Can Corporate Social Responsibility be used as a Marketing Tool by the Readymade Garment Suppliers in Bangladesh?

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Second Cycle

June, 2016

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ABSTRACT

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Aim: The aim of this research is to investigate whether CSR can be used as a marketing tool by the readymade garment suppliers in Bangladesh to attract international buyers.

Method: This study is conducted by applying qualitative method. The data has been collected through semi-structured interview and using secondary data.

Result and Conclusions: The study reflects that that CSR implementation generates various benefits such as, creates good corporate image, reputation and opportunity for innovation and offers competitive advantage. As international buyers’ foremost requirement is to verify suppliers’ social compliance, the CSR practices and benefits act as marketing instrument by the garments suppliers to attract international buyers and grab more business.

Suggestions for future research: This study considered multiple large (1st tier) garments suppliers and multinational buying organization which calls for further research such as, a comparative study on taking both large and small scale suppliers as well as more international buyers. One of the findings indicates that buyers’ support is important in CSR implementation which can also be considered for further investigation.

Contribution of the thesis: This study investigates suppliers’ CSR practices from the marketing perspective in relation to buyers in business to business context which has not been considered in previous literature. Further CSR as marketing tool has not been addressed in developing country context while this study includes empirical study on garment suppliers of Bangladesh. This study suggests that managers need to be aware of the significant role of CSR as marketing tool while designing and implementing CSR programs effectively to increase business. Moreover, CSR activities benefit both the company as well as other stakeholders (customer, employee, public, shareholder, government) of the society by way of meeting those stakeholders’ interest.

Key words: CSR, Marketing, RMG Suppliers, Bangladesh, Corporate Image, Reputation, Buyers, Innovation, Competitive advantage.
Acknowledgement

This master’s thesis is the last course of one year Masters in Business Administration program at Gavle University. This study has been carried out to investigate whether garments suppliers in Bangladesh can use CSR as marketing tool to affect international buyers.

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Thank you all!

Umme Salma
Gavle, Sweden
June, 2016
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<td>Description</td>
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<tr>
<td>BSCI</td>
<td>Business Social Compliance Initiative</td>
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<tr>
<td>COC</td>
<td>Code of Conduct</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>C-TPAT</td>
<td>Customs-Trade Partnership Against Terrorism</td>
</tr>
<tr>
<td>DNA</td>
<td>Deoxyribonucleic acid</td>
</tr>
<tr>
<td>ETP</td>
<td>Effluent Treatment Plant</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GOTS</td>
<td>Global Organic Textile Standard</td>
</tr>
<tr>
<td>GSV</td>
<td>Global Security Verification</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>Human immunodeficiency virus infection and acquired immune deficiency syndrome</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labor Organization</td>
</tr>
<tr>
<td>ISO</td>
<td>International Standardization Organization</td>
</tr>
<tr>
<td>LEED</td>
<td>Leadership in Energy and Environment Design</td>
</tr>
<tr>
<td>MNC</td>
<td>Multinational Corporation</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Government Organization</td>
</tr>
<tr>
<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<tr>
<td>RBV</td>
<td>Resource Based view</td>
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<tr>
<td>RMG</td>
<td>Readymade Garments</td>
</tr>
<tr>
<td>SC</td>
<td>Supply Chain</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium Enterprise</td>
</tr>
<tr>
<td>UNGC</td>
<td>United Nations Global Compact</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>WBCSD</td>
<td>World Business Council for Sustainable Development</td>
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<tr>
<td>WRAP</td>
<td>Worldwide Responsible Accredited Production</td>
</tr>
<tr>
<td>WTP</td>
<td>Water Treatment Plant</td>
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Chapter One: Introduction

This chapter reflects the background of the study and an overview of the research gap under problem discussion. This discussion has been followed by declaring the aim of the study and formulation of research questions. Finally this chapter ends with illustrating disposition of the study.

1.1 Background

CSR, broadly defined as a commitment to improve social wellbeing by way of practicing discretionary business actions and contributing corporate resources (Kotler and Lee, 2005), holds a prominent place on the global business agenda in today’s socially conscious market environment. Companies are increasingly devoting substantial resources to various social initiatives ranging from community development and environmental protection to various socially responsible business practices (Du, Bhattacharya, and Sen, 2010).

CSR has thoroughly been researched and extensively practiced by firms as a business tool that leads to competitive advantage (Larson, Flaherty, Zablah, Brown, and Wiener, 2008; Demetriou, Papasolomou, and Vrontis, 2010). At least inspired by the promise of success, firms are increasingly spending on CSR practices such as cause-related marketing (CRM), corporate philanthropy, employee volunteerism, minority support programs and other initiatives (Christofi, Leonidou, Vrontis, Kitchen, and Papasolomou, 2015). Researchers (Demetriou et al., 2010; Larson et al., 2008; Sen and Bhattacharya 2001; Carroll and Shabana, 2010) have mentioned that CSR provides several positive outcomes expected by the marketers such as customer loyalty, favorable company image, cost reduction and gaining competitive advantage, all of which enhance business performance.

CSR is seen as a key to long term success, reputation and brand image and many companies nowadays are realizing that they have to act socially responsible to survive in rapidly changing business world being innovative, competitive and relevant (Zabin, 2013). Both from academic research and marketplace survey it is evident that key stakeholders such as consumers, employees, investors and other stakeholders are increasingly getting interested in CSR activities of the firms (Du et al., 2010). Thus, firms can gain substantial benefits by practicing CSR from
different stakeholder groups: brand loyalty from consumers (Pivato, Misani, and Tencati, 2008), cost reduction by creating positive community relationship (Carroll and Shabana, 2010), attract the investor and employee retention and motivation (Smith, 2005). A prevailing understanding of CSR based on the notion of stakeholders’ expectations is an important concern in the field of marketing (Balmer and Greyser, 2006).

1.2 Problem Discussion

**CSR in Marketing**

The research on the analysis and dimension of the corporate social responsibility from the marketing perspective is found in fragmented manner in the marketing literature (Maignan and Ferrell, 2004). Further theoretical investigation of CSR in marketing is scarce and has focused on limited areas of CSR like green marketing or cause-related marketing (Maignan and Ferrell, 2004) and more concentration on analyzing customers’ perspective such as consumer reactions and responses to CSR (Sen and Bhattacharya, 2001), CSR practices, corporate identity and purchase intention (David, Kline, and Dai, 2005). During the 1960 and 1970s when the marketing scholars started discussion on CSR, they focused on the social duties attached to the marketing activities rather than on the overall social role of the firm (Maignan and Ferrell, 2004). Unfortunately, most marketing research focuses on the interests of one stakeholder, the customer, over those of others (Maignan and Ferrell, 2004).

**CSR as Marketing Tool**

Researchers (Hoeffler and Keller, 2002; Mullen, 1997; Collins, 1993) suggest CRM as a promising marketing tool to build brand equity, enhance financial performance and achieve competitive advantage. However, CRM has been identified as a part of the broader concept of corporate social responsibility programs (Robinson, Irmak, and Jayachandran, 2012). According to Mohr, Webb, and Harris (2001), CSR appears to reap relatively more positive outcomes on customers’ behavioral intentions than CRM. They also propose that CRM as marketing tool does not always improve consumer response as some may consider CRM as a promotion trick. It is not the intention to argue that CSR would replace CRM, but the point is that CSR can be an effective tool of marketing. Researchers have indicated different components of CSR as effective marketing tool for business success. Environmental or green marketing have for example, been
Applied as marketing tools in relation to sustainable development and satisfaction of different stakeholders (Kärnä, Hansen, and Juslin, 2003). Juščius, Šneiderienė, and Griauslytė (2014) mention CSR reporting as marketing tool by means of creating reputation and image of business, meeting stakeholders’ expectations and thus gaining competitive advantage.

From the literature review it is apparent that CSR plays important role in marketing for achieving business success. But the literature reveal that different components of CSR has been reviewed as marketing tool and rare attention has been paid on evaluating overall CSR program or activities of a firm as marketing tool in business.

**CSR in Global Supply Chain**

Globalization along with a parallel shift to outsourcing and offshore manufacturing has resulted to the concept of global supply chain (Gereffi and Memedovic, 2003). The research has initially paid attention on the corporation’s responsibilities and how specifically MNCs (Multinational Corporations) put pressure and control suppliers for supply chain compliance (Ciliberti, De Haan, De Groot, and Pontrandolfo, 2011; Seurling and Müller, 2008). Researches on CSR in supply chain view corporations as main initiators of CSR activities for improving corporate image (Chowdhury, Sundström, Hyder, 2016). Most literature in supply chain have focused exclusively on the perspective of the buyer rather than focusing on the suppliers’ viewpoint (Anisul Huq, Stevenson, and Zorzini, 2014). Recently few studies have been conducted based on both buyers’ and suppliers’ perspective regarding CSR in supply chain in developing country context (Chowdhury et al., 2016; Anisul et al., 2014).

**CSR in the Context of Bangladesh Garments Suppliers**

In developed countries the importance of practicing CSR as strategy have already been implemented but in developing countries like Bangladesh it is still an emerging concept, especially in the readymade garments (RMG) industry (Zabin, 2013). This industry of Bangladesh has widely been criticized due to poor CSR practices and the most severe accident in 2013 in a garment factory where an eight storied commercial building collapsed causing death of many workers (Masud, Hoque, Hossain, and Hoque, 2013). Previous fire accidents including this factory triggered the necessity to improve suppliers’ CSR image regarding workers’ right, health
and safety related issues (Chowdhury et al., 2016). The study of Chowdhury et al. (2016) indicates that Bangladesh garment suppliers now understand that CSR image is an important indicator of sustainability in the global supply chain. Despite all these drawbacks, Bangladesh still has been referred as the first option for apparel supply after China according to the worldwide management consulting firm, Mckinsey and Company (Textile Tribune, 2016) due to low labor cost, skilled labor, infrastructure development and backward linkage (Werner, Becker, Liu, and Aridov, 2014). On this backdrop, the large suppliers are now more concerned about CSR implementation and its effects on obtaining orders from international buyers.

From the above discussion a research gap is being identified from multidisciplinary aspects. The CSR researches conducted in the arena of marketing are fragmented (Maignan and Ferrell, 2004) and mostly considered the consumers’ responses to CSR (Sen and Bhattachariya, 2001). In the domain of supply chain, literature mostly focused on the corporations’ role in CSR implementation in supply chain network (Ciliberti et al. 2011) and less concerned with marketing perspective. CSR studies in developing country context mainly focused on the CSR practices and image of the developing country suppliers (Chowdhury et al., 2016) rather than investigating CSR from marketing perspective.

Thus, literature on CSR from marketing perspective tends to focus mostly in the context of business to consumer rather than business to business context. Marketing researches on CSR mostly concentrated on consumers’ interests (Maignan and Ferrell, 2004) and purchasing intention (David et al., 2005). But how companies in business to business context (buyer-supplier) can use CSR from marketing viewpoint has paid less attention. This research fills this literature gap through a study of some large scale garments suppliers of Bangladesh. Bangladesh has been chosen as it is one of the largest apparel exporters in global market and has been criticized for poor CSR practices. This study investigates if garments suppliers in Bangladesh can use CSR as marketing tool to attract international buyers in business to business context.

1.3 Aim and Research Question
The aim of this study is to explore if suppliers can use CSR (implementation) as a marketing tool to affect international buyers. To fulfill the aim, two research questions are addressed:
- What CSR activities are practiced by the supplier’s organization?
- Can readymade garment supplier use CSR as marketing tool to attract buyers?

The research is conducted on multiple large suppliers and multinational buying organization (immediate buyer). Then interview data has been interpreted in connection with theoretical framework to analyze the research aim.

1.4 Outline of the Study

This study consists of six chapters. The study outline is demonstrated in Figure 1. Chapter one discusses on the motivation and literature gap regarding the research topic followed by developing research questions. Chapter two has concentrated on literature review related to the research area for developing a theoretical framework for organizing the empirical data. Chapter three describes methodological issues including method selection, data collection and analysis of the data. Chapter four presents the empirical data deducted from the interview of the different suppliers and buyers. In chapter five empirical data has been analyzed and linked with the theories discussed in chapter two. Finally chapter six concludes the whole study answering the research questions along with some suggestions for future research.

Figure 1: Outline of the Study (own)
Chapter Two: Literature Review

This chapter gives an overview of literature relevant to corporate social responsibility and marketing. Literature review includes discussion on CSR concept, CSR from different context, CSR from marketing perspective, CSR benefits to company regarding customer attraction, CSR role in customer attraction and as marketing instrument. At the end of literature discussion the author developed a theoretical framework based on the research aim and relevant theories discussed.

2.1 CSR Concept

2.1.1 Historical Development of CSR

The root of current social responsibility movement can be traced back to the period of 1945 to 1960 during the time of Cold War. During that time primary focus was on business’s responsibility towards society rather than benefits for businesses themselves. During 1960s CSR grew popularity largely influenced by the social movements especially in the US and the academicians (Carroll and Shabana, 2010).

During 1960s the CSR literature expanded and focused on identifying the meaning of social responsibility along with its importance to both society and business. Along with the transition of the 1960s into the 1970s, the CSR concept evolved primarily through the academic contributions in the literature and the slow emerging realities of business practices (Carroll and Shabana, 2010).

During the decade 1970s corporate social responsibility, responsiveness and performance came to the focus of discussion (Carroll and Shabana, 2010). As defined by Carroll (1991), CSR emphasizes obligation and accountability to society, corporate social responsiveness emphasizes action and activity, while corporate social performance emphasizes outcomes and results.

The 1980s was a period of more empirical research in the field of CSR along with few new definitions and alternative themes likely corporate public policy, business ethics, stakeholder theory and further development of corporate social performance (Carroll, 1999). During this
decade research conducted on seeking the link between corporate financial performance and CSR (Carroll and Shabana, 2010).

