

SOCIAL RESPONSIBILITY OF FOOD COMPANIES IN SLOVAKIA – A SELECTED TOOL OF SUSTAINABILITY

Renata Prokeiová, Johana Paluchová

Slovak University of Agriculture, Slovakia

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Słowa kluczowe: społeczna odpowiedzialność, zrównoważony rozwój, współczynnik Alfa Cronbacha, green marketing, marketing środowiskowy

Abstract. Many environmental strategies relying on a mere improvement of resource productivity and eco-efficiency of processes and products are fully to address the environmental impacts induced by increasing consumption. In addition to these strategies, the concept of sustainable consumption calls for changing the levels and patterns of consumption, which require complimentary approaches. Consumer's don't realize the consequences of their own consumer behavior to the environment. The aim of the paper is analyze the selected tools of the sustainable environmental marketing that extends the traditional marketing approach of social responsibility. Globalization and sustainable development contributes to discussions about business in society and their roles. It is clear that the business community can have a positive impact on the achievement of the objectives of both concepts.

INTRODUCTION

The main aim of this article is to define the Social Sustainability in the process of marketing strategy of selected companies, which agreed to be a member of our marketing research. Sustainability marketing is one of the new rules in marketing tools and therefore we would like to introduce this rules in the practice of selected companies. In the partial aims we focus on a negative and positive impacts of environment, characteristics of reducing costs on safety environment and providing the environmental information about products and services of selected companies.

GLOBALIZATION AS SOCIAL AND SUSTAINABLE DEVELOPING

BUSINESS SOCIAL RESPONSIBILITY

The term “corporate social responsibility” means the voluntary efforts of companies that fall outside the normal regulatory compliance. It is an achievement of social and environmental objectives in the daily activities of the company. For companies and entrepreneurs of social responsibility, which affected international trade and marketing, business management,

consumer behavior and economic globalization, countries can be considered by concept of sustainable development [Ubrežiová et al. 2012]. The concept of social responsibility has particular importance in relation to the process of globalization as follows:

- disproportion between the ever-increasing pace of liberalization and the time required for the elaboration of international rules to regulate the interaction of the market;
- imbalance of social and economic systems between developed and developing countries, where lack of oversight of these areas;
- imbalance in the development of international institutions which supervise the economic changes and institutions overseeing social and environmental problems [Remišová 2011].

Business for Social Responsibility and Forum for the Future identify several barriers to the effective use of labels, on-pack claims and other means to inform consumers about the environmental credentials of products and services:

- confusion among consumers about the differences between fair trade, ethical, organic and other types of products;
- unrealistic expectations of consumers, who are not usually willing to spend time understanding these issues and are rarely prepared to pay more for sustainable products;
- the complexity of supply chains and the costs of effective monitoring and reporting;
- suspicion of „green wash“ (environmental claims that could be considered false, unsubstantiated and/or unethical) [World Business... 2008].

SUSTAINABLE MARKETING AND CONSUMPTION

It is an extension of green or environmental marketing, emphasis on sustainable growth. Border management concept is focusing on the creation, production and delivery of sustainable solutions with high added value, while continuing to satisfy customers and stakeholders. The concept in itself connects sustainable environmental, social and economic progress. Small businesses as well as multinational corporations will have to accept and take responsibility for addressing issues of sustainable development for their own business ventures in local, regional, national and international scale [Peatie 1998]. The sustainable consumption and production aim to improve overall environmental performance throughout a product's life-cycle, promote and stimulate demand for better products and production Technologies, and help consumers make better choices through effective labeling [European Commission 2010]. Sustainable production and consumption involves business, government, communities and households contributing to environmental quality through the efficient production and use of natural resources, the minimization of wastes, and the optimization of products and services. The use of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations. The products available in today's supermarkets carry a wide range of labels, on-pack claims and elements of design that are meant to inform and reassure consumers on health, safety, environmental or social concerns. Some products are certified by an internationally recognized and respected body, such a local, national or regional authority. Examples of third-party labels include:

- organic,
- healthy,
- sourced from sustainable sources,

- dolphin friendly (there are various dolphin safe labels used for canned tuna to means that the fish has been caught without harming or killing dolphins; however, because there are various labels used, there are also various restrictions imposed on the capture of tuna in order for it to deserve the related dolphin safe label, some labels imposing stricter requirements than others),
- ethically sourced,
- eco-friendly,
- sustainable cleaning [World Business... 2008].

