the efforts of the top three companies on the SSE. Table 7.1 provides details of CSIs by these companies. The results show that all three companies engaged in socially responsible business practices by taking discretionary steps to protect customers and employees from contracting the disease through discretionary activities to observe safety protocols. These organizations ensure that their employees and customers wash their hands, wear their facemasks, and keep the recommended social distance. For instance, Kweichow Moutai voluntarily installed a hand-washing machine outside its premises to encourage frequent washing of hands. Industrial and Commercial Bank of China also voluntarily provided relief packages for SMEs hard hit by the pandemic.

Additionally, all the top three companies in China engaged in philanthropic donations of various kinds to provide support to alleviate the impact of the Covid-19 pandemic. For instance, Kweichow Moutai made cash donations to people hard hit by the virus in impoverished areas. The Industrial and Commercial Bank of China also made several donations, including PPEs, medical supplies, and a cash donation, to support the building of hospitals to cater for Covid-19 patients. The Agricultural Bank of China also provides free medical supplies to hospitals in China and cash support of over 20 billion yuan to farmers and related agri-businesses.

Aside from corporate philanthropy and socially responsible business practices, only ICBC's employees voluntarily made cash donations to support efforts aimed at curbing the impact of the pandemic. None of China's businesses embarked on a behavioral change campaign (corporate social marketing), cause-related marketing, or cause promotion to mitigate the threat posed by the pandemic.

Table 7.1 CSR initiative corporate China to mitigate the impact of Covid-19

Company	CSM	Corporate philanthropy	CRM	Employee volunteerism	CP	Socially responsible business practices
Kweichow Moutai	-	Made cash donations to people in poverty-stricken areas and regions hardly affected the Covid-19 pandemic Donated free bottles of the nation's most sought after liquor to coronavirus heroes (frontline health workers)	-	-	-	The company installed a hand-washing machine outside its premises to frequently encourage its stakeholders to wash their hands under running water
Industrial and Commercial Bank of China (ICBC)	-	Donated PPEs and cash worth \$100,000 to Turkey to combat Covid-19 Donated medical supplies worth 36.68 million rupees to Pakistan to help curb the Covid-19 pandemic Donated cash to support the building hospitals to cater for Covid-19 patients	-	Employees of the bank donated RBM61 million to support Hubei's fight against the Covid-19 pandemic	-	The bank voluntarily provided relief packages for SMEs hardest hit by the pandemic. The bank also helped enterprises and companies working to control and prevent the spread of the Covid-19 pandemic through integrated efforts such as equity financing, interest-free loan, bond underwriting

(continued)

Table 7.1 (continued)

Company	CSM	Corporate philanthropy	CRM	Employee volunteerism	CP	Socially responsible business practices
Agricultural Bank of China	-	<p>Donates medical supplies to enhance the fight against Covid-19</p> <p>Support farmers and enterprises whose business involves the production, processing, and circulation of foodstuffs with interest-free loans amid the pandemic</p>	-	-	-	<p>Part of the six banks in China that voluntarily provided lending support for companies to kick start the country's economic recovery</p>

### 7.7.2 CSIs in Brazil Against Covid-19 Pandemic

Like China, all three top companies in Brazil have engaged in activities that could be described as socially responsible business practices by voluntarily putting up safety measures to protect customers and other stakeholders. This is a vital demonstration that corporate organizations try their best to be good citizens by engaging in voluntary socially desired activities such as implementing WHO's measures. The results in Table 7.2 further show that in Brazil, corporate philanthropy dominates CSR activities by firms supporting governments' efforts to curb the spread and impact of the Covid-19 pandemic. For instance, Petrobras, a petroleum giant in Brazil, supported the fight against the pandemic by donating three petaflop supercomputers, which is equivalent to 3 million laptops' processing capacity. This was to collaborate with Stanford University's studies to pursue vaccines and drugs for the COVID-19 pandemic. The company also embarks on employee volunteerism by encouraging its employees and researchers to help save lives through their technical know-how. The employees voluntarily provide technical support for a team working to provide personal protection equipment (PPEs) locally for the mass majority.

Itau Unibanco, the largest financial institution in Brazil, also donated an amount of \$196 million and \$5 million to support hospital infrastructure and medical supplies, respectively, to combat the pandemic. The company further embarks on a cause promotion campaign to stress the need for preventive measures against the pandemic through its "Health for All campaign." Banco Bradesco also provides cash donations in support of hospitals and medical supplies.

