

Brands and CSR Survey Report

by the

**2019 PRESIDENTIAL
TASK FORCE**



International
Trademark
Association

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Brands and CSR Survey Report

Presidential Task Force

In light of the current global challenges and changing economic landscape, the 2019 Presidential Task Force was dedicated to the topic “Brands for a Better Society.” One primary objective of the Task Force was to research the significance of the topic for INTA and its Strategic Plan to guide it in the development of action items for the Association, done through both a survey of Association members and third-party research. This summary reports on the results of the research conducted, which forms the basis for the actionable results the Presidential Task Force developed during its term.

Corporate Social Responsibility Survey

Analysis of Results

In early 2019, the Brands for a Better Society Presidential Task Force conducted a survey to better understand the existence, nature and importance of INTA members' policies and activities related to corporate social responsibility ("CSR"). The survey, opened to INTA's general membership, explored the existence and prevalence of such policies in various organizations, including corporations, small to medium enterprises ("SMEs"), law firms, service firms and nonprofits, as well as through all relevant geographic regions. The response rate of 227 respondents was among the best for INTA surveys, which indicates that the topic is of significant interest to our members.

The following conclusions, outlined in more detail below, have been drawn from the survey:

- 1** While CSR policies and/or activities are prevalent among INTA members through all geographic regions, many brands have yet to implement policies and otherwise engage in CSR activities (Section II.A)

- 2** CSR policies are often (but not always) disclosed publicly in mission statements, marketing materials or other public facing fora (Section II.B)

- 3** CSR activities take many shapes and forms, and support a wide breadth of initiatives, including through the provision of pro bono services (Section II.C-D)

- 4** CSR policies and/or activities impact business and branding strategy decisions for some companies but not for other companies (Section II.E)

- 5** Members largely view CSR as a social obligation that benefits brands economically and otherwise, but not all brands fully understand and/or have taken advantage of these benefits

At a high level, these results demonstrate that commitment to CSR initiatives is generally high among INTA members. Brands are increasingly recognized for their position on global issues, their commitment to supporting positive change, and their creativity in mobilizing and inspiring their customers. As both the survey results and third party sources show, these acts—when made public—are believed to be a factor in the determination of brand value and brand loyalty. (See Section III, below, for an explanation of some of the third-party studies and literature touting CSR's impact on brand value and loyalty.) While some INTA members are already in tuned-in to these issues, there is a lag among members when it comes to recognizing the benefit of implementing a CSR program and making it public and/or fully capturing the benefits that such programs can bring. More work should be done to educate brands about the benefits of CSR and how to effectively leverage these benefits into increased brand value and loyalty. INTA, as the leading brand protection organization, is singularly situated to perform this task.

I. Survey Format and Respondents

The survey was conducted online and sought the following information through both closed and open format questions:

- Demographic information, including identity and field of activity (Q1–3)
- The existence of CSR policies and/or activities at respondents' organizations (Q4)
- The public nature of such CSR policies and/or activities (Q5–7)
- The provision of pro bono services and other types of CSR activities (Q8–10)
- The impact of CSR policies and activities on branding and business strategies (Q11–13)
- Respondents' personal opinions about CSR activities (Q14–18)
- General comments on the subject matter (Q19)

See Appendix A for a full list of survey questions.

227 INTA members in total responded to the survey.¹ Respondents included representatives from various types of organizations (e.g., corporations, law firms, service firms, non-profits) and job functions (e.g., outside counsel, in-house counsel, agent), as well as all geographic regions. The specific respondent demographics were as follows:

- Type of organization (Q1): law firms (62%); corporations (18%); SMEs (3%); service firms (6%); non-profits (5%); and individuals (2%).
- Job function (Q2): Outside counsel (45%); in-house counsel (16%); trademark administrators and agents (20%); patent counsel and agents (3%); and business development and marketing professionals (3%).
- Location (Q3): North America (41%); Europe (23%); Asia (18%); Latin America and the Caribbean (11%); and the Middle East and Africa (9%).