ENVIRONMENTAL MARKETING

It is based on the idea of environmental protection and maintenance of non-renewable resources. It is part of a new marketing approach, which is not only to modify and improve current marketing thinking and practice, but it is looking for a different challenge and provides a sustainable perspective. This refers to the process of implementation of products in the market based on their environmental benefits. This product or service may be environmentally friendly in itself, but only some of their property (the production process, packaging...). An assumption of green marketing is that potential consumers perceived environmental attributes of the product for the benefit of, and to lay the foundation for their buying decision. Environmental marketing is not only specific communications include, for example editing product, manufacturing process changes and modification. It consists of all activities forming and facilitating the exchange intended to satisfy human needs so that they meet the minimum adverse impact on the natural environment [Borgul'a 2011]. Green marketing is defined as a holistic management process responsible to identify, engaged, fills and satisfies the requirements of stakeholders and also adversely affect the natural environment and humans. Characteristic is the focus on environmental issues, with an emphasis on reducing environmental damage [Charter 1992]. Green marketing focuses on the green marketing efforts companies use, including corporate social responsibility plans and sustainability efforts. Many consumers are environmentally conscious, seeking eco-friendly products and services from organizations that are socially responsible. These articles look at all of the implications of green marketing, from product modification and processing to packaging and green advertising. Green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term [Green Trade... 2008].

METHODOLOGY AND METHODS

To obtain evidence on corporate social responsibility and environmental policy in Slovakia, we have worked with secondary sources. Compilation of the questionnaire was preceded by study of the field of affordable, especially foreign literature, but not least was supplemented by the information obtained from Internet sources, and research papers devoted to this topic. Formed the core of the primary sources of research carried out by means of a questionnaire.

We questioned companies in the food industry in Slovakia. Questionnaire consists of two parts and in this paper we focused on the part corporate social responsibility of the food companies from the environmental viewpoint in Slovakia.

Structure of enterprises by number of employees: 30 food companies, in small, middle and big size. The questionnaire has been most willing to answer small businesses with less than 15 employees (33.33%). They were followed by large enterprises with more than 51 employees (30, 00%), and activity which has significantly impinges on the environment and communities in which they operate, under-represented businesses with less than 50 employees (23.33%) and the smallest proportion were companies with less than 30 workers (13.33%). Using the Chi-square Goodness of Fit test in determining H_0 hypothesis, this argues that the sample is representative of the significance alpha 0.05. We conclude that H_0 don't reject it and thus our selected file is the significance level alpha 0, 05 representatives and therefore the results obtained by our questionnaire have statistical significance.

Structure of enterprises by county action: Most companies that participated in the survey, operates in Bratislava region (20%), followed by companies from Trenčín (13.33%) and Prešov (13.33%). Equal representation in the form of 10% of businesses has Nitra, Žilina and Banská Bystrica. The smallest firms are represented in the Košice region (6.67%) and companies that have branches of their businesses in several regions of Slovakia. Chi-square test approved representative sample.

The structure of enterprises based on the length of time on the market: more than 80% of companies that responded to the questionnaire have been operating for over 10 years. These are companies have reached a stable market position and built positive relationships with their customers and suppliers. Their long-term business success is largely associated with customer loyalty. Only 17% of companies involved market less than 10 years of age, only 3% of the companies that are involved in the survey on the market "newcomers" and should not be done more than one year of operation.

