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Does Corporate Social Responsibility Help Multinational Corporations Improve Their Brand Acceptance in Emerging Markets?

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The American University in Cairo
School of Global Affairs and Public Policy

**Does Corporate Social Responsibility
Help Multinational Corporations
Improve Their Brand Acceptance
in Emerging Markets?**

Insights from seven Multinational corporations in Egypt

**A Thesis Submitted to
The Department of Journalism and Mass Communication
in partial fulfillment of the requirements for
the degree of Master of Arts**

**Submitted by:
Mohamed Kamil el-Gamal**

Under the supervision of:

Dr. Ahmed Taher

Fall 2020

DEDICATION

This thesis is dedicated to my beloved parents

To My beloved father **Mr. Kamil Mohamed el Gamal**, who is the reason for who I am today. I will be grateful till the end of my life for his encouragement and sacrifices, although you have passed away before you can witness this day that you have waited for so long, I'm sure you will be looking from the heaven and sharing me my achievement that is yours, always in my heart

To my mother **Mrs. Kamil M. El Gamal**, your constant prayers day and night made me able to reach this day

To my lovely **wife: Rania EL Zehdany**, who has always been my source of support, inspiration, encouragement, and keeping the house calm to study

To my **Brothers and sisters**, who has always been my source of support, and enthusiasm

To my lovely **daughters Salma & Haidi**, and the naughty boy **Hamza** you are just the joy of my life

From the bottom of my heart, thank you all for everything that you did for me.

love you

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ABSTRACT

Corporate Social Responsibility (CSR) has become a significant way by which companies demonstrate their commitments to the environment, health, and safety, labor, consumers, communities, etc. For some companies, it has become part of their strategic objectives. The depth and breadth of companies' CSR policies differ: some might partner with NGOs and make donations, others invest heavily in value chain partners, while others might change their product or operations to meet CSR objectives.

Previous research has shown that companies who choose to do what is right for all stakeholders, including the triple bottom line, increase their brand acceptance, build trust with their stakeholders, and increase their market share. Many multinational companies adopt CSR programs to increase brand acceptance. Transnational companies need to comply with local norms, laws, and regulations as well as to engage with communities to gain brand acceptance. This research will explore how multinational companies achieve that in emerging markets, if and how CSR enhances brand acceptance, and how that impacts the notion of customer loyalty.

Keywords: Multinational Corporations (MNCs), Corporate Social Responsibility (CSR), Brand acceptance, Community, Stakeholders.

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CHAPTER 1: INTRODUCTION

Corporate Social Responsibility is not a novel approach in today's business world. It has been evolving for decades in response to a variety of drivers. One has been the inclination to 'do good' to others. Another has been a response to watchdog groups who have exposed negative social and environmental practices of businesses. A third has been the desire to comply with laws enacted in (host) countries where big business has migrated; and a fourth has been a desire to operate within an ethical framework that seeks to achieve a level playing field and a stable relationship with the communities in which businesses operate. Some frameworks for corporate social responsibility have been drawn by networks of businesses, social and environmental justice groups, and movements as well as non-profit organizations and research agencies.

The concept further evolved to become a management strategy, designed to avoid reputational risks and achieve brand acceptance. Many businesses were able to establish that reaching out to customers and communities led to greater sales, profits, and success. This led many companies to dedicate significant budgets for corporate social responsibility programming (the study offers seven good examples of best CSR practices). Multinationals began investing in corporate social responsibility projects and even dedicated units to focus on that aspect. The United Nations promotes models that forge new markets and serve underprivileged customers through its Growing Sustainable Business program. An increase in "Base of the Pyramid models" (BOP) illustrates how companies adapt their products, services, and distribution channels to expand their markets and bring benefits to the poor.

Numerous companies in emerging markets have adopted an understanding of CSR to essentially mean ethical behavior, dynamic engagement to improve local economies, contributing

to the improved living standards of employees, implement outreach development initiatives, such as building schools, hospitals, roads, etc. This leads to the perception of the public of the company as a good neighbor and a responsible member of the community. This, in turn, leads to brand acceptance thus improving backward and forward linkages with suppliers, clients, communities, employees, and stakeholder groups. The literature shows that in the past the brand was managed by the management team who created and designed brand programs. More recently the trend has been to have a dedicated team to conduct programs specifically to raise consumers' acceptance of the brand. These have tended to include corporate social responsibility programs. They have increasingly targeted local communities and have not just relied on advertising.

CHAPTER 2: LITERATURE REVIEW

2.1 A REVIEW OF THE LITERATURE

Definitions of corporate involvement for brand acceptance have changed over time. But basically, socially responsible companies have adopted the view that they are accountable for social and environmental impacts as well as financial ones. They institute policies and programs to ensure that these impacts are observed in everyday decision-making. They engage with stakeholders regularly to continuously improve their CSR programming. The degree to which stakeholders are organized, networked, and informed reflects on the depth of their engagement and collaboration. The stakeholder theory of corporate social responsibility (CSR) emphasizes a broad set of social responsibilities for the business. Stakeholders, as used in this theory, refer to those individuals or groups who may affect or are affected by the organization (Clarkson, 1995). Stakeholders are categorized under six main headings: employees, shareholders, consumers, government, community, and the environment, as well as groups such as suppliers, trade unions, business associates, and even competitors. The literature shows that definitions of corporate engagement are culture-specific drawing from historic patterns and relationships between corporates and communities.

Corporate community relations, defined here as the forms of engagement between companies and the local communities in which they operate, have become a salient issue for companies, governments, and civil society (Delannon, Raufflet, & Baba 2016). This emphasizes the importance of such engagement for businesses with communities, governments, other businesses, lenders, global consultation firms, and media. Some businesses chose to go deeper in their engagement with the communities they operate in. They adopt transitional strategies of

engagement that require more investment than the previous transactional strategy as they are built on a company's willingness to engage in a conversation with the community.

Rather than merely donating resources or sharing information, a transitional strategy involves creating spaces where the community can express grievances and formulate demands. Such a strategy is about “building bridges” between the company and the local community (Delannon, Raufflet, & Baba, 2016). Other companies adopt a transactional community engagement strategy, in this model, they adopt strategies of engagement which are characterized by a minimal level of relations based on a “giving back” ethos whose roots can be traced back to the earliest era of corporate social responsibility. “The evidence from the business and society literature concerning the CSR activities of MNCs is thus scant, mixed, and fragmented, suggesting that there is a need for more research to gain an understanding of their CSR activities in developing countries and aspects of globalization vs. localization” (Jamali, 2010)

Another type of communication to obtain the Social License to Operate (SLO) is the Community Advisory Panel (CAP). CAPs are especially common among facilities that operate in environmentally sensitive industries, such as chemical manufacturing. In the 1980s, the CAP concept was widely embraced by the US chemical industry to address public concerns surrounding chemical accidents and contaminated “legacy” sites, as well as questions and concerns arising out of the public availability of data on emissions from manufacturing and other activities the Toxics Release Inventory data (Forrest 2013)

From the researcher’s practical experience, companies carry out a stakeholders’ mapping exercise where they can detect the best candidates to serve in such a panel. Companies do so for a purpose, they select those candidates based on a pre-set criterion to be able to represent the various community stakeholders and reflect their interests and grievances. A CAP regularly meets with

corporations' management to discuss issues regarding their operations and provide feedback to help companies enhance and excel in the type of community engagement. In the 1980s and 1990s, many companies began moving their production to countries where cheaper labour or production costs existed. "Why do multinational corporations (MNCs) expand to certain locations, but not others? International business research has devoted substantial effort to find the determinants of internationalization and MNC location choices" (Lee, Oh, & Lee 2017).

MNCs' choice where to direct their funds depends on one hand on the profitability and revenues generated of their operations at these locations and on the other hand it depends on the exit strategy from this market or location, so that they can close their businesses and transfer their investment freely. "While previous research finds many motivations for globalization and foreign expansion, the main demand is how developed is the host country's infrastructure. It is therefore not surprising that the importance of infrastructure in an MNC's foreign expansion has actually been emphasized in prior literature" (Loree, & Guisinger 1995). "Country infrastructure is important in foreign expansion because managers increasingly depend on complex knowledge and efficient communication for decision-making in the globalized business environment" (Lagerström& Andersson 2003).

When multinationals operate in remote markets, especially in the emerging markets, they strive to find the true local legitimate partner, such a partnership either lead to a successful engagement model or a failure. An important part of any investment is the jobs it creates; in emerging markets, the importance is times more, where the levels of unemployment are higher than those in developed countries and the living standards as well are so much different. Hiring locals double the profits for the MNCs,

they can easily obtain the community acceptance and in the meantime, can enhance their corporate image and reputation. When they engage with local NGOs they simply leave a good impression on those employees that their company truly cares about their own communities, consequently, their performance goes better. “Along with the growing importance of intangibles for company success, including creation, management, and transfer of knowledge, the quality of the workforce has become a critical source of competitiveness for companies. As a result, a number of studies have started to address the impact of CSR values, beliefs, and activities on the internal organization” (Pfeffer 2010).

This has led to the need to establish relationships with a new and wide range of stakeholders. The new communities to which they relocated did not have an association with them and brand acceptance was lacking. NGO campaigns drew attention to practices adopted by these multinationals in emerging markets and highlighted non-compliance with minimum wage aspects, non-compliance with environmental standards, and even worse, destruction of the environment and livelihoods of local communities. NGOs played the part of “international monitor”. They exposed companies’ lack of abiding by international standards abroad. This led to multinationals realizing the need to implement strategies to address these issues and put in place programs that would diffuse from the reputational risk and even move beyond that to seeking brand acceptance.

Non-government organizations and INGOs (International NGOs) are independent non-profit organizations that work to advance human rights, sustainable development, environmental protection, humanitarian response, and other "public goods" (adopted from Amnesty International, 2006). We use the term NGO to include both international

and local organizations, Non-government organizations have become a potent social force in the last few decades and have influenced CSR practices indirectly via lobbying (raising community voice, activating customers, or getting legislators to take action) and directly by participating in partnerships. (Yang & Rivers 2009). Recently, local NGOs tend to adopt a win-win strategy in their relationship with the MNCs working in their areas, where their old methodology was confrontational. They have used to act as watchdogs and sometimes they intentionally defamed the reputation and image of these companies.

Sometimes they go for Multi-Stakeholder Initiatives, they collaborate with a number of stakeholders (governmental bodies, sister NGOs, international NGOs, pressure groups, and MNCs) to achieve this purpose (see appendix C). Other community stakeholder can play a significant role in affecting the companies' operations and their profitability and consequently their brand, if they believed that these operations are negatively affecting their natural resources. "In recognition of their industry's high-water reliance, some agricultural businesses have become increasingly engaged in stakeholder engagement and multi-stakeholder partnerships to devise methods of managing the agro-food value chains and markets" (Hall 2015). These stakeholders expect corporations to comply with legislation, ethical and responsible behaviour, transparency in communications, trustworthiness in its actions, and responsiveness to stakeholder needs to promote global water security.

Corporations strive to obtain and maintain the SLO, it offers a vehicle through which such stakeholder engagement and two-way influence can occur. In this article, SLO is defined as a concept that considers ongoing acceptance or approval for an operation granted by the local community and other stakeholders (Delannon, N., Raufflet, E., & Baba, S. 2016). The concept

mainly emerged at the CSR foundation as a tool to respond to the local community's needs, expectations, and grievances and at the same time encounter the opposition to corporates' operations. The targeted community and other stakeholders are those who are living or working near the site of operations' impacts, and also those who have the capacity to affect the profitability of the operation. Those stakeholders seem to be the most important for corporations as they are either impact or get impacted by their operations, thus the need to engage with them became greater, they could affect the corporations' brands both ways.

Corporations' image and brand acceptance are keys why they strive to maintain the SLO; moreover, they need to appear as good corporate citizens and adopt a participatory model with the surrounding communities. Corporates usually follow different methodologies and techniques to obtain the SLO. One model is the public hearing, in this type of communication, companies arrange for big events to gather as many stakeholders as possible (community natural leaders, governmental representatives, NGOs, community activists, and pressure groups) which occur mostly in the stage of land acquisition before companies access the job site. MNCs' main goal from CSR practices is a broad acceptance for their brand, such acceptance could be in the market where their revenues are maximized. "A measure of brand acceptance involves a refinement of the usual stochastic model market prediction. Using this measure - the effect of consumer promotions and purchasing habits on brand acceptance is investigated and a brand health indicator is developed (Aaker 1972). Brands tend to be considered as mindful and intentional agents that are responsible for their actions (Puzakova, Kwak, & Rocereto, 2013) Indeed, consumers assess the intentions and ability of brands in order to guide their brand loyalty and purchase intentions (Kervyn, Fiske, & Malone, 2012). As such, perceived brand traits can play an important role in consumers' behaviors (Van Prooijen, & Bartels, 2019) As brands can

symbolize group membership—which in turn impacts brand endorsements (Berger & Heath, 2007; Escalas & Bettman, 2005)—it is important to reflect on which traits determine whether people want to belong to a group. Research has consistently shown that morality is considered to be more important than sociability or competence in impression formation processes of individuals and groups (Van Prooijen, & Bartels, 2019)

In such events, companies present their operation plans and how they are going to preserve the environment, companies also present their CSR programs and hear back from those stakeholders to adopt their needs. Normally such an event starts with crucial questions especially when those companies come from a sector that is perceived as harmful to the environment and the livelihood of the surrounding communities like the mining or the oil and gas. Companies' success to neutralize the community and obtain their approval depends entirely on their transparency when they explain their plans.