Frederick (2006) argues the 1990s and 2000s is the era of global corporate citizenship. In the early 2000s, the notion of sustainability or sustainable development was mostly discussed by the business community and all these themes integrated into CSR discussions.

2.1.2 Conceptualization of CSR

It is obvious that corporate social responsibility is not a new concept which has been evolved over time by both practitioners and academics from various disciplines. But due to a wider range of definitions it is often misinterpreted (Crane, Matten, and Spence, 2013). Reviewing a vast literature on CSR it has been observed that there exist different perspectives on the concept. Some selective definitions along with concentration from different interested groups have been demonstrated below at Table 1.

Table 1: Definitions of CSR (own)

<table>
<thead>
<tr>
<th>Source</th>
<th>Definition</th>
<th>Main issues</th>
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<tr>
<td>Carroll</td>
<td>The social responsibility of a company includes the economic, legal, ethical, and philanthropic expectations from the society at a given point in time.</td>
<td>Economic, legal, ethical and philanthropic activities</td>
</tr>
<tr>
<td>1991</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WBCSD, (2002)</td>
<td>The commitment of organization to contribute towards sustainable economic development, working with employees and their families, the local community and the society at large to improve quality of life in all spheres.</td>
<td>Sustainable economic development</td>
</tr>
<tr>
<td>Van Marrewijk (2003)</td>
<td>Companies with a CSR strategy integrate social and environmental concerns in their business operations and in their interactions with their stakeholders and demonstrate openly their triple bottom line performances.</td>
<td>Interactions with stakeholders</td>
</tr>
<tr>
<td>Blowfield and Frynas (2005)</td>
<td>CSR is an umbrella term which recognize several issues such as, companies’ responsibility for their impact on society and the natural environment, sometimes beyond legal compliance and the liability of individuals; companies’ responsibility for the behavior of others with whom they do business (e.g. within supply chains); and the necessity to manage its relationship with wider society, whether for reasons of commercial viability or to add value to society.</td>
<td>Social and environmental obligation towards the stakeholders</td>
</tr>
<tr>
<td>Campbell, 2007</td>
<td>Corporations can be said socially responsible if they do not knowingly harm their stakeholders notably, their investors, employees, customers, suppliers or local community within which they operate and if companies cause any harm that must be rectified whenever discovered.</td>
<td>Avoid any harm or compensate for the harm caused</td>
</tr>
</tbody>
</table>
Table 1 provides only few definitions of CSR by academicians as well as institution across the world. The above definitions clearly reflect that there are some similarities in the views as well as differences. Even when we look for academic research to obtain clarity, there is diversity in scholarly definitions of CSR as well.

The widely recognized conceptualizations of CSR are cross sectional in that they look inside a firm at a given point of time and thus reveal the extent to which firm fulfills its social responsibilities towards different stakeholders (Carroll and Shabana, 2010). To understand the phenomenon of how CSR can be integrally linked with marketing or what a firm can do to better understand this link, such conceptualizations offer little insight.

To understand the phenomenon of how CSR can play a role in marketing or what a firm can do to better understand this link, such conceptualizations offer little insight. The main focus of this research is to examine CSR contribution in business performance as marketing tool. And the context of the study is garments industry of Bangladesh which is widely criticized for CSR violation regarding labor rights issue. In this backdrop, we can consider the definition provided by World Business Council for Sustainable Development (2002) and Campbell (2007). Since these definitions have focused on economic benefits (World Business Council for Sustainable Development, 2002) as well as consideration of avoiding any harm to stakeholders (Campbell, 2007) which coincide with our main discussion.

2.2 CSR in Context

2.2.1 CSR in Developing Countries

The recent surge in CSR discussion is driven by the activities of western MNCs in developing countries over last few decades as a source of cheap raw materials and cheap labor. On the other hand, developing countries are characterized by various features that offer significant scope for CSR activities. These include low standards for working conditions, environment protection, high corruption, and oppressive regimes with low regard for human rights, poor healthcare provision as well as low level of per capita income and foreign direct investment (Crane et al., 2013).
Since CSR by definition is concerned about the responsibilities of corporations connected to other stakeholders in society, it needs to be investigated from the perspective of the context where it is being practiced (Dobers, P. and Halme, M., 2009). But little attention has been paid regarding the research on CSR in the context of developing countries (Luken, 2006) and empirical studies are very scant (Jamali and Mirshak, 2007). Luken and Stares (2005) have emphasized on the buyers’ pressure that make socially sustainable practices as an order qualifier. Other studies concentrated on developing country include those of Kortelainen (2008), Tencati, Russo, and Quaglia, (2008), Yu (2008) and Lee and Kim (2009).

The study of Kortelainen (2008) conducted case studies of Chinese high-tech industries and evaluated whether auditing labor conditions affect on improving the social standards with a conclusion that auditors required to develop their skills. Tencati et al., (2008) have conducted another study based on 25 Vietnamese suppliers to EU and US MNCs where they concluded that the practices tend to be imposed on suppliers in such a way which will not sustain for longer and a supportive approach is required to improve the situation. Meanwhile Yu (2008) conducted an explanatory study regarding implementation of Reebok’s labor related code of conduct at major Chinese supplier and he suggest cost sharing between buyer and supplier as well as combining regulatory power of voluntary code along with government laws. The study of CSR in Korea’s electronics industry done by Lee and Kim (2009) also found legal requirements as an important driver of CSR implementation.

CSR in Asian countries seems to be connected to local issues and cultural traditions, highlighting the importance of context specificity for CSR, particularly of the national and regional systems and their institutional capacities in which firms are surrounded (Chapple and Moon, 2007). Research also point out the contradiction between international buyers’ purchasing practice that demand for lower priced products within short period of time and their claim on complying with codes of conduct (Barrientos, 2013). These insist suppliers to engage in irresponsible business practices such as lowering wages, saving costs and workers’ engage in overtime (Lund-Thomsen and Lindgreen, 2014).
Corporations may implement CSR to create their positive image in emerging markets, in line with international framework on responsible business endorsed by World Bank, Organization for Economic Cooperation and Development (OECD) and United Nations Global Compact (UNGC) (Chappel and Moon, 2007). The study conducted by Naeem and Welford (2009) argues that in both Bangladesh and Pakistan the MNCs follow more policies concerning human rights, labor standards, environment and anti-corruption than local companies. Irregular attempts regarding CSR practices in these countries indicate that some degree of coercion and encouragement is required to be socially responsible.

2.2.2 CSR in Supply Chain

Boyd, Spekman, Kamauff, and Werhane, (2007) define supply chain as “a vertically coordinated network of firms that engage in various activities associated with the production and distribution of a firm’s products to its end customers” (p. 341). The supply chain management theory is based on the ground that improvements are connected to supply chain (SC) as a whole network and not to a single firm (Perry and Towers, 2009). Particularly in the supply chain literature the study regarding CSR compliance and sustainability is extremely limited (Daugherty, 2011). Most studies related to CSR in SC focused on the inter-relation between MNCs and SMEs (Small and Medium Enterprise) and the dependency of smaller companies on large companies for survival (Klerkx, Villalobos, and Engler, 2012; Perry and Towers, 2009).

The CSR integration in SC research considers the view of corporations’ as accountable for social and environmental issues related to supply chain dealings regardless if this concerns the corporation itself or their suppliers (Cruz and Wakolbinger, 2008). Initially the focus is on SMEs’ CSR adaptability and ability to follow compliance requirements and thus gain competitive advantage in being selected as part of the supply chain network (Ciliberti et al., 2011). It thus implies that through CSR practice or following corporations’ core compliance requirements suppliers gain competitive advantage while less responsive suppliers may risk of shut down.

From the perspective of supply chain it is difficult to obtain the exclusive corporate image as it only reveals CSR aspects of buying firm (Becker-Olsen, Cudmore, and Hill, 2006) while the
supplier company assuming to be invisible partner of the chain (Chowdhury et al., 2016). On the other hand, the companies in the supply chain are seen as coordinated network in which the stakeholders’ perception of CSR image act reflexive on all companies included in the chain (Chowdhury et al., 2016). This spillover effect is apparent in situation of any disaster in which any single company’s (involved in supply chain) bad reputation acts reflexive on other firms in the chain (Chowdhury et al., 2016). They argue that all involved companies in supply chain thus need to work positively with their own CSR image and related to SC as a whole and to be transparent towards the stakeholders for having impact on reputation.

2.2.3 CSR in Garments Industry of Bangladesh

The RMG industry of Bangladesh started to practice CSR in the mid 90s due to the pressure from international buyers. While analyzing the CSR trend in this industry, it is observed that current CSR involvement in this sector are adopted due to either external or internal pressure or both which creates dilemma to practice CSR voluntarily (Zabin, 2013). During past few years, due to negligence and disregard for CSR by the manufacturers and continuous deprivation and exploitation of workers’ rights, the sustainability of the industry is being threatened by fire, factory collapse leading to mass death, injuries of workers, labor unrest and violence (Azmat, 2015). Consequently, practicing CSR activities by companies is very important for developing countries like Bangladesh, especially in the RMG industry (Zabin, 2013).

According to Masud et al. (2013) the study on CSR practice in the context of Bangladesh is very scant particularly for the case of readymade garments suppliers. The literature in this context reveals few dimensions of CSR issues in RMG industry in isolated manner such as gender issues, wages, the socio economic condition of workers, child labor and labor rights (Ahmed, 2009; Ahmed and Peerlings, 2009; Nielson 2005). Recently after some fire incidence and factory collapse in Bangladesh some scholars paid attention towards analyzing the motivators and challenges in CSR implementation by RMG suppliers of Bangladesh (Chowdhury et al., 2016; Haque and Azmat, 2015; Anisul Huq et al., 2014; Masud et al., 2013; Zabin, 2013).

Haque and Azmat (2015) state that majority of businesses in RMG industry in Bangladesh focus mainly on profit maximization without complying with national or international legal standards,
compromising required legal elements of CSR and thereby fail to abide by basic condition of being socially responsible. From the literature on CSR in garments industry of Bangladesh it is apparent that most of the studies concentrated on investigating real scenario of CSR practice as well as the motivating factors and challenges in CSR implementation in RMG industry. None has focused on the suppliers’ responsibility towards CSR application from marketing perspective.

2.3 CSR Contribution in Marketing

Business scholars have defined CSR from various dimensions and developed related notions likely corporate citizenship, corporate social responsiveness, or corporate social performance (Wood and Jones, 1995). The differentiated terminology along with multiple conceptualizations highlights the complexity of CSR concept. Marketing people are still struggling with the proper implementation of CSR concept in line with marketing practice (Greenfield, 2004). In particular, marketers are perplexed with the meaning of ‘social’ and cannot link it with daily marketing activities (Maignan et al., 2005) and marketing scholars attempted to address this issue. Sweeney (1972) was one of the first authors who have mentioned marketing as a social process which refers to a process of exchange and interactions with all members of society (Cited by Maignan et al., 2005). The notion of social marketing concept suggests that marketing should incorporate society’s interests into consideration in marketing activities (Singhpakdi, 1999).

There has been conducted a good number of research in business literature about the social responsible behavior of firms, still it is quite challenging for the researchers to define a specific CSR construct for the corporations from marketing perspective (Maignan et al., 2005). Some of the researchers refer CSR as a function of a firm’s behavior toward its different stakeholders likely customers, suppliers, regulators, employees, investors and communities (Campbell 2007; Bowfield and Frynas, 2005; Van Marrewijk, 2003) while other group of researchers consider CSR as a corporation’s discretionary activities such as social, political, environmental, economic and ethical actions (Carrol, 1999; Devinney, 2009). The marketing scholars have expressed their concern for CSR as social duties attached to the marketing function and not on overall social role of the firm. As such the field of social marketing emerged, researches have been conducted on
ethical perceptions, reasoning and decision making process of marketers but little attention paid to the overall ethical responsibilities of the firm (Maignan and Ferrell, 2004).

A new evolving logic of marketing is that firm exists to provide both social and economic processes along with creating a network of relationships to provide skills and knowledge to all stakeholders (Vargo and Lusch, 2004). This concept has been reflected in the new definition of marketing developed by Marketing Association (2004) as below (Cited by Maignan et al., 2005):

“Marketing is an organization function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.”

This definition emphasizes on marketers’ responsibility regarding the functions that can create, communicate and serve value to the customers and also benefit the organization and its stakeholders. Thus, the main idea of marketing is commensurate to the notion of CSR regarding creation of both organization and social benefits. According to Chahal and Sharma (2006), CSR means firm’s obligation to protect and improve welfare of both the society and firm through its various business and social actions and thus to generate equitable and sustainable benefits for the various stakeholders. Both the concept of marketing and CSR reflects that by way of providing benefit to both business and different stakeholders or the society as a whole. CSR thus serves the main objective of marketing.

2.4 CSR Benefits in Relation to Customer Attraction

The literatures provide substantial evidence regarding the significant contribution of CSR in enhancing firm’s successful performance in market. CSR contributions can be found in various facets of firm performance such as improved employee productivity (Valentine and Fleischman, 2008); gaining reputation (Schwaiger, 2004; Bronn and Vrioni, 2001); favorable corporate image (Yoon, Gürhan-Canli, and Schwarz, 2006; Sen and Bhattachariya, 2001; Mattila, 2009); competitive advantage (Carroll and Shabana, 2010; Podner and Golob, 2007; Porter and Kramer, 2002), and innovation opportunity (Ferauge 2012; Gallego-Alvarez, Manuel Prado-Lorenzo, and García-Sánchez, 2011). The CSR is increasingly used to enhance firm performance or to gain some specific benefits in the global marketplace (Isaksson, Kiessling, and Harvey, 2014).
The following discussion comprised of various benefits derived from company’s CSR practices in relation to customers’ attraction and firm performance in the evolving and competitive market.