Partnership with foreign companies: 67% of surveyed companies have foreign suppliers. The same percentage of business customers has also abroad, while the rest of the companies (33%) have only business partners in this country. Based on the Chi-square test independence we investigated whether the partnership with suppliers from abroad directly dependent on the size of the company. We established hypothesis claimed that there is no difference between the size of the company and whether their business partners to look beyond the borders of Slovakia. Accordingly, it can be argued that foreign suppliers are as large companies as well as small businesses that participated in the survey. Similar results were also found for your customers, because the answers to these two questions are no different.

The time period of data collection – a review and theoretical data collection were collected in the period from February 2012 to October 2012.

The questionnaire consists of two main parts, the first part consists of the identification of issues and the second part is divided into three groups of questions aimed at different areas. The results obtained from the questionnaires were properly prepared and evaluated with the help of software MS Word, MS Excel and SAS. Thanks to them, the results were transformed in text and graphic form due to clarify the findings.

Chi-square test of good compliance was used to determine whether the sample is representative. The dependence between the quality characteristics, we used the Chi-square test square contingency. For the better understanding of previous test of independency, we used Correspondence analysis. The idea of correspondence analysis (Correspondence

Analysis – CA) is to display the PivotTable in most two-dimensional space with little loss of information. The questionnaire was a lot of scaling issues, because we have to evaluate the reliability analysis of the scales used. To calculate the internal consistency, we used Cronbach alpha coefficient [Prokeinová 2010].

RESULT AND OWN MARKETING RESEARCH

SOCIAL RESPONSIBILITY TOWARDS ENVIRONMENT

Environmentally friendly business strategy leads to less use of natural resources, prevention of pollution (air, water, soil) and overall conservation. In addition, environmentally clean technologies and practices generally ultimately reduce the cost of production, or prevent a situation where the company did not have to pay a penalty for pollution and compensation for environmental damage. If a company wants to create a “label” organic companies should proceed to reduce negative impacts on the environment, including for example, waste minimization, recycling, energy conservation, or accession to the prevention of pollution. More than 83% of companies (Fig. 1) are trying to reduce the impact of its activities on the environment. 16.67% reduction of business conducted in part while none of the companies prefer negative approach to this issue.

Upon closer investigation, we concluded that even in this case there is no direct correlation (Fig. 2 and 3) between the size of companies and their approach to reducing the negative impacts on the environment.

As we can see in figure 2 food companies in Bratislava, Trnava and Trenčín district are trying to reduce impact on the environment. These district belong to the western part of Slovakia and this part is represented higher level of education, of income, of overall quality of life. It is very important findings that food companies have feeling for their impact on the environment and the want reduce it.

Next figure represents dependence between time of existence company and business reducing cost on the environment impact. This dependence very narrowly relate on previous dependency. The food companies reflect reality and they tried reduce cost due to reducing impact on their and our environment. We found out that companies older than 10 year have this environmental feeling. They perform 80%, huge part of companies in Slovakia. Companies with the short term (less than 5 years) of existension have the same feeling. Unfortunately, new companies don't know about this issue. It is caused that are new on the market and they have other problem during the starting business.

We concluded that even in this case there is no direct correlation between the size of companies and their approach to reducing the negative impacts on the environment (Fig. 2 and 3).

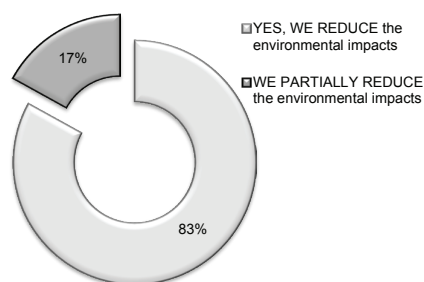


Figure 1. Reduction of Negative Impacts on the Environment

Source: own elaboration.