A careful analysis of the CSIs by Brazilian companies, as shown in Table 7.2, indicates that four out of the six CSIs (corporate philanthropy, responsible business practices, cause promotion, and employee volunteerism) were used to support the fight against the pandemic. None of the companies use CSM and CRM. Corporate philanthropic initiatives (both in cash and in-kind) seem to be the most popular form of CSR initiative embarked on by private businesses in Brazil to support the fight against the pandemic's spread.

Table 7.2 CSIs by Brazilian companies to combat Covid-19

Company	CSM	Corporate philanthropy	CRM	Employee volunteerism	CP	Responsible business practices
Petrobras		<p>Allocates part of its supercomputer processing capacity to researchers at the department chemistry of Stanford University in California seeking to find medication and vaccines against the coronavirus</p> <p>The company supported Coppe-UFRJ in the production of ventilators for critically ill patients</p> <p>They donated 20,000 safety and hygiene items to UFRJ</p> <p>Donated 600,000 test kits to United Health System (UHS) to detect Covid-19</p> <p>Donates three petaflop supercomputers equivalent to the processing capacity of 3 million laptops to collaborate the studies led by Stanford University in the pursuit of vaccines and drugs for COVID-19</p>	–	<p>The organization's employees and partners have used the company's technological infrastructure to help save lives</p>	–	



Company	CSM	Corporate philanthropy	CRM	Employee volunteering	CP	Responsible business practices
Itau Unibanco		The company donated \$196 million to help strengthen the efforts of hospitals in tackling the Covid-19 pandemic	-	-	The bank has supported publicity initiatives and campaigns by key media houses stressing preventive measures against the pandemic	Reduced banking hours and encouraged customers to use online services and cash depositing ATMs
Banco Bradesco		The company is part of the biggest private sector lenders that donate \$5 million to import test kits, ventilators, and imaging equipment to respond to the Covid-19 outbreak	-	-	-	The company tested its 100,000 employees for the coronavirus to contribute to the national effort to reduce the virus's spread

### 7.7.3 CSIs by South African Companies to Support Efforts Against Covid-19

The analysis of the results shows that South African companies embark on four significant types of CSIs (philanthropic, responsible business practices, employee volunteerism, and CSM) to help local authorities mitigate the impact of Covid-19 in South Africa. None of the companies embarked on CRM and cause promotion. However, just like Brazil and China, corporate philanthropic initiatives are the most widespread and effective means of committing private business resources to support the efforts to curb the pandemic's spread and impact. For instance, Compagnie Financiere Richemont SA donated over 1 million masks to medical staff and frontline workers and partnered with a local charity organization to provide food packages and PPEs to vulnerable households during the lockdown in SA. Anglo American PLC also donated \$2 million to South Africa's solidarity fund to help fight the pandemic. The company also provided hospital facilities, food and water to vulnerable communities, support for over 79 clinics with medical supplies, and six ambulances to the emergency response team in North Cape. Aside from these donations, Anglo American PLC embarked on a behavioral change campaign to encourage the citizenry to adopt the new safety protocols and change in attitude against the stigmatization of people who tested positive with Covid-19.

FirstRand Limited, a leading financial provider in South Africa, provided food for the people of Mpumalanga, a less privileged community hard hit by the pandemic. The company also donated 80,000 quality masks to vulnerable families and R100 million to South Africa's COVID-19 fund, set up to provide medical structures, particularly those related to testing. Aside from these donations, the company's top employees donated 30% of their three-month salaries to support the Covid-19 fund (Table 7.3).

Table 7.3 CSIs of SA companies to mitigate the impact of Covid-19

Company	CSM	Corporate philanthropy	CRM	Employee volunteerism	CP	Responsible business practices
Compagnie Financiere Richemont SA		The company made a cash donation to the Red Cross Society in China, Wuhan Provided over 1 million masks to medical staff and frontline workers Donate food packages, medicine, and PPEs to hospitals and those most in need				Voluntarily adopted safety measures aligned with WHO's and local authorities' safety guidelines to protect customers, employees, and the community
Anglo American PLC	Embark on educational and behavioral change campaigns to change peoples' attitudes toward safety measures Behavior change campaign against stigma for anyone who tested positive for Covid-19	Donate \$2 million to South Africa's solidarity fund to mitigate the impact of Covid-19 Provided hospital with beds, PPEs, medical equipment, and accommodation for health professionals Provided support for 70 clinics through the provision of PPEs, cleaning materials, and training of staff Donated six ambulances to the emergency response team in Northern Cape	-	-	-	To ensure that its employees and other stakeholders observe the safety protocols, the company provides free facemask daily to workers and visitors to the facility
FirstRand Limited		Donated R3 million to assist Food Forward South Africa ("FFSA") The company further donated 80,000 quality facemask to vulnerable families in KZN communities Donated R100 million to South Africa's COVID-19 critical care fund		Top employees of the company have forgone 30% of their three months' salaries as support for South Africa's COVID fund		The company allowed most of its employees to work from home to protect its customers and employees from physical contact