¹ While 227 participated in total, not all 227 answered each question. Response rates varied from question to question.

² As noted below, there were no meaningful differences between regions observed in the responses, but it is possible such differences would have emerged if the survey had captured a larger sample size from non-U.S., non-EU countries.

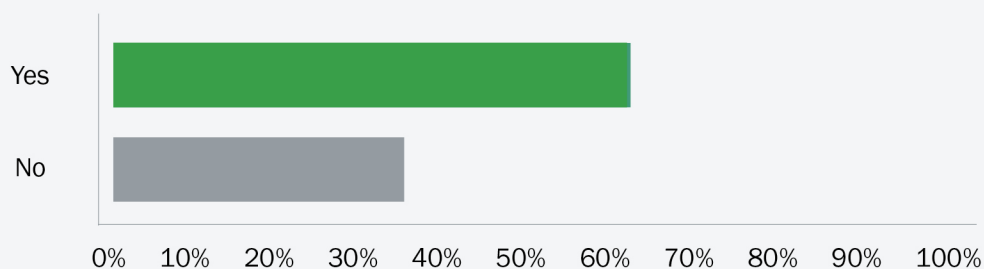
II. Survey Results

A. CSR Policies and/or Activities Are Prevalent (Q4)

As an initial matter, more than half of the respondents confirmed that their organizations either have a CSR policy and/or are engaged in activities targeting the improvement of society, the environment, labor practices, equality or other such issues. More specifically, 136 respondents confirmed the existence of such policies/activities, while only 82 confirmed there were no such policies/organizations.

Q4 Does your organization have a CSR policy and/or is it engaged in any social activities towards the improvement of society, the environment, labor practices, equality, or other such issues?

Answered: 218 Skipped: 9



ANSWER CHOICES	RESPONSES	
Yes	62.39%	136
No	37.61%	82
TOTAL		218

Such policies and activities are more common among corporate, SME and non-profit respondents, with 84% of these respondents stating that their companies have CSR policies and/or are engaged in CSR activities. 56% of law firms, service firms and trademark/patent agents, on the other hand, reported the existence of such policies and activities.

The existence of such policies and activities were also reported across all jurisdictions in broad swaths. East Asia and Latin America reported the highest prevalence, with 70% and 68%, respectively, followed by North America (62%), Europe (59%), South Asia (54%) and Middle East/Africa (50%).

B. CSR Policies Tend to Be Disclosed Publicly More Often than Not (Q5-Q7)

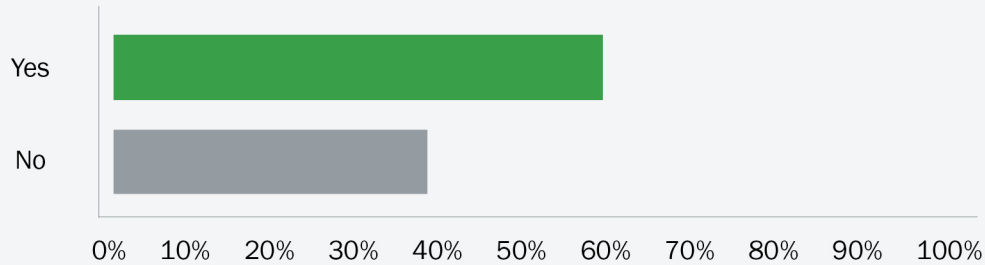
Many respondents confirmed that their companies' CSR policies are disclosed publicly. Indeed, over 60% of those answering each of these questions reported that CSR policies are part of their companies' mission statements, public facing (i.e., transparent and publicly communicated) and/or used in marketing materials. On the other hand, less than 40% reported that their companies do not publicly disclose their CSR policies.³

II. Survey Results

(continued)

Q5 Is the CSR policy part of your company's mission statement?