After hours of dispute and uncertainty, companies reach a level of consensus which leads to agreement on future steps. Thus, for the MNCs to do so, they look for reputable NGOs where they operate to partner with and consequently impact their brand and image positively. Companies that fail to do so may experience catastrophic consequences that may lead to operations' disturbances or stoppage. In 2007, Agrium, a Canadian based major Urea and Ammonia producer, established a plant in Damietta, they totally ignored the local community there. For two years 2007-2009, the company failed to obtain the community trust or the SLO

then the whole project was stopped. They failed to partner with any local NGO to obtain community acceptance, the impact was catastrophic¹.

Such collaboration may be in the form of collective efforts to address specific issues to governments **which may lead to new laws and regulations that enhance and improve the workplace and work conditions** (see appendix D). Government legislation influences CSR practices in two ways: (1) by providing good incentives for firms to direct some of their resources to their stakeholders and behave responsibly; and (2) by imposing penalties if no commitments made, or standards are broken” (Yang & Rivers 2009). Employees are important stakeholders in this context.

Another important aspect of CSR is the search for renewed approaches to supply chain where management aimed at the improvement of cross-boundary social and environmental performance. Finds its roots in the general loss of control over production and distribution processes due to the progressive specialization of firms on single competence areas and the creation of global supply chains (Lim, S., & Phillips 2008). In addition to the basic infrastructure, the internet can help improve the whole MNC value chain in every industry by facilitating and speeding the free exchange of real-time information. It is now widely acknowledged that globalization as we knew it has changed. MNCs operating in developing countries, in particular in the manufacturing sector, have long since learned how to organize globally divided production, although they still struggle with the diversity of human resources available. Increasing global competition and the turn to the

¹ The researcher was the site administrator and the acting administrator manager during this crisis.

‘knowledge society’ have recently brought knowledge and skills, i.e. ‘human capital’, to the fore as major resources for MNCs in the global game (Schamp & Stamm 2012).

The private sector in emerging markets could also be a good partner to deal with the diversity of human resources and collaborate to reach specific legislations that can help boost their operations. Due to the diversity of the human capital. In the host country, the subsidiary has to address various stakeholders’ expectations, and these expectations are often dramatically different from those of their home country (Yang, & Rivers 2009).” In an emerging host country such as China, these differences are very pronounced as these countries are moving toward a more market-based and open economy” (Hoskisson et al., 2000; Peng, 2003).

At these markets, MNCs usually look for partnerships with companies working in the same geographic area to facilitate their supply chain so that they can enhance their brand. Having an effective lobbying strategy, MNCs and their partners could affect the supply chain that includes their suppliers, vendors, consumers, and service providers. Being located in the right host country, can facilitate such relationships, do business easier and more efficient, and positively affect their brand. MNCs are so much concerned with the CSR engagement in the community where they operate and even make such engagement a high management priority. Often, MNCs are indirectly measured to be able to assume responsibility by implementing CSR-related organizational practices and structures that allow them to effectively interact with civil society.

The comparative study reveals distinctive implementation patterns of CSR. Evidence suggests that MNCs are mostly capable of making broad public commitments to CSR and reporting them. “In contrast, SMEs are particularly advanced at implementing CSR-related practices in organizational processes and procedures, including engaging employees.” (Baumann-Pauly, Wickert, Spence, & Scherer 2013). In the local context at emerging markets, both MNCs

and SMEs jointly could establish such collaboration with the private sector there to enhance brands at these markets. Private sector at the host country could be the suppliers who work with the company, those suppliers are considered a part of the company's stakeholders and could act as ambassadors for this company in the community.

Another important factor is societal marketing which is about how consumer actions influence the company's attitude to CSR. "It is based on the notion that socially responsible consumers tend not to buy products from companies that harm society and on the opposite buy products from companies that are good to community" (Mohr et al. 2001). "Negative associations with corporate responsibility by customers can have deleterious effects on product effects on product evaluation; in contrast, positive associations can enhance product evaluations" (Brown and Dacin, 1997). Lobby groups can support companies with good CSR disclosure practices by providing public complaints via the media or by working in collaboration with companies to improve environmental strategies or activities (Yang & Rivers 2009). Where Husted and Allen (2006) suggest that the key difference between global and local CSR is the community that demands it. Local CSR deals with the firm's obligations based on the standards, needs, and grievances of the local community while global CSR deals with the firm's obligations based on the high level universal standards to which all societies can be held.

Local government regulations usually put many obligations on MNCs operating at their countries with regards to taxes and revenues (see appendix D). In the meantime, governments urge these corporations to engage with the local community to seek community support for their operations. The impact of community influence on CSR activities is often inferred from the level of outcry and subsequent responses rather than clearly proven. Governments often grant some benefits to MNCs for their community engagement, tax exemption is a good example so that

MNCs became more eager to go into such engagement.

One of the most important benefits for MNCs, when they collaborate with local governments, is the safe and secure access to land. Government regulations are a key for MNCs to get their operations done, permits, approvals, and other formalities required for any projects start are all granted by governments, so, such collaboration is very critical for their success.

“Multinational corporations (MNCs) have expanded the scope of their reach and influence with the advent of globalization and recent waves of liberalization and privatization in developing countries” (Jamali 2010). MNCs are now spreading around the globe through extended production networks that exceed economic, geographic, and political differences and are somehow larger than the small developing host countries where they operate. They need to establish strong relations with local governments at the host countries to help them facilitate their mission. MNCs' supply chain could be affected by such a relationship.

“The increasing demand for accountability from firms also extends to the activities within their supply chain” (Mamic 2005). This extension of responsibility, in itself, is questionable: Is the supply chain of a firm basically represents a part of this firm? Is it proper to expect that firms become accountable for their actions outside their legal boundaries, thus they might be exposed to indefinite responsibility for their supply chains? Here a question is raised, why should a specific firm become accountable for another firm's practices? From another angle, is it appropriate that consumers are counted responsible for the practices of the firms they deal with?” (Amaeshi, Osuji, & Nnodim, 2008).

A distinction of two sets of ethical issues that ascend in the business-supplier relationship, organizational level issues and individual level issues. The organizational level issues are misuse of power, the issue of loyalty, and conflicts of interests. The individual levels are bribery,

unethical negotiation, and other personal issues. While some of the organizational issues could be addressed through the corporate culture, the individual level issues can be influenced by personnel training in ethics and values. A firm can go a step further to encompass this sort of training programs to the employees of their contractors. That way, both corporations, and suppliers will enjoy a more stable relationship and secure a higher social capital base. So MNCs' supply chains are in a way or another connected to them and in some cases represent them in communities. The MNCs' relationship with local governments at the host countries could affect their supply chain positively or negatively based on their practices.

MNCs operating in foreign countries exert tremendous efforts to obtain local community acceptance and the social license to operate. To do so, MNCs need to partner with many stakeholders, the local government is one of them and possesses the highest authority to facilitate the MNCs' engagement with other stakeholders like local NGOs. When MNCs step in to engage with different stakeholders in the community where they operate, they look for the legitimate stakeholders, the local NGOs in this case.

To do so, MNCs conduct a stakeholder mapping to detect potential NGOs and associations to partner with, once they find those stakeholders, they conduct a due diligence exercise (an activity conducted by a company or its agent to examine if a specific stakeholder/NGO meets the company's criteria to engage with) to explore whether those stakeholders are legitimate or not. The government's prior approval to local NGOs and associations to practice their activities in the community is a mandatory requirement. MNCs can't partner with any NGO or association that does not obtain such approval. Government laws and regulations order such engagement and put the needed controls to avoid any misuse of funds allocated for community investment. "We recognize that MNCs in emerging markets could be accused and penalized for a complex mix of

social, economic, and political reasons, even by ungrounded accusations” (Zhao 2013).

Media influence is immense, and communicating community engagement initiatives through media helps in enhancing companies’ brand and directing community attention to what they are doing as a good corporate citizen. According to management scholars, “brands are systems of functional and emotional values. To develop these clusters of meanings, the traditional brand-building model is based on a strongly controlled approach that assumes customers are passive recipients of value” (Vernuccio 2014). “Similarly, corporate communication and corporate branding literature have traditionally presented the development of a corporate brand as a top management task to capture and communicate the identity of an organization with a single, integrated concept” (Handelman 2006).

The brand community literature has heralded the establishment of brand communities as a desirable objective for corporate marketers in that community-integrated customers are, among other benefits for companies, emotionally invested in the welfare of companies and thus more loyal to them (Handelman 2006). Corporations need to exert extra efforts to communicate their brands, the classic means of communications have historically played a significant role in this process, now, the social media is taking the lead and have a profound effect in shaping the public opinion and even directing it. Social media have become a spearhead on nowadays communication platforms, these platforms are widely used to enhance and foster corporations’ brands in a specific community.

The term social media was coined to describe these and other new platforms of digital communication that continually appear in this interactive electronic environment, underlining their participative and collaborative social characteristics (Vernuccio 2014). Public Relations departments and practitioners are exploring to identify the best ways to make use of the different

social media platforms that help in the brand-building process in communities. Media campaigns can shape public opinion.

The promotion of Corporate Social Responsibility (CSR) initiatives traditionally tended to occur through one-way communication—in which consumers are recipients of information and are not directly listened to. However, the rise of Social Networking Sites (SNS) has enabled companies to engage in two-way communication with their consumers, which allows both parties to explore whether corporate activities are mutually beneficial (Van Prooijen, & Bartels 2019). The supply chain of each corporation consists of many stakeholders who could be influenced by the CSR messages disseminated by media. Companies are increasingly communicating about their efforts in the realm of corporate social responsibility (CSR), that is, efforts to “integrate social, environmental, ethical, human rights and consumer issues into their business operations and core strategy”. Companies are increasingly concerned about the impact of the use of interactive communication on their reputations (Eberle, Berens, & Li 2013). Consumers and suppliers could perceive a specific company as a good corporate citizen through its CSR messages. The attributed brand traits could also be positively influenced if CSR communication is interactive “two-way communication”.

In an increasingly competitive global marketplace, CSR campaigns can help corporations to create a value-based bond with consumers (Bhattacharya & Sen 2003). Communicating CSR initiatives can drive corporations’ brands high and perceived positively by different stakeholders in the marketplace. CSR is 'the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life' (Pomering & Dolnicar 2009). A value chain comprises all activities necessary to “bring a product from conception to market” (Pietrobelli and Rabelloti, 2006, p. 8).

Therefore, it includes product development, different phases of production, extraction of raw materials, semi-finished materials, component production and assembly, distribution, marketing, and even recycling. As these activities may be spread over several different firms and countries, the value chain can become global.

Rankings were created to improve organizations' competency in dealing with the incorporation of sustainable development in their strategies. The different environmental and social ISO (14.000, 26.000), the Dow Jones Sustainability Index (DJSI), and the Global Reporting Initiative (GRI) are some examples of this phenomenon. More specifically, in sectors that work with wood, an important international certification, the Forest Stewardship Council (FSC), was created and has an influential role. This certification demands a list of criteria to certify whether a product is environmentally and socially correct (Barin Cruz & Boehe 2008).

It has evidenced that effective and well-designed CSR initiatives enhanced the reputation of companies and raised the loyalty of customers and higher revenues, even (Zhang & Hanks 2017) argued that CSR programs exist in many forms, including cause-related marketing, corporate philanthropy, fair trade procurement, humane employee treatment, and environmental stewardship. The relationship between the company and talents is an old-new story. Recently it has taken a new approach among employers, a war for talent, where each MNC struggles to acquire the best candidates in the markets. Work values in terms of personal-organization fit affect career choices. Judge and Bretz (1992) suggest that individuals are more likely to choose employers whose values are similar to their own value orientations.

Since CSR is increasingly becoming the showcase for organizations to express their values, especially in terms of ethical value (Srisuphaolarn & Assarut 2019). So, companies have to clearly communicate their CSR practices, recently an employee's decision to join a company could be

affected by the values that this company adopts, as CSR became an integral part of any company to be the employer of choice. Several studies have examined the effectiveness of communication about CSR toward consumers and other stakeholders, in terms of its effects on employees' attitudes and loyalty (Eberle, Berens, & Li 2013). Employees of a company are considered a very important internal stakeholder, so much affected by CSR communication. Such an effect includes their choice to join and stay in this company. Different media outlets can play an important role in facilitating the CSR communication process.

External media outlets, like social media, are currently considered one of the most effective media platforms. Companies may create their own pages and use them to disseminate their CSR efforts, they can also use traditional news channels and newspapers to do so. Internal communication like newsletters, e-mails, and special CCTV channels could be a plus. For a specific company willing to communicate its CSR efforts, all external and internal media platforms target its wide network of stakeholders, including its employees to better retain them.

The ensuing period saw many companies adopting "quick-fix" solutions. These soon proved to be ineffective, they remained in the spotlight of poor brand acceptance. They went back to the drawing board to design new approaches, and establish more constructive relationships with communities, workers, NGOs, and others. Global performance indicators such as the Dow Jones

Sustainability Index² and FTSE4Good³ appeared on the international scene. Key initiatives such as the UN Global Compact and sector-specific initiatives such as the Equator Principles⁴ for the financial services sector took their place in addressing some of these issues. Companies began issuing global CSR reports to demonstrate their ‘good neighbour’ behaviour and show stakeholders that they had been complying with various standards as well as addressing community needs. There ensued a period of scrutiny of these reports. An ongoing debate still exists on the verity, accuracy and reliability of these reports. Critics say that their verification exercises have uncovered the fact that many CSR reports deflect attention from dubious practices. In response to that situation, the practice of external assurance emerged and new standards of reporting were instituted frameworks such as the Global Reporting Initiative⁵, presented new accountability standards reflecting the controversy surrounding the practice of CSR by multinational companies. The debate asserted that MNCs need to do more than just avoiding harm to people and the environment. They need to engage in long term and sustainable aspects of the value chain, improve living conditions of workers and the community and actively engage in protecting and enhancing

² www.sustainability-index.com.

