

Social media communication of local and international CSR initiatives concerning customer education and engagement of German discount supermarket chains in Europe

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Abstract:

Retailers' role in preventing overconsumption and food waste is controversial because, in addition to product promotion, they should educate and engage their customers in these topics as a focus of their CSR communication activities. The social media content of German food-retailers Aldi (Süd) and Lidl have been examined in Austria, Germany, Hungary, and the United Kingdom to understand the role of local and international initiatives. As a result of the content analysis conducted in social media channels Facebook, Instagram and YouTube, the conclusion can be drawn that the German headquarters have started some international initiatives to decrease their carbon-footsteps, reduce food waste, use less and more recycled packaging, and offer more sustainable and local alternatives. The subsidiaries share information about them, although the accents of CSR-related content in the three selected markets are local, focusing more on awareness-raising and customer education than engagement.

Keywords: Corporate Social Responsibility, retail, social media

Track: Social Responsibility & Ethics

1. Introduction

As a result of the growing number of corporate scandals and environmental catastrophes, customers have become increasingly distrustful towards companies. The alignment of beliefs and values between companies and customers becomes more important – 80% of consumers prefer buying from brands with similar values (KPMG, 2021). On the other hand, the dynamic spread of the internet and social media enabled stakeholders not only to get informed corporate best and worst practices but also turned them into active senders of information (Capriotti, 2017). They can not only give feedback to companies, but they can also exchange information with their fellow customers. How do companies use the advantages of social media to not only reach their customers and inform them about Corporate Social Responsibility initiatives but also to engage them?

This paper is organized as follows. In the first section, the main characteristics of the retail sector will be reviewed from a CSR point-of-view, as well as the relevance and main challenges of CSR communication in social media. The second and third sections will summarise the method and the main results of the social media content analysis. The main aim of the research was to analyse the CSR communication of the two discount retailers in four different countries (Austria, Germany, Hungary, United Kingdom) to identify the main topics highlighted by the companies and the main techniques used to raise customers’ awareness for environmental, social, and economic issues.

2. Background

2.1 CSR in the retail industry

Retailers’ role is crucial in CSR as through the range of products offered and information shared about them, they can change customers’ preferences, as well as motivate and support them in switching to a more sustainable lifestyle. Customers increasingly consider soft factors like environmental-friendliness, sustainability, and social aspects. They expect retail companies to inform them about environmental and social aspects of their value creation processes. Strategic decisions of the sector as gatekeepers regarding product change and quality standards can significantly influence shopping behaviour (Knoppe, 2015). Table 1 summarises the main fields of CSR activities in the retail sector.

Field	Main areas
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Environment & Product Sustainability	<ul style="list-style-type: none"> • Sustainable product range • Presentation and marketing of sustainable products • Responsible use of the environment and resources • Product safety
Ethical & Local Sourcing	<ul style="list-style-type: none"> • Environmental and social standards in the supply chain • Human rights, fair remuneration, safety at work
Gender & Diversity	<ul style="list-style-type: none"> • Treatment of employees • Equality at the workplace
Community Support	<ul style="list-style-type: none"> • Transparent communication of value creation • Customer information about sustainability • Community engagement

Table 1. Main fields of CSR in retail (Knoppe, 2015, p. 17)

In the era of increasing customer expectation, retail companies should consider CSR as an investment and value proposition opportunity because social, environmental, and economic initiatives can maintain their customers' trust, goodwill and increase profit (Sughra, 2021). For example, private label products with CSR claims (local, bio or fairtrade labels) can help companies differentiate themselves from their competitors (Monteiro & Hooker, 2017).

According to a recent EuroBarometer report (European Commission, 2020), nutritious and healthy food, high animal welfare standards, and local or short supply chains are the most relevant characteristics of sustainable food in Austria and Germany. In Hungary, customers considered predominantly nutritious and healthy food as sustainable. Customers in the three countries agreed about requiring more healthy and sustainable food options at the shops, more affordable healthy and sustainable products, and clear information on food labelling.