2.4.1 Reputation
Weber (2008) argues that reputation is built upon the personal experiences and characteristics which include a value judgment by a company’s stakeholders and it evolves over time. It is also influenced by several years of consistent performance and communication (Weber, 2008). Reputation thus reflects the firm’s relative success in terms of fulfillment of multiple stakeholders’ expectations (Fombrun, 1996). Fombrun and Shanley (1990) argue that favorable reputation enables firm to charge premium prices, more accessible to capital market and attract superior investors. Kay (1993) claims that reputation, closely connected to brand awareness, facilitate brand differentiation and ultimate gaining of competitive advantage (through a good reputation).

CSR influence to overall firm performance is mostly through the reputation aspect (Brønn, and Vrioni 2001). The empirical study by researchers (Fombrun and Shanley, 1990; Schwaiger 2004) consent that better reputation of the firm is followed by the greater the contribution to social welfare or CSR activities. Brønn, and Vrioni, (2001) argues that incorporating a social agenda refers to as a powerful marketing tool that can build and shape company’s reputational status and give company a competitive edge. The scholars have consent that good corporate reputation effected by CSR initiatives gives value to a business especially through creating positive consumer attitude toward the brand (Becker-Olsen et al., 2006).

2.4.2 Corporate Image
Corporate image is reflected in the audiences’ mind when they see or hear about that particular company (Gray and Balmer, 1998). According to Demetriou et al. (2010) corporate image refers to the image of organization whereas positive corporate image is the foundation for corporate success by way of incentive for sales of products, recruitment of best employees, attraction of investors and can act as competitive advantage.

Yoon et al., (2006) claims that, CSR initiatives considering consumers’ social concerns create a favorable corporate image and develop a positive relationship with consumers and other
stakeholders. Due to gain the business benefits firms are increasingly focusing on corporate image advertising campaigns using the base of CSR initiatives (Becker-Olsen et al., 2006). Researchers have identified a good number of benefits from a perceived CSR-identity-based corporate image: enhanced brand differentiation (McWilliams and Siegel, 2001); competitive advantage (Porter and Kramer, 2006); customer loyalty and other positive outcomes (Bhattacharya and Sen, 2003; Maignan, Ferrell, and Hult, 1999).

2.4.3 Opportunity for Innovation

Frankelius (2009) refers innovation as something new which is highly unique in any area and is introduced to the consumers through the market. Such innovation creates value for the organization by way of developing new products, services, technologies and new market (Miron-Miron-Spektor, Erez, and Naveh, 2011). Cormican and O’Sullivan (2004) state innovation as a process of transfiguring business opportunities into tangible products and services. Business firms are constantly looking for innovation to gain competitive advantage (Ferauge, 2012).

Ferauge (2012) claims that innovation and CSR are correlated as these can be used in complementary way in business. Firms can integrate CSR in their core activities and seek to create socially innovative products and services (Ubius and Alas, 2012). According to Porter and Kramer (2006), CSR can be a source of competitive advantage, opportunity and innovation. Gallego-Alvarez et al. (2011) has studied the bidirectional relationship between CSR and innovation and contends that sustainable firms need to adopt innovation in processes and products to maximize efficiency and effectiveness, for example, to increase energy efficiency, and minimize the impact of use of products or services on environment. According to Asongu (2007), truly inspired innovation may be rare, however, in some cases, an innovative concept, method or device resulted from firm’s CSR efforts may be able to capture widespread consumer appeal. Thus, CSR provides firm the opportunity to implement innovation practices for the organization.

2.4.4 Competitive Advantage

Competitive advantage is concerned with how a firm will compete to earn and sustain superior performance (Porter, 1991). There are two dominant perspectives regarding competitive
advantage such as, positioning approach (Porter, 1991) and the resource based view (RBV) of the firm (Barney, 1991). According to positioning approach, firms can pursue to gain competitive advantage through cost position and differentiation position. Thus positioning approach refers to producing a product at a lower cost than competitors and thus generates higher return or producing a product that is differentiated from competitors for which consumers are willing to pay higher price (Galbreath and Galvin, 2008). On the other hand, the RBV emphasizes on creating, possibly acquiring and leveraging resources that are casually ambiguous, socially complex and difficult to imitate (Barney, 1991).

Regarding competitive advantage justification it is argued that by way of involving in CSR activities firms can gain competitiveness apart from their competitors (Carroll and Shabana, 2010). According to Smith (2003) firm’s to design social responsible strategies in such a unique way which may differentiate firm from its competitors and thus gain competitive advantage. Corporate social responsibility actions can also contribute in attaining competitive advantage through recruiting and retaining skilled employees (Smith, 2005).

Competitive advantage can even be gained by enhancing and managing relationship with its different stakeholders which in turn create trust and loyalty that goes in line with the argument by Pivato et al., (2008) that CSR initiatives enhance brand loyalty. The corporations can earn competitive advantage by way of designing philanthropic activities to fit external demand and meet the key stakeholders’ expectations (Carroll and Shabana, 2010). Thus corporate social responsibility programs improve company’s competitive advantage which in turn influences the decision of the stakeholders to act in favor of the company (Carroll and Shabana, 2010). Thousands of other corporations worldwide take long term CSR approach and view CSR as a means to create competitive advantage (e.g. increased employee motivation or above average sales performance) with ultimate effect of increasing their performance (Isaksson et al., 2014). The progressive employee management policies may cost low, but gains in productivity, morale and retention can yield substantial performance advantages over less responsible firms (Huselid, 1995). The employee motivation through CSR can also increase productivity along with reduced personnel marketing cost on employee recruitment or retention (Weber, 2008) and gain competitive advantage.
2.5 CSR and Customer Attraction
Grönroos (2001) refers attraction that should be something that makes the organization interesting to a given customer or the other way round. Attraction can be based on financial, technology or social constructs of the organization (Grönroos, 2001). Ellegaard and Ritter, (2006) argue that by way of introducing and expanding the concept “attraction” purchasers and buyers can understand buyer-supplier interaction better and potentially increase their attraction. Dwyer, et al., (1987) in their study specified attraction as important variable in the development of buyer-seller relationship.

Several marketing studies have found that CSR has significant influence (direct or indirect) in terms of drawing customer attraction (Bhattacharya and Sen, 2001) such as product purchase responses (Brown and Dacin 1997), customer-company identification (Sen and Bhattacharya, 2001) and customer product attitude (Berens et al., 2005). Researchers also argue that responses of customers due to CSR are very complex to understand, and customers differentiate four types of motives (Ellen et al., 2006). Firstly, egoistic driven motive focuses on exploiting the cause instead of helping it. Secondly, strategic driven motive concentrates on attaining business goals (e.g. increase market share, create positive impressions). Thirdly, stakeholder-driven motive refers to support social cause solely because of pressure from stakeholders. Finally values-driven motive supports benevolence motivated giving (Vlachos et al., 2009). Vlachos et al (2009) argue that CSR induced skepticism influences customer trust which in turn contributes to customer attraction and retention. It implies that there is direct and indirect relationship between CSR activities and customer attraction.

2.6 CSR as Marketing Tool
From the above discussion it is apparent that CSR plays a significant role in value creation of the company by generating different business benefits. The concept of corporate marketing orientation concentrates on value creation which goes beyond profit maximization and includes long term business survival along with meeting social needs and expectations of various stakeholders (Balmar and Greyser, 2006). Since CSR benefits leads to successful business and thus serve the objective of marketing, CSR can be used as an effective marketing tool by the companies.
Scholars have specified CSR as marketing tool from different strategic benefits derived from CSR: to compete and sustain competitive advantage in rapidly evolving and highly competitive environment (Chahal and Sharma, 2006); to respond to customer expectations, improve corporate performance and reputation along with social responsibilities (Sen and Bhattacharya, 2001); to improve business through value creation, survivability and growth and thus improve performance (Isakson et al., 2014); to give long term performance of the organization which lead to competitive advantage along with creating good image (Podner and Golob, 2007).

It is implied that by generating various business benefits such as, creating reputation, good corporate image, gaining competitive advantage and innovation CSR can be treated as a key marketing tool. Such benefits derived from CSR can offer firm an advantageous and competitive position to draw customers’ attraction and long term successful performance in the market.

2.7 Theoretical Framework

From the above literature review it is apparent that in today’s business world CSR plays a significant role in strengthening firm performance in the market. Throughout the theoretical discussion the researcher attempted to convene scholars’ viewpoint regarding CSR contribution in relation to customer attraction as marketing instrument.

The theoretical framework has been developed based on the extant literature which has been illustrated in Figure 3. As illustrated in the framework, CSR adopted by the organization significantly influence its customers in both direct and indirect ways (Bhattacharya and Sen, 2001). CSR activities adopted by an organization generates several business benefits or outcomes such as corporate image (Yoon et al., 2006), reputation (Schwaiger, 2004), innovation (Kramer, 2006) and competitive advantage (Carroll and Shabana, 2010). The corporate image through CSR firm can create relationship with customers (Yoon et al., 2006) and gain customer loyalty (Bhattachariy and Sen 2003). Firm gain reputation by way of implementing CSR activities and thus create positive customer attitude (Becker-Olsen et al., 2006). As mentioned earlier innovative ideas through CSR practices also attracts customer appeal (Asongu, 2007). Finally firm gaining competitive advantage through innovation, good corporate image influence
the decision of stakeholders (customers) to act in favor of the company (Carroll and Shabana, 2010).

As illustrated in Figure 2, company’s CSR practices as well as benefits derived from CSR attract customers and thus CSR can be termed as a marketing tool in relation to customers. This theoretical framework will be used to examine the similarity/difference (if any) between theory and practice through the empirical finding.

![Diagram](image)

**Figure 2: Company’s CSR Practices and CSR Benefits as Marketing Tool Attract Customers (Own)**
Chapter Three: Methodology

This chapter provides the reader an idea about which method being adopted for the study along with motivation and explanation to answer why such methods or approached have been used. It also states the process of data collection, analysis and interpretation to follow clear direction towards the next chapter.

3.1 Research Strategy

This section discusses on different research strategies or approaches, the approaches which have been adopted for this study along with explanation for undertaking those approaches.

3.1.1 Qualitative Approach

Research approach can be applied either in qualitative or quantitative form or in both forms. However, in this study I have applied only qualitative approach. While the quantitative method helps to explore what happens, the qualitative approach leads toward in depth and detail understanding of a phenomenon (Hancock, Windridge and Ockleford 2007). According to Myers (2013) qualitative research allows researcher to see and understand the context within which decisions and actions taken place. The context is important as it is often the context that helps to explain why someone acted as they did and this context can best understood by talking to people.

As mentioned earlier this study aims to explore how CSR can be used as marketing tool by the RMG suppliers in developing country context (Bangladesh) which requires in detail and profound knowledge regarding CSR, the context of CSR and marketing theory. As such I have adopted qualitative research approach for the investigation to obtain effective result.

3.1.2 Induction, Deduction and Abduction Approach

It’s very important for the researcher to decide which research method to be undertaken depending on how the theories will be used in the research process. According to Saunders et al. (2009), the research strategies are likely to be deduction, induction and abduction in terms of relationship between theory and research. In the inductive approach, the data are collected and analyzed initially to develop theory based on the data analysis which is often used to get deep
understanding of any phenomenon of a problem. On the other hand, the deductive approach starts with theory analysis and development of hypothesis which is followed by designing research to collect data to test the hypothesis. According to Bryman and Bell (2015) abduction method is proposed to be the way of overcoming the limitations associated with deductive and inductive positions. Abduction starts with a puzzle or surprise and seeks to explain and puzzles may arise when researchers come across such empirical phenomenon which has not been addressed in existing theory. This abduction method involves back-and-forth involvement with the social world as an empirical source for theoretical ideas in connection to literature (Bryman and Bell, 2015).

This study starts with the theoretical review based on literature gap which coincides with deduction approach. However, the limitation of deductive method is its reliance on strict logic of theory testing but it is not clear how to select the theory to be tested (Bryman and Bell 2015) and this study is not only testing empirical phenomenon with theory but also dig out what is the actual reality. Moreover, the research aim is concerned with the phenomenon how CSR can be used as marketing tool by the suppliers in business to business context which is not been addressed in theory. The research topic necessitates move back-and-forth between theories and empirical findings that leads to in depth understanding of the phenomenon. Thus, I have considered an abduction method which seems to be most appropriate research method for this study. Moreover, the abduction approach is perfectly matches the case studies method as because it allows explanation and insights of both theoretical and empirical part of the phenomenon generated from case studies (Dubois and Gadde, 2002).

3.1.3 Multiple Case Study Approach

From the literature review it is found that the issue of CSR as a marketing tool in the context of developing country RMG suppliers is at infancy which calls for an exploratory study (Saunders et al. 2009). According to Voss (2002) an exploratory research conducted through case study method is appropriate when a phenomenon is at the development state and the variables have not properly been identified. Case study approach permits a thorough analysis of a phenomenon in a real life situation and can provide in depth insight and they enable the elicitation of raw data through different techniques such as interviews, observations and document analysis that allows
cross validation (Yin, 2009). According to Eisenhardt and Graebner (2007), case study approach is a theory building method that allows to answer questions like ‘how’ and ‘why’ which is part of the understanding the aim of this study i.e. how CSR as a marketing tool by the RMG suppliers of Bangladesh. Moreover, the most common way to do investigation in qualitative research is a case study (Stake, 2005).

