

Strategy and Function of Perfect Health's Public Relations Activities in Enhancing a Positive Image through Philanthropic Corporate Social Responsibility

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Abstract

Efforts to reduce poverty rate are still a highlighted issue almost in every country. Especially during the COVID-19 pandemic, there is increasing attention to corporate social responsibility (CSR) around the world, to find out the magnitude of its influence on corporate image as can be seen from its sustainable, accountable and transparent implementation. Perfect Health carries out several strategies to realize the function of Public Relations activities through CSR Philanthropy in the program "compensation for orphans, disaster donations, social action", with the aim of influencing other people through cognitive, affective and conative aspects. The researchers use a qualitative research method approach to collect data from some relevant sources for analysis through public relations theoretical approach. Informants in this study comprise community members, philanthropic institutions, and perfect health public relations officers. Data are collected through observation, interviews, questionnaires and literature study techniques. The results show that the implementation of CSR has a positive impact on company image. Furthermore, this study proposes that CSR philanthropy helps promote positive attitudes which in turn increase people's behavioral interests.

Keywords: Keywords: corporate social responsibility; philanthropy; public relations; corporate image; donation

Introduction

The fact that more than one billion people worldwide live in poverty is still a major problem in many countries. The Statistics Indonesia (BPS) informs that more than 40 million people in Indonesia are poor. According to the population census in 2020, Indonesia had a population of 270.2 million people. The population increased by 32.57 million people compared to 2010 when it was recorded at

237.63 million people. The government has not been able to overcome the problem of increasing population by relying on the state budget (APBN) alone. Such a problem is often found in developing countries where people have no access to proper housing, education and decent jobs. This problem creates a social gap in society.

Many factors cause poverty, including responsibility for social activities in the

community through companies or the business world. Therefore, the role of the private sector to reduce the poverty rate through corporate social responsibility (CSR) is needed. The programs carried out by the government to lift people out of poverty are charitable purposes, while poverty eradication programs carried out by companies are more directed towards empowering the surrounding community by carrying out community development programs to help reduce poverty rate in Indonesia.

Corporate Social Responsibility (CSR) is an organization formed for the benefit of society and shown with sympathy for the impact of its activities on key constituents, consumers, employees, shareholders, communities and the environment in which the company operates (Suparman, 2017; Rasyid et al, 2019; Nayenggita et al, 2019). Corporate Social Responsibility as "corporate social responsibility is a commitment to improve community wellbeing through discretionary business program and contribution of corporate resources." In this case, improving people's welfare through discretionary business program and the contribution of corporate resources is a commitment to corporate social responsibility (Ulfa & Marta, 2017; Johannes et al, 2021;).

Perfect Health is one of the companies that currently has a vision and mission as a means of supporting health living to provide solutions for the Indonesian people to always care about health through its innovative products. This was also emphasized by Mr. Adi, General Manager of Perfect Health, that it is a product that prioritizes technology in supporting the health of the Indonesian people. Mrs. Yani, the coordinator for the Perfect Health CSR philanthropy activity, added that this event is one of the main activities carried out during the COVID-19 pandemic (pre-interview results, April 22, 2021).

During the pandemic, many companies are competing with one another to participate in humanitarian activities. That way, the company will have a positive image that is useful in the long run to increase its good reputation. Perfect Health has implemented the following CSR programs:

Firstly, religious aspect: Perfect Health provides compensation to orphans, holds iftar (fast-breaking gathering), and donates the Koran, Sarongs through the Orphan House Philanthropy institution. Secondly, educational aspect: Perfect Health provides books and

scholarships for outstanding children through Dompot Dhuafa. Thirdly, social aspect: Perfect Health gives assistance to victims of natural disasters and conducts charity campaign during the fasting month of Ramadhan through "*Aksi Cepat Tanggap*" (ACT).

Perfect Health hopes implementation of CSR programs will create a corporate image. This company carries out CSR programs well with positive expectations from the public. Based on the company's obligations in the social sector as laid down in Law No. 40 of 2007, Perfect Health strives to carry out whole CSR programs as well as possible so that they can be accepted by the public.