2.2 CSR communication in social media

Companies need to engage with their audiences to gain moral legitimacy and meet customers' expectations (Colleoni, 2013, Inauen & Schoeneborn, 2014). There were 4.55 billion active social media users in October 2021 (Datareportal, 2021), which converts social media into an ideal communication platform for corporate CSR communication purposes. According to research conducted by IBM (IBM, 2017), companies can successfully use social media for promoting their CSR activities which can improve company reputation and brand image. Communication about CSR can increase stakeholder awareness, enhance the reputation, and facilitate identification with the company. However, companies need to find the right balance in CSR communication, as customers react negatively to talking too much about CSR (Coombs & Holladay, 2015).

Indeed, companies need to do more than only share information or listen to their stakeholders. They should engage their stakeholders and start dialogues about CSR. According to previous research (Ali et al., 2015), 80% of participating customers expect companies to engage with them via social media to solve social and environmental problems. Companies focus more on broadcasting CSR-related information, using social media as a traditional channel, instead of exploiting its potential for engaging or building relationships with stakeholders (Gomez, 2021).

3. Method

Information shared in corporate social media channels of the two brands in the selected four countries (Austria, Germany, Hungary, and United Kingdom) in three languages (German, Hungarian, and English) have been analysed between 1 January 2021 and 30 November 2021. The three most popular social media platforms (Datareportal, 2021), Facebook, Instagram, and YouTube, have been selected. Only CSR-related social media posts were included in the analysis. These posts have been processed and coded by categories in Excel. Local and international initiatives were examined to understand the differences between local and international CSR programs.

4. Results

4.1 Main social media channels

In the case of the eight analysed companies, the main social media channel used for CSR-related communication was *Facebook*. As this is the world's most used social platform with nearly 3 billion users (Datareportal, 2021), this seems a logical choice. In the four examined countries, companies have a significant number of followers, shown in Table Nr. 2. Aldi Austria (Hofer) shared most Facebook posts related to CSR during the analysed 11 months, while Lidl in the United Kingdom was the least active.

Instagram is being used systematically only by Aldi and Lidl in Germany and Austria for sharing information about CSR, while in the United Kingdom Aldi only posts about food inspirations. Instagram has been considered only a secondary communication channel, where companies reused and reshared content created to Facebook (photos) and YouTube (short videos).

YouTube had a strategic role in CSR communication only at Aldi Süd (Germany). YouTube videos were mainly used for customer education as informative videos about bio

and social labelling, local sourcing, corporate sustainability programs in plain language, answering customer questions (12 expert interviews), and sharing recipes of vegan foods (11 cooking videos). While Lidl Germany has published a similar number of videos, 24 out of 29 videos are cooking videos with vegan recipes, the remaining five videos focus more on promotion and raising awareness for sustainable food and non-food products.

Aldi has already recognized the potential of *TikTok* in reaching younger generations with CSR messages. The first experiments were carried out in Germany (vegan products, Green Brand award), Hungary (collecting used cooking oil, plastic-free July, local meat supply) and Austria (vegan products).

Both companies in the United Kingdom share CSR-related information on *Twitter*, this is the reason for the relatively low social media activity.

Company	Number of followers (1 December 2021)			Number of CSR-related posts (1 January – 30 November 2021)		
	Facebook	Instagram	Youtube	Facebook	Instagram	Youtube
Aldi Hungary	458 101	65 600	4 350	30	4	5
Aldi Germany (Süd)	1 154 751	443 000	26 400	40	29	31
Aldi Austria (Hofer)	704 379	161 000	22 400	106	8	2
Aldi United Kingdom	2 079 040	702 000	27 200	50	0	0
Lidl Hungary	1 000 410	138 000	59 500	70	14	3
Lidl Germany	2 689 323	641 000	83 400	52	37	29
Lidl Austria	692 872	102 000	9 180	68	32	7
Lidl United Kingdom	1 775 280	303 000	16 600	15	7	2