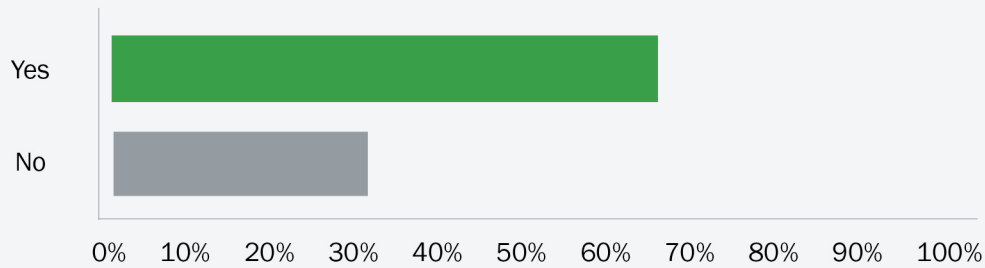
Answered: 84 Skipped: 143



ANSWER CHOICES	RESPONSES	
Yes	60.71%	51
No	39.29%	33
TOTAL		84

Q6 Is the CSR policy public facing, i.e., transparent and publicly communicated?

Answered: 84 Skipped: 143



ANSWER CHOICES	RESPONSES	
Yes	67.86%	57
No	32.14%	27
TOTAL		84

³ Note that the response rate for Questions 5-18 dropped to approximately 84 respondents. Some of the drop off likely came from respondents who worked for companies that do not yet engage in CSR activities (and, therefore, did not find the questions exploring the policies to be relevant). Others might not have been willing to take the time to respond to open-ended questions. Regardless, all 227 initially responded to the survey, indicating interest for the subject matter.

II. Survey Results

(continued)

Publicly disclosed CSR policies appear to be more common with the corporate, SME and non-profit respondents, with 90% of reporting in the affirmative. Breaking this down further, 80% of the corporate, SME and non-profit respondents reported that the CSR policy is part of their company's mission statement; 90% reported that the CSR policy is public facing; and 77% reported that policy is mentioned in marketing materials. These numbers dipped for firms and agents, with only 48% confirming that the CSR policy is part of its mission statement, 48% confirming the policy is public facing and 50% confirming that the CSR policy was mentioned in marketing materials.

Once again, all jurisdictions reported some public use of CSR policies, with at least 50% of respondents in each jurisdiction reporting using the CSR policies publicly.

C. Many Organizations Provide Pro Bono Services (Q8)

A high number of respondents reported working for companies that provide pro bono services. Among those responding, over 88% of law firms and service firms that responded to this question reported providing such services. Slightly lower numbers of corporate, SME and non-profit respondents – 53% – reported providing pro bono services. All jurisdictions again reported in the affirmative: 100% of Latin American respondents (who answered this question) provide pro bono services, 82% and 80% of East and South Asian respondents do, as well as 74% of Europeans, 62.5% of North Americans and 50% of Middle East/African respondents.

The actual pro bono services that are provided by these respondents are manifold and cover a wide range of issues, including immigration, indigent, gender equality, human rights, environmental, criminal/delinquent, local community, support for the arts and cultural, general IP related assistance, start-up and small enterprises support, legal aid, health/medical, disaster relief, sexual and domestic violence, and general charity work. There was no pattern with respect to specific types of pro bono work or issues addressed across the geographical regions.

D. In Addition to Pro Bono Services, Companies Participate in Various CSR Activities and View These Activities as Valuable (Q9-10)

In addition to providing pro bono services, respondents also reported commitments to various social issues, including sustainability and reducing or avoiding waste, improving the work environment and diversity, supporting students and universities, giving financial aid to causes and providing direct community service and cleaning up supply chains. Through these open ended answers, it was apparent that respondents view these contributions as valuable with a real impact on society. Examples of responses included:

- "Impact has been to improve the well being of people where the company operates."
- "[T]he impact is on the finances of micro-entrepreneurs that have been selected to receive probono assessment and advisory on IP"
- "[W]e are actively involved in education of young people on the importance of trademarks and dangers of counterfeits"
- "We also included a commitment for all [of] our partners not to work with the counterfeit industry, even for other brands."
- In 2016 alone, "our total community contribution was 9.5 million pounds, including charitable contributions, social sponsorships and more than 111,000 hours of employee time."