Launched in 1999, tracks the financial performance of the top 10% of world’s 2500 sustainability leaders across 58 industry groups. Information is gathered through a questionnaire and from publicly available sources.

³ www.ftse.com/indices/FTSE4Good_Index/index.jsp

Measures the financial performance of companies that meet globally recognized corporate responsibility standards

⁴ www.equator-principles.com ²

Launched in 2003 and revised in July 2006, provides a framework for addressing environmental and social risks in project financing.

⁵ www.globalreporting.org

Develops and disseminates globally applicable sustainability reporting guidelines for voluntary use.

the environment. Brand acceptance by consumers was associated with MNCs that adopted such behaviours and boycott of brands that did not respect these concerns occurred in many parts of the world.

Consequently, companies realized that CSR moves brand acceptance along a continuum that revolves around the following:

- It improves a company's public image. A positive perception by the public of the company is important to brand acceptance. Delivering good value for money and high-quality products and services only is no longer enough. Demonstrating their good work by getting good press is one of the effective ways a company seeks brand acceptance.
- It improves a company's profit margins. Socially responsible companies have been able to demonstrate that customer loyalty and brand acceptance go hand in hand with concern over issues that resonate with communities.
- It nurtures goodwill, trust and a good reputation. MNCs' brand and good name are one of their most valuable assets. CSR programs go a long way towards achieving that. Studies show that consumers are more likely to purchase goods and services from a company that is socially responsible than not. Some are even willing to pay more for products sold by such companies.
- It improves an organization's dynamics. A MNC's labour force will be more motivated to excel in a workplace that is contributing to the community. Social

- It improves communities and supports communities in solving social problems. This is based on the premise that companies and individuals share in solving local problems
- It improves MNCs' image vis a vis investor. CSR has become one of the criteria that investors consider when selecting which companies to invest in.

Branding for companies and businesses is often construed as a logo, a slogan, or a unique name. It seeks to create a distinguishing name and image for companies, products or services. Brand acceptance, in this context of CSR, involves using social responsibility to create that difference. It uses a company's social responsibility program rather than a name or logo, to establish the company's existence and perception in the minds of consumers and the public.

Experts point to the fact that a company's brand is its promise. It signifies what companies claim they can deliver to customers. Company brands express what their customers perceive about them.

All companies advertise to achieve brand recognition and brand acceptance. The budgets allocated to marketing campaigns and promotional materials are very significant. Their visibility and reach impact their effectiveness. The last decade has shown that those that have a strong CSR program have been using it in their advertising campaigns. They have been actively showing customers that they have been doing socially responsible work in communities and have sought to gain brand acceptance from consumers because of that.

2.2 Corporate Social Performance- Corporate Financial Performance link

For decades, research on the role and responsibilities of businesses in communities where they operate or have a significant presence has focused on the business case of corporate social responsibility (CSR). Many other studies on the Corporate Social Performance (CSP) - Corporate Financial Performance (CFP) relationship became a focus leading to controversial results. The debate over the consequences of voluntarily integrating CSR into business operations and relationships with stakeholders has been increasingly advanced and gained interest.

Following the increasing sophistication in CSR-related practices implemented by corporate actors across contexts, the debate over the role and responsibilities of business in society is progressively moving away from simplistic linear assumptions on the link between aggregate measures of social and environmental performance and economic-financial performance. In particular, rooted in the stakeholder theory of the firms, recent research has been appreciating the impact of CSR both at different levels of analysis (Aguilera et al. 2007) In both the local and global communities, encouragement of stakeholder dialogue and interaction, and collaboration with society at large have been shown to support consensus management, strengthening firms' license to operate (Perrini, Russo, Tencati, & Vurro, 2011).

In the face of a growing demand for company responsibility and engagement in social and environmental issues, community programs, and partnerships with social actors are effective tools to manage stakeholder relationships (Brammer & Pavelin 2006). Accordingly, studies have recognized the importance of CSR in lowering transaction costs; generating a durable competitive advantage through reputation- and trust-based connections; and designing,

realizing, and delivering more attractive, environmentally friendly, and socially cohesive value propositions (Post, Preston, & Sachs, 2002). The business case for CSR is still elusive. So, the lack of once- and-for-all supportive evidence has often undermined efforts to fully integrate the CSR perspective into managerial decision-making.

In parallel, this issue has also a great impact on the corporate relationships with investors, if there is no clear linkage between CSR and, for example, net income, earnings per share, and market value, why should CSR be a worthwhile consideration in investment decisions? Therefore, financial markets and 'mainstream' investment community do not appropriately value the CSR efforts carried on by innovative firms and this behaviour penalizes business and society, As a whole, the literature on consumer responses shows how firms that integrate CSR in their relationships with customers have better chances to enhance their reputation as reliable, open and trustworthy exchange partners ((Perrini, Russo, Tencati, & Vurro, 2011).

CHAPTER 3: THEORETICAL FRAMEWORK

3.1 CSR Framework Theories

The CSR literature tells that MNCs are increasingly adopting specific CSR practices in host countries where they have significant operations. They tend to adopt local needs and grievances although they might be different than their practices in the parent country. “But no commonly agreed theoretical perspective exists in explaining corporate behaviour in relation to CSR practices” - further explained that we do not have an 'accepted' theory for social and environmental accounting, [and] there is much variation in the theoretical perspectives being adopted" (Deegan 2002)

Specifically, (Thomson 2007) identified 33 groups of theories used in CSR studies as theoretical frameworks. In accordance with his findings, some of the frequently employed theories are: legitimacy, stakeholder, information usefulness, market, political economy, accountability, institutional, critical, contingency, and ethics. CSR practice is a very complex phenomenon to explain through a single theory (Fernando & Lawrence 2014). Although a lens of theory helps us to evaluate a particular practice, we tend to assume that theory is always incomplete in the social sciences (Fernando & Lawrence 2014).

3.2 Selecting Theories for The Framework

Gray et al. (2010) categorized the theories used in CSR studies into five theory levels of resolution and four types of metaphors. Although all of the theoretical lenses used in CSR studies have some kinds of advantages to offer, these are not fully capable of explaining the phenomenon of CSR (Fernando & Lawrence 2014). Nevertheless, the importance of theorizing CSR practice is highlighted because the lens of theory enables us to evaluate practice and policy against criteria that we deem appropriate concern with social accounting is almost interwoven by definition with

a belief in the need for change; careful choice of theory can help us to consider current and potential practice and policy in a more thoughtful and coherent manner" (Gray et al. 2010, p. 3).

Over the years, many types of theoretical perceptions have been used to clarify why MNCs and business organizations involved or did not involve in specific CSR practices and CSR release. These potential CSR theoretical perspectives can be broadly classified into "Economic Theories" and "Social and Political Theories". The economic theories, such as decision usefulness theory (Fernando & Lawrence 2014). Therefore, in constructing the theoretical framework, we attempt to integrate these theories, and interrelates them with each other by identifying the convergent features of the theories. The researcher has chosen three theories to construct a theoretical framework why MNCs and other organizations adopt specific CSR practices, Legitimacy theory, Stakeholder theory, and Institutional theory. The researcher has elaborated each theory to examine how they can add to this framework and make it more impactful.

3.3 Legitimacy theory

Legitimacy theory emphasizes that organizations continually attempt to ensure that they are perceived as functioning within the bond and norms of the society in which they operate (Deegan 2009).

This theory suggests that a "social contract" to be existing between MNCs or a business organization and its surrounding societies, again confirms on the SLO. This social contract examines if a specific organization is operating within the customs of society or at least, the expectations of society. The society here is meant to be as a whole not as separate individual.

Legitimacy theory suggests that the expectations of society at large have to be fulfilled by the organization, not merely the owners or investors' requirements as in shareholder theories such as agency theory (Fernando & Lawrence 2014). "An organization needs to ensure that these terms are not breached in order to maintain a good state of legitimacy for the organization through which society allows the organization its continued existence". (Fernando & Lawrence 2014). "In accord with legitimacy theory, when only these expectations are met, does society allow the organization to continue its operations and ensure its survival" (An *et al.* 2011).

In other words, the theory argues that "organizations can only continue to exist if the society in which they are based perceives the organization to be operating to a value system that is commensurate with the society's own value system" - "Thus, in accordance with legitimacy theory, an organization's level of legitimacy is of utmost important for its continued survival. (Fernando & Lawrence 2014). In order to improve the legitimacy of organizations, with respect to empirical evidence, the organizations may refrain from disclosing negative or bad news related to them, provide explanations about unhealthy mass media news related to them, - increase positive CSR news, or/and even reduce CSR news if they think that would help to increase or maintain the level of their organizations' legitimacy (Fernando & Lawrence 2014).

3.4 Stakeholder theory

Stakeholder theory is a theory concerned with the relationship between an organization and its stakeholders (Fernando & Lawrence 2014). Although the stakeholder theory was first used in 1947, it was mostly embraced after the mid-1980s (Fernando & Lawrence 2014). Freeman (1984) defines a stakeholder as "any group or individual who can affect or is affected by the achievement of the firm's objectives". (Clarkson 1995)

tried to be more specific on the definition by categorizing stakeholders in different ways. For example, strategic and moral stakeholders external and internal stakeholders (Carroll 1989); latent, expectant, and definitive stakeholders, subgroups of stakeholders such as shareholders, employees, and customers, single issue, and multiple issues stakeholders, supportive, marginal, non-supportive, mixed blessing stakeholders, voluntary and involuntary stakeholders, and primary and secondary stakeholders.

The main aspect of these categorizations is to emphasize that there are various stakeholder groups with different and sometimes conflicting expectations (Fernando & Lawrence 2014). In accord with the stakeholder perspective, an organization has to meet these multiple expectations of its various stakeholder groups, rather than only the expectations of shareholders as in traditional shareholder theories, because "stakeholder theory highlights organizational accountability beyond simple economic or financial performance" (Guthrie, Petty, & Ricceri, 2006).

Stakeholder theory suggests that the management of an organization is expected to perform its accountability towards its stakeholders by undertaking activities deemed important by its stakeholders, and by reporting information (Fernando & Lawrence 2014). Thus, Stakeholder theory emphasizes the accountability of the organization as well as the rights of stakeholders. In the process of performing the accountability to the stakeholders, the disclosure of information plays an important role in accounting (Fernando & Lawrence 2014).

3.5 Institutional theory

Institutional theory examines organizational forms and explains the reasons for having homogeneous characteristics or forms in organizations which are within a same "organizational field" (Fernando & Lawrence 2014). In line with institutional theory, MNCs and other organizations follow within an organizational field, this might be because of the institutional pressure for change, as the pay back is increased legitimacy for the brand, and more effective survival rates in parent and host countries. This could also be linked to MNCs accountability towards the society "Accountability therefore can be explicit in organizational policies and practices in addition to being implicit in social normative expectations" (Frink & Klimoski 2004).

Two dimensions exist in institutional theory: isomorphism and decoupling (Fernando & Lawrence 2014). DiMaggio and Powell (1983) consider isomorphism as the concept that best describes the process of homogenization. They define isomorphism as "a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions". Institutional isomorphism can be broken down into three different isomorphism processes such as: coercive isomorphism, mimetic isomorphism, and normative isomorphism (DiMaggio & Powell 1983).

"The first of these processes, coercive isomorphism, relates to external factors, such as shareholder influence, employee influence, and government policy". – "So, this process arises because of the pressure from powerful or critical stakeholders (upon whom an organization is dependent) to change an organization's institutional practices such as CSR reporting" (Deegan 2009). "It is quite evident that the process of coercive isomorphism is

related to the managerial perspective of stakeholder theory which focuses on powerful stakeholders” (Fernando & Lawrence 2014).

The second process, mimetic isomorphism, involves organizations trying to emulate or copy other organizations' practices, mainly to obtain competitive advantage in terms of legitimacy. Uncertainty is one of the powerful forces which encourages imitation (DiMaggio & Powell 1983). CSR reporting would be an innovative practice that may help MNCs preserve and improve their corporate legitimacy.

According to (DiMaggio and Powell 1983), the third and final isomorphic process is normative isomorphism. It relates to the pressures emerging from common values to adopt particular institutional practices. In relating normative isomorphism with corporate reporting, including voluntary reporting,

3.6 Conceptual Framework

In the below conceptual model, the study has explored MNC's different partnership styles with different stakeholders (local NGOs, media, private sector, and government). The study has showed that each MNC included has shown a different engagement pattern. Some of them have fully resorted to their respective corporations' social investment guidelines and have slightly localized their CSR practices, while others have fully adopted local CSR practices. The study has also revealed how partnering with each stakeholder has impacted MNCs brands in many areas (workplace, community, supply chain, and marketplace). The impact has also differed from a company to another and from a stakeholder to another. The study has concluded the impacts in the shape of respect to the MNCs brand, higher revenues for some companies in the

market, higher loyalty and retention rates in the workplace, good legislation that helped ease MNCs' mission in host countries, respect from community members, and maintaining the SLO.

3.7 The Conceptual Model

The conceptual model depicted in Figure 1 shows the four potential partnerships that MNCs can engage in to obtain a positive impact for their brand acceptance within the workplace, marketplace, supply chain associates, and the local community. Conceptual modelling is the process of formally documenting a problem domain for the purpose of understanding and communication among stakeholders (Siau, 2004). Conceptual models are central to IS analysis and design, and are used to define user requirements and as a basis for developing information systems to meet these requirements (Wand & Weber. 2002). More generally, they may be used to support the development, acquisition, adaptation, standardization and integration of information systems (Moody, 2005).

