

# **Food Companies' Corporate Social Responsibility Regarding Food Safety:**

## **A Content Analysis of Restaurant Websites**

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### **ABSTRACT**

*Nowadays, corporate social responsibility (CSR) is a concern of the food industry because of its wide range of potential benefits. Though CSR issues in the food industry are complicated, food safety rises as the ultimate CSR issue and receives the most attention from customers. With the development of the Internet, more and more food companies use websites to showcase their CSR on food safety and fulfill marketing goals. This study will conduct content analysis on the websites of the top 50 U.S. restaurant companies and discuss their involvement in food safety issues and their commitment to CSR regarding food safety. The findings of the study intend to shed light on how food companies should design their websites to better communicate their CSR of food safety.*

**Keywords:** *content analysis, corporate social responsibility (CSR), food safety, restaurant websites.*

### **INTRODUCTION**

In the past decade, a growing interest has emerged for corporate social responsibility (CSR), which refers to operating a business in a socially and ethically accountable manner and the deliberate inclusion of public interest into corporate decision-making. Research has shown that CSR is a concern for the hospitality and restaurant industries. For example, Lee and Heo (2009) found that CSR activities have a positive impact on consumer satisfaction while Kang, Lee, and Huh (2010) explained its affect on long-term firm value.

CSR issues in the food industry are distinct and complex. Maloni and Brown (2006) developed a framework of CSR in the food supply chain which consisted of eight categories: health and safety, animal welfare, biotechnology, community, environment, financial practices, labor, and procurement. Given that food safety exposes consumers to disease even death, consumers have become increasingly concerned with food quality and food safety in recent years

(Knight, Worosz, & Todd, 2007; Ko, 2010). Keeping its guests free of foodborne illness is the ultimate CSR for restaurant companies.

A website provides a restaurant with a new and more direct means of communicating with its customer base than traditional methods (Murphy, Forrest & Wotring, 1996). The Internet is now the fastest-growing resource of health information (Tu & Cohen, 2008) and an increasing number of consumers seek food safety information from Internet sources (Powell, Hubbell, Chapman, & Jacob, 2009). As an effective marketing tool, websites are effective platforms for food companies to showcase their CSR on food safety and fulfill marketing goals.

While research has studied CSR related to the hospitality and foodservice industries, food safety issues, and media tools, none has investigated how food companies communicate their CSR on food safety through their websites. By analyzing the websites of the 50 largest restaurant companies based on their U.S. systemwide foodservice sales (Nation's Restaurant News (NRN), 2010), this exploratory study is intended to (1) understand their involvement in food safety issues, as expressed on their websites; (2) compare their actions on food safety issues and commitment to CSR; and (3) give suggestions on future website content design to communicate their CSR of food safety.

## **LITERATURE REVIEW**

### **CSR in the food industry**

The concept of CSR was integrated from various research streams by Carroll (1979, 1999) in the 1970s. However, there is still no universal definition of CSR (Jones, Comfort, & Hillier, 2008). Most researchers agree that CSR involves activities where companies contribute to society's welfare beyond their own economic and legal considerations (Kang, Lee, & Huh, 2010). Socially responsible companies integrate environmental, social, and economic considerations into business strategies and practices (Jones, Comfort, & Hillier, 2008).

CSR activities may enhance brand image, customers' satisfaction, employees' morale and retention rates, and relationships with governments (Freeman, 1984). Other benefits include improved financial performance and profitability, reduced operating costs, better risk and crisis management, and closer links with customers and greater awareness of their needs (Jones, Comfort, & Hillier, 2008). CSR motivations may also include marketing, publicity, and innovation (Maignan, Hillebrand, & McAlister, 2002). Moreover, globalization, regulation, and sustainable development have recently facilitated the expansion of CSR (Panapanaan, Linnanen, Karvonen, & Phan, 2003).

Few studies have focused on CSR in the food industry. Maloni and Brown (2006) comprehensively discussed the applications of CSR on the food supply chain. Based on a case study of the United Kingdom's top ten food retailers, Jones, Comfort and Hillier (2008) examined CSR as a tool to communicate with their customers and to build retail brand awareness within stores. Lee et al. (2009) used models to identify impacts of positive and negative CSR activities on financial performance and firm value of restaurants.

## **Food safety in restaurants**

Food safety refers to all hazards, either chronic or acute, that may cause food to harm humans' health (FAO/WHO, 2009). Foodborne illness affects millions of people in the United States each year (Centers for Disease Control and Prevention, 2005). Restaurants have been implicated as a major source of food borne illness outbreaks (Knight, Worosz, & Todd, 2007).

Food safety outbreaks can be costly for restaurants in terms of negative publicity, loss of consumer trust, and loss of customers as well as public health compliance and legal costs (Grover & Dausch, 2000). Research also showed that food safety concerns of consumers affected their purchase intention or consumption in restaurants (Rimal, Fletcher, McWatters, Misra, & Deodhar, 2001; Knight, Worosz, & Todd, 2009). Therefore, it is important for restaurants to communicate their concern for food safety and their practices to protect consumers from foodborne illness

## **Analysis of restaurant websites**

In 1996, a pioneer study discussed the marketing advantages that a restaurant could gain from launching a website (Murphy, Forrest & Wotring, 1996). However, the literature on restaurant websites remains significantly limited (Stockdale & Borovicka, 2007). Previous studies have addressed information sources, website content and characteristics, website service quality and customer experience (Namkung, Shin, & Yang, 2007). Cobanoglu and Hamilton (2007) have conducted annual studies for *Hospitality Technology* magazine which have created criteria for evaluating restaurant websites and suggested guidelines for good website practices.

## **METHODOLOGY**

As stated above, this study will investigate how restaurants use their websites to communicate their food safety practices and procedures in the context of CSR. The sample for this study is websites of the largest 50 U.S. restaurant companies ranked by reported U.S. systemwide foodservice sales as listed in *Nation's Restaurant News: Top 100 (2010)*. *Nation's Restaurant News* is a trade publication that covers the foodservice industry, including restaurants, restaurant chains, operations, marketing, and events. As one of the nation's leading media sources, *Nation's Restaurant News* is now a significant media partner of the National Restaurant Association. *Nation's Restaurant News* annually examines the unit development and sales performance of foodservice chains in the U.S. Companies that will be included in the analysis range from McDonald's with highest sales of \$31,032,6 million to Whataburger with sales of \$1,178 million (NRN, 2010).

The researchers will collect data directly from the company websites. Atlas.ti software will be used to perform content analysis. Content analysis method is "a careful, detailed, and systematic examination of a particular body of material in order to identify patterns, themes, biases, and meanings" (Berg 2001). The researchers chose content analysis because it is applicable to various types of unobtrusive data (Berg 2001), including content of the websites as in this study. Atlas.ti is a powerful software tool used for the qualitative analysis of large bodies of textual, graphical, audio and video data. Search categories will include food safety practices – such as cooking procedures and temperature controls, food safety training, food safety,

purchasing and procurement, and other supply chain factors. With the help of Atlas.ti, a systematic code system will be developed to form the overall framework of food safety issues.

The data analysis in the study includes two stages. First, descriptive statistics will be given and the overall frame of food safety expressed in the websites will be discussed. Second, significance tests will be conducted to compare the involvement of different restaurant companies in food safety practices and their commitments to CSR will be evaluated.

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