### **7.7.4 CSIs Undertaken by Ghanaian Firms to Support the Fight Against the Covid-19 Pandemic**

The results in Table 7.4 show that the CSIs undertaken by Ghanaian private businesses to support the government's fight against the Covid-19 pandemic include corporate social marketing, corporate philanthropy, cause promotion, and responsible business practices. None of the companies embark on cause-related marketing and employee volunteerism. Concerning cause promotion, MTN Ghana and CAL Bank embarked on activities to create awareness about preventive measures through live presenter mentions and text messages. However, only MTN Ghana engages in a behavioral change campaign to encourage people to adopt the wearing of facemask as a preventive measure against the pandemic. Like other emerging economies, corporate philanthropy tops the list of voluntary initiatives to support the government's effort at curbing the impact of the Covid-19 pandemic. Table 7.4 summarizes the CSIs of the top three Ghanaian businesses to mitigate the pandemic's impact in Ghana.

## **7.8 Discussion of the Result**

Several companies (both local and international) have engaged in a wide range of voluntary initiatives to alleviate the effects of the unprecedented global pandemic. The study, thus, seeks to examine the various CSIs by private businesses in emerging economies from Africa, Asia, and South America as a response to help curb the impact of the novel Covid-19 pandemic.

The result shows that corporate philanthropy is commonly undertaken by private businesses to support the fight against the pandemic across the continents. All twelve top listed companies across the various economies used for the study have extensively engaged in philanthropic donations as their contribution to the fight against the Covid-19 pandemic. Most of these charitable initiatives are cash and kind donations to help the various governments curb the pandemic's impact. For instance, in China, most private businesses directly contributed to the building of emergency

Table 7.4 CSIs by corporate Ghana toward the fight against Covid-19

Company	CSM	Corporate philanthropy	CRM	Employee volunteering	CP	Responsible business practices
MTN Ghana	Campaign to encourage the wearing of facemask (WEAR IT FOR MAMA)	<p>Donated \$900,000 to Covid-19 Trust Fund</p> <p>Provided food and water to the vulnerable during the lockdown</p> <p>130,500 PPEs and 10,000 test kits</p> <p>Donated GH¢5 million through its foundation to the government for the fight against the pandemic</p> <p>Construction of isolation and treatment facility</p>	-	-	<p>Creating awareness about the virus and how to prevent it through text messages to its customers</p>	<p>The company's most business activities, such as balance inquiries, account statements, and registration, have been moved online, and steps are taken to educate and encourage customers to use the online services.</p> <p>Re-arrangement of seats in the waiting area to achieve 2 m social distancing</p>

(continued)

Table 7.4 (continued)

Company	CSM	Corporate philanthropy	CRM	Employee volunteering	CP	Responsible business practices
CAL Bank		<p>Donate GH¢2 million to Covid-19 National Trust Fund</p> <p>Donate PPEs worth GH¢230,000 to four hospitals</p>	-	-	<p>Live presenter mentions on Covid-19 pandemic while encouraging customers to use virtual banking</p>	<p>Introduce new measures such as cash receiving ATMs and online banking services and have embarked on educational and promotional activities to encourage customers to use these services to reduce onsite banking activities. Provided tents outside the banking hall to achieve social distancing</p>
Total Petroleum		<p>Donate free fuel worth GH¢1 million to the Covid-19 National Trust Fund</p> <p>Donate hand sanitizers and facemasks to commercial drivers</p>				

hospitals to deal with the increasing number of patients affected by the pandemic. Most of these companies also donated hospital equipment and personal protective equipment to ease the pressure on health facilities in dire need of this equipment. In Africa and South America, the result shows that private businesses made swift charitable donations (both cash and in-kind) to institutions or committees established to raise funds to deal with the coronavirus's spread. For instance, in Ghana and South Africa, the result shows that private corporations made substantial cash donations to the National Covid-19 Trust Fund and the Solidarity fund, respectively.