When asked whether their companies focused on specific types of CSR-type activities, respondents reported commitment to the following (from highest to lowest rates):

- Community outreach (giving back to the community either by giving time or financial aid) (60.71%);
- Pro bono services (54.76%);
- Environmental policies (39.29%);
- Social compliance (meaning ethical progress, workers' rights, indigenous rights, social impact such as supply chain and others (32.14%))
- An equal focus on all afore-mentioned areas (9.52%).

II. Survey Results

(continued)

Broken down by group, law firms, service firms and agents reported the strongest focus on providing pro bono services (73%), with community outreach next (54%), and social compliance and environmental issues about equally important as the core focus (21% and 23% respectively). For corporations, SMEs and non-profit organizations, community outreach is the aspect most often quoted (73%), closely followed by environmental policies (70%), social compliance (53%) and pro bono services (23%).

Geographically, most regions ranked pro bono services first, with the exception of Europe and North America which ranked community service first. In East Asia (73%), pro bono services take the lead, followed by community outreach (46%), environmental policies (36%) and social compliance (27%). In South Asia, pro bono services and social compliance are equal focuses (each 80%), with community outreach (40%) and environmental policies (20%) a little more in the background. In Middle East/Africa, pro bono services are as important (50%) as social compliance (50%) and community outreach (50%). No other issues play a role in Middle East / Africa. In Europe, community outreach is strongest (47%), with pro bono services and environmental issues (42% each) still strong aspects, and social compliance (26%) and “other” (32%) following behind. In Latin America (64%), pro bono services are most often focused on, followed by community outreach (55%) and social compliance / environmental issues (27% each). In North America, this focus is much more pronounced, with 78% concentrating on community outreach, 47% on environmental issues, 44% on pro bono services, 31% on social compliance, and still 12% on “other.”

E. CSR Impacts Strategy and Branding Decisions in Some Companies, Not All (Q11-13)

About half of the respondents reported that CSR impacts their companies' overall branding strategies. Interestingly, the responses showed an almost near-even split between CSR initiatives strongly impacting branding or not impacting branding at all. There were limited responses that fell in between.

At the same time, about half of the respondents to Q12 and Q13 reported that CSR is somewhat important and impactful to their companies' business decisions and customers. Here, respondents were asked to rank importance on a 1 to 5 scale (with 1 being least important), and the median response for both was 3.5. While there were responses that fell at all points of the spectrum, the most fell directly in the middle.

When compared with the above results showing that well over half of respondents and 84 percent of corporate, SME and non-profit representatives are already actively engaged in CSR activities to some extent, the fact that there is not a higher importance ranking here suggests that several companies are not yet effectively leveraging those efforts in their branding activities. This demonstrates a significant group that could benefit from education about the branding benefits of CSR.

F. Respondents' Largely Believe CSR is a Social Obligation That Benefits Brands (Economically and Otherwise) (Q14-18)

Respondents overwhelmingly believed that there is a social obligation for businesses to engage in CSR activities, with no region or entity type supporting the position at a rate below 75%. Respondents, however, had a wide range of views on what that CSR engagement should look like, with many respondents choosing methods of engagement that are applicable to a wide range of causes, such as pro bono work or “doing the right thing.” Of the specific types of causes identified, environmental issues topped the list, although still a relatively small portion of respondents indicated this type of work relative to more general causes. The lack of a common global focus for CSR efforts suggests that INTA may want to focus future initiatives on CSR broadly, or target specific CSR initiatives on a regional basis. For example, while diversity and inclusion is a hot topic in large, liberal U.S. cities, it does not appear that similar levels of engagement on that issue are seen globally.