Multi case study approach can be appropriate while exploring a new area and it increases external validity as well as guards against observer bias (Voss, 2002), helps in triangulation and to certain extent improve generality (Voss, 2002; Yin, 2009). Thus multiple case-studies will have the possibility to draw an inclusive conclusion as much as possible and it can help to create more robust and testable theories than those based on single case (Yin, 2009). In this study, a multi case study approach has been conducted on five RMG suppliers of Bangladesh where each considered being a case. These cases are supplemented by evidence from one immediate buying house. This buying house serves as mediator between the international buyers and local suppliers. All the garments suppliers are involved in the garments manufacturing, have manufacturing unit in Bangladesh and supply to international buyers.

Generally four steps are followed to conduct a case study (Yin, 2009) such as designing the case study process, conduct the interviews, analyze and interpret the information collected and finally draw a conclusion of new findings is required. During this study, initially a pre-understanding was structured based on literature reviewed and the case firms being selected in line with the aim of the study. Afterward separate interviews were arranged for each respondent of the selected firms and thus collected the information required to investigate research question. Finally an analysis and interpretation of the data has been done along with its implication.

3.1.4 Literature Study
A literature review gives the researcher an understanding to structure the background of a research topic and to figure out the research requisites (Fink, 2013). The literature review part of this study attempted to gather data on current literatures and theories regarding CSR concept, CSR in developing country, CSR in RMG in Bangladesh, CSR from marketing perspective, CSR benefits and theories regarding CSR use as marketing tool which aid in developing a theoretical
framework for empirical study. While going through literature review it reveals that most of the literatures on CSR were conducted in the western context and from buyers’ perspective. With the perspective to link theories discussion has been done on the CSR practices and perspective from developing country context as well as particularly in the context of RMG industry in Bangladesh. This literature review also reveals that research on CSR as marketing tool by RMG suppliers is very scant in developing country context particularly in Bangladesh which entitles to further research in this area. Based on the literature review and literature gap an initial theoretical framework has been developed which focuses on some variables to be investigated in empirical study to find out how CSR can be used as marketing tool by the garments supplier of Bangladesh in relation to buyers.

3.2 Data Collection and Analysis

3.2.1 Primary Data
The study is conducted based on both primary and secondary data. The primary data were collected through the firms’ web pages and from the interview answers with the respondents (top level and mid level managers). The primary data is collected purposefully for the current study (Kinnear and Taylor, 1996). From the companies’ websites I collected specific information about the company profile, the CSR perception and practices adopted by the companies. Other up to date information has been collected from the interviewees.

3.2.2 Secondary Data
In this study plenty of secondary data has been used to identify the literature gap as well as to develop the literature review in the relevant field of research arena. The author has searched over the university library and Google scholar to collect related books and scientific articles. Then author also attempted to gather relevant media coverage through searching over internet by clicking some key words such as, CSR, Bangladesh, readymade garments, suppliers, export. Some of the interviewees have also provided documents, for example, company profile of the organization. Thus, data has been collected from a comprehensive set of sources such as books, scientific articles, conference paper, electronic newspapers and websites. The categorization of secondary sources of data along with some examples is shown at Table 2.
Table 2: Secondary Sources of Data (Own)

<table>
<thead>
<tr>
<th>Categorization of sources</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book</td>
<td>Books mostly on “Research methodology”</td>
</tr>
<tr>
<td>Important articles in the context of CSR</td>
<td>Chowdhury et al. (2016). Supply Chain CSR image challenges – A study on</td>
</tr>
<tr>
<td>in Bangladesh garments industry</td>
<td>suppliers of Bangladesh Clothing Industry.</td>
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<td></td>
<td>Masud et al. 2013. Corporate Social Responsibility Practices in Garments</td>
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<td></td>
<td>sector of Bangladesh, A Study of Multinational Garments, CSR view in</td>
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<td></td>
<td>Dhaka EPZ.</td>
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<td></td>
<td>Haque and Azmat 2015. Corporate social responsibility, economic</td>
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<td></td>
<td>globalization and developing countries: A case study of the ready made</td>
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<tr>
<td></td>
<td>garments industry in Bangladesh.</td>
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<td></td>
<td>Anisul Huq et al., 2014. Social sustainability in developing country</td>
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<td></td>
<td>suppliers: An exploratory study in the ready made garments industry of</td>
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<td></td>
<td>Bangladesh.</td>
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<td></td>
<td>Zabin, 2013. An Investigation of Practicing Carroll’s Pyramid of</td>
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<td></td>
<td>Corporate Social Responsibility in Developing Countries: an Example of</td>
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<tr>
<td></td>
<td>Bangladesh Ready-made Garments.</td>
</tr>
<tr>
<td>Other Scientific Articles</td>
<td>Mostly from journals on marketing and management on CSR issue</td>
</tr>
<tr>
<td>Conference paper</td>
<td>Few conference paper</td>
</tr>
<tr>
<td>Websites</td>
<td>Case companies’ websites</td>
</tr>
<tr>
<td>Online newspaper/magazines/periodical</td>
<td>The Guardian, Quartz, The Daily Star, Textile Tribune, Garments</td>
</tr>
<tr>
<td></td>
<td>Merchandising, Bangladesh Bank</td>
</tr>
<tr>
<td>Documents</td>
<td>Copies of Company profile, annual report</td>
</tr>
</tbody>
</table>

3.2.3 Case selection

While selecting case for case study approach, is not always necessary to have representative sample as sample may not efficient to represent the whole population (Stake, 2005). The first motive behind selecting the cases in the study is due to the convenience of access (Merriam, 1998). The background of the cases exactly fit to the research aim and I was able to contact with the five suppliers which make the case study more useful and reliable. The concept of CSR as marketing instrument is not that much adopted by many garments suppliers in Bangladesh. This is why I tried to select some large companies in this sector who have already reached at matured stage in implementing CSR. It would be interesting to investigate how these large suppliers are
practicing CSR as marketing tool to grab international buyers. In order to cross-validate the data provided by suppliers I have chosen a multinational buying organization who deals with worldwide international buyers for sourcing the suppliers in Bangladesh. I have selected this buying house as a case as because it may represent different international buyers’ regarding suppliers sourcing from Bangladesh.

While selecting sampling four aspects should be considered such as, location of observation, time period of observation, people involved in and the purpose of observation (Merriam, 1998). The firms selected as cases are established for long time and their CSR practices are also being carried out since long. Since these firms have already been reached at matured stage in terms of their social responsibilities it is the timely study to investigate how far they have been successful in implementing CSR as effective marketing tool. And most of the interviewees (top management) having long experience are able to easily figure out how it worked during last few years in the market. And also the views of a buying organization (mediator between supplier and international buyers) have been considered to scrutiny the real scenario of the industry which aid in reliability and validity of the study.

3.2.4 Interview Process

The companies were informally contacted initially due to having personal contact with the author. Then formal request letter forwarded regarding taking the interviews and use of required information for the research. Before taking the interview, two semi structured questionnaire sets were (one for suppliers and one for buyer) prepared based on the theoretical framework and research objective. The questionnaires set were finalized after being reviewed by supervisor and discussion with supervisor. Since it is a qualitative study, a semi structured interview has been adopted to get qualitative in depth information from the interviewees. Saunders et al. (2009) argue that a list of interview questions to be pre-determined and prepared to cover the area of interest in a semi-structured interview process although the questions should be open ended to allow interviewees to answer in detail. Semi structured interview allows rising of unexpected but interesting and related topics during the conversation. These “unexpected” answers are important in the sense for recommending areas for further research.
Most of the interviews had been conducted in the respondents’ native language Bengali and sometimes in English to obtain clear and detailed view. The interview answers being recorded (except two) are then transcribed for the research purpose. The interview guides and contents were sent to the interviewees few days ahead of the interview to get them prepared and have an understanding to generate an effective conversation. All the questions were not answered directly or in detail as being sensitive for the companies. The interviews were arranged at the convenient of both researcher and interviewees. The interview had been conducted through Skype, Messenger and Viber due to distant location and also due to time and financial constraint. However, Messenger, Skype and Viber allow multi-media communication which is better than telephone call and almost similar to face to face interview.

All total eleven interviews were conducted (two respondents from each supplier firm and buying organization) and all interviews were arranged as one-to-one in order to cross check the information validity. Each interview was carried out and lasted for around 30-45 minutes within the month of April, 2016. The interviewees were selected as two from each of the five garments supplier firms; representing one from top management and another one from mid level who is directly responsible for CSR activities. From the buying organization two interviewees were selected: one from mid level position and another from managerial position. The interviewees were identified either through personal contacts or through referrals which ensured the participants to be accessible as well as cooperative (Brymen and Bell, 2015). Due to the sensitive nature of topic having personal contact helped to create trust which enabled an open discussion to obtain candid data. The five suppliers have been referred to as A, B, C, D and E and the buying organization as Buyer. A detail about the interviewees is provided at Appendix A. However, while presenting the data, the company as a whole represents the interview information derived from two interviewees of the concerned company.

### 3.2.5 Analysis

Ghauri (2004) refers the interpretation and analysis of qualitative data as the most difficult task in case study research. This analysis process involves several stages where the initial step is to construct a description and explanation of the cases (Ghauri, 2004). It is important to start with simple ‘story telling about a situation and progress in chronological order which help to construct
a roadmap and locate different variables. This way, starting by way of categorizing text, identifying trends and establishing findings the data has been integrated into an explanatory framework (Kvale, 1996). Different techniques of analyzing data are illustrated in Table 3.

Table 3: Case Study Analysis (Adopted from Ghauri, 2004, p. 119)

<table>
<thead>
<tr>
<th>Techniques for case study analysis</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronologies</td>
<td>Narratives of the events that took place, organised by date</td>
</tr>
<tr>
<td>Coding</td>
<td>Sorting data according to concepts and themes</td>
</tr>
<tr>
<td>Clustering</td>
<td>Categorising cases according to common characteristics</td>
</tr>
<tr>
<td>Matrices</td>
<td>Explaining the interrelationship between identified factors</td>
</tr>
<tr>
<td>Decision tree modelling</td>
<td>Grounding a description of real-world decisions and actions coherently by using multiple cases</td>
</tr>
<tr>
<td>Pattern matching</td>
<td>Comparison between a predicted and an empirically based pattern</td>
</tr>
</tbody>
</table>

The analysis process of this study had been started by categorizing the raw data derived from the interview and summarizing the extensive conversations into several key sentences. This process refers to meaning concentration which helps to reduce the large interview substance into short review which becomes easier for researcher to work with and find similarities and differences as well. The empirical data has been initially sorted out and presented from two perspectives: suppliers and buyer. Through the process of categorization of raw data, the interview data has been presented in line with the main themes explained in theoretical framework (for example, CSR practices by suppliers, benefits from CSR and CSR and marketing in relation to international buyers). This process also facilitates the analysis of data as being presented in organized structure. Yin (2009) claimed that theoretical framework is the way to direct the data analysis, in this study the analysis has been conducted based on the theoretical framework. The analysis chapter has been segmented in two different sections in order to clarify the key research questions in line with theoretical framework: i) CSR practices by Bangladesh garments suppliers and ii) role of CSR in marketing in relation to buyers. Both the similarities and differences
between theories and cases have been identified and analyzed and finally the findings have been reported in conclusion with answering the research questions.

3.2.6 Reliability and Validity
It is important to justify the reliability and validity of a study as some potential mistakes may occur in empirical studies. Merriam (1998) argues that researchers need to assess the reliability during the study through different measures likely triangulation, credibility of the researcher and peer examination. Since this is a multi-case study research, the purpose of triangulation has been served in three ways: by examining different garments suppliers in the same industry, two interviewees from each company and taking the perspectives of both supplier and buyer. According to Ghauri (2004) triangulation is one of the defining features of case study which assist to check and validate the information received from various sources and examine it from different angles. Researcher’s credibility is to being aware of potential biases when analyzing case study data. There was a potential risk that the interviewees from suppliers will try to exaggerate their CSR activities in order to put a positive impression of the company. The researcher checked comments from the supervisors, instructors and other students as peers’ observations to reduce the bias and subjectivity of the study.

Validity of the study should also be considered as important as reliability. According to Malhotra and Birks, (2007) validity refers to the accuracy of the researcher’s measurement on what he (she) intend to measure. To ensure validity of the study the utmost attempt was taken to develop relevant questions for the interview and interpret those unbiased in line with theories discussed. As transcription process is very important regarding validity I did my best to collect raw data effectively and transcribed those after the interview without any anomaly.

3.3 Research Ethics
During the study, the research ethics have been maintained in many ways. Regarding maintaining research ethics, Bryman and Bells (2015) have identified several areas such as, harm to the participants, informed consent, privacy and deception. Before conducting the interviews, all the interviewees were asked for the permission to record the interviews. The interviewees were also asked for their consent regarding the use of their names as well as their companies’ names.
All the companies have been contacted in formal way, initially requesting to access for interview and use of company information for the research. The interviewees were properly clarified about the purpose and area of research.

3.4 Reflection

The operationalization of this study has been based on the research questions. Corresponding to the nature of research question ‘what’ and ‘how’ qualitative method has been undertaken. Then multiple case study approach has been chosen to attain more validity and reliability. A semi structured questionnaire has been used for interview to get in detail information and understanding of the phenomenon. The interview data has been categorically represented and analyzed in order to accomplish the research aim. The methodology adopted in this study along with justification is depicted at Table 4.