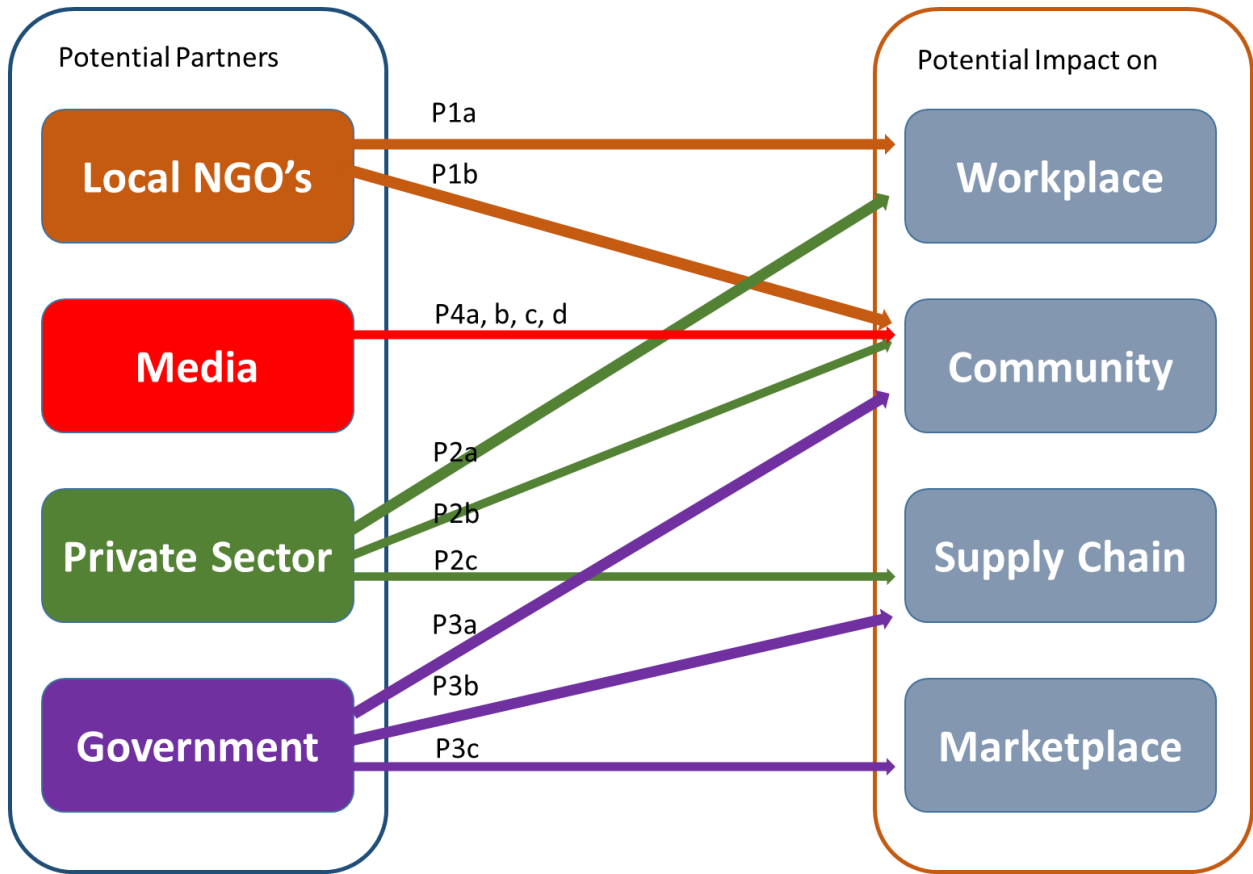


Figure 1. Conceptual Model for Potential Partnerships and the Impact of Corporate Social Responsibility Programs by Multinational Corporations in Emerging Markets

CHAPTER 4: METHODOLOGY

4.1 The Research Propositions

This research offers 4 key propositions, each pertaining to one of the potential partners in CSR programs to attain the organization’s CSR objectives. The four key propositions spawned 12 sub-

propositions to express the suggested relationships that will be effective by the partnership to impact the target stakeholder group.

Proposition 1: *MNCs partner with local NGOs to improve their brand acceptance.*

Proposition 1a: when multinationals partner with the local NGOs, this may impact the workplace positively and consequently their brand acceptance.

Proposition 1b: Engaging with the local NGOs leaves a good effect on companies' image and reputation in the surrounding community and consequently their brand acceptance.

Proposition 2: *MNCs partner with private sector to improve their brand acceptance.*

Proposition 2a: The MNCs' collaboration with the private sector operating in the same industry has an impact on their brand and can positively affect their workplace and consequently their brand acceptance.

Proposition 2b: The more MNCs have close ties and lobbying strategies with other private sector, companies working in their geographic area, the more they can affect the supply chain and consequently the brand acceptance.

Proposition 2c: MNCs and Private sector relationships with the community, and the level and type of engagement can definitely affect the MNCs brand acceptance in emerging markets.

Proposition 3: *MNCs partner with local Governments to improve their brand acceptance.*

Proposition 3a: Engaging with local government is considered an important method to enhance MNCs' brand acceptance in the local marketplace.

Proposition 3b: Governments' legislations are key for the success of MNCs' operations, their supply chains and consequently the brand acceptance could be affected both ways by these legislations,

Proposition 3c: MNCs' collaboration with local governments is so important for successful brand acceptance in communities.

Proposition 4: *MNCs partner with Media to improve their brand acceptance.*

Proposition 4a: Media's influence can affect brand acceptance in the local community.

Proposition 4b: The two-way communication of Corporate Social Responsibility (CSR) in media initiatives improves brand acceptance in the marketplace.

Proposition 4c: Corporate social responsibility (CSR) programs as an integral part of MNC's public relations strategies in the media will positively affect their brand acceptance.

Proposition 4d: The media could have a positive impact on the MNC's brand acceptance in the workplace in emerging markets.

4.2 Significance of the Study

This research seeks to closely examine models of corporate social responsibility of multinationals in emerging markets to gain an understanding of whether they have been able to achieve brand acceptance or not. It will review how companies approached their social and environmental responsibilities and how these affected communities where they operate and the impact of their CSR programming on the degree of customer/public acceptance of these companies' brands and products. The research will highlight the main issues that led to a positive or negative relationship between CSR programs and brand acceptance.

4.3 Definitions of Corporate Social Responsibility

Craig (2000) defines 'responsibility' as follows:

“To be responsible for something is to be answerable for it. We have prospective responsibilities, things it is up to us to attend to these may attach to particular roles (the responsibilities of, for instance, parents or doctors), or the responsibilities we have as moral agents, or as human beings. We have retrospective responsibilities, for what we have done or failed to do, for the effects of our actions or omissions. Such responsibilities are often (but not always) moral or legal responsibilities. In the same line of thought, a firm's responsibility to the wider community is essential in a social contract between the community and the business group.”

The term CSR is a brilliant one; it means something, but not always the same thing, to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behaviour in an ethical sense; to still others, the meaning transmitted is that of 'responsible for', in the causal model; many simply equate it with a charitable contribution (Votaw 1972). Recently, the term CSR is perceived as an ethical obligation that MNCs working in emerging markets should pay back to the communities where they operate. Many scholars defined CSR as a tool for MNCs to survive in foreign markets, where MNCs are entitled to take into consideration the needs and grievances of those communities. According to Dawkins (2004), CSR is about a firm's tendency to act ethically, raise community standards of living, improve working conditions for its workforce, and comply with environmental regulations.

An integral part linked to the CSR perspective is the stakeholders of a company, those stakeholders are defined as individuals or groups who are either harmed by or benefit from the firm, or whose rights can be violated, or have to be respected by the firm

(Crane and Matten 2004). Among those stakeholders are those included in the conceptual model of this study (Local NGOs, private sector, government, and media).

There seems to be a widespread agreement on some form of corporate responsibility for social issues. Nevertheless, the critical question is how to define or limit the scope of such responsibility within the context of the operations of MNCs. The enormity of corporate multinational power makes this an urgent and important task, the general conception of corporate social responsibility is extra-legal (McWilliams and Siegel 2001). Apart from corporate social responsibility reports, firms including MNCs now appear to adhere to one code of conduct or the other. These codes are usually voluntary initiatives by the firms, either alone or in association with other firms in the same or similar industry. (Amaeshi, Osuji, & Nnodim, 2008)

4.4 Problem Statement

The research focused on specific practices of MNCs' CSR operating in emerging markets, Egypt as a case study. It has outlined the benefits of CSR in achieving brand acceptance and examined how CSR programs have affected social and environmental contexts in emerging markets where these companies operate and if that has generated brand acceptance in these markets. The research has also tried to determine whether features of CSR programs of companies in emerging markets have led to brand acceptance. Specific practices of MNCs were reflected in the interviews to examine whether or not they are similar to each other in all the respondent companies. The research put emphasize on the different types of partnership that MNCs operating in emerging markets, Egypt, establish with different stakeholders (local NGOs, governments, private sector, and media). The research also examined whether or not these different types of partnerships has an impact on

different stakeholders (workplace, marketplace, supply chain, and community) and consequently on the brand acceptance.

4.5 Research Methods

In this part the researcher will explain how the research was conducted, how the respondents were chosen, how data was gathered and analyzed, and how results could be interpreted.

This study deploys the qualitative approach to investigate how MNCs can improve their brand acceptance in emerging markets, Egypt in our case, and how this could happen through collaborating with a number of stakeholders (local NGOs, government, private sector, and media). The impact of such collaboration will be reflected in (workplace, marketplace, supply chain, and community). (Andre 2017) suggests that "Qualitative research is therefore concerned with aspects of reality that cannot be quantified, focusing on the understanding and explanation of the dynamics of social relations". He also explains that In-depth interviews are a kind of unstructured, direct, and personal interview with each respondent. In this process, the researcher typically begins with a generic question and then encourages the respondent to speak freely about the topic. There is also a variant that considers the existence of semi-structured interviews, in which there is a set of pre-defined questions, but in which freedom is given to explore one of the questions in greater depth.

An in-depth interview method shall provide the researcher with very rich information and can also provide him with an opportunity to ask the respondents follow-up questions, investigate extra information, justify previously answered questions, and establish a connection between many themes. It can also provide a relatively comfortable

environment where people may feel more comfortable establishing a two-way dialogue. However, there are some limitations and pitfalls, because it is time-intensive and it is not generalizable, Andre 2017 explained.

In depth-interviews method has some advantages and disadvantages, as for its advantages, it adjusts to get detailed and insightful information on a given domain and needs only fewer respondents to provide useful and relevant insights. It could be also performed in informal environments and at times that are convenient for the respondents. In this research, it was completed over the phone and augmented by follow up questions and detailed responses vis WhatsApp in some cases.

Limitations (disadvantages): it's a time-consuming method and relatively high cost. It needs a longer verification process to dig and extract compared information – respondents should be carefully chosen to avoid bias. The generated results can't be generalized. The study contained specific MNCs working in a specific environment, so results can't be generalized without precautionary measures.

Qualitative research explains real-world phenomena (Yin, 2003) by obtaining rich and insightful data, in our case, through in-depth interviews with top management representatives. The researcher has designed an online discussion guide (see appendix B) to reach the targeted respondents. The researcher has approached some multinationals working in Egypt to respond to the in-depth interview questions. The main target was to reach top management officials and CSR experts to acquire the accurate information for the questions and consequently reflect their real companies' position regarding their CSR activities (Non-random sampling). All interviews were conducted via phone due to social distancing protocol during COVID-19 case, it took each

respondent 45 minutes to 1 hour to answer all questions. All respondents are based in Cairo, Egypt as a host country for these MNCs operations.

The respondents were five females and two males, six of them were directors and the remaining one was a delegate for a director as she is spearheading this section in the company (see table 1). Most of these corporations are listed in Fortune 500 in 2020. The sample companies were drawn from various industries, but most of them (6/7) are in Fast Moving Consumer Goods (FMCG). Through in-depth interviews, we have researched their corporate social responsibility programming in these specific contexts by adapting specific practices, aspects of how they conduct their everyday business, their engagement with employees and stakeholders, their interaction with communities and customers, their government relationships, their compliance with local and international laws and labour standards, their impact on the environment and local livelihoods, etc.