In the practice of philanthropy both in Indonesia and abroad, religion plays a significant role. Philanthropic activities that are thick with the nuances of charitable activities and services arise from the inspiration of religious domination. Charity is a philanthropic term in the Christian tradition (Latin: caritas; English: charity) or in Indonesian known as "charity". In ethics, this activity develops into mutual help. These activities are religious-based social actions that aim to provide services to people who are facing problems. In Christianity, there is a lot of information about the encouragement to the Disciples of Jesus to share, expand hospitality and service, and pay attention to the needs of the people.

From philanthropic activities, CSR activities turned into community development activities in addition to community economic development through the provision of business capital. The community development approach is often used to increase the empowerment or capacity of local communities compared to philanthropic approaches such as donations to orphans and support for education in social welfare activities. Perfect Health carries out philanthropic responsibility activities where charity or social care activities in the form of donations or a number of cash donations are an initiative of philanthropic activities carried out to achieve social responsibility in society. Perfect Health implements a sustainable, sustainable CSR program and empowers the community in an interactive process. The success of Perfect Health's CSR program is influenced by these three elements. The sustainability of CSR programs in the community can solve social problems in the community, so that empowerment and assistance can be carried out faster than

assistance from the government which requires a bureaucratic process.

Theoretical Framework

The maintenance of positive social relations between the company and society is the role of CSR. This activity is a corporate ethic in which the company interacts with the surrounding community in a simple way, namely charity or philanthropic assistance. CSR affects consumer behavior positively, an important factor that affects the success of the company in terms of social responsibility (Arifin, 1994; Riksaning Ayu et al, 2020; Ayuning et al, 2016; Kolk, 2016).

Good corporate governance gives corporate social responsibility in which compliance with legal norms is the initial activity carried out. Then, it develops into ethics-behavior in business activities or code of conduct (implementing rules). In the end, this social responsibility developed into a concern for business actors in their relationship with stakeholders to build good relationships (Arifin, 1994; Lee, 2008; Leite et al, 2017; Yuda, 2016).

Material and Methodology

Based on the book entitled Research Methods for Quantitative and Qualitative Public Relations, observation and natural setting are the focus of descriptive qualitative methods. In conducting the research, the researcher visited the field and made observations. In the observation book, researchers make behavioral categories and record symptoms. Researchers avoid manipulating variables (Ardianto, 2011; Nurdin & Hartati (2019).

Changes in paradigm in viewing a reality, phenomena, and symptoms led to the emergence of this research method. Qualitative research methods are also known as naturalistic research methods, because the research is carried out in natural conditions (natural settings).

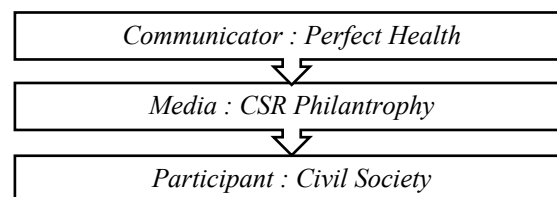
This study uses a qualitative method. According to Sugiyono, qualitative research is a research method used to examine the condition of natural objects, where researchers are the key instrument, data collection techniques are carried out by triangulation (combined) inductive data analysis, and qualitative research results emphasize meaning rather than generalization. In addition, other

experts explained that the descriptive method is a research method carried out to describe the current process or event in the field that is the object of research, then the data or information is analyzed in order to obtain a problem solving (Sugiyono, 2012).

The author has several reasons for using qualitative methods. First, the author uses this method to understand the meaning behind visible data and social phenomena that often cannot be understood based on what people say and do. In qualitative methods, in-depth interview techniques, participant observation and documentation are techniques that can be used to understand the meaning of the action. Second, qualitative research can unravel and understand complex social interactions.

Result and Discussion

In carrying out social activities or implementing CSR, CSR strategies can have a direct impact on the environment where the recipient of the sponsorship program is interpreted as being responsible. For activity reports, these social activities must be quantified to find out what impacts can arise and actions can be taken both externally and internally. Following is the mechanism of implementing CSR for orphans, disaster donations and social actions.



Figures 1. The mechanism of implementing CSR
Source: Obtained from primary data, 2021

There are two types of orientation in the form of CSR programs. First, internal