Table 4: Methodology Adopted in the Study and Motivation (own)

<table>
<thead>
<tr>
<th>Approach adopted</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abductive</td>
<td>• Allows back and forth involvement between theories and empirical findings to have in depth understanding of phenomenon</td>
</tr>
<tr>
<td></td>
<td>• Perfectly matches the case studies method</td>
</tr>
<tr>
<td>Qualitative</td>
<td>• Allows in depth and detail understanding of a phenomenon or a context</td>
</tr>
<tr>
<td>Multiple Case Study</td>
<td>• Permits a thorough analysis of a phenomenon</td>
</tr>
<tr>
<td></td>
<td>• Increases external validity as well as guards against observer bias</td>
</tr>
<tr>
<td></td>
<td>• Helps in triangulation</td>
</tr>
<tr>
<td></td>
<td>• To certain extent improve generality</td>
</tr>
<tr>
<td>Literature study</td>
<td>• To identify the research gap and develop theoretical model to analyze empirical data</td>
</tr>
</tbody>
</table>
Chapter Four: Empirical Study

This chapter provides a presentation of empirical data and findings. At first, it gives a glimpse about the garments industry of Bangladesh, context of study, along with brief presentation of garments suppliers and buyers. The interview data has been presented in organized manner in line with the key theoretical issues discussed in Chapter two. Finally the result of empirical finding has been summarized and explained in a table.

4.1 An overview of RMG industry in Bangladesh

The RMG industry is the single biggest export earner for Bangladesh which accounts for 80% of total export earning of the country (Bangladesh Bank, 2015). The apparel industry of Bangladesh started its journey in late 1980s. After passing many obstacles and confronting various challenges now the industry has been reached at this remarkable stage. Now the clothing industry of Bangladesh is the second largest exporter of clothing after China and it employs about 4 million people (majority women) in approximately 3,500 factories. This sector accounts for around four-fifth of the country’s exports and contributes 10% of GDP of developing South Asian nations (The Guardian, 2015). The historical development of the garments industry of Bangladesh has been depicted on Table 5.

Table 5: The brief historical progress of garments industry of Bangladesh (source: Garments Merchandising 2015; Werner et al. 2014; Khan, and Rodrigues, 2015; Bangladesh Bank, 2015)

<table>
<thead>
<tr>
<th>Years</th>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-1980</td>
<td>Early period of growth</td>
</tr>
<tr>
<td>1982-1985</td>
<td>booming years</td>
</tr>
<tr>
<td>1985</td>
<td>imposition of quota system</td>
</tr>
<tr>
<td>1990s</td>
<td>Significant development in knitwear sector</td>
</tr>
<tr>
<td>1993-1995</td>
<td>Child labor issue and its solution</td>
</tr>
<tr>
<td>2003</td>
<td>Withdrawal of Canadian Quota restriction</td>
</tr>
<tr>
<td>2005</td>
<td>Phase out of export-quota system</td>
</tr>
<tr>
<td>2000-2011</td>
<td>Export showed five-fold growth</td>
</tr>
<tr>
<td>2011-2013</td>
<td>Fire accident and factory collapse</td>
</tr>
</tbody>
</table>
Bangladesh RMG industry mainly manufactures products likely T-shirts, sweaters, trousers, men’s and women’s shirts, kids wear. And the most significant market share consists of EU and North America (the US and Canada). A survey done in 2014, in collaboration with US Fashion Industry Association, reveals that half of the executives surveyed said that they expected to reduce sourcing from China in the next two years. At the same time, 60% of respondents expected to increase their sourcing to some extent in Bangladesh while 5% expected to strongly increase sourcing in Bangladesh (Quartz, 2015).

Inadequate infrastructure, bureaucratic inefficiency and corruption are still the major problematic factors for the growth of this sector. And the political stability of the country is the key to the steady growth of the industry. Other factors like human rights and workplace safety issues in RMG factories have also slowed down the industry reputation and growth in global market (Garments Merchandising, 2015). Now it is the high time to protect the RMG industry of Bangladesh to retain the sustainable growth and competitive edge of this industry.

4.2 Summary of the Organizations Studied

This part follows a brief description of the current CSR activities as well as a brief outline of the companies (five garments suppliers and an immediate buyer) to be studied in this thesis. This section is not designed for the critical analysis purpose rather a presentation of the current CSR initiatives of the companies so that the reader may have an idea about in which background the interviewees has answered the questions. The information presented is allocated from both the web pages of each corporation and from the respective interviewees’ information. The detail of the interviewees has been given at Appendix A.

4.2.1 Epyllion Group (Supplier A)

Epyllion group is a top ranked and well reputed conglomerate in RMG sector in Bangladesh that is engaged in manufacturing and exporting of Knit Apparels since 1994. It has the state of art vertically integrated garments manufacturing facility having substantial backward linkage establishment. Its core philosophy consists of human spirit, ethical business practice and protecting environment which reflect its social responsibility towards the society. It focuses on the human resources based on the theme that human resources play a vital role in its success. It
provides personal development training program, arrange cultural program, education support program for the children of company staff, medical support for the workforce, newborn gift, free vaccination, and quarterly publication by the employees to raise their own voice. It ensures the humanity factors advised by the UNGC (United Nations Global Compact) being a member of the organization and the company has been awarded for such activities. Priorities are given towards training of workers on safety issues (Epyllion Group, 2016).

The group also plays significant role in its each and every activity towards protecting environment and thus has earned an iconic image of green corporate house. Regarding environmental issues they are also ecologically certified by global LEEDs Gold Certificate which requires waste management, energy efficient factory building and thus it is termed as Eco Factory. They use environment friendly technology such as energy efficient water pump to ensure misuse of water. They also conduct tree plantation program at different education institutions.

They practice international standard corporate governance in line with ISO practice. Thus, the group termed itself as a “global corporation” that is committed to behave ethically and contribute to economic development along with improving the quality of life of its workforce and their families as well as of local community and society as a whole.

4.2.2. Mondol Group: Alim Knit (Supplier B)

The Alim Knit established itself as an icon in the garments manufacturing industry through its fastest growth, uncompromising product quality and commitment towards its quality objectives. Industrial health, safety and welfare issues are closely monitored. They emphasize on ensuring worker friendly environment. The company slogan is “safety first!” and maintains it in daily working life. Once or twice in a month unnoticed fire drill is conducted to improve the employee efficiency on evacuation in any fire incident.

The company pays attention to employee welfare also. It has a medical team of a doctor, nurse and a group of well trained medical assistants remain standby during working hours in the factory. Moreover, a regular free health check up is arranged for the workers of the factory.
There is a child care centre to take care of the children of the workers which ensure hygienic condition under the supervision of two female attendants. The company has an in-house subsidized grocery store only for the workers/employees of the factory. The factory has own library equipped with various fashion journals, textile related books, books on environment and industrial laws, newspapers and various books for knowledge development of the workers.

The company also emphasizes on maintaining ecological balance and is very aware of any contamination and pollution harmful to the environment. The factory has constructed Effluent Treatment Plant (ETP) and Water Treatment Plant for the management of effluent and polluted water to keep the environment pollution free. Thus, the company has an appropriate Code of Conduct consist of ethical business principles, environment principles, human rights and workplace safety. Regarding corporate social responsibilities the company ensures the following:

- Compliant with social standards in Bangladesh
- Provide a safe and healthy work environment for all
- Local environmental standards are complied
- Labor and human right issues are advocated
- Factories are always prepared to face the compliance audit by buyers anytime

### 4.2.3 Givensee Group: Zahintex Garments (Supplier C)

Zahintex Garments Ltd is a textile manufacturing unit of Givensee Group which initiated business since 1984. This business group is involved in CSR activities beyond its compliance of code of conduct set by international buyers. The founder Chairman of the Givensee Group established an Old Rehabilitation Centre near to the capital city with own finance to make a shelter for the older people above 60 years who are very underprivileged in the social context of Bangladesh. Later they opened another branch of this old home at rural area. All basic facilities like accommodation, foods, clothes, medicines and other facilities are provided free of cost the older people till death. This old home has its own health care center and sufficient staffs are there all time to take care of the elders. It has accommodation facility for about 1200 people. This is a very rare example of such huge investment in CSR program in the context of Bangladesh (Givensee Group, 2013).
It is one of the best garments manufacturing units in Bangladesh due to its compliance issues. It has recycling unit where cotton is manufactured from waste fabrics of different knit garments industries. Besides this old home, they are also involved in other CSR programs such as scholarship for students, allowance to freedom fighters, HIV/AIDS awareness campaign, social contribution school, rehabilitation of prisoners.

4.2.4 M. M. Knitwear (Supplier D)
M.M. Knitwear is knitting, dyeing and garments manufacturing unit operating since 1991. It has own factory building. Since very beginning it has a very good reputation as financially sound and ethical business practice. It has long term linkage with the selected factories being certified by global highest rating bodies and outstanding sourcing capabilities. It focuses on employee safety by way of upgrading fire detection system, evaluation of structure integrity and awareness about health and hygiene issues. Beyond safety measures, the firm practice various CSR programs such as, free blood group test, free HIV checking and vaccination, COC training program, arrange iftar party, free child care facility, free vaccination and in house mosque for prayer.

The company is well aware of environmental pollution factors. They have effluent treatment plant and waste management system to avoid pollution from effluent. They also emphasize on tree plantation in and around the factory to keep the environment well.

4.2.5 Arunima Group (Supplier E)
Arunima Group started business since 2004. They have facilities ensuring safety and health measures by means of building structural, fire and electrical safety as well as environment friendly measures like waste disposal, Water Treat Plant (WTP) facility and Effluent Treatment Plant (ETP) according to local and international standards.

The founder sponsor of the group has long experience in the industry along with good academic background. The group initiated CSR programs for the betterment of both employees and local community. Its CSR activities include free education and sports allowance for youth group, joint collaboration with NGO for women health hygiene issue and medical assistance for employees. The factory has free child care center for the workers of the factory. They are committed to
conduct their business by following a standard practice of business ethics, human rights and compliance with all legal applicable laws along with code of conduct requirements by international retailers. Regular training is arranged to ensure CSR knowledge among the workforce of the factory. The sponsors have future planning to invest in other CSR programs such as to financing housing for the employees of the company.

Some key information of the suppliers’ such as, business, product line and main international buyers, certification is illustrated in Table 6.

Table 6: An Overview of Suppliers’ Companies (own)

<table>
<thead>
<tr>
<th>Group name (Unit)</th>
<th>Business since</th>
<th>Ownership</th>
<th>Workers</th>
<th>Turnover (in mUSD)</th>
<th>Product</th>
<th>International Buyer</th>
<th>Certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Epyllion Group (Garments Division)</td>
<td>1994</td>
<td>Family owned</td>
<td>4,180 (Female: 80%; Male: 20%)</td>
<td>200.00</td>
<td>Knit Polo/T shirt, Sweatshirt, Cardigan, knitted bottom</td>
<td>CandA, MandS, G-Star, HandM, Celio, Original Manner, Next, S-Oliver</td>
<td>WRAP, Organic Content, C-TPAT, Oeko-tex 100, BSCI, Sedex, GSV, ISO 26000, LEED Gold</td>
</tr>
<tr>
<td>Mondol Group</td>
<td>1991</td>
<td>Family owned</td>
<td>3300 (Female: 90%; Male: 10%)</td>
<td>250.00</td>
<td>T-shirt, polo shirt, trouser, jacket, fancy item,</td>
<td>Carrefour, Jennyfer, Colin’s, US Polo, LPP, Terranova, S-Notica, Offtex</td>
<td>Oeko Tex, BSCI ISO 9001:2008 Organic Content Sedex, C-TPAT WRAP, GOTS</td>
</tr>
<tr>
<td>Givensee Group (Garments unit)</td>
<td>2002</td>
<td>Family owned</td>
<td>4,500 (Female: 2500 Male: 2000)</td>
<td>25.00</td>
<td>Sweater items</td>
<td>Terranova, HandM, Takko Fashion, Zeeman, Miltonia, Bershka, Tema, Klingel, NKD</td>
<td>ISO 9001-200 Oeko-Tex standard 100 Sedex, BSCI</td>
</tr>
<tr>
<td>Arunima Group</td>
<td>2003</td>
<td>Founder, Senior Manager and other investors</td>
<td>3600 (Female: 54%; Male: 46%)</td>
<td>40.00</td>
<td>Cargo pants, Jackets, knit items</td>
<td>Walmart, Gap, Target, Beneton, Lee, Wrangler, Kmart, Zellers, Target, Costco, Cortefiel</td>
<td>C-TPAT, BSCI</td>
</tr>
<tr>
<td>M.M. Knitwear</td>
<td>2001</td>
<td>Family owned</td>
<td>6200 (Female: 47%; Male: 53%)</td>
<td>60.00</td>
<td>T shirt, Polo Shirt, TangTops, Trouser</td>
<td>Takko, Lidl, Ulla Popken, Kid, Piazza Italia, Terranova</td>
<td>Sedex, WRAP, BSCI, UKAS</td>
</tr>
</tbody>
</table>
4.2.6 **TexEbo (Multinational Buying Organization)**

Tex-Ebo International Pte Ltd is a subsidiary of the global Singaporean company Tex Line Group. It’s a service organization that provides comprehensive apparel sourcing and supply chain management towards multinational buyers worldwide. It was established in 1982 and now it has around 1000 employees stationed worldwide. Service ranges cover product design, raw material sourcing, sample development, order negotiation, manufacturer sourcing evaluation, work-in-progress supervision, production planning and management, manufacturing control, quality assurance, code of conduct and responsibility, logistic support and export documentation. Major market areas covered include Australia, Central and South America, Eastern Europe, North America and Western Europe.

This company provides service to the multinational buyers in apparel industry in sourcing the garments manufacturers and suppliers.

4.3 **Empirical Findings**

The interviewees’ perspective (from both suppliers and immediate buyer) has been presented below in line with different components of the theoretical framework.