Table 2. Number of social media followers and CSR-related posts¹

3.1 Main CSR-projects of Aldi and Lidl in Germany

Environment and product sustainability: Both companies have intensively posted about their sustainable products (local, bio, recycled and fairtrade options). They have announced the awards received for their sustainable product range, as well. However, Lidl has promoted more sustainable products in the non-food product category, for example, reusable coffee capsules, water-saving showers, textiles from sustainable sources, and recycled plastic products. Lidl has only shared one post about its sustainable operations (switching to more environmentally friendly, recyclable receipts in its stores). Aldi has introduced its climate

¹ Source: Social media accounts of analysed companies

change strategy, producing green energy from solar panels on the roof of shops and logistics centres, and painting firewalls with air-freshening paint in four big German cities.

Aldi has placed great emphasis on *ethical and local sourcing* of its products. The company shared lots of information about its objectives with its followers on social media in 2021. As part of its animal welfare initiative “Haltungswechsel” (“Change of posture”, Aldi has not only announced its step-by-step strategy to offer egg and meat only from sustainable sources by 2030, but the company also abandons the usual strategy of killing little cocks due to economic reasons. The fifteen fruits and vegetables with the highest water demand have been identified – by the middle of 2022 – these products will be sourced only from farms with sustainable water management.

Unfortunately, *gender and diversity* were not a priority to the two companies. In turn, *community support* had great coverage at Aldi and Lidl. Both companies created a series of videos about vegan cooking to raise awareness of this emerging trend with a significantly lower carbon footprint. Customer education is another focus of the CSR communication strategy at Aldi: the informative and easy to understand videos have been published about bio and social labelling, local sourcing, corporate sustainability programs on all three social media channels. The company has also introduced a nutritional information scoring system (Nutri-Score) in the packaging of its private label products to support its customers in finding healthy options. When introducing its fairtrade chocolate product, Aldi has explained the meaning and importance of fairtrade to its followers. To avoid food waste, Aldi has supported its customers in shopping with a sustainability aspect in mind and keeping food fresh at their homes. Two quiz-based sweepstakes have been announced around bioproducts and selective waste collection to increase customer engagement. Lidl has announced publishing its CSR report and information about its charity activities, but without engaging its followers.

Out of the two German companies, Aldi implemented a more interactive and engaging CSR communication, with a significantly greater emphasis on educating its customers on social media. Table Nr. 3 summarises the main CSR projects of Aldi and Lidl in Germany, following the categories created by Knoppe (Knoppe, 2015).

Field	Aldi projects	Lidl projects
Environment & Product Sustainability	<ul style="list-style-type: none"> • Marketing of sustainable (local, bio) food products • Awards for sustainable products • Sustainable operations 	<ul style="list-style-type: none"> • Marketing of sustainable food products • Marketing of more sustainable non-food products • Awards for sustainable products

		<ul style="list-style-type: none"> • Sustainable operations
Ethical & Local Sourcing	<ul style="list-style-type: none"> • Animal welfare standard • Water management initiative • Fairtrade chocolate 	<ul style="list-style-type: none"> • Local and bio food • Green Button sustainable textile • Fairtrade chocolate • Climate-neutral products
Community Support	<ul style="list-style-type: none"> • Customer education videos • Gamified customer education • Nutrition information • Charity (community garden) • Vegan cooking videos 	<ul style="list-style-type: none"> • Announcing CSR report • Charity (Donating money, food) • Vegan cooking video and podcast series

Table 3. Main CSR-projects of Aldi and Lidl

3.3 Local differences of CSR communication at Aldi

Aldi places great emphasis on local products in *Austria*. During the period under review, 29 local producers and their products have been introduced on the Facebook page of Hofer. Hofer launched its bioproduct range under the brand name “Zurück zum Ursprung” (Back to the origins). The company started several Cause Related Marketing campaigns with its local NGO partners. Out of the CSR initiatives started by Aldi in Germany, seven programs have been announced in Austria: more sustainable packaging strategy, decreasing sugar and salt in private label food products, sourcing water-intensive products from farms with sustainable water management, 100% of fresh meat and meat products are sourced locally, fairtrade chocolate brand, food waste management, and raising awareness for Veganuary. Besides raising awareness for environmental and economic issues, Hofer also strives to educate its customers, but the style of its CSR communication is rather informative than engaging.