Table 1: A list of respondents at the MNCs included in the study

Name	Position	Company	Contact details
Zeinab Hegazy	Strategic Communications, PA&CSR Director	CEMEX	Zeinab.hegazy@cemex.com
Hanan Nayel	General Secretary Director	Danone	Hanan.nayel@danone.com
Nahla Kamal	Corporate Affairs Director	Nestle	Nahla.kamal@eg.nestle.com
Tamer Younes	Head of Gov. Relations & Communications	P&G	Younes.tm@pg.com
Shereen Shaheen	Public Affairs & Communications Director	Coca Cola	sshahen@coca-cola.com
Mohamed Badrelin	Head of Gov. & External Relations, Unilever	Unilever	Mohamed.badreldin@unilever.com
Habiba Bakir, delegated by Kareem Abdel Moneim	CSR manager; Public Policy and Gov. affairs manager	PepsiCo	Habiba.bakir1@pepsico.com Kareem.abdelmonem@pepsico.com

Examples of measures to reduce energy consumption and waste, honesty, and accessibility in communicating with customers about relevant information will be sought. The research will aim to uncover direct and/or indirect impacts on livelihoods, the value chain, and the environment and to measure the effects of these measures on brand acceptance. (See figure 2)

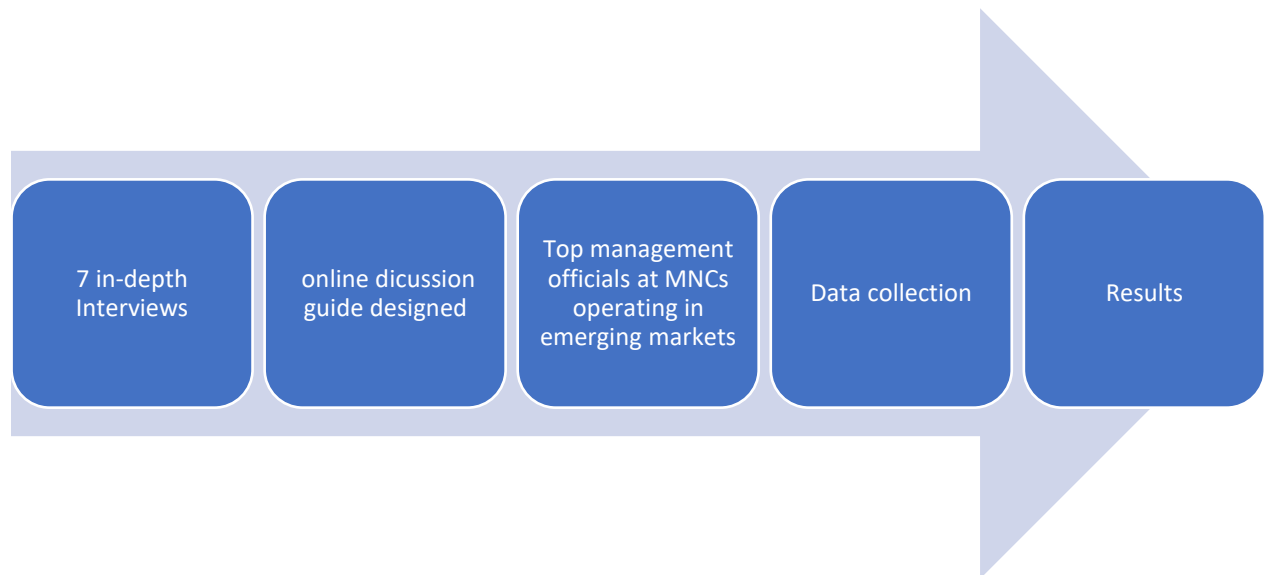


Figure 2: Flow chart depicting the research methods

4.6 Operational Definitions

Fortune 500: (The Fortune 500 is an annual list compiled and published by Fortune magazine that ranks 500 of the largest United States corporations by total revenue for their respective fiscal years. The list includes publicly held companies, along with privately held companies for which revenues are publicly available).

Fast Moving Consumer Goods (FMCG): Fast-moving consumer goods include packaged food, toiletries, beverages, stationery, over-the-counter medicines, cleaning and laundry products, plastic goods, personal care products, as well as less expensive consumer electronics, such as mobile phones and headphones)

Certified B Corporations; are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy.

Society's most challenging problems cannot be solved by government and nonprofits alone. The B Corp community works toward reduced inequality, lower levels of poverty, a healthier environment, stronger communities, and the creation of more high quality jobs with dignity and purpose. By harnessing the power of business, B Corps use profits and growth as a means to a greater end: positive impact for their employees, communities, and the environment.

B Corps form a community of leaders and drive a global movement of people using business as a force for good. The values and aspirations of the B Corp community are embedded in the B Corp Declaration of Interdependence.

CHAPTER 5: RESULTS

5.1 Results

After a series of elaborate interviews (see table 1) to explore the presented propositions and examine how MNCs working in emerging markets, Egypt in our case. How these MNCs conduct their CSR activities, how they engage with different stakeholders, and the impact of such engagement on their brand in these markets and in the host countries. The researcher has established some themes and categories out of the interviews findings;

- Frame work of CSR.
- CSR management.
- CSR level of engagement.
- Types of MNCs partnerships.
- The enabling environment to execute CSR initiatives, and
- The impact of CSR practices on MNCs' brand acceptance.

Those categories together examined the different levels that MNCs need to go through to genuinely practice their CSR practices. They start with the framework of CSR and how MNCs should define it and became a part of their code of conduct. How MNCs manage their CSR activities and in what level are important steps for them to structure their type engagement and make the correct connection to their core business where possible. Another important category is the partnerships that MNCs get involved in, who are their partners and how they engage with them. Then the researcher established another category that tests the environment that MNCs work in and the challenges they face while implementing their CSR practices. And finally a category that examines the impact of the different CSR practices on MNCs' brand and the reflections of such acceptance in their (workplace, marketplace, supply chain, and community)

5.2 In-depth Interviews Findings (interviews discussion guide, see appendix B)

As the researcher has used in-depth interviews, he went through the information collected in the interviews. The researcher then labeled and coded, there were many codes like loyalty, sustainability, donation, hygiene, shared value, lobbying, livelihood, initiatives, supply chains, community, marketplace, workplace, local NGOs, government, private sector, media, and brand acceptance. Those codes were grouped into themes and used to analyze the findings. A theme captures a common, recurring pattern across a dataset, organized around a central organizing concept. This is exactly the case, a theme inclines to describe the different features of a pattern across the dataset. while subtheme comes ‘underneath’ the umbrella of a theme. It shares the same central organizing concept as the theme, but it focuses on one notable specific element, in our case the MNCs’ brand acceptance. Through naming and analyzing a specific subtheme, that aspect of the theme becomes particularly salient.

Proposition 1: *MNCs partner with local NGOs to improve their brand acceptance.*

Proposition 1a: *when multinationals partner with the local NGOs, this may impact the workplace positively and consequently their brand acceptance.*

Cemex, a Mexican based cement producer corporation operating in Egypt, the company has a huge responsibility towards employees and workers and provide them with the right working environment. The company also help them to develop themselves and be like good custodians for their career.

When Cemex partners with local NGOs or other community stakeholders, employees have showed a high level of respect and pride towards the company, they have also showed a high sense of belonging to a company of vision. The respondent advised that When the company post on Facebook or on the company's digital platform certain

CSR activities that they have done, employees directly share and pop up, they say I work for this company.

Before, the company didn't share the CSR activities, so employees' engagement was low. When they started to communicate CSR activities on their digital platform and social media, the interaction from employees turned to be huge even employees who have already left the company, joined the engagement, and said we have used to work for this company. The company has made some analyses and the finding was that CSR makes employees feel that they work for the right employer.

Unilever, a British based MNC operating in 190 countries worldwide including Egypt, specialized in producing cosmetics and foodstuffs. In the company, they have established a more sophisticated committee that takes care of the company's CSR activities that match the Sustainable Development Goals "SDGs". The company adopts a new approach of doing CSR, Sustainability Business Plan, where they look for ways to make their contribution to the community more sustainable and beneficial to all parties in alignment with the United Nations SDGs. In the workplace, Unilever adopts some initiatives to reduce water consumption and lessen their carbon footprint to its possible minimum levels. They also use recycled materials where possible in packing or wrapping their products.

Unilever's code of conduct doesn't reflect CSR as an independent section, they relate the concept of sustainability to each employee in his capacity. They also use their products to achieve their main goal. Cleanliness products like soap "lifebuoy", they promote the personal hygiene culture, they put instructions and pieces of advice on the products on how washing hands is a healthy practice and so forth. Unilever partners with

local NGOs in implementing different CSR initiatives and sometimes use their outreach and database to reach people seeking jobs. After obtaining information of those people. The company calls them, involve them in vocational training (a special training designed by a specific employer for a specific group of people to excel a profession needed by this employer) for a period of time, successful ones are then employed. The impact of what Unilever is doing in the community affects positively its employees and urges them to follow the same methodology with regards to recycling culture and water and power consumption reduction.

Coca Cola, an American based company producing beverages and refreshments-deals with its employees as the most important assets and comes as a first priority, they are the front line on the company's CSR or sustainability strategy. In Coca-Cola, they give their employees the utmost care and assure that they are well-paid and do their best to avoid any layoffs or downsizing.

Danone, is a French-American MNC based in Paris, France, specialized in dairy products and operating in many emerging markets. In Egypt, where they have a significant presence, their vision is "one planet one health". They follow a strategy called "Dual Purpose", they believe that economic and social purposes are interrelated and they strongly believe that one can't go without the other. In all countries where they operate they are very keen to create economic, social, and environmental value and benefit all stakeholders in their ecosystem. Danone's employees are so much proud of what the company is doing to support the community that affects the marketplace as well. The level of employees' engagement is considered very high as the company measures this element through employees' opinion survey each two years, on the survey there are questions about how do they perceive the company's CSR activities

that achieves the vision one planet-one health and Whether the company is walking the talk or not.

Nestlé S.A. is a Swiss multinational food and drink processing conglomerate corporation headquartered in Vevey, Vaud, Switzerland. It is the largest food company in the world, measured by revenues and other metrics, since 2014. Nestle cares a lot about individuals and families, consumers, and service providers, employees, and communities. All of what Nestle is doing with the different stakeholders is evolving around one main value, respect, they seek respect for employees, consumers, supply chain, and service providers and to be respected in return. When Nestle chooses an initiative, sustainability is the main criterion that should be existing. Any initiative should also come under one of their three main pillars and achieve the concept of shared value.

Nestle sometimes faces a challenge to explain the problems they want to tackle to the different stakeholders to have a common understanding to be able to intervene. They sometimes face a challenge from the community itself to accept the new version of CSR, Creating Shared Value, or Sustainability. Most of the time they are able to overcome these challenges through extensive dialogue with the concerned stakeholders. They also include employees in the planning and implementation of certain projects and give them days off to enable them to volunteer and create value for this project. Equity, loyalty, and trust are the ultimate goals that Nestle is looking for when they execute their sustainability activities.

The Procter & Gamble P & G Company is an American multinational consumer goods corporation headquartered in Cincinnati, Ohio. P & G is focused on providing branded consumer

packaged goods to consumers across the world. The Company operates through five segments; Beauty; Grooming; Health Care; Fabric & Home Care, and Baby, Feminine & Family Care. The company conducts many CSR efforts which are mostly focused around its core business. In P & G they show responsibility towards their employees and the workplace, they provide them with the needed support to guarantee the safety of their workplace and in the meantime, they make this workplace more sustainable. They take care of their employment contract during the COVID-19 case, no layoffs, and make sure that their families are doing good.

They depend on natural lighting as much as they can to save energy and follow practices that save water consumption by using bottles instead of water cups. For the trash, they use segregation methods that are considered a best practice for handling wastes. Their stores and production lines run in a way that fulfills the sustainability requirements. The company uses advanced packing techniques that guarantee a more sustainable workplace as well. Through the Research and Development (R&D) they save a lot of packing and wrapping material. P & G's employees take what they have learned in the company to their respective families, so they can act as ambassadors. They can see the impact on the brand on school students following the initiative they conduct with them.

In the market, they still have a challenge regarding customer awareness to observe that the product they produce is a sustainable one and its price may be a bit higher because of this. The good thing is that their supply chains perceive these efforts positively. In the community, they care about the image of the brand and the value it brings to the community.

Proposition 1b: *Engaging with the local NGOs leaves a good effect on companies' image and reputation in the surrounding community and consequently their brand acceptance.*

In Cemex, they partner with the different community stakeholders having a huge sense of corporate responsibility to be a responsible citizen towards the community. They struggle to find out their pains and real needs and work in supporting the community members to achieve this. They have spotted how the community around their job sites showed respect to the company and how they speak highly on the company's name, the community acts as ambassadors for the company. Cemex is also operating under a model called value creation model or CSR maturity model that has five levels starting from the basic level of doing CSR to comply with laws and regulations up to the innovation and value creation.

The company is now in level four which is social development and innovation that entails that they do a constant dialogue with the community. They have a certain team to do CSR initiatives and have partnerships with private and governmental entities. Before they choose a potential initiative they have a certain matrix where they put into consideration working under the umbrella of the United Nations Sustainable Development Goals "SDGs". They pick two or three goals on yearly basis, now they adopt three goals, education, poverty alleviation, and infrastructure, any stakeholder in the community asking for partnering in an initiative needs to make sure that this initiative lies under one of these three goals.

Any initiative shouldn't only be donation, but has to be sustainable and have a value creation element to the community. Doing so, the CSR activities are not related to their core business as they work on a value creation model, they make analysis, and make social baseline assessment to see what their community really needs. Cemex then set their community engagement plan based on these research and analysis. So, it has nothing to do with the product they produce, meantime in a specific initiative they donate their product, cement when a big hospital in the community is being built. The company's community initiatives are community-

driven, not core business-driven. The company is seen and positioned as the company that cares for people not only making business and profits.

The important thing is that, the company engages with the community not just donating cash. When the community raise initiatives that truly touch their lives and see the company's employees doing volunteering activities, the company's brand is so much enhanced. They also partner with NGOs and other civil society organizations that add to their brand identity and add value for them in their reference when they approach other MNCs to cooperate with.

In Unilever, they have a unique program Erada, "Well" this program cares about visually impaired people. The company engages them in a special training program where they can benefit from it, work as a third party for the company, and become productive and independent, this confirms on the sustainability strategy they adopt in the company. Unilever's social responsibility and sustainability efforts are so much related to their core business. The type of their products helps to achieve such a goal, they enhance environmental culture and healthy practices. They confirm the importance of daily hygiene practice, washing hands using their soap, the importance of teeth cleanliness through the advice on the toothpaste they produce.