4.3.1 **Suppliers Perspective**

4.3.1.1 **CSR Practices by Suppliers**

As explained by suppliers they conduct CSR initiatives mainly in two forms: compliance of code of conduct and philanthropic activities. The suppliers mention that they have their own code of conduct based on the local laws, international laws and buyers’ requirement. The buyers’ code of conduct or social compliance focuses on some major issues: workplace safety regarding fire and building construction, health and hygiene, wages and benefits, working hour and environmental protection. Regarding safety issues suppliers has to implement upgraded fire safety system and ensure building integrity. Suppliers have to ensure proper wastage treatment to protect environmental pollution by way of establishing Effluent Treatment Plant (ETP) and Water Treatment Plant (WTP). The suppliers have to ensure timely and fair payment of workers’ wages, festival bonus and overtime pay as per regulation. The workers’ health and hygiene protection to be ensured that may be affected by the emission of effluent and chemical.
Besides buyers’ code of conduct, suppliers practice some other CSR activities for the employees as well as for the society as a whole. They specified some CSR activities other than buyers’ requirement like education support for workers’ children, skill development training, free meal, free medical support, child care center, old home facility, rehabilitation program, infrastructure development program, tree plantation program, environmental awareness campaign, arranging cultural programs, and donation for catastrophe affected people. Some of them have future planning to start worker provident fund and financing accommodation for the workers.

Few of the suppliers are concerned about innovative CSR practices besides regular social compliance. One supplier mentioned that they have recently been established as Eco factory which ensures efficient consumption of electricity, fuel and water and they also obtained gold certification from LEED (Leadership in Energy and Environment Design) for building such green factory. Another supplier mentioned that they have a recycling unit where cotton is manufactured from waste fabrics of knit garments industry.

The suppliers mentioned that due to several accidents in factories the suppliers and buyers are now concerned about safety issues like adequate fire safety system and building integrity. The suppliers arrange for third party audit as per buyer requirement to scrutiny the compliance status of the factory and such audit occurs annually or as when required. According to the suppliers these third party certifications from some reputed international authorities help them to qualify for obtaining order from the buyer.

### 4.3.1.2 Benefits from CSR Practices

**Reputation and Corporate Image**

All the suppliers agreed that CSR activities contribute in creating good corporate image and reputation in the market which in turn help to grab more buyers. They also mentioned that they expect to get even higher price and get business from the renowned international buyers because of such good reputation and CSR image. According to the supplier D “Nowadays owners themselves become conscious regarding their CSR image and reputation even beyond buyers’ pressure. Because they realize that without good image and reputation of CSR practice they
cannot attract buyers as well as workers who are the most important stakeholders for the survival of the company.”

Supplier A stated “Recently several foreign diplomats (US, EU, ILO) came to visit our factory. They visited Bangladesh to discuss about the potentiality of business in garments industry. They didn’t visit all the factories; they came to our factory as they got the notion that we are doing better than others. This way our social activities and recognition from various authorities helped us to create and spread good corporate image in the market.” Supplier C mentioned that “Buyers have a scientific method to verify the suppliers’ compliance standard on point basis which ultimately rank suppliers differently. This is how the suppliers who get higher ranking reflect good CSR image and thus able to get more business and higher price from renowned buyers.”

All the suppliers realized and have consent that reputation and corporate image earned through the implementation of CSR activities will ultimately help them to sustain in the market, to grab new market and to get better price.

Innovation

All the suppliers mentioned about practicing different CSR activities other than those required by buyers. They have some CSR programs which differentiate them in the market from other competitors. Supplier C has some differentiated CSR programs like old home facility, rehabilitation program of the prisoners by way of giving them sewing training, DNA test to prohibit child labor practice and recycling of the wastage from garments factory – which are rarely practiced by other manufacturers. Supplier A have recently established eco factory which ensure energy efficiency and reduce water consumption and they earned new certification regarding this. Supplier B indicated about setting up an in-house grocery shop for the workers at subsidized price, a library for workers and free tea for the workers.

Supplier D is providing training to the female workers about proper sanitation and supplying free napkin with joint collaboration with a local NGO. The suppliers explained that having adopted some innovative programs through CSR ultimately differentiate them from other competitors in the market as well as generate various benefits like good corporate image, satisfied employee,
stakeholders’ trust, cost reduction and increased productivity. Suppliers D and E mentioned that they have good intention to implement more innovative CSR programs for the benefit of employees and society. Since implementing new CSR programs require huge investment, they urged for support from the buyers in terms of better pricing.

Competitive Advantage

All suppliers consent that they can gain competitive advantage through CSR implementation compared to those who do not practice CSR well. As suppliers indicate that CSR has become the most priority to the owners as it decides who will survive in the market. Supplier D stated that “CSR involves continuous up gradation which require monetary investment; in that sense we are in better position compared to the small suppliers who cannot afford to implement social compliance as per buyers’ standard due to shortage of fund. And this is how those who will implement CSR will get orders from buyers and survive in the market in the long run.”

And suppliers focused on the employee welfare issue as the most significant arena where they can gain competitive advantage. Supplier A stated that “We are nurturing the human spirit through implementing various CSR practices. We can create a feeling of belongingness to the employees by way providing various welfare and development programs through CSR. They in turn become more motivated and loyal to their employer and this way we have competitive advantage regarding better workforce.” Suppliers thus agreed that by attracting and retaining workers for longer period they can have competitive advantage as it reduces the cost of employee search, absenteeism and turnover and increase productivity. Supplier C mentioned that “Workers are now very aware and informed about CSR practices by garments manufacturers. We can attract better employees being more socially compliant where there are several factories that have to go for advertisement to seek worker. This way we must have comparative advantage as we can attract skilled employees and reduce turnover.” According to supplier E, “In making fancy items like jacket we need skilled and trained employee. If we can provide better environment and more benefits to employees we can attract and retain skilled employees which will ultimately increase productivity and create trust among employees”.
Suppliers also indicated about the workers’ awareness regarding their own safety and wellbeing. Supplier B indicates that “Nowadays after Rana Plaza incidence workers are very conscious about the safety and other social compliance issues. This awareness leads the workers to seek more socially compliant factories to work with.” Suppliers agreed that this awareness of workers helped them to attract better workers in their factories.

4.3.1.3 CSR and Marketing in Relation to Buyers

The suppliers consent that social compliance is the foremost factor in getting business from the foreign buyers. In this regard, supplier B stated “Recently a new US buyer came to us for business negotiation and their very first initiative was to inspect the social compliance issues. When they found the compliant issues as per their standard, they went for settling the business deal.”

All the suppliers refer that they follow a high standard of code of conduct which enable them to achieve a good number of certifications. Various certifications or recognitions from both local authorities as well as global audit organizations aid in creating good corporate image of the suppliers to grab new buyers. Suppliers mentioned that well renowned buyers (Mark and Spencer, HandM, CandA, S Oliver) are continuously emphasizing more on social compliance. In this regard, suppliers B and E specified that if they are being audited by the renowned buyers and have certifications from global standard audit bodies those help them to get business from other buyers.

Suppliers also mentioned that buyers are as always mostly concern about employee welfare issues regarding CSR practice. Supplier C stated that “After several accidents in Bangladeshi garments factories, buyers are more conscious about working environment and compliance issues mostly emphasize on employee welfare and safety practices. When the factories are more socially compliant that means they provide good working environment for the workers. By being socially compliant factories are thus able to attract better quality employees, reduce turnover and avoid labor unrest.” Supplier C and E mentioned that buyers and auditors often ask workers about the working condition and social benefits they are provided by their employer.
4.3.2 Buyers’ perspective

The buying organization has to check first the social compliance standard of the factory as per the requirement of the foreign retailers. Regarding this they check for third party auditor’s (SGS, Beauro Veritas) certification and evaluation by any other renowned and large buyer (Walmart, JCPenny, Lidl, HandM, Springfield). They also physically inspect supplier’s factory to check the compliance status with their own compliance team. If they find any lacking regarding social compliance they request the factory owners to comply the issues. The immediate buyer stated that “We first ask the factory to upgrade the social compliance standard and sometimes we find them unwilling to invest in CSR implementation. Then we have to force them to implement compliance issues by way of warning them about discontinuation of business. We even try to support them by way of offering free evaluation by our own compliance team.”

The buyer specified that the enforcement of buyer is required because the profit motive push the supplier to get more benefit at lower cost (less investment on CSR implementation). At the same time, the buyer mentioned that CSR being practiced in Bangladesh garments industry for more than 10 years, now the auditor only has to check the standard of CSR compliance, up gradation status and validity of the assessment. Buyers mentioned that the factories are now ranked in terms of their social compliance by Alliance Safety Accord and other third party audit companies and buyers chose the suppliers based on their audit ranking. Buyer also stated that “Some suppliers are now implementing the highest level of standard CSR practices to capture many buyers within one umbrella”.

Buyer also mentioned that international retailers mostly emphasize on CSR practices related to employees’ welfare issues. They also motivate the suppliers to comply with the employee welfare issues as employees are an important resource of this industry. The buyer states that “We try to motivate the supplier for CSR implementation regarding employee wellbeing which benefit supplier by reducing absenteeism, turnover and attract skilled workforce as well as increase productivity in long run. We often try to motivate suppliers to implement CSR activities beyond international buyer’s requirement which will ultimately reap benefit for the suppliers.” Buyer believe that if suppliers give more emphasize on CSR activities it will increase their profitability
by way of increasing productivity, good reputation and grab more from international retailer with high price.

4.3.3 Other Issues raised in the Interview

While discussion with interviewees from different suppliers and buyers many issues raised other than the main research factors. Some suppliers (A, C, D) consented that owners’ intention and education play an important role in CSR implementation and now all the owners are very aware of implementing the CSR programs as it ultimately affects the performance of the firm. All Suppliers have mentioned international buyers and workers as the most significant stakeholders as they won’t sustain in the market without meeting their expectations and maintaining relationship. All the suppliers think that if they abide by local laws, industrial laws, labor laws and buyers’ social compliance requirement that is enough for getting order from international buyers. Even though, some suppliers (A, B and C) assume it is wise to implement CSR one step ahead to attract large buyers at high price as well as skilled employees.

Suppliers consent that there is no barriers in implementing social compliance and other CSR programs except financial hurdle as CSR implementation requires monetary involvement. Suppliers have mentioned that they get advisory and technical support from the buyers but sometimes they require fund support to implement CSR programs (e.g. up gradation, installation, rising of employee benefit). In that case, all suppliers consent that if they get better price then this investment can be compensated and they can implement more CSR programs.

4.3.4 Summary of Empirical Findings

From the above data presentation both similarities and differences have been reflected in the interviewees’ responses. The interview also raised some new issues which may be taken into consideration for future research. The findings are summarized in Table 4. The Table shows how suppliers and buyers have been agreed as well as differed on different categories. It is evident from the empirical data that all suppliers implement CSR practices mainly in three ways: abiding buyers’ social compliance issues, employee welfare programs and social welfare. All the suppliers and buyers have approved two issues – suppliers’ CSR practices help suppliers to gain competitive advantage and help in marketing to international buyers. Two suppliers consider
CSR benefit as innovation; all suppliers and buyer except one supplier accepted that CSR benefit suppliers to obtain reputation and good corporate image. During the interview session, some other interesting issues raised which are being included in Table 7.

Table 7: Summary of Empirical Findings (Own)

<table>
<thead>
<tr>
<th>Evidence from empirical data</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Issues</td>
<td>Supplier A</td>
</tr>
<tr>
<td><strong>CSR practices by suppliers</strong></td>
<td></td>
</tr>
<tr>
<td>Buyers’ requirement (workplace safety, health and hygiene, wages, working hour, environmental protection), Employee welfare and Social welfare</td>
<td>*</td>
</tr>
<tr>
<td><strong>CSR benefits</strong></td>
<td></td>
</tr>
<tr>
<td>CSR creates good image and reputation which attract buyers and better workers</td>
<td>*</td>
</tr>
<tr>
<td>CSR creates innovation opportunity like building eco factory, recycling unit which attract buyers</td>
<td>*</td>
</tr>
<tr>
<td>CSR helps to gain Competitive advantage by attracting, retaining skilled workers, increased productivity and thus attract buyers’ as they (buyers) are concerned about employee wellbeing issues</td>
<td>*</td>
</tr>
<tr>
<td><strong>CSR and Marketing in relation to Buyers</strong></td>
<td></td>
</tr>
<tr>
<td>CSR implementation qualify suppliers for getting business from buyers’</td>
<td>*</td>
</tr>
<tr>
<td>Suppliers social compliance standard is categorized by audit which influence buyers’ decision</td>
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<tr>
<td><strong>Other issues raised during interview</strong></td>
<td></td>
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<td>Owners are aware of the significance of CSR implementation</td>
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<tr>
<td>Buyer and workers are important stakeholders in garments industry for suppliers</td>
<td>*</td>
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<tr>
<td>Suppliers require buyers’ support for CSR implementation</td>
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</table>
Chapter Five: Analysis

The empirical finding from previous chapter will be analysed in connection to the theoretical discussion followed by the interpretation of theoretical framework. This chapter emphasizes on investigating how empirical findings are relevant / irrelevant to the existing literature. This chapter thus leads toward answering the research questions in the following chapter.

5.1 Analysis of Empirical Findings in Connection with Literature

The purpose of this thesis is to investigate how CSR can be used as marketing tool by the readymade garments suppliers of Bangladesh. Turning to the research questions and interview questions asked, the respondents do not give answer in one sentence or a simple “yes” or “no”. A long list of many issues can be derived from the research but for the clarity, the analysis part has been divided into two parts in line with the research aim. Finally the findings have been summarized as a result of the analysis.

5.1.1 CSR Practices by the Garments Suppliers in Bangladesh

According to Zabin (2013), CSR practice is very important for developing countries like Bangladesh RMG industry. The suppliers are now aware of implementing CSR activities. The suppliers have recognized the necessity of social and environmental compliance for the survival of business. The study conducted by Azmat (2015) argues that majority of RMG suppliers focus on profit maximization without complying required social compliance issues, but the real scenario is not the same. The suppliers are now conscious about CSR implementation as the most significant mechanism to survive in the market; if they do not go for CSR implementation, they will lose business order and have to leave the market.

