

Corporate social responsibility: learning from the BP oil spill

By Caroline McCarthy | Jun 10, 2010 | 3 Comments

NEW YORK—You can never please everyone, especially on the Internet. But at #Promise (yes, with a built-in Twitter hash tag), a Thursday conference about Digital Age corporate responsibility held in conjunction with **Internet Week New York**, it was evident that consumers are starting to expect more when it comes to companies' attempts to "do good."



"Corporate communications, as such, no longer matter," the conference's keynote speaker, <u>author and business</u> theorist **Douglas Rushkoff**, said during his midday talk. "The only thing that actually matters is corporate activity...if it's doing something real, that will be communicated. You don't decide to be transparent; you are transparent."

Slightly harsh words, considering Rushkoff's talk was bisecting a morning and afternoon of talks dominated largely by marketing executives from medium-sized to big companies that were talking about how they're reinventing their corporate missions to combat climate change, give back to local communities, and communicate in an age of Facebook and blogs. Rushkoff didn't name names. But he probably didn't believe everything he saw, and neither did everyone present.

The rise of social media has gone hand-in-hand with the ascent of a new breed of mainstream "consciousness" that's one part Whole Foods and one part "Inconvenient Truth"—an emphasis on the local, the sustainable, the future-minded. The combination of the two, in turn, has been a significant public relations win for businesses, including massive corporations, that want to push a progressive image.

ThinkSocial arm and which encouraged each corporate participant to put forth a concrete "promise" of corporate social responsibility in conjunction with its talk. Conference charter sponsor PepsiCo detailed its blog-driven "Refresh Everything" project to support social entrepreneurship, which was just about everywhere at this year's South by Southwest; GE's global director of marketing communications Linda Boff talked about the company's follow-up to its "Ecomagination" campaign with a health care-focused "Healthymagination"; and Twitter's "social innovation" guru talked about its outreach to nonprofits through an internal "Hope140" program.

This digital breed of corporate responsibility-building a "transparent" narrative on Facebook,

enlisting celebrity Twitter users to support a cause, and announcing online campaigns to support environmentally-friendly initiatives—has been around for a few years now. The #Promise conference made it very evident that this is something that has been fully pushed into the mainstream of U.S. corporations, and under the surface, even more evident that onlookers are getting skeptical.

You had to look no further than the designated Twitter hash tag for the conference, and the tweets that people were posting. There was plenty of "Surrounded by brilliant, passionate people. Energized," but the critics were everywhere, too. Some took issue with a presentation from boot manufacturer Timberland that detailed its ambitious goal to plant 5 million trees in China and Haiti in the next five years, arguing that there are plenty of places in the U.S. where trees would improve the quality of life in low-income areas or taking issue with the company's selected Haiti charity partner **Yele Haiti**, which has come under scrutiny for its fiscal practices.

Others wondered why, as PepsiCo talked about its "Dream Machine" recycling initiative, they couldn't find recycling containers in the conference venue. (The organizers hurried to make them more prominent.) The presence of bottled water at the conference left some visibly irked. "Pepsi should promise to stop repackaging tap water in plastic bottles made out of petroleum products from BP," tweeted @pickettfurnitur,

There are those two letters that this post was invariably going to get to: BP.

The Deepwater Horizon oil rig explosion and still-growing crisis in the region have dealt a massive blow to the environmental conditions of thousands of miles of coastline, but they've also hurt the public confidence in corporate attempts to push forth a progressive image. That's because BP had spent the better part of a decade and millions of marketing dollars rebranding itself as "beyond petroleum" with a green-and-yellow sunburst logo (right). Some oil companies still seem content to be unapologetically evil; this was the first oil company to admit to the realities of global warming, was seemingly candid about the need to invest in alternative energy sources, and earned consumer approval as a "green" brand.

It was, to use the language of the conference itself, a very empty promise.

The truth, which was extremely evident at #Promise but mostly absent from the stage, is that any evil corporation can build a wind farm and call it social responsibility. That doesn't mean it isn't an evil corporation anymore. There's a growing skepticism that in promoting green or "socially responsible" initiatives, big companies aren't necessarily scaling back their own negative impacts in the process. The never-satisfied Twitterer @pickettfurnitur (who eventually left in a huff, citing "corporate greenwashing wearing thin") commented during #Promise that "green manufacturing and reducing consumption conspicuosly absent from sustainability presentations"—i.e. things that would change longstanding negative business practices rather than paper them over with charity dollars.

One issue that came up via Twitter: If supporting healthcare entrepreneurship is part of PepsiCo's Project Refresh, how does the company reconcile that with its status as the manufacturer of some wildly unhealthy foods and beverages?

"One thing I can reassure is part of our 'human sustainability' efforts is a massive transition of our portfolio in order to address those challenges," PepsiCo's Jeremy Cage, who spearheads the company's "Dream Machine" initiative, responded. "What we call 'Nutrico,' the most nutritional part of our businesses, is currently about \$10 billion, and (PepsiCo CEO **Indra Nooyi**) has publicly made a commitment to get that to \$30 billion in short order."

Sometimes, it seems, it's only in the wake of embarrassing scandal that big changes are put into effect in an attempt to save face. Food conglomerate Nestle was assailed by environmental activists on Facebook and Twitter for business practices that contribute to deforestation; within weeks, Nestle had announced a partnership with an independent non-profit to eliminate its dependence on unsustainable forest products.

Maybe, the next promise (hash tag not necessary) of social media as a corporate marketing tool could be as an honest medium to chronicle the sometimes-excruciating stories behind shaking off some of the 20th century's uglier business strategies—whether a big scandal put a spotlight on them or not.

"Imagine if when (the BP) disaster happened, think about what would have happened if they embraced the social networks," Ogilvy planning director Evan Slater said during a panel at #Promise. "Instead of telling people, 'you can't come research this'...imagine if they had gone out to the social networks and said, 'We're going to take \$30 million and put out a reward for the group of individuals, the organization, the company, that can find a solution to this problem.' I think the difference would have been phenomenal."

There were still critics. During Slater's panel, another conference speaker, IBM digital strategy director Adam Christensen, tweeted: "What could BP do differently? Not blow up a well. Beyond that, nothing matters."

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