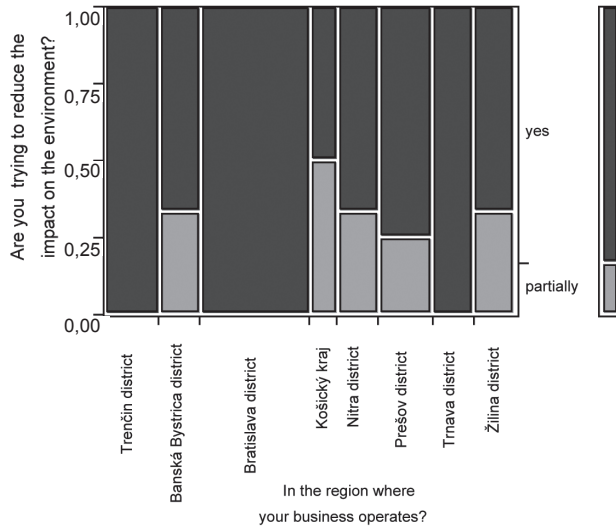


Figure 2. Pivot chart presenting region of company and answer about impact on environment
Source: own elaboration.

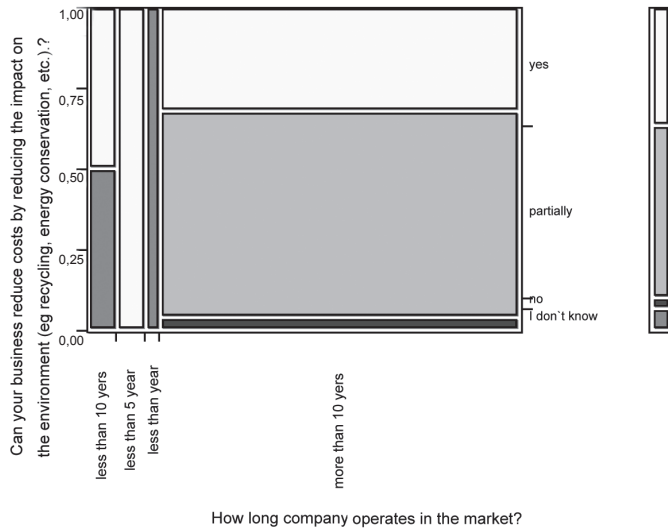


Figure 3. Pivot chart presenting time of existence company and answer about reducing cost on the environment
Source: own elaboration.

A positive finding is that even small businesses often do not have as extensive opportunities to embrace a greener approach to the environment can be sufficiently involved in this field. On figure 4, the most common forms of reducing negative impacts on the environment include recycling of waste (23.75%), waste minimization (22.5%) and energy savings (20%). The possibilities used by prevention against pollution in 16.25% and protection of the natural environment in 13.75%. To a lesser extent used methods for reducing the negative impacts on the environment are also the organic cultivation of medicinal plants (1.25%), as well as organic soil improvers and increasing the level of environmental awareness among employees.

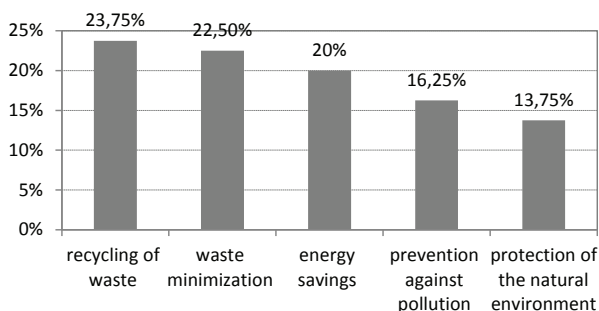


Figure 4. Forms of negative reduce impacts on the environment
Source: own elaboration.

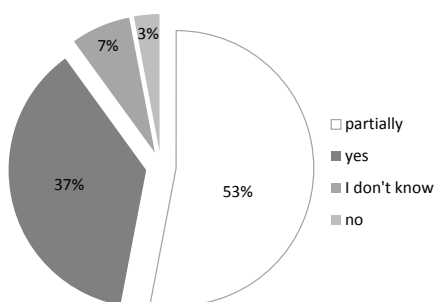


Figure 5. The ability to reduce costs by reducing of negative environmental impact
Source: own elaboration.