As buyers are assessing suppliers depending on the standard of CSR implementation and employee welfare issues, which drive the suppliers to continuously improve their CSR activities. Researchers argue that buyers’ pressure in terms of coercion and encouragement is required to be socially responsible in developing country like Bangladesh (Naeem and Welford, 2009). During past few years, due to negligence of CSR and continuous deprivation of workers’ rights resulted to fire, factory collapse leading mass death, injuries of workers, labor unrest and violence which ultimately threatened the sustainability of the industry (Azmat, 2015). All these occurrences
insisted on the buyers’ pressure towards suppliers to be more socially compliant. Concurrently, suppliers now consciously comply with the buyers social compliance requirement through implementing CSR activities related to ensuring workers’ safety, wages, health and hygiene, water and effluent management, energy efficiency, structural integrity as well as regular upgradation of the compliance issues.

Beyond buyers’ code of conduct, the suppliers initiate various CSR programs designed for employee benefits such as free medical support, education support for children, subsidized grocery shop, skill development training, child care center, free vaccination, medical checkup during pregnancy, cultural programs and sports, free meal and tea, in house library for workers. Suppliers have recognized employees as another vital stakeholder for the survival and successful performance of their business. The suppliers believe that if they can ensure employee safety and benefits they will be able to attract more employees, to retain employees (Smith, 2005), to build up skilled workforce, to create trust and satisfaction among employees. These factors generate various business benefits through increased productivity, production stability, quality product which will ultimately aid the firm to reach competitive edge by way of reducing cost as well as maximizing profit. Thus, various CSR activities designed for employee wellbeing has indirectly affect profitability of the business (Visser, 2008) which motivates suppliers most.

Further the suppliers initiate various CSR programs aiming towards the society for community development and environmental protection. The suppliers have many CSR programs like establishment of free old home, rehabilitation of prisoners, infrastructure development (school, mosque in rural area), ecological awareness campaign, aid to natural disaster affected people, and education support to poor children. These philanthropic CSR activities render wellbeing to the society as a whole as well as create good corporate image (Chappel and Moon, 2005) of the suppliers in emerging country context. Most of the CSR programs are aimed to facilitate the deprived group of people in the society where government capacity to meet public service is limited in developing country context.

From the suppliers’ CSR activities and driving forces behind such CSR implementation is reflected on CSR definition by World Business Council for Sustainable Development (2002)
“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”. This definition clearly emphasizes on CSR outcomes on economic performance by way of practicing various CSR activities to improve the quality of lives of employees, their families, the local community and society as a whole. This definition to a large extent coincides with the CSR implementation of garments suppliers in Bangladesh.

The overall CSR practices of garments suppliers in Bangladesh can be categorized as below:

- Workplace safety regarding fire and construction
- Health and hygiene issues
- Wages and benefits
- Working hour and overtime
- Environmental protection
- Social welfare related activities

5.1.2 Role of CSR in relation to Marketing to Buyers

The garments suppliers are mainly evaluated by the international buyers in terms of their CSR practices. The compliance of code of conduct (COC) is the foremost measure to qualify the suppliers in obtaining order (Luken and Stares, 2005). By way of implementing buyers’ code of conduct as well as various CSR activities suppliers get certification from third party audit bodies which ultimately creates a favorable corporate image (Yoon et al., 2006) as well as built up good reputation (Bronn and Vrioni, 2001). The CSR-identity-based corporate image and reputation thus helps the suppliers to earn various marketing benefits such as loyalty from the buyers (Becker-Olsen et al., 2006), grab new market, possibility to get higher pricing, employee retention and motivation, high productivity of skilled workers. As mentioned by the General Manager of German quality inspection company TUVRheinland, Bangladeshi garments are always high quality with only 5% failure rate where big countries have much bigger failure records. Consequently, if the industry can maintain social compliance issues that will push the industry towards huge business from international retailers (The Daily Star, 2014).
Although complying with code of conduct is the minimum qualifier to get buyers’ order some large suppliers is now stepping forward in implementing additional CSR activities to create good corporate image and attract international buyers. According to The Daily Star, (2015) some large and matured suppliers are even investing in innovative CSR practices such as green building or Eco Factory as marketing tool to impress the eco-minded international retailers to attract buyers. This eco factory provides various benefits such as enhancement of image of the factory, protection of health and safety and increased productivity of the workers proving a good environment (The Daily Star, 2015). Thus CSR acts as a source of innovation (Kramer, 2006) through which suppliers get various benefits (for example, cost reduction, efficiency and competitive edge) alongside attracting international buyer. Researchers mentioned that CSR initiatives give value to a firm through creating positive consumer attitude toward the brand (Becker-Olsen et al., 2006).

The suppliers are conscious about workers’ rights and safety as it affects the reputation and image in the global market which influence buyers’ attraction. This motive drives them toward more employee welfare related CSR activities and social compliance. After Rana Plaza factory collapse, pressure from international community led to the formation of Safety Accord and Alliance in Bangladesh to ensure workers’ safety by way of inspecting factory floor spaces and working conditions (Global Risk Insights, 2016). Thus, in collaboration with international sponsors the working conditions of the factories have been improved.

According to Smith (2005), CSR actions contribute in attaining competitive advantage through recruiting and retaining skilled employees. Presently some large suppliers are practicing CSR activities related to employees’ welfare more than buyers’ minimum requirement to attract large buyer. Suppliers have recognized that by way of practicing employee welfare related CSR activities will benefit them through gaining good corporate image, competitive advantage and sustainability. Current phenomenon contradicts with Haque and Azmat (2015) argument regarding garments suppliers’ profit motive prohibit them to being socially responsible.

Regarding CSR issues, buyers mainly emphasize on workers’ issues and suppliers have also realized that workers are the core of the productivity. Suppliers CSR practices regarding workers
welfare ultimately benefit them in many ways: attraction of more buyers and profitability enhancement by way of increased workers’ productivity, employee retention and reduction of employee search cost (Weber, 2008). All these benefits thus provide the supplier a competitive advantage in the market, ensure sustainability and maximize the profitability. These extra motivational initiatives by suppliers thus reflect the significance of CSR in garments industry from marketing perspective in relation to attracting buyers. This observable fact goes with the argument by Brønn, and Vrioni (2001) who have referred CSR as a powerful marketing tool as it build and shape company’s reputational status and give company a competitive edge.

According to the definition of marketing by Marketing Association (2004), main objective of marketing is to create value to customers in such a way that benefit both the organization and its stakeholders. The findings from the empirical evidence and literature review reflect that CSR practices by suppliers provide various benefits for the company itself as well as its workers along with gaining business from international buyer – ultimately serve the purpose of marketing. This goes in line with the argument by Becker et al. (2006), that by creating reputation, CSR initiatives give value to a business especially through creating positive consumer attitude toward the brand. CSR thus refers to a powerful marketing tool that can build and shape company’s reputational status (Bronn and Vrioni, 2001).

5.2 Interpretation of Theoretical Framework
The earlier illustrated theoretical framework (Figure 2) has been revisited and interpreted at Figure 3 based on the empirical finding and analysis. As illustrated on Figure 3 it is observed that through implementing CSR practices garments suppliers can achieve various benefits such as, corporate image, reputation, innovation and finally these benefits help them to gain competitive advantage by way of attracting better workforce, retention of employee, increased productivity. On the other side, the international buyers’ foremost requirement is the suppliers’ CSR practices related to employee wellbeing, safety and environmental issues. Thus, CSR implementation as well as through the benefits derived from CSR suppliers are able to attract and gain more business from international buyers. However, the empirical findings and data analysis shows that CSR benefits (good CSR image, reputation, innovative CSR and competitive advantage) act as strong marketing tool in gaining business from international buyers – which
has been illustrated on Figure 3. Thus, suppliers can use CSR mechanism (CSR benefits) as marketing tool to attract international buyers.

Figure 3: Suppliers’ CSR practices and CSR benefits as a marketing tool towards international buyer (Own)

- Symbolizes the role of CSR as marketing tool
- Symbolizes the strong role of CSR Benefits as marketing tool

5.3 Summary of Findings
The study provides an explicit understanding that CSR practices by garments suppliers play an important role in marketing in relation their international buyers. The major findings from the analysis as below:

- Suppliers CSR practices comprised of employee welfare issues, workplace safety, workers’ rights, environmental protection and social welfare programs.
- CSR practices create good corporate image as well as reputation of suppliers in both local and international market to attract international buyers and skilled workers.
- Good corporate image and reputation earned through CSR practices provide the suppliers competitive edge in terms of skilled employee attraction, retention, and increased productivity which in turn attract international buyers as they focus on CSR related to employee wellbeing issues.
• CSR gives the supplier an opportunity to be innovative which in turn attract exclusive and large buyers at a higher price

• Finally, CSR act as an effective marketing tool to attract international buyers as buyers emphasize on suppliers’ CSR activities while making business deal.

The above findings in line with literature review and empirical data is presented at Table 8.

Table 8: Summary of Findings from Analysis (own)

<table>
<thead>
<tr>
<th>Evidence from Empirical data and Literature</th>
<th>Empirical Data</th>
<th>Literature Support</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Issues discussed</strong></td>
<td>Supplier A</td>
<td>Supplier B</td>
</tr>
<tr>
<td>CSR practices by suppliers</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Buyers’ social compliance requirement, Employee welfare and Social welfare</td>
<td>Luken and Stares (2005); Crane et al., (2013); Ahmed (2009)</td>
<td></td>
</tr>
<tr>
<td>CSR benefits</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>CSR creates good image and reputation which attract buyers and better workers</td>
<td>Yoon et al., (2006); Becker-Olsen et al., (2006)</td>
<td></td>
</tr>
<tr>
<td>CSR creates innovation opportunity</td>
<td>*</td>
<td>-</td>
</tr>
<tr>
<td>CSR helps to gain Competitive advantage</td>
<td>*</td>
<td>*</td>
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<tr>
<td>CSR and Marketing in relation to Buyers</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>CSR implementation initially qualify suppliers for getting business from buyers’</td>
<td>Luken and Stares (2005)</td>
<td></td>
</tr>
<tr>
<td>Suppliers are categorized by audit based on CSR standard which influence buyers’ decision</td>
<td>Finding from Study</td>
<td></td>
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<tr>
<td>Other issues raised during interview</td>
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<tr>
<td>Owners are aware of the significance of CSR implementation</td>
<td>Finding from study</td>
<td></td>
</tr>
<tr>
<td>Buyer and workers are important stakeholders in garments industry for suppliers</td>
<td>Yu (2008); Tencati et al. (2008)</td>
<td></td>
</tr>
<tr>
<td>Suppliers require buyers’ support for CSR implementation</td>
<td>*</td>
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</tbody>
</table>
Chapter Six: Concluding Remarks

This chapter draws conclusion of the study. The concluding remarks start with brief discussion on research findings by way of addressing the research questions. The contribution of the research is also discussed in terms of academic, social and managerial viewpoint followed by limitations and further research scope.

6.1 Discussion of Findings

This study aimed to examine how CSR practices can be used by the suppliers as marketing tool in relation to the buyers in the case of Bangladeshi garments suppliers. In order to fulfill the aim of the research two research questions were formulated – which are discussed below according to the analysis and findings in previous section.

RQ1: What CSR activities are practiced by the supplier’s organization?

The garments industry of Bangladesh is practicing CSR since long. Most of the garments suppliers are involved with various CSR programs. The CSR programs of the discussed suppliers mainly include: Buyers’ social compliance (workplace safety, wages, health and hygiene, working hour, environmental protection), employee welfare programs (child care, free medical support, skill training program, cultural activities, education support) and social welfare programs (infrastructure development, rehabilitation, environmental campaign, relief for the disaster affected people).

From the CSR activities of the suppliers it is apparent that they mostly focus on buyers’ social compliance requirements and employee wellbeing issues. Due to several accidents both buyers and suppliers focus on social compliance related to workers’ safety issues. Some suppliers are even practicing some innovative CSR activities such as, green factory and recycling unit besides regular practices to attract more buyers.

From the above discussion it implies that suppliers’ CSR practices are mostly intended towards buyers’ requirement which focus on employee wellbeing issues as well as environmental protection.
RQ2: How does a supplier use CSR as marketing tool in relation to buyers?

Suppliers’ CSR activities directly influence marketing to buyers since they are initially assessed in terms of their CSR activities. Suppliers’ CSR standard is evaluated through certification by third party audit and sometimes buyers’ audit. The CSR implementation also facilitates suppliers indirectly in marketing buyers through creating good image, reputation, innovation and competitive advantage. Suppliers’ CSR implementation create good image, reputation, innovation and give competitive advantage which ultimately act as marketing mechanism to attract buyers.

CSR is an effective marketing tool for the suppliers in two ways: i) CSR ensures obtaining business from buyers and ii) CSR implementation offer suppliers good image, reputation, innovation opportunity, competitive edge which indirectly persuade international buyers to do business with those suppliers.

6.2 Own Reflection

The findings from this study indicate that CSR implementation is a matter of survival of the garments industry in Bangladesh. The findings of this study give a notion that by practicing CSR garments suppliers reap various benefits such as good corporate image, innovation and employee attraction which ultimately leads to attract international buyers. CSR practices can be incorporated to strategic CSR activities oriented to marketing which enable the company to differentiate from competitors since different stakeholders and especially customers are able to identify those companies (McWilliams et al., 2006). The study also identified that the more socially compliant the factory is the more it is able to grab buyers’ orders. Another interesting finding is that suppliers have now recognized the contribution of CSR as marketing tool and as such they are investing more in CSR implementation than earlier. During the 21st century, CSR is recognized by the practicing managers as essential tool for long term legitimacy and profitability and thus has arisen as a corporate reputational adding value strategy for firms (Isaksson et al., 2014).