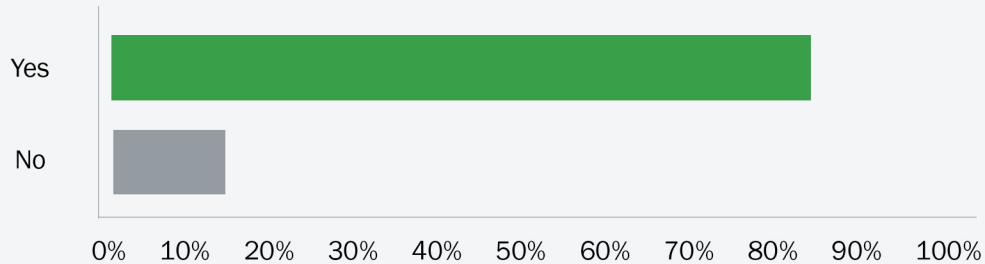
In addition, and significantly, 84% of respondents went on to agree that CSR policies and adopting sustainability principles as an operational priority constitutes good economic practice and will benefit a company and/or brand.

II. Survey Results

(continued)

Q16 Do you believe that incorporating CSR policies and adopting sustainability principles as an operational priority constitutes good economic practice and will benefit a company and/or brand?

Answered: 119 Skipped: 108



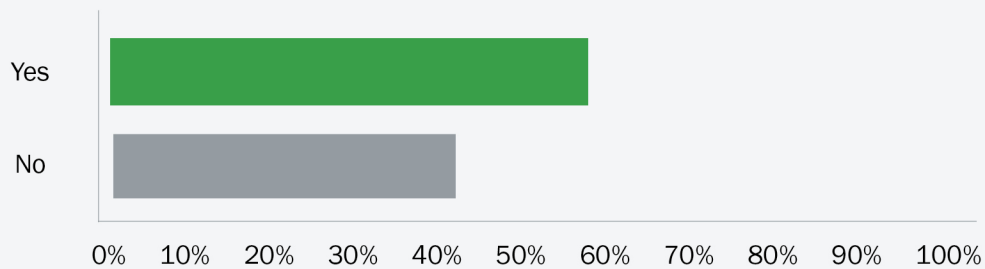
ANSWER CHOICES	RESPONSES	
Yes	84.03%	100
No	15.97%	19
TOTAL		119

Most of the comments agreed that incorporating CSR policies and adopting sustainability principles help businesses generate a positive reputation; builds better relationships with clients, consumers, employees, possible new partners and collaborators, and the wider community; generates goodwill; raises awareness about issues and important challenges in society; creates and sustains trust in the brand; reinforces the ways in which we are all connected; and helps to identify ways that we can all support each other. Consumers are constantly looking for products that have a lower impact on the environment and purchase from corporations that are good citizens.¹

Further, 57.98 percent agreed that the absence of CSR policies and practices puts companies and brands at a disadvantage in the market.

Q17 In your opinion, does the absence of CSR policies and practices put companies and brands at a disadvantage in the marketplace?

Answered: 119 Skipped: 108



ANSWER CHOICES	RESPONSES	
Yes	57.98%	69
No	42.02%	50
TOTAL		119

¹ See the following: <https://www.nielsen.com/eu/en/press-releases/2015/consumer-goods-brands-that-demonstrate-commitment-to-sustainability-outperform/>

II. Survey Results

(continued)

Consumers are looking for more than just a product or service. Consumers want to be assured that the product or service is produced with a low environmental impact or that their purchase will have some positive impact on society.² Overall most respondents thought that good CSR policies and practices are key to customer and employee engagement.

Finally, 75.63 percent agreed that incentives should be available to corporations and brands that adopt CSR policies and practices.

These results are striking for many reasons, but particularly because they show that there is a real lag between how companies/individuals view CSR and the economic and reputational benefits that companies are actually receiving. While a large majority, 84%, of respondents believe that CSR initiatives will benefit their company economically, only about 60% of the respondents reported that their companies use CSR practices in their marketing or branding. (See Section II.C, above). This demonstrates a real need to further explore the actual benefits of CSR and educate companies regarding how to translate CSR activities into increased brand value and loyalty. Work should also be done to research potential incentives.