The introductions of technologies that reduce the negative environmental impacts associated with the primary costs are often quite high. However, venture into the “green” technology invests its expenses in future periods may be significantly lower and higher initial cost, the company eventually returned. Unfortunately (Fig. 5), this view has only 37% of companies that have proved they can cut costs by reducing the negative impacts on the environment. 53% of companies in this way can reduce your costs only partially and the remaining 10% of companies either do not know the answer to this question (7%), or disagree with this statement (3%).

About how the company approaches to environmental issues can regularly inform the company and provide it with the opportunity to inspect the firm commitment in this area. On figure 6 we illustrate, that 60% of companies provide clear and accurate environmental information about products, services and activities for customers, suppliers and the local community. 27% of companies stated that this information provides only partially and the rest of the companies (13%) failing to inform customers and the community for their environmental business.

Based on the Cronbach alpha coefficient was found some inner peace consistency range of issues from the area of environmental responsibility. The standardized coefficient alpha value is 0.6, which is less than 0.7; and therefore we can conclude that the measurements are burdened with a certain error. The above result indicates a low level of reliability of the scale. It could be caused by the fact that some respondents unwilling to answer questions, but due to the fact that they filled in the questionnaire, an answer suggested.

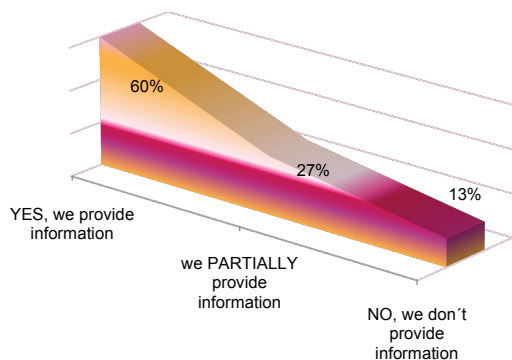


Figure 6. Providing of environmental information about products and services
Source: own elaboration.

We found out the following result analysis questions pursuit of shopping in the area of responsibility. The aim was to determine whether managers really responded truthfully in enterprises. We located that 30% of companies are really trying to buy the place of their work and also has suppliers from abroad. In spite of equally large group 36.67% of companies that are trying to buy the site of action and also have foreign suppliers. The aim of sustainable responsibility is to make the most of resources and raw materials in the nearest distance from the business.

Valuable contribution by the company is undoubtedly mainly donations and financial assistance to organizations that decide to provide from their surroundings. A positive finding is that 60% of companies provide regular financial support for projects and local community activity ends. Companies most frequently studied provide support and assistance to children's homes, kindergartens and primary schools involved in the project Good angel promote sports and cultural events in the region and develop many other activities in support of the subjects from their surroundings. Almost $\frac{1}{4}$ of companies dedicated to similar activity only partially, and the most dedicated kind donations to raffles for balls and other cultural events. 3% of companies cannot answer this question and 14% in any of the options support the local community pays. Information on the implications of company activities on the social and environmental surroundings should also be interested. Based on these data to know other players from around form an opinion on how the company approaches the observed areas.

Almost half of the companies (46%), however, do not provide information of this nature. Half of the companies this kind of information does not, 23% of the companies providing them only partially, 10% did not know to answer the question and only 17% of companies believe that the environment should be aware of the impact of their activities on the environment and therefore this information is regularly provided.

With Cronbach alpha coefficient we found sufficient internal consistency scale ($\alpha=0.7$) between the policy issues focusing on business to the community.

Figure 7 shows independency between regions of company and inform about activity effect on the environment. As we can see, question was very sensitive and answers were as well different. Definitely in Trnava region answered positive. There is chocolate factory Figaro with the long tradition and long existence and many smaller food companies with the same feeling. Other companies with the rest of Slovakia mainly don't inform about the effects on the environment, it is comfortable. Is it sustainable, is it responsible or is it important? Likely is not important but for the responsible policy of each company is necessary to provide these informations.