The study has considered both the perspectives of buyers and suppliers which validate the research findings. From the perspectives of both the buying organization and suppliers it is
evident that CSR is the foremost and effective marketing tool for the suppliers to sustain in the market and gain more business. It was an interesting finding that suppliers practicing high level of CSR standard benefitted by getting more orders from the large buyers at a higher price.

6.3 Theoretical Contribution
The research identified a literature gap related to CSR contribution as a marketing tool especially in the context of developing country. Earlier the researchers mostly focused on the poor CSR implementation and obstacles of CSR implementation in the context of developing country suppliers. Scarcity of literature focusing CSR role from marketing perspective by the developing country suppliers to attract buyers motivated the researcher to conduct this study. On this backdrop, this study finding shows that garments suppliers can use CSR act as an effective marketing tool to attract international buyers.

Previous literature contain plenty of research regarding how corporations’ CSR practices influences consumers attitude and purchasing decision towards the company but little attention has been paid regarding CSR role as marketing instrument in buyer-supplier relationship. Since this study focuses on suppliers’ CSR practices from the marketing perspective in relation to buyers it contributes in business to business context which has not been considered in existing literature.

The finding of this research indicates that developing country suppliers are now aware of CSR implementation as it assures long term sustainability in the market which was not been perceived in previous literature. This motivating perception of the supplier regarding CSR implementation confronts the earlier perception regarding suppliers’ unwillingness to comply CSR which open up new domain of research.

One of the significant findings from this study shows that CSR can be used as a significant marketing tool which not only attract international buyers but also provide various benefits for the company as well as its workers. This finding reflect on previous researchers’ claim how CSR reaps several benefits for the company in terms of good corporate image, reputation, innovation opportunity, attract and retain skilled workers, increase productivity and all these factors also
influence international buyers’ business decision. Besides playing significant role in marketing, CSR practices benefit the company in relation to organization as well as different stakeholders of society.

6.4 Managerial Implication
The research findings can help the managers to give them a notion how they can use CSR as an effective marketing tool to grab business in global market. By way of being aware about the benefits derived from CSR as marketing tool the managers will be inspired in promoting and inventing new CSR programs in the industry. For example, one of the findings indicate that implementing CSR activities related to employee welfare issues suppliers gain twice such as, gain good corporate image in the market and reduces the cost of worker search, worker turnover, labor unrest and thus ensure profit maximization. If managers are able to identify the source of benefits generated from CSR activities they can design more effective CSR programs for effective use as marketing tool.

6.5 Social Implication
Since the term CSR itself has manifold social implication, this study being concerned with CSR provides some social contribution as well. If suppliers use CSR as marketing tool in large scale it will benefit two ways: both socially and economically. Society as well as business network consists of different stakeholders (company, employees, customers, government, and public) and CSR meet up the interests of those stakeholders. CSR practices by suppliers from marketing perspective facilitate different stakeholders of society. Suppliers’ involvement in CSR activities help to increase business performance of the company itself, offer a good working environment and build trust among employees, gain loyalty of buyers, create favorable image to public and strengthen national economy.

All the above implications are expected to complement and enhance the existing literature which can stimulate and lead to further investigation.
6.6 Limitation and Further Research

This research should not be considered as a conclusive one but more as a source of indication and understanding. The researcher identified the following limitations of the study:

- The research has been conducted only on five garments suppliers and an immediate buying organization located in Bangladesh. The case companies represent the large scale suppliers (1st tier) where most of the suppliers are small (2nd tier) in the industry. So it would be interesting to investigate both the small and large suppliers’ CSR perception and implementation from marketing perspective in relation to buyer as a comparative study.

- Another limitation of this research is that it considered the perspective of one buying organization where the viewpoint of several international retailers could give more valuable insights. However, the researcher mentioned rationality behind choosing a multinational buying organization in Bangladesh since it represents different international buyers which source garments suppliers.

- One of the research findings indicates that suppliers’ require the motivation from buyers in terms of financial support or joint collaboration regarding CSR implementation. This factor can be taken into consideration for future research which will be an interesting discussion in the field of sustainable global supply chain.

- Another interesting issue has been found during the study that motivation behind CSR implementation differs from supplier to supplier. Some suppliers believe in complying with buyers’ social compliance is enough to attract buyers while others are motivated in implementing innovative CSR practices to attract buyers. This finding allows for further investigation on differences among the suppliers’ perception regarding CSR implementation.
## Appendices

### Appendix A: Details of the Interviewees

<table>
<thead>
<tr>
<th>Company</th>
<th>Contact person</th>
<th>Designation</th>
<th>Contact detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Epyllion Group</td>
<td>Md. Mahbubur Rahman</td>
<td>Assistant General Manager</td>
<td>+880 1713423562 <a href="mailto:shohagepyllion@gmail.com">shohagepyllion@gmail.com</a></td>
</tr>
<tr>
<td></td>
<td>Mr. Asif</td>
<td>Head of HR and Compliance</td>
<td><a href="mailto:aasifcsr@epylliongroup.com">aasifcsr@epylliongroup.com</a></td>
</tr>
<tr>
<td>Givensee group (Zahintex Industries)</td>
<td>Khatib Rubel</td>
<td>Director</td>
<td>+8801713013638 <a href="mailto:rubel@givenseegroup.com">rubel@givenseegroup.com</a></td>
</tr>
<tr>
<td></td>
<td>Mr. Motalib</td>
<td>Head of HR and Compliance</td>
<td>+8801755542869 <a href="mailto:motalib@givenseegroup.com">motalib@givenseegroup.com</a></td>
</tr>
<tr>
<td>Arunima Group</td>
<td>Syed Qamrul Huda</td>
<td>Chairman</td>
<td>+8801713372885 <a href="mailto:huda@arunima-group.net">huda@arunima-group.net</a></td>
</tr>
<tr>
<td></td>
<td>S.A. Hossain Farooq</td>
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<td>+8801713372885 <a href="mailto:farooq@arunima-group.net">farooq@arunima-group.net</a></td>
</tr>
<tr>
<td>Mondol Group (Alim Knit Ltd)</td>
<td>Mr. Hasan</td>
<td>General Manager</td>
<td>+8801775685831</td>
</tr>
<tr>
<td></td>
<td>Abdullah Al Mamun</td>
<td>Assistant General Manager</td>
<td>+8801730015131 <a href="mailto:almamun@mondol.net">almamun@mondol.net</a></td>
</tr>
<tr>
<td>M.M. Knitwear</td>
<td>Mr. Chanchal</td>
<td>Assistant General Manager</td>
<td>+8801716498856 <a href="mailto:chanchal@mmknitwear.com">chanchal@mmknitwear.com</a></td>
</tr>
<tr>
<td></td>
<td>Mr. Ahsan</td>
<td>Assistant Manager, Compliance</td>
<td>+8801671658073 <a href="mailto:ahsan@mmknitwear.com">ahsan@mmknitwear.com</a></td>
</tr>
<tr>
<td>Buyer (Tex-Ebo Int. Pte. Ltd.)</td>
<td>Md Ashraful Alam</td>
<td>Merchandiser</td>
<td><a href="mailto:ashraful7alam@gmail.com">ashraful7alam@gmail.com</a></td>
</tr>
<tr>
<td></td>
<td>Abul Kalam Sayeed</td>
<td>Merchandising Manager</td>
<td><a href="mailto:antara_schumi@hotmail.com">antara_schumi@hotmail.com</a></td>
</tr>
</tbody>
</table>
Appendix B: Recommendation Letter from Supervisor

Gävle, Sweden
11 April, 2016

RECOMMENDATION TO A MASTER STUDENT FOR DATA COLLECTION

Dear Sir/Madam,

It is my pleasure to introduce UMME SALMA as a student at the Department of Business Studies, University of Gävle, Sweden, who is currently conducting her Master thesis. To continue her work she needs your support for collecting data. She is working on CSR strategy on RMG firms.

To pursue her work, Salma needs to have interviews with two management people and the person engaged in the implementation of CSR in your company. As a supervisor I request you to kindly give her access to the company and organize the meetings for her.

I can assure you that the data will be used purely in the research and will not be used for other purpose. Further the confidentiality of the data will be maintained throughout. It is my expectation that you will kindly extend all possible support to Salma so that she can do her thesis which will hopefully be beneficial to you as well.

The support you are giving to conducting this research is highly appreciated by us.

Yours sincerely,

Akmal S. Hyder
Professor of Business Studies
Department of Business and Economics
University of Gävle
Tel: 026-648631
E-mail: ahr@hiig.se
Appendix C: Email Correspondence with Some Interviewees

18/06/2016  Högskolan i Gävle Mail - Questionnaire for MBA Thesis

Umme Salma <eea15usa@student.hig.se>

To: chanchal@mmknitwear.com

Dear Sir

My husband, Ashraful, told me about you. Thank you very much for your kind cooperation and investing your time.

Here is the questionnaire and recommendation letter from the university for your kind information.

Thanks & regards,

Salma

2 attachments

- Question for interview.pdf
  230K
- Recommendation letter.pdf
  382K

18/06/2016  Högskolan i Gävle Mail - Request for interview

Umme Salma <eea15usa@student.hig.se>

To: huda@arunima-group.net
Cc: tazul@arunima-group.net

Dear Sir

I would like to thank you to have your consent for interview on CSR practice at your company for the purpose of my MBA thesis.

Here I attached the questionnaire for interview for your preparation and pre-understanding.

Please let me know if you have any query regarding the questionnaire and let me fix a schedule for interview at your convenient (I'm available within 15 to 17 April, 2016).

Thank you in advance to consider your time and patience within your busy schedule.

Kind regards,

Salma
Mobile: 0046 072 918 8170
Skype: shaheen_naser

- Question for interview.docx
  13K

Page 58 of 80
Request for Interview

Umme Salma <eeal5usa@student.hig.se>
To: rubel@givenseegroup.com

Dear Sir

I'm Salma, ex-OBL employee at Uttara branch, now doing MBA in Sweden. For the purpose of my thesis on CSR in RMG of Bangladesh I've to take interview of some reputed RMG factory management personnel.

I collected your contact and skype from Yeasin. If you kindly allow me half an hour online interview at your convenient schedule it will help me a lot.

I've attached below the questionnaire and recommendation letter from university for your ready reference.

2 attachments

- Question for interview.pdf
  230K
- Recommendation letter.pdf
  382K
Appendix D: Questionnaire for Interview (Supplier)

11th April, 2016

Dear Interviewees,

I am a student of the Masters of Business Administration: Business Management from University of Gavle carrying on a research work on “CSR as marketing strategy in RMG industry in Bangladesh”. For conducting the research work I have to take an online interview regarding a discussion on following questions to the best of your knowledge.

The information provided will be treated confidentially and will be used only for the academic purpose.

Thank you for your cooperation.

Researcher: Umme Salma
Supervisor: Professor Akmal Hyder
Department of Business and Economic Studies
University of Gavle, Sweden

Interview Questions

General information
Main products of the company:
Number of employees (women and men):
Main buyers of the company (both local foreign):
Name and position of the respondent:
Year of establishment of the company:
Research related questions

1. What activities do you think relate to your CSR activity in the company?
2. Why is CSR important to practice in the organization?
3. How is CSR important in relation to the company’s business strategy?
4. Does CSR implementation matters in getting orders from the buyers?
5. How do you deal with CSR issues with the buyers?
6. How do you practice CSR in the company? Please give some concrete examples!
7. What CSR activities have been so far adopted by the company?
8. What difficulties do you face to implement CSR? Please describe it, preferably with some examples!
9. Which factors do you think motivate the implementation of CSR activities? Please give some examples
10. Do you consider the current social issues or problems while designing CSR programs? If yes why? Please explain with example
11. Do you consider specific customer needs (international retailer) while designing CSR programs? Do you think the CSR adoption influences your customers (international retailer) to improve sales performance or marketing performance? Please give explanation if there is any proof.
12. Do you think CSR practices differentiate your company from other competitors? How and why?
13. Would you please explain the challenges in implementing CSR in the context of Bangladesh?
14. What support do you get from the buyers to implement CSR in the company?
15. Do you need any further support that you do not get from the buyers currently? Please describe!
16. How do you educate your employees to implement CSR?
17. What other contacts are necessary to train the employees and implement CSR in the company?
Appendix E: Questionnaire for Interview (Buyer)

15th April, 2016

Dear Sir,

I am a student of the Masters of Business Administration: Business Management from University of Gavle carrying on a research work on “CSR as a marketing tool in RMG industry of Bangladesh”. For conducting the research work I have to take an interview regarding a discussion on following questions to the best of your knowledge.

The information provided will be treated confidentially and will be used only for the academic purpose.

Thank you for your cooperation.

Researcher: Umme Salma  
Supervisor: Professor Akmal Hyder  
Department of Business and Economic Studies  
University of Gavle, Sweden

Interview Questions

General information

Main products of the company:  
Number of employees (women and men):  
Main buyers of the company (foreign):  
Name and position of the respondent:  
Year of establishment of the company:  
Annual Turnover:
1. Please briefly describe about your company.

2. What issues do you check regarding social compliance while selecting a supplier?

3. What your international buyers want you to check regarding social compliance issues?

4. Do you think CSR and social compliance is important for the supplier? Why – please explain.

5. How do you support factories regarding implementation of social compliance?

6. How do you think CSR implementation affect getting order from buyer?

7. Do you think maintaining high standard social compliance supplier gets extra benefit from buyer in terms of price or getting more order?

8. How do you measure the social compliance standard of suppliers?

9. Do you think suppliers are willing to comply with social compliance issues as per buyer requirement?

10. What challenges you encounter regarding CSR issues while dealing with local manufacturers in Bangladesh? How do you manage those challenges? How do the suppliers react regarding CSR activities?

Thank You!
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Books


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