G. Additional Comments (Q19)

At the end of the survey, respondents were given the opportunity to add any additional thoughts on the topic. Despite the fact that this question garnered the lowest response rate of the survey (27 respondents in total), some of the comments were quite insightful:

“(…) I am very happy to see CSR topics increasingly form part of INTA programming. INTA is the world’s leading platform for brands and brand professionals, and this is an area where INTA can and should take a leadership role. It will help us ensure that brands are increasingly part of a sustainable future for all.”

“There is a lot of progress to be made with respect to educating the general public regarding CSR initiatives.”

“CSR should be part of any professional or business engagement.”

“I am surprised this question is still being asked. This should have been done 20 years ago.”

“IP protection, and especially anti-counterfeit, can be considered as an element of good CSR behavior and could be included as such in CSR policies. (...) The counterfeit industry does not respect any CSR norms so should be banned from business, requiring active cooperation from all the company’s stakeholders, including suppliers”

“This is a positive initiative of INTA. Thank you.”

Some respondents indicated positive notions towards CSR activities and agree that CSR may be incentivized along with further efforts to generate awareness of the importance of CSR. The responses show that although many agree that incentives towards having CSR activities should be in the form of tax deductions/ cuts by the relevant government, others believe that CSR activities need not be incentivized but should come into existence organically or be a product of market forces etc. Some respondents also noted their apprehensions about how incentivizing CSR may lead to bribery and corruption, especially in developing and emerging markets. There were a small number of responses indicating that this topic deserves more attention, and an equivalent number indicating it deserves less attention relative to other priorities.

² See the following: <https://www.nielsen.com/eu/en/press-releases/2015/consumer-goods-brands-that-demonstrate-commitment-to-sustainability-outperform/>

III. Third Party Research Also Shows that CSR Enhances Brands

The INTA survey results are consistent with third party research showing that CSR initiatives enhance brand value and loyalty. For example, a 2012 qualitative study looking at the CSR activities of Target, Lowe's and Best Buy concluded that CSR (i) "increase[s] the level of recognition of a brand"; (ii) helps to enhance brand image (i.e., relating to "what the brand stands for in the mind of customers"); (iii) establishes brand credibility "in terms of expertise, trustworthiness, and likeability"; (iv) evokes brand feelings, which "make customers feel better about themselves"; (v) creates a sense of brand community, which "relates to the establishment of an affiliation with the brand and others related to it"; and (vi) elicits brand engagement, i.e., "a situation where customers are enticed to invest their time and resources in relation to the brand an company activities." Timothy Creel, [How Corporate Social Responsibility Influences Brand Equity](#), *Management Accounting Quarterly*, Summer 2012, Vol. 13, No. 4.

Similarly, a 2015 analysis concluded that "CSR has become one of the most important drivers of corporate reputation." It further noted that "[r]esearch shows that organizations of all types and sizes may strengthen their corporate reputation by engaging in CSR activities. As a result, CSR activities have become one of the most important business cases for top managers of organizations in respect of corporate reputation building." Migle Sontaite-Petkeviciene, [CSR Reasons, Practices and Impact to Corporate Reputation](#), 20 Annual International Scientific Conferences Economics and Management (2015).

In addition, a 2018 survey conducted by The Business of a Better World (BSR) found that "[c]orporate integrity and diversity and inclusion, while longstanding corporate issues, are top priorities for sustainability efforts in 2018—perhaps a reflection of recent political, technological, and social transformations that have accelerated socially responsible activism" and "[t]hree-quarters of practitioners observe that effectively navigating global megatrends means ensuring that sustainability is a mainstream business issue, necessitating both organizational integration and new approaches to strategy and governance." But, noted that "[s]ustainability teams struggle to get traction with strategic planning and core business functions. There is surprisingly limited engagement with investor relations, marketing, or human resources – despite the recognized significance of investors, customers, and employees as key drivers of sustainability" and "[f]ewer than half of BSR members finding their own sustainability communications to consumers to be effective."). The Business of a Better World, [The State of Sustainable Business 2018, Results of the 10th Annual Survey of Sustainable Business Leaders](#) (2018).

