

SOCIAL RESPONSIBILITY OF THE RETAIL CHAINS. CASE STUDY: THE COLLABORATION OF KAUFLAND AND LIDL WITH CARITAS OF THE ARCHDIOCESE OF ZAGREB

ABSTRACT

Social responsibility is strategic business segment of each organization. It is known that the implementation of the socially responsible behavior often results in increased organizational competitiveness and builds up a positive and sustainable reputation on the market as well. Retail chains in Croatia, which attempt to apply socially responsible behavior at all levels of corporate life, are no exception. Therefore, the aim of this paper is to give an overview and analysis of the socially responsible projects that *Kaufland* and *Lidl* carried out in cooperation with *Caritas of the Archdiocese of Zagreb*. Using in-depth interview method with the key actors of the retailers above mentioned, the number of such projects implemented is evaluated, their purpose and their impact, their effect on the climate within the organization and its corporate culture, and why these retail chains decided to cooperate precisely with the charitable institution of the Church in the Republic of Croatia. Additionally, for the purpose of this paper, public opinion poll was conducted on how much socially responsible projects of the supermarket chains affect consumers' consciousness to spend their money in chains which foster special sensitivity to socially responsible projects. Key research findings have shown that most respondents are familiar with the concept of socially responsible business. Also, young consumers are more likely to spend their money in retail chains that adopt socially responsible business. Likewise, survey respondents believe that the media do not pay enough attention to such socially responsible projects, while on the other hand they have shown a certain reticence to the motives and incentives of retail chains to apply such business concept.

Keywords: social responsibility, retail chains, reputation, corporate culture