Although other types of CSIs could provide useful and relevant remedies to curb the pandemic's impact, the results of the current study show limited application of the other types of CSIs. For instance, the result contradicts Rego et al.'s (2020) findings, which suggest CRM as a more likely CSI approach to be used by private corporations to support issues that have attained national interest. The dominance of corporate philanthropic initiatives could be explained by the fact that the pandemic's situation requires more resources (cash and kind) to deal with the pandemic's health and economic threats. The dominance of charitable donations (corporate philanthropy) could also be attributed to the call by various governments for support from the private sector to deal with the burden posed by the pandemic. For instance, in Ghana, the call for support from the president has led to the establishment of the Ghana private sector Covid-19 Fund to raise support from the private sector.

Though effective in raising long-term finances (Kim et al., 2019), the use of cause-related marketing could not be very appropriate in the current situation. The current situation demands urgent resources to support the supply of medical equipment such as hospital beds and PPEs. This suggests that cause-related marketing may be an appropriate CSI tool for raising funds to support hospital infrastructure such as disease control and intensive-care units to take care of the increasing numbers of patients in the immediate future. However, the result supports the works of previous scholars that corporate philanthropy is the oldest and the most common type of CSI undertaken by firms for national disasters (Kim et al., 2018; Song et al., 2017; Su & Sauerwald, 2018). The result

also corroborates Shi's (2020) findings that in emergency situations, philanthropic donations attract positive recognition than other types of CSR activities.

In Asia, only one organization used employee volunteerism as a measure of combating the effect of the pandemic. Corporate social marketing and cause-related marketing were non-existent in companies' initiatives to curb the pandemic's impact in China. However, all the companies made donations either in cash or in-kind to mitigate the pandemic's impact.

In South America (Brazil), the result shows that none of the companies embarked on corporate social marketing and cause-related marketing to curb the pandemic's impact. Although all the companies have intensively engaged in philanthropic donations, only one company separately added employee volunteerism and cause promotion. In Africa (Ghana and South Africa), the story is not different. Corporate philanthropic donations top the list of initiatives to support the fight against the pandemic. However, the result shows that, though limited, behavioral change initiatives have received much attention by Ghanaian and South African companies as a contribution to the fight against the pandemic as compared with Asian and Latin American companies. This could be explained by the difference in perception toward the severity of the pandemic by these regions' citizens. For instance, in Ghana, the Ghana Health Service's survey (GHS, 2020) shows that the citizenry has a poor attitude toward the safety protocols. According to the survey, the poor attitude toward the safety protocols comes from the perception that the virus is not real, thereby, their lackadaisical attitude toward the safety protocols' adherence. This could further explain Ghanaian companies' interest in adopting behavioral change initiatives to encourage people to change their attitudes toward the safety protocols such as wearing a facemask and social distancing.

## 7.9 Implications and Conclusions

This paper presents a comprehensive analysis of CSI types used by private corporations from emerging economies (Asia, Africa, and South



America) as a response to efforts to mitigate the impact of the novel coronavirus pandemic. The result has shown that the call for support by top government officials to deal with the peculiar health challenges posed by the pandemic has resulted in philanthropic donations as the most common type of CSI used by firms in these emerging economies to mitigate the impact of the pandemic. The swift response in donations, both cash and in-kind, is a clear demonstration for policymakers that getting the private sector involved in nation-building initiatives will yield positive results. The results show that private businesses will be more willing to support nation-building initiatives if they believe that their resources will be put to good use. Specifically, given the infrastructure deficit in most emerging economies, policymakers could leverage this approach to help close the infrastructure gap. Policymakers can use targeted policies such as tax holidays, tax reliefs, and government contracts to encourage the private sector to take initiatives aimed at nation-building. For instance, there could be a reduction in corporate tax for companies that donate a specific amount or a certain percentage of their revenues to specific CSR activities. Our result corroborates Li et al.'s (2018) findings that as a significant stakeholder, corporate organizations are most likely to respond favorably to governments' calls concerning their CSR obligations.