Various other studies are in line. See, e.g., Yan Feng, Yeujun Yoon, Yingyi He, [The Impact of Corporate Social Responsibility on Brand Value: An Empirical Study of Top 100 Global Brands](#), *International Journal of Business and Social Science*, Vol. 7, No 10 (October 2016) (finding that "CSR activities help create brand value for [multinational corporations] . . . [but] not all CSR activities are effective. . . . [S]ubstantive CSR activities increase the brand value of the firm while perfunctory actions do not have significant impact."); James Epstein-Reeves, [Six Reasons Companies Should Embrace CSR](#), *Forbes* (Feb. 21, 2012) (CSR benefits companies by leading to innovation, cost savings, brand differentiation, long-term thinking, customer engagement and employee engagement). B). *But see also* [Sustainable Brands, Study: Most Brands' Support of Causes Is Not Breaking Through to Gen Z](#) (May 2019) (reporting that while "66 percent of young consumers say that a brand's association with a social cause or platform positively impacts their likelihood of purchasing that brand," "across 88 brands tested, only 12 percent of respondents had 'top of mind' associations between brands they were familiar with and a social cause or platform.").

Conclusions

While CSR policies and/or activities are prevalent among INTA members through all geographic regions, not all INTA members currently implement or recognize the benefits of such programs. The survey shows that a large number of INTA members view CSR as an obligation that will benefit brands economically, but many brands that engage in CSR have not yet effectively leveraged the full potential benefit of CSR policies and activities for their brands. INTA's Presidential Task Force concluded that supporting brands in their journey to adopting CSR policies and drawing the full potential of benefits from such commitments is one of the initiatives that the future Brands for A Better Society Committee could include in its Objectives. These initiatives may take many shapes and forms, including pro bono services, diversity and inclusion policies and community engagement, which—as the survey and the third-party research show - will have a positive effect on brand recognition and brand value. According to our survey results, INTA members seem genuinely interested in the topic and will likely appreciate INTA's involvement and leadership in this space.

Appendix A

- Q1:** Please identify the type of organization you work for (corporation; small and medium-sized enterprise; law firm; service firm; individual associate; nonprofit; other).
- Q2:** Which of the following best describes your job function? (corporate in-house; outside counsel; trademark administrator; trademark agent; patent counsel/patent agent; sales/business development; marketing/advertising; other)
- Q3:** In which region of the world are you from? (East Asia and Pacific; Europe – EU; Europe – Non-EU; Europe – Russia; Latin America and the Caribbean; Middle East and North Africa; North America; South Asia; Sub-Saharan Africa)
- Q4:** Does your organization have a CSR policy and/or is it engaged in any social activities towards the improvement of society, the environment, labor practices, equality or other such issues?
- Q5:** Is the CSR policy part of your company’s mission statement?
- Q6:** Is the CSR policy public facing, i.e., transparent and publicly communicated?
- Q7:** Is your company’s CSR policy mentioned in marketing materials?
- Q8:** Does your organization provide any pro bono services?
- Q9:** Please provide details on any other CSR activities your organization is involved with, and the impact these activities have had on society.
- Q10:** Which aspect of CSR does your company focus most on (multiple responses accepted) (social compliance; community outreach; environmental policies; pro bono services; all aspects; other).
- Q11:** To what extent do these social activities form part of your overall branding strategy?
- Q12:** How important and impactful is CSR for your company’s business decisions?
- Q13:** In your opinion, how important is your company’s CSR engagement to your customers?
- Q14:** In your opinion, is there a social obligation for businesses and other organizations to engage in CSR activities in the effort to create a more sustainable business environment and/or a better society?
- Q15:** What should this engagement look like?
- Q16:** Do you believe that incorporating CSR policies and adopting sustainability principles as an operational priority constitutes good economic practice and will benefit a company and/or brand?
- Q17:** In your opinion, does the absence of CSR policies and practices put companies and brands at a disadvantage in the marketplace?
- Q18:** Should corporations and brands be incentivized to adopt CSR policies and honor their commitment to making changes toward a more sustainable business practice and/or a better society?
- Q19:** Any other comments you wish to add?



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