Such products are used as a vehicle to promote their sustainability culture. Sometimes they go into CSR initiatives that are not related to their core business, they donate equipment to hospitals, they do both business-related and community-related CSR. When they partner with local NGOs, Unilever choose the accredited and highly reputable ones that can reach the common goal and the shared value of their different programs. The company's most important gain from such a partnership is the right execution of the initiatives and achieving their most valuable goal, the common shared value. The importance of collaboration with these NGOs comes from their outreach, when the company enters a specific area, it reaches the reputable

NGOs that have a good track record in the area or its similar ones,

Those NGOs advise the company on what to do and what not to do based on their practical experience. The company sometimes faces a challenge in implementing a specific initiative due to the big funds needed for it. Other times they face social challenges as they execute their engagement programs. In Safir and Zeinab's initiative, Unilever collaborate with people who want to start a small business. The company brings them to training on basics of marketing and accounting, then provides them with their products, This helps those people generate income and in the meantime help the company reaches areas that their regular distributors couldn't reach. When Unilever approaches women from slums to distribute their products and generate income, Sometimes, those women refuse due to their image in their communities. To overcome this problem, the company organizes a training for those women and encourage them to step in and face their fear, they confirm on the importance of work and financial independence, they succeed most of the time. The impact of such collaboration is huge for the company's reputation and brand in the community. When the local community members know that this company cares about their grievances and needs, helps them generate good income, and creates jobs for them, the company's reputation is greatly enhanced with is reflected in their profitability.

Coca Cola shows a great interest in communities where they operate, they have ten factories in different governorates. The company engages with the surrounding communities and take their needs seriously into account, the company builds schools, hospitals, and the overall livelihood that requires the company's intervention at these communities.

Danone's sustainability initiatives leave a good impact on the communities where they operate, their brand is positively perceived by the community members, as the company provide

good training opportunities, income generating initiatives, and take the community needs and grievances into consideration.

Nestle's purpose is enhancing the quality of life and contributing to a healthier future. Their focus areas are firmly embedded in their purpose, individuals and families are the core of their CSR efforts, it's about everything to enable a healthier and happier life. They develop communities within the organization and where they operate as a business, and the planet where they save the resources for future generations. all pillars are interconnected, their efforts in each of these areas are supported through 21 local commitments. Although Nestle is operating in 180 countries all over the world when they implement their CSR programs, they localize these programs to adopt the real needs of each community, but in line with the company's purpose and guidelines.

A Healthy Kid project is an example of this concept, they research what is needed, adjust their programs, and partner with NGOs for the implementation like the Egyptian Food Bank. These commitments will in return enable them to meet their three ambitions for 2030 in line with the timescale of the United Nation's Sustainable Development Goals (SDGs) and Egypt 2030 vision. Nestle's sustainable initiatives are so much linked to the company's core business and go hand in hand with the company's purpose towards a more healthier and happier communities.

In P & G, they have initiated campaigns in schools targeting young girls till the age of 12 especially in villages and rural areas. P & G teach those girls healthy habits and hygiene practices about the physical changes occurring to them at this age. In addition to this, they provide them with some of their products to familiarize them with it, here they achieve a dual purpose strategy, where they benefit community members and promote their products. They also care a lot

about the community around them as a good corporate citizen, they deal with the concerns of the local community around them in a way that establishes a healthy relationship. During COVID-19, they have donated food boxes to the community through the Egyptian Food Bank, donated masks, and ventilators. P & G has even established a special production line to produce face masks to cover the needs of their employees and donate for free to the ministry of health and to the local NGOs.

PepsiCo, Inc. is an American multinational food, snack, and beverage corporation headquartered in Harrison, New York, in the hamlet of Purchase. PepsiCo has interests in the manufacturing, marketing, and distribution of grain-based snack foods, beverages, and other products. The company operates in many emerging markets around the world, Egypt is one of these markets. They invest in farmers and their livelihood, as they are part of their supply chain, they are so much linking their sustainability efforts to their core business. The company works with the USAID in Call for Action initiative that has a relation to agriculture. Any initiative PepsiCo chooses should serve the United Nation's SDGs and under the umbrella of the company's strategy. They work with youth, sports, women empowerment, and agriculture. They partner with Care, with the World Food Program, and the Egyptian Food Bank.

Proposition 2: MNCs engage with private sector to enhance their brand acceptance in emerging markets.

Proposition 2a: *The MNCs' collaboration with the private sector operating in the same industry has an impact on their brand and can positively affect their workplace and consequently their brand acceptance.*

Unilever follow a unique partnership style, they have initiated a program “ Safir & Zeinab”, they collaborate with people who want to start a small business. The company

brings them to training on basics of marketing and accounting, then provides them with products, here it's a win-win. The company enables them to start a business at the same time the company reaches remote areas far from its distributors accomplishing a common shared value. When they partner with the private sector, those potential partners have to be fully complying with the country's laws and regulations and should be credible partners working in the official economy to be able to adopt the same concepts that Unilever believes in.

In Danone, their top priority is their 100000 employees and partners, they care a lot about keeping their jobs. In the light of the COVID-19 case, the company guarantees its contracts till the end of June along with its other benefits. The company has made a significant contribution to its ecosystem (farmers, suppliers, and service providers), they have given EURO 250 million to these small businesses to help them survive and continue. The company's code of conduct confirms on such behaviour towards suppliers and employees, this code of conduct clearly explains how the company deals with integrity, with competitors and the world trade practices and the associated trade sanctions. They have another project called " EL Omda", they provide youth who are willing to work as distributors with cooling cars and give them their products to be able to reach remote areas that their regular distributors can't reach. The company has partnered with the National Bank of Egypt to give those youth the cars, from the revenues they pay the bank the installments of the cars. The company here again achieves its dual-purpose goal, reach remote areas with their products, and create a business opportunity for youth in the surrounding community.

In Nestle, they partner with different stakeholders to conduct specific initiatives that are perceived sustainable. The Nestlé Healthy Kids Program was launched in Egypt in 2010 in partnership with the Ministry of Education, the NGO Alashanak ya Baladi (AYB), and the scientific partner The German University in Cairo (GUC). Nestlé Egypt has signed a 5-year-protocol agreement with The Ministry of Education to implement the project in public schools in Egypt. At the end of 2016, Nestlé Healthy Kids had reached over 650,000 children and trained around 2,000 teachers in over 1,025 schools across 12 governorates, now they reached 700,000. In 2014, Nestlé Healthy Kids engaged with consumers digitally on the Healthy Kids tab reaching over 925,000 viewers. They have partnered with SANOFI as a prominent private sector player to achieve such a goal.

P&G has two main pillars to invest in globally, health and hygiene as they are experienced in these two fields and through them they can serve the community the best. Besides these two pillars, they help in disaster relief during the time of natural disasters. They have partnered with NGOs like the Egyptian Food Bank and Misr El Kheir foundation in single partnerships or collective ones with other companies led by these NGOs and with the AmCham foundation. They look for NGOs that have enough experience, a good track record, and can implement the initiative effectively. They also look for their ethical record and have no political or religious affiliation. They have partnered with Nestlé in some initiatives that target minimizing the carbon footprint, they some times use the same fleet to transport their products.

Proposition 2b: *The more MNCs have close ties and lobbying strategies with other private sector, companies working in their geographic area, the more they can affect the supply chain and consequently the brand acceptance.*

Cemex deals with their supply chain with integrity as a top value providing people with the chance to work with them, they don't stick to a certain supplier and operate with high efficiency. When they partner with other private companies in specific initiatives, mostly when they are engaged in activities that add value to the community, say that their supply chain welcomes their CSR activities and that it is good to work with you as your company pays respect to the community.

In Unilever, they are so much with this concept, the lobby with other companies working in the same geographic area on collaborative efforts to engage in a specific program, they believe that joint efforts can maximize the benefits, the outcome, and common shared value. They also see a big potential in lobbying with other private sector companies to affect the decision-maker to change some legislations that serve their operations. They believe that approaching the government collectively as a private sector is more powerful and effective than going as a single company. The impact of what Unilever is doing in the field of CSR on their supply chains is great, they assure that they are fairly paid, they conduct a yearly questionnaire to ask if workers with their suppliers are paid according to the prevailing payment scale or not. Their families' well-being is assured and their productivity is boosted.

In Danone, they take care of all of their suppliers, distributors, and all who are involved in their supply chain. For instance, they assure that farmers who provide the company with milk are paid fair prices for their milk and on time. The recent COVID-19 case has affected many small businesses and suppliers of Danone's. The company has taken this into account and has

put some procedures to better relieve those suppliers to help them continue. They also believe that by protecting its supply chain, the company assures its supplies will continue to be able to operate “dual purpose”.

In Coca Cola, they operate ten factories in Egypt, to get their feedstock of high-quality sugar on time, they collaborate with a big number of sugar cane farmers. Coca Cola always assures that the livelihood of those farmers is so much enhanced. The company brings experts to educate farmers on the best practices on new irrigation systems, access to water and soil dehydration to assure high productivity and good quality sugar. Doing so guarantees a high income for farmers and fair prices for their products. They also help in developing schools and hospitals in the community where those suppliers come from. The company considers it an arrow eye that serves the core business of the company and in the meantime helps the farmers grow.

Such a strategy also guarantees the sustainability of these programs as it won't be stopped at any point in time due to low cash flow or at crisis times that require optimization spending. They also put special conditions to any supplier who may work with them, there should be a clear anti-bribery policy and rigid contractual terms as they seriously audit any new contract to assure that this potential supplier fully complies with the company's systems.

In Nestlé, service providers or partners should be working with full transparency with regards to responsible sourcing and rigid guidelines to match Nestlé's. The main requirement for Nestlé on its partners is the alike mindset and high levels of ambition to share the same goals and values.

PepsiCo has rigid due diligence to conduct before choosing any potential partner, this partner should be sharing a common ground of understanding towards common goals and the same

objectives. The USAID who wanted to train farmers, PepsiCo went to such a partnership as it serves their goal to have a good, high quality and sufficient agricultural production for their operations.

Proposition 2c: *MNCs and Private sector relationships with the community, and the level and type of engagement can definitely affect the MNCs brand acceptance in emerging markets.*

Cemex corporation shows responsibility towards the market place, they act with integrity and give their customers what they really need and add this to their portfolio regularly. They also believe that if their name is annotated with value creation and being a responsible corporate citizen, it creates a positive vibe to their product.

Unilever cooperates with the private sector sometimes in initiatives that fit with their concept of sustainability, such initiatives should add value to the community and could be measured as sustainable. In the Market place, Unilever encourages consumers to adopt healthy environmental practices, they put advices on their products on how to be more friendly to the environment, to lessen water consumption, and encourage them to adopt recycling behavior. Besides, the company has decided to adopt a poverty alleviation program, so that they have launched an initiative to develop 100 villages in Beni Sueif, Assiut, and Sohag. Although it's away from the company's core business but the company has aligned with the government and some local credible NGOs like Misr el Kheir foundation and Ahl Misr foundation. The reason for this collaboration is to renovate these villages that live under the poverty boundaries. they target renovating the infrastructure like schools, hospitals, houses, potable water, and so forth. They have promised the government to do so, 70 villages have been renovated, but they have stopped because of COVID 19 crisis, they will start again when this crisis is over to finish with

the remaining 30 villages.

Coca Cola has also partnered with other private sector companies working in the area, Orange and Vodafone. They have made an agreement to grant their customers free minutes in their products so that the company isn't only producing refreshments, but is also adding value to its consumers. Coca-cola chooses its partners based on the type of the initiative, they believe that they are experts in doing their business so that they partner with other stakeholders who are the best in their business and can run the potential initiative to achieve its value-added and goals.

The partnership criteria is almost the same for Danone, there is a rigid process that new partners should go through, they are very keen on the reputation of their partners. They also look who are the partners of this potential partner. Danone also checks on what they have done and Whether they have done similar work or not, are they certified or not. Danone's sustainability practices along with their responsible marketing behaviour bring a lot of respect for the company in the marketplace by their consumers. They also respect the transparency the company gained in the way they communicate means of generating their products which greatly supports the brand. Danone is the first company in the region to be a B Certified Corporation, are businesses which meet the highest standards of proven social and environmental performance, legal accountability to balance profit and purpose, and public transparency.

Governments and NGOs can't alone solve the society's challenges and grievances, so B Corp certified corporations work to lower levels of poverty, reduce inequality, stronger communities, a healthier environment, and create good jobs with dignity and purpose. The certifying body audits every aspect of the business before granting the certification, that is renewed every two years.

The type of Nestle's contribution is a blend, in some particular projects they donate

cash, time and in-kind, they prefer to have this combination of contribution, they also make use of Nestlé's expertise in some particular projects.

PepsiCo adopts a blended type of contribution, they donate cash, time, and in-kind, they have donated cash and in-kind to help the relief efforts of COVID-19 case. Such donation was medical equipment and cash to the government's hospitals, this help them achieve their ultimate goal is a good implementation for all of their projects.

Proposition 3: MNCs pay great attention to engaging with governments in the host countries to positively enhance their brand acceptance.

Proposition 3a: *Engaging with local government is considered an important method to enhance MNCs' brand in the local marketplace.*

Cemex partners with many stakeholders in their community engagement programs, they partner with governmental bodies, ministries, and other NGOs to perform certain activities. They partner with any stakeholder based on the nature of the initiative, when they do something for the disabled, they partner with HELM "Dream" association, as they are so much qualified in carrying out such activities. Here, the company gains a lot when they partner with a specific stakeholder. There is the concept of triangulating the thing they do, they have the beneficiary, the company, and other stakeholders to partner with, this adds a lot to the sustainability of the program. The other thing is the magnitude, if they partner with a ministry, like the Ministry of Health or the Ministry of Manpower to a certain thing for the workers, this gives more magnitude and more spotlight and attention to the program they do. The recent COVID 19 crisis triggered joint efforts by most of the MNCs in the whole world to support governments fighting this epidemic.

Unilever has donated some ventilators and other medical equipment and tools. Such efforts

by Unilever and other MNCs are highly appreciated and needed by the government. Unilever also believes that governments are so important to collaborate with as they are the governing body that grants approvals for the different initiatives that the company needs to carry out. The impact of Unilever's CSR activities in the market place is great, when their consumers know what they do to the community, they perceive them positively and adopt what they do with regards to recycling.

In Coca Cola, they choose their initiatives based on many objectives, the circle of influence is the ultimate goal, direct and indirect. First, any initiative should position the company and fulfill the CSR strategy to achieve its goals and value. Second, any initiative should be spotted by the government as important and in alignment with the company's sustainable goals so that it could gain endorsement by the government. Third, there should be a highly qualified NGO that the company can partner with, this NGO should have a good and clear mandate and can help in the implementation of the proposed initiative. The chosen NGO must have a rigid reporting system to enable the company to track and monitor its donation. Fourth, any initiative should be smart, measurable, and have clear Key Performance Indicators "KPIs" so that the company can audit and judge its influence.

Fifth, any potential initiative should serve the whole community without any discrimination based on gender or ethnicity. Coca Cola is working in the Egyptian market and its ultimate sustainability strategy is to serve the whole community of Egypt without any bias. The company finds a strong relationship between its brand acceptance in the marketplace and the social responsibility programs they do. The more they engage with communities and other stakeholders in successful initiatives, the more their brand is positively enhanced in the marketplace and the community. They also believe that any MNC should regularly conduct a

corporate reputation research to assess how the different stakeholders (employees, market, government, and community) perceive their brand. So they can make improvements in time to maximize the payoff of their programs to brand acceptance.

When Danone choose any initiative, it should fulfill the dual purpose vision of the company. For instance, the company has established what is called milk collection centers, the company receives milk from small businesses and farmers. Danone has its farms that has 6000 cows, but the milk produced isn't enough for their production lines, so they go to small enterprises specialized in producing milk and to farmers having a small number of cows to supply them with the rest of the milk they need. To assure high quality and safe milk from the 5000 farmers who provide milk for their 10 milk collection centers, Danone brings experts to educate those businesses and farmers on how to better keep their cows, feed them right, and give them vaccines on time. They also educate them on how to take care of their cleanliness, and increase their productivity.

The company has a special fund, Ecosystem Fund, through this fund in collaboration with Care association (an association that takes care in women empowerment, education, governance civil management, agriculture, and natural resources management) they mainly operate in upper Egypt since 1954, they together do this training to farmers. Any initiative that needs the company's intervention has to be sustainable and reflects the real community needs, this initiative also needs to have clear KPIs. Danone also partners with the public sector who can identify clear strategic initiatives that serve the community needs. The company also partners with other private sector companies especially in environmental initiatives that need collective efforts.

In Egypt, in this particular project, Healthy Kid, Nestlé has partnered with the

Ministry of Health, the Ministry of Social Solidarity, and the National Center for Research to explore how they can best utilize the project and to get the correct statistics to create solid plans. They have also partnered with the Ministry of Education to implement the project in schools. For a successful CSR, there must be three main stakeholders, the private sector, government, and the civil society, they believe that any sustainability activities should be linked to to the government vision to assure its success.

P & G partner closely with the Ministry of Social Solidarity to help them detect the best initiatives to partner with. They sometimes face economic challenges at the time of implementation. P & G adopts a blended type of contribution, they mix cash, time, and in-kind, their employees volunteer their time in universities and schools, they donate cash and in-kind like what they are doing in COVID-19. P&G communicate their sustainability initiatives to employees regularly in monthly meetings, newsletters, and through their digital website. P&G could see a positive impact on their employees because of their sustainability initiatives,

In the recent COVID-19 case, PepsiCo has allocated USD 1 million to the efforts carried out by the government to help lessen its consequences. Their strategy is faster, stronger, and better, better is about the community and the country they operate in. PepsiCo does a lot of partnering with the Ministry of Social Solidarity, the Ministry of Education, so in any project they do, they partner with governmental bodies. They also collaborate with the government, the Ministry of Education to enable them to enter the schools for their initiative Pepsi Soccer League.

Proposition 3b: *Governments' legislations are key for the success of MNCs' operations, their supply chains and consequently the brand acceptance could be affected both ways by these legislations,*

Unilever shows great interest to assure that their supply chains are dealt with fairly, in their tea farms in Africa, they make sure that farmers are fairly paid for their work and they are taught how to be more environmentally friendly and reduce their water and power consumption. Unilever also shows interest in farmers' families' health and well-being.

Proposition 3c: *MNCs' collaboration with local governments is so important for successful brand acceptance in communities.*

Cemex partner with the public sector, if there is an initiative in line with the vision of the government or the Cabinet, it always a pride for them to implement the vision of the government, they spot it and encourage others to do the same. They have no challenge in implementing their CSR initiatives, they are always welcome and needed and if they are in line with the agenda of the country, they are very much welcome like education and so forth. On their engagement with the community, Cemex corporation does a blended type of contribution, cash, time, and in-kind, they some times do fundraising where the employees contribute and the company equalizes or double the contribution that goes to a certain initiative. Sometimes they do volunteering where employees go and teach kids in schools, they also partner with NGOs. Other times they do in-kind, they donate the cement they produce for building governmental hospitals like the cancer institute and so forth.

Putting a certain amount of cash into a program has to be sustainable and value creation not just cash donation. So, there is no certain kind of engagement they prefer, it depends on what

the community and the community partners need. They tend to adopt what covers the needs, closes the gap, and helps people better.

Unilever adopts a mixed type of contribution based on the nature of the initiative itself, they donate medical equipment, their employees volunteer their time in university when they go and deliver lectures to students on the basic skills that they need to find a job after their graduation. They also donate their products in campaigns that support a healthy life. They are not so much with cash donation as they can't measure the impact it makes.

Based on the diamond triangle concept, where the company, government, and community are partners, Coca Cola partners with the government in all of its sustainability efforts for the best implementation of these efforts. They hold meetings to brainstorm and decide what programs are most needed, this is mostly aligned with the government 2030 vision and its sustainable development goals. Sometimes, Coca Cola faces a challenge in implementing its CSR initiatives, in some cases the community step back and show an unwillingness to receive or engage in programs, so the company exerts some efforts to obtain community acceptance. The type of contribution that Coca Cola does is a blend of different kinds, according to the type of the initiative itself. The company could mix more than one type of contribution, cash, time of employees, and in-kind all together. The current COVID 19 crisis, the company matches employees' donation, donate cash, and in-kind to help the government's efforts to overcome such crisis.

Danone sees some challenges that sometimes face them, a political challenge that may occur when the company implements its CSR initiatives, they believe that such challenge depends on the country, the political atmosphere, and the timing. The company plans to make pulsing for

the atmosphere and obtains the correct statistics, normally government agencies or the public sector are the bodies that do surveys and research that needs to be tested and validated.

When Danone steps in to carry out research, they do it with a certified and approved agency that obtains all the official approvals to practice such activity. The company also resort to the government statistics and other official international bodies like the United Nations through its agencies like UNICEF. They also face economic challenges related to timing as well, in the time of COVID-19 a lot of sustainability initiatives are on hold while other initiatives become more important like supporting the company's ecosystem. In this crisis it's time to support farmers as this is the most relevant to help overcome the current societal and economic challenges, so they are very selective with regards to the initiative itself and the timing. Danone also faces social challenges especially when it's about awareness or nutrition campaigns, they believe that selecting the right partner and the right timing could help in overcoming such challenges. Danone also adopts a blended type of contribution, Cash, time, and in-kind. They prefer time and the in-kind, sometimes they donate cash or work with governmental bodies, but here they partner with a credible NGO with strict and clear guidelines for the correct execution and monitoring.

Proposition 4: MNCs partner with media to benefit from its power in enhancing their brand acceptance in emerging markets.

Proposition 4a: *Media's influence can affect brand acceptance in the local community.*

Cemex usually deals with paid media as media is not so much interested in promoting and encouraging CSR concept unless it is in line with the vision of the country or it's a paid advertisement. In Danone, they believe that media have a strong role to promote the sustainable initiatives they do, for them, through media they can inspire other companies to implement sustainability initiatives that come as a response to the community needs. Nestlé also partners

with media to promote the project and make effective awareness campaigns and direct the attention of the public through different media platforms including social media. The outcome they gain from such partnerships is a better sustainability level and a strong impact on the project.

Proposition 4b: *The two-way communication of Corporate Social Responsibility (CSR) in media initiatives improves brand acceptance in the marketplace.*

Danone makes sure that their employees are well-informed with their sustainability efforts, based on the company's vision, one planet, when it's about what impacts the environment, one health when it's about what impacts people's health. They always communicate with employees through different channels of communication to show them how their sustainability initiatives are related to their vision, avoid harming the environment, benefit the community, and company's core business, so the dual purpose is achieved. They also have collaborated with the United Nations in an online course, who completes it to get a diploma about the one planet-one health vision. This helps employees to shift their mindset towards the most sustainable way of producing food and how it's a necessity not a luxury.

Proposition 4c: *Corporate social responsibility (CSR) programs as an integral part of MNC's public relations strategies in the media will positively affect their brand acceptance.*

Unilever makes sure that all employees are aware of the social responsibility activities carried out through different mechanisms, they issue a monthly newsletter to inform employees with all initiatives, they also have a yearly report where it's shared with employees and discussed by the regional leadership. Coca Cola depends on many tools to communicate its social responsibility

efforts especially to employees, the regularly hold sessions and use the company's intranet to inform them of all the efforts they carry in communities.

Proposition 4d: *The media could have a positive impact on the MNC's brand acceptance in the workplace in emerging markets.*

Cemex corporation makes sure that its employees are so much aware of their CSR activities, mostly after the fact, their communication in this regard is strong. Whenever they do any CSR activities, they share with employees, they show documentaries about it on the screens and they make sure that all information reaches employees as it creates a sense of pride and belonging for them. Whenever there is a volunteering initiative, the company recognizes any employees contributed with his/her time or effort. Nestlé Makes sure their employees are informed through different channels of communication, they have their intranet and digital platform, the right communication of such sustainability activity brings a lot of trust and loyalty to employees.

PepsiCo communicates all of its social responsibility efforts to employees in many ways, they have Yammer, emails, and other internal comms that serve in informing their employees. Employees usually have a sense of pride when they know what the company is doing, they share the news about their PepsiCo's contribution to COVID-19. These efforts result in good relations with the government that accordingly affect brand acceptance positively. PepsiCo all the time makes sure that its sustainability investments result in internal and external acceptance to the brand.

CHAPTER 6: Conclusion, Discussion, Limitations, Managerial implication and Future Directions

6.1: Conclusion

After a detailed study to explore the effects of MNCs' CSR practices in emerging market, Egypt in our case, the study has included companies working in different businesses and specializations to examine their type of engagement. The different stakeholders they engage with, and the effects of this engagement on MNCs' brand in these markets. The study has found that when MNCs engage in specific practices with several stakeholders (government, local NGOs, private sector, and media), this proved to have a positive impact on their brand acceptance. Such acceptance was reflected in four main areas that we have studied;

-In the workplace, all respondents confirmed that when their companies communicated their CSR initiatives to employees, this has resulted in a higher sense of pride, more loyalty, higher retention rates, and became an employer of choice. A company brand as employer is a part of the company's brand, so companies gain brand acceptance. This is a main goal of the CSR, improving an organization's dynamics. All respondent MNC's confirmed that their labour force became more motivated to excel in the workplace knowing that their company is contributing to the community. Employer brand is a solid part of the company's brand, this help attract and retain distinguished talents.

-In the marketplace, as CSR nurtures goodwill, trust and a good reputation, MNCs' brand and good name are one of their most valuable assets. CSR programs go a long way towards achieving that. This study showed that consumers are more likely to purchase goods and services from a companies that are socially responsible than not. all respondents highlighted that their customers have showed respect and became more interested in MNCs brand doing CSR initiatives. Unilever confirmed that their sales are enhanced by the sustainability initiatives they adopted in the surrounding community. This has noticeably improved their companies' profit margins. They have been able to demonstrate that customer loyalty and brand acceptance go hand in hand with concern over issues that resonate with communities. Some customers are even willing to pay more for products sold by such companies as in the case of P & G and Unilever, they have reported more sales and revenues due to their CSR initiatives as they link them to their core business.

-At the supply chain side, the supply chains of the study's respondents showed respect and loyalty to their respective brand as they felt how they are fairly treated and paid. All respondents have shown great interest in their supply chains and assured their development, welfare, living standards and training. Such interest has paid back to the companies' brand acceptance, so they receive a high quality and on time services and raw material that the respondent companies need for their operations. More importantly, those suppliers act as ambassadors and spread a good word of mouth on the companies.

-In the community, all respondent companies' ultimate goal was to get the SLO and appear as a good corporate citizen. The different initiatives they conducted have helped to improve their brand awareness and acceptance in these communities. Through these initiatives, they have reached remote areas that they couldn't reach before to engage and

interact with those communities. Such engagement has helped them increase their sales at new areas raising their market share. This has addressed One of the main goals of CSR “improving their companies’ public image, moreover they have created a positive perception by the public of their companies as an important theme for brand acceptance. The respondent MNCs are not only Delivering good value for money and high-quality products and services but they have Demonstrated their good work by engaging with different community stakeholders that have resulted in promoting their brand acceptance. As CSR supports communities in solving social problems, this is based on the premise that companies and individuals share in solving local problems, all respondent MNCs have succeeded to do so.

The study has also found out that the impact of each type of engagement on their brand varies from a company to another, in some companies the impact on the brand was solid and tangible like the case of Danone. in other cases the impact lied in the morality of their engagement, as in the case of Cemex. It was also obvious in the study that most of the companies have linked their CSR efforts to their core business. Danone, Coca Cola, Nestle, PepsiCo, and Unilever have different practices that have showed how they make such linkage which consequently generated high profits and sales for them as well as spread word of mouth about their brand. The study has also revealed that all companies have aimed to reach a common shared value where their social investments have an added value to the different stakeholders they engage with. The study has also spotted that all companies included have adopted a more advanced concept of CSR, sustainability is the new term, this guarantees more effective results for the social responsibility allocations.

At the government side, all MNCs included in the study have strong collaborations with governments in the host countries, they put such collaboration as a top priority, it constitutes how they engage and with whom, this also has guaranteed the effective implementation of the CSR initiatives and help avoid partnering with unfavorable or questionable stakeholders which may harm their brand. MNCs cooperate with ministries, official agencies, and reliable research centers to have the right information and statistics to make their intervention plans and to know which areas are the best to direct their engagement efforts to.

This acceptance is reflected in the shape of governmental support to the MNCs' business case, as the case of Nestle of the Healthy Kid initiative, the government has adopted and made it a nationwide initiative, fair legislation, and granting easy access to do their engagement with ease.

On the NGOs' side, the study has revealed that they have facilitated the mission of these MNCs and helped them reach areas that they can't reach because they are either remote or have specific cultural traits. The study has shown that the private sector also showed interest in MNCs' brand acceptance after they have examined their CSR efforts on the ground and how they add value to the communities and the host countries' development. The study has also shown that MNCs have rigid criteria that should be applied before they step in to engage with any NGO in host countries, in some cases, PepsiCo, they preferred to partner with NGOs that have headquarters in the parent country, they then cooperate with their subsidiaries in the host countries. When MNCs collaborate with NGOs, they look for a substantial requirement, they must be having a good track record, share the same ideas and ambition of the MNCs

and have no religious or political affiliation, this was a basic requirement from all MNCs. NGOs of this category have shown interest to work with MNCs and helped a lot to promote their image and brand where they have significant operations.

Media play a significant role to promote the MNCs' efforts, it could impact different stakeholders that a company targets (employees, shareholders, supply chains, and community) to help inform them with the different CSR activities it carries. The study has shown that MNCs included showed no enthusiasm to collaborate with media, only one case, Nestle, was interest in a media partnership. Most of the studied MNCs didn't have active engagement with media, they have rarely shown interest to have such engagement to show their CSR efforts. Some of them engaged with media through PR agents in particular cases or through paid advertisements.

All MNCs included in the study have considered their employees as their most valuable assets, they do their utmost to provide them with good salaries and benefits, provide their employees with a well-equipped healthy workplace to help them stay healthy and work actively. They also support the employees' development, learning, and training to excel in what they are doing and progress in their careers. MNCs have also shown great interest in the livelihood conditions of the employees' families to guarantee that they live a good life. Doing so makes those employees act as the best ambassadors to the company, their pride and loyalty levels are considered very high, and positively perceive their brand.

In the market place, the study has revealed that MNCs engaging in CSR practices are perceived positively in the marketplace, their image and brand proved to be well-perceived among consumers and customers. The link between the CSP-CFP was examined and proved to be a positive one, throughout the different CSR practices carried out by MNCs, the profitability and sales of these companies sometimes went high. They have used their CSR and sustainability practices to enhance their sales and reach areas that they couldn't reach before. Knowing that MNCs' CSR help in enhancing their image vis a vis investor, currently, investors consider CSR as a main criterion when selecting which companies to invest in, On the moral side, the consumers and customers have shown great interest in socially responsible brands.

The study has also shown that all MNCs have considered their respective supply chains, vendors, and service providers as very important assets, they, all the time, have engaged with them to assure they are having fair prices for their goods and services and that the pattern of their livelihood is so much enhanced. Doing so, has helped MNCs to receive on-time and high-quality services and products for their operations. Community, the study has also indicated that the CSR practices of MNCs have positively enhanced and impacted MNCs' brand in host countries. Local communities in emerging markets have lots of needs and grievances that can't be fulfilled with government efforts only, the role of MNCs can't replace the government's, it's almost complementary but has been proved to be critically needed. Through the different CSR initiatives conducted by MNCs in the study, communities' livelihood has been so

much enhanced, jobs have been created, productivity has been increased. Examples for this are,

- Danone's milk collection centers, where they provide training to farmers on how to feed their cows and take care of their health, have increased milk production and the income of those farmers and consequently, their livelihood has been developed and the company has assured a high-quality milk needed for operations.
- Coca Cola's training to the sugar cane farmers, this has also increased their productivity and income and provided the company with high-quality products.
- PepsiCo's efforts with the farmers providing them with their high quality raw agricultural materials.
- Unilever's initiative to promote hygiene practices through their products and the Safir&Zeinab initiative that help create jobs for the underprivileged segments of the community.
- Nestle's initiative to support kid nutrition through its initiative Healthy Kid that reached 700000 kids.
- P&G initiative to efforts in schools to raise health and hygiene awareness among school girls.
- Cemex's initiative to donate their product to help in building hospitals.

In addition to all of their efforts, the study has revealed that MNCs have donated to the government to combat the negative consequences of COVID-19 as a disaster relief effort. This has shown how important is the role of MNCs and how it has made a difference in the lives of communities and the host countries' economies. Such efforts, although they differ, they have helped MNCs' brand in emerging markets to be

perceived positively among different stakeholders and community in particular that has granted them the SLO.

6.2 Discussion

The framework has studied those MNCs operating in emerging markets through in-depth interviews with managers and frontline leaders who participate and develop joint ventures in emerging markets and who are required to deal with differences in CSR attitudes. These personal interviews have provided detailed descriptions of their understanding of CSR and how their corporations' CSR practices have helped in their brand acceptance in emerging markets.

In this study, we have examined the experiences of CSR practices from stakeholder perspectives. We have focused on MNCs' perspective that are operating in emerging markets, Egypt, because they provide a rich framework in which to extend the organizational legitimacy theory and to further contextualize the globalization of firms for theory development. We have explored social and organizational levels of conceptual factors driving CSR behaviour of MNCs operating in emerging markets and have developed propositions on the extent to which social and organizational factors impact MNCs' brand in adopting local CSR practices to gain SLO and legitimacy.

The main theme of our argument is that social and organizational level variables regulate if MNCs will adapt to local CSR practices in emerging markets or not. Specifically, we predict that in most cases MNCs will be likely to adapt to local practices to legitimize and promote their brand acceptance when they operate in host countries that have different institutional environments from their own in the parent country and when they have demanding stakeholders. We also argue that MNCs will

be likely to adapt to local practices to avoid transmitted effects if their companies suffer major legitimacy problems at home or abroad. We also think that MNCs will be less likely to adapt to local practices in case they continuously depend on their headquarter for essential resources and the benefit to acquire internal legitimacy at the expense of external legitimacy

This study represents an important step in addressing CSR issues in MNCs' host countries. We believe the CSR issue intersects with other organizational issues that affect the process and outcomes of MNCs' strategy. Given the potential impact of any CSR-related mistake when addressing CSR issues at the early stage of MNCs is critical. In the study, we have also tried to figure out the role of CSR in the era globalization and how to reveal all complexities (legislative, social, and organizational) and contingencies, that may put obstacles for the implication of CSR on the strategic positioning and performance of MNCs in emerging markets and around the world. We have also tried to explore to how extent MNCs' CSR activities are related or unrelated to their core businesses and how this has promoted the CSP-CFP link.

At the organizational level, the study has shown that a single MNC may have different CSR attitudes and behaviour in different host countries. They tend to localize their CSR initiatives to adopt the real needs and grievances of the communities where they operate as in Nestle's and Danone's case. Although the companies are mostly connected to the corporate social responsibility investment policy, but community real needs and on the ground demands have urged these MNCs in emerging markets to adopt them, this makes their engagement pattern more effective and legitimate. The

study has also found that MNCs' internal resources influence and direct their CSR behavior, in some case, MNCs tend to resort to their parent company's behavior as in PepsiCo and Unilever's case with some exceptions during times of crisis like what they did in COVID-19 case where all MNCs included in the study have significantly donated to the relief efforts exerted by the government.

The MNCs investigated in emerging markets strategize their CSR differently, in some cases they seek only seek community trust and respect as in Cemex case, others link their CSR efforts directly to their core business as showed in Nestle, PepsiCo, Danone, Coca-Cola and Unilever's cases. These MNCs adopt a dual-purpose strategy, they provide community members with good opportunities like being in their supply chains as in El Omda and milk collection centers initiative in Danone's case and Safir & Zeinab in Unilever's case, in the meantime the company benefit from such initiatives to distribute their products in remote areas that they can't be reached by their regular distributors.

Other MNCs like Coca Cola and PepsiCo train the farmers who provide them with the products they need for their operation, this training benefits those farmers to know the best practices to raise their productivity and inco

me, in the meantime, these companies assure healthy and high-quality products for their operations.

In some case, Unilever, Nestle, and P&G, they have mobilized their expertise and utilized it as part of their CSR activities as part of their vision and strategy. They believe that it's a best practice to serve the business case of CSR.

6.3: Limitations of The Research

Qualitative research has its limitations which include many characteristics. Qualitative research is not concerned with numerical, but with the deepening of understanding a given problem. In qualitative research, the researcher is both the subject and the object of his research. The objective of the qualitative methodology is to produce in-depth and illustrative information to understand the various dimensions of the problem under analysis. (André, Daniel & Fernand. 2017). The results obtained in a qualitative study can't be generalized.

6.4: Managerial Implications

The findings of the study have revealed a lot of good practices that could be adopted by other companies, such practices had a significant impact on MNCs' brand acceptance in emerging markets. Sharing those practices could be beneficial for other MNCs who are following different types of engagement with regards to their CSR programs. Such findings for managers to consider include:

- Continuous communications of CSR practices with an MNC's employees could have a significant impact on them, in many cases in the propositions' findings, productivity was increased, sense of pride and loyalty were fortified. A solidly united workplace is a privilege for any company.
- The study has also revealed that a company's supply chains are so important, collaborating with them could affect the company's brand. Fair prices and timely payments to services providers and supply chains assures sufficient high-quality products needed for MNCs operations.

- The study also revealed that the market interacts positively with MNCs conducting CSR programs where they operate, such interaction came in the shape of higher sales and moral respect to the brand.
- The local community, local communities around the MNCs' locations are so important for the success of their operations. The impact on MNCs' brand is tremendous when it comes to community engagement. Specific CSR practices examined in the study proved to be critical for MNCs' brand acceptance in the community, the local community grants the SLO.
- Engaging with local NGOs has proved to be a successful tool for MNCs in host countries, as revealed in the study, MNCs made the best use of those NGOs' outreach to enter remote areas and slums to conduct a successful CSR engagement that takes into consideration communities needs and grievances. In the meantime, managers should be very careful when they pick an NGO to partner with, any NGO should have a good track record in similar initiatives, adopts the same ambition and view of the company, and is not engaged in any political or religious affiliations.
- Governments in host countries, the study has shown that it's a must for any MNC operating in emerging markets to have a successful pattern of engagement with the governments in these countries. Such successful relations have guaranteed smooth and successful operations for MNCs.
- The study has also shown that the role of media in communicating MNCs' efforts is not that important, but it's a case by case issue, some companies engaged with media through paid advertisements or PR agents, others didn't engage at all, the role of media stays impactful.

- The study has revealed that any company should adopt sustainability initiatives, this has guaranteed a good Return of Investment (ROI) for the allocations spent in social responsibility initiatives.
- In many cases in the study, linking the CSR practices to MNCs' core business, where possible, has resulted in good financial returns to companies confirming the CSP-CFP link.

6.5: Future Directions

We hope that this research has got the researchers' attention to investigate how collaboration with specific stakeholders in emerging markets could influence CSR actions conducted by MNCs, and perhaps consider the question of how CSR actions by MNCs can influence their brand acceptance in these markets. We hope the study will consider ideas for future theoretical development and empirical testing on CSR practices by MNCs and the results of the co-evolutionary process for implementing CSR strategy. Future studies could also dig deep into some unanswered questions for strategy development among MNCs and seek a better understanding of the dynamics of the institutional environment in emerging markets. And investigate whether or not MNCs' CSR practices in an emerging market may differ from those in developed countries.

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CHAPTER 8: APPENDCIES

8.1. Appendix (A): Table of Acronyms

CAP	Community Advisory Panel
SLO	Social License to Operate
NGO	Non-Governmental Organization

8.2 Appendix (B) Interviews questions

Concept CSR Actions

1. How does the company conceptualize their responsibility towards the following areas?
 - a. the workplace
 - b. the marketplace
 - c. the supply chains
 - d. the community
2. Does the company's code of conduct articulate this responsibility towards 1) the workplace 2) the marketplace 3) supply chain and 4) the community? If yes, how?

Management of CSR

1. What are the company's criteria for choosing a potential initiative?
2. To what extent are your CSR initiatives related or unrelated to the company's core business (brands, products, management skills, etc.)

Partnerships

1. Does the company partner with other stakeholders (civil society organizations/private sector/government/media) to implement CSR initiatives?
2. What are the criteria according to which the company selects partners? What does a company gain from partnering with specific stakeholders?

Enabling Environment

1. How does each of the following stakeholders help promote and encourage the implementation of your CSR concept?
 - a. the public sector
 - b. civil society organizations
 - c. private companies
 - d. Media
2. Are there any environmental (political, economic, or social) challenges that faces the company in implementing CSR initiatives contributing to the country's development? If yes, please identify them and discuss how you overcome each challenge?

Level of Engagement

1. What is your company's type of contribution (cash, time, or in-kind) to the implementation of their CSR initiatives? Why do you prefer this type of contribution?
2. On a company level, how aware are employees of CSR? Is there any educational or other formal training on CSR available for all company employees?

Impact of CSR

1. How should your concept of CSR affect your brand acceptance for each of the following stakeholders?
 - a. Workplace
 - b. Marketplace
 - c. Supply chain
 - d. Community

8.3 Appendix C: New enacted NGOs law



NGO Law.pdf

8.4 Appendix D: Egyptian New investment law



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