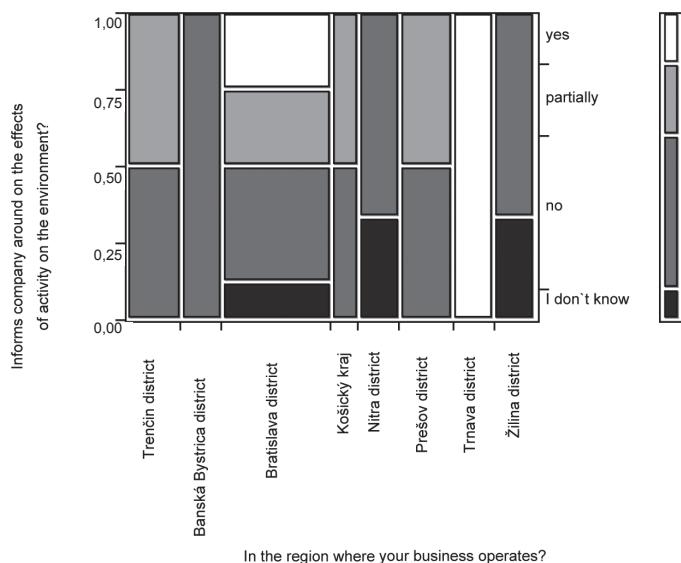


Figure 7. Pivot chart region of company and answer about informing about effects on the environment
Source: own elaboration.

CONCLUSIONS

This article is a part of the realized project VEGA no 1/0951/12: Sustainable development of subjects in the food chain in the Slovak Republic. The article and the project's subject is to explore the key factors unequal status of the agrarian market of the food chain, resulting in a drop in sales of foods of domestic origin and greater consumer emphasis on quality, safety and food composition. Sustainable marketing is the adoption of sustainable business practices that create better businesses, better relationships and a better world. Greener marketing reflects the emergence of significant changes to traditional consumption patterns.

There has been a growth in consumers and businesses, using ethical and environmental criteria within at least some of their buying decisions. Companies that recognize this and offer an ethical or greener choice may provide opportunities for differentiation through organizational factors, rather than pure marketing factors, as consumers, employees and investors seek to direct their efforts into positive areas. Food consumption influences the health of the population, reproduction workforce and the employment potential of the country in the short and or the long term, and re-creates a space for developing a primary focus of agricultural and food industries [Kubicová 2008]. As well as the main aim we set, we could explain that more than 83% of companies are trying to reduce the impact of its activities on the environment. We concluded that even in this case there is no direct correlation between the size of companies and their approach to reducing the negative impacts on the environment. We found out that companies older than 10 year have this environmental feeling. The most common forms of reducing negative impacts on the environment include recycling of waste (23.75%). 60% of companies provide clear and accurate environmental information about products, services and activities for customers, suppliers and the local community.

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Streszczenie

Wiele strategii środowiskowych skupionych wokół poprawy wydajności zasobów i ekologicznej efektywności procesów i produktów, oddziałuje na środowisko także przez wzrost konsumpcji. Koncepcja zrównoważonej konsumpcji, zakładająca zmianę poziomu i struktury spożycia, wymaga nowego, uzupełnionego podejścia. Konsumenci nie zdają sobie sprawy z konsekwencji własnego oddziaływania na środowisko. Celem artykułu jest ocena wybranych narzędzi zrównoważonego marketingu, który poszerza tradycyjne podejście do marketingu o odpowiedzialność społeczną. Koncepcje globalizacji i zrównoważonego rozwoju przyczyniają się do dyskusji na temat roli biznesu w społeczeństwie, który może się przyczynić do realizacji celów obydwu koncepcji.

Correspondence address:

Ing. Renata Prokeínová, PhD, Ing. Johana Paluchová, PhD
Slovak University of Agriculture
Tr.A.Hlinku 2, 949 76 Nitra
Slovakia
e-mail: renataprokein@gmail.com