Additionally, given the lack of medical facilities such as ICUs in most emerging economies, embarking on charitable donations to ease the pressure presented by Covid-19 is most likely to attract the attention and recognition of the government as a key stakeholder. Corporate philanthropic activities could be described as one of the most appropriate CSR actions at the moment. Therefore, as part of their CSR obligation, managers should consider investing in philanthropic initiatives, which are likely to qualify them for targeted governmental policies such as tax reliefs and rebates. According to the empirical evidence by Shi (2020), investing in philanthropic initiatives during an emergency or disastrous situation, as presented by Covid-19, is more likely to gain the necessary attention and recognition from stakeholders and positively influence a firm's reputation. Our result corroborates this finding.

The study further shows that there is a limited or no application of the other types of CSIs to deal with the threats posed by the pandemic. For

instance, although the most effective means of fighting the pandemic as recommended by WHO, requires a change in attitude regarding our usual ways of doing things, corporate social marketing (CSM), which deals with behavior change, received little attention. Managers of corporations should consider supporting or investing in behavioral change initiatives to change peoples' attitude toward the safety protocols. Embarking on behavioral change initiatives (CSM) is most likely to produce improved public image and increased customer loyalty since consumers are likely to show more respect for organizations that support behavioral change initiatives from which they benefit. For instance, scholars described CSM initiatives as "best of breeds when it comes to gaining market edge while supporting social causes" (Hategan, 2018; Kotler & Lee, 2005). Put differently, CSM initiatives are most likely to receive high public and stakeholder recognition and positively impact firm-level outcomes given the frequent call for change in behavior toward the safety protocol. Thus, managers of corporate bodies should consider CSM activities as part of their CSR programs during this challenging time presented by the Covid-19 pandemic. As stated earlier, given the damming effect of Covid-19 on both national and individual economies, initiatives such as CSM to prevent its spread is most likely to receive high attention and recognition from consumers and other stakeholders.

As shown by the result, employees' involvement in CSR initiatives toward the Covid-19 pandemic or supporting them to embark on volunteering activities to mitigate the pandemic's impact was limited. This is worrying as Aguinis et al. (2020) show that employees' commitment toward CSR activities, particularly activities concerning Covid-19, is critical to the success of those CSR programs. Therefore, we suggest that managers of corporate organizations should take steps to encourage their employees to participate actively and support CSR initiatives geared toward the pandemic. In other words, employees' support and involvement are critical to CSR's success in this Covid-19 season. It is, therefore, important for managers planning CSR activities during the pandemic to garner the support and commitment of their employees.

Based on the results of the current study, we further suggest that managers consider investing in cause-related marketing (CRM) initiatives that will commit a percentage of revenue or sales from specific

products to provide essential facilities such as health facilities. When consumers consider an issue that a CRM initiative is seeking to address an important, they are more likely to patronize the product, leading to increased sales (Christofi et al., 2020). Currently, consumers in most emerging economies consider initiatives to provide essential medical equipment as a step in the right direction. Therefore, embarking on CRM activities that seek to provide these facilities are likely to receive high recognition and patronage from consumers. However, the benefits of these CRM initiatives must be strategically communicated to reflect the current aspirations of consumers to reap the full benefit of these CRM programs.

## 7.10 Conclusions and Directions for Future Research

The purpose of the current study was to critically evaluate CSI types of corporate organizations in emerging economies embarked upon as their CSR obligations to deal with the threats posed by the Covid-19 pandemic. The study finds corporate philanthropy as the major type of CSR initiative that was embarked upon to help governments in emerging economies to deal with the threats posed by the pandemic. The study concludes that the dominance of philanthropic initiatives is justifiable given the peculiar situation presented by the Covid-19 pandemic. There is a clear need for more resources in cash and in-kind to help deal with the pandemic's economic and health problems.

The slow pace of adopting other CSIs such as CSM to respond to societal issues could be attributed to the lack of empirical studies demonstrating their effectiveness compared to corporate philanthropy (Blagov & Petrova-Savchenko, 2012). The complete lack of cause-related marketing to fight the pandemic is understandable since the pandemic's challenges require urgent attention. It is vital for future studies to empirically demonstrate the effectiveness of other CSIs in responding to social issues as those presented by Covid-19. For instance, an empirical study exploring the effectiveness of a CRM initiative that commits a percentage of sales to build an infectious disease center will be a great avenue

to contribute to knowledge. In other words, it is essential to ascertain the effectiveness of other types of CSIs in responding to social issues, as presented by Covid-19. Further studies should consider analyzing the CSR initiatives in response to Covid-19 in develop and developing economies.

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