Aldi focused on offering locally sourced meat and meat products in its CSR communication in *Hungary*. Besides this, some elements of the international CSR strategy have been introduced, like the reduce packaging and making them more recyclable, fairtrade chocolate brand. As a customer education element, the company has started two quiz-based sweepstakes on Facebook about selective waste collection and fairtrade labelling. Aldi participated in two CRM (Cause-Related Marketing) campaigns and a food waste management co-operation in Hungary.

In the *United Kingdom*, the focus of Aldi was charity by donating food, money or starting CRM programs for customers’ support. Out of 50, this was true for 27 Facebook posts. Aldi supports local initiatives, concentrating mainly on children by donating food and money. During this Spring, six colleagues have been awarded by the company for becoming local heroes in their communities and supporting people in need during the lockdown. Besides

informing followers about social activities, the company featured several initiatives of its parent company in Germany like the commitment to local suppliers, reducing the use of plastic and the amount of food waste, promoting the fairtrade chocolate brand, and using recyclable packaging at private label products. Various elements of the local CSR strategy have also been introduced: the CO₂-emission and mental health awareness programs and the participation at the Clean Oceans Project. The main aim of CSR communication is mainly to inform customers about goals and achievements.

Several interactive elements of the CSR communication of Aldi Germany have not yet been implemented in any of the three countries, for example, the customer education videos about different fields of CSR, the animal welfare initiative, or the vegan cooking videos.

3.3 Local differences of CSR communication at Lidl

Lidl communicated very actively about its CSR activities in *Austria*, has also introduced its bio and climate-neutral private label “Ein gutes Stück Heimat” (“A good piece of home”). The focus of the CSR communication in 2021 was to decrease the amount of food waste. The company has tried to sell food at a lower price before the expiry date by “Rette-mich-Box” (“Save me box”) or to donate it to social organisations. This strategic goal has been supported by a customer education campaign on social media. Local campaigns have been started to develop animal welfare standards, make the operations more sustainable by producing green energy, workplace equality, and decrease the ecological footprint of imported fruits and vegetables by avoiding air transport.

Food waste has been covered by the Facebook page in *Hungary*, too. Besides this topic, several online games have been in the focus of CSR communication. Customers could collect donations to food shelters by playing with the online game or test their knowledge about healthy nutrition, fairtrade labelling, selective waste collection, and food waste.

In the case of the *United Kingdom*, 8 out of 15 Facebook posts referred to CRM campaigns, donations, and other charity initiatives. The company has started its environmental campaign. Lidl supported the “Plant-for-the-Planet’s” program and committed to plant a tree for each private label T-shirt sold.

Compared to the German headquarters, the companies in Austria and Hungary placed greater emphasis on CSR communication and engaging with their customers in social media.

4. Conclusion

One of the main conclusions of the research is that the analysed companies are still focusing on the traditional one-way, one-to-many type of communication to disclose relevant information instead of a more symmetrical, two-way communication, which confirms previous findings of the lack of engagement (Capriotti, 2017, Gomez, 2021).

The two German retailers cannot yet really take advantage of social media channels and have not started a conversation about CSR or engaged their customers. Besides informing them and raising awareness for several projects, they rarely educate or motivate the customers to implement a more sustainable lifestyle.

User-Generated Content (UGC) is a popular tool for increasing customer engagement among companies. Dunn and Harness (Dunn & Harness, 2018) suggested using it in CSR communication to prevent or decrease customer scepticism. Another alternative is to introduce a gamified approach, as described by Coombs and Holladay (Coombs & Holladay, 2015). The analysed companies have already started entertaining quiz-based sweepstakes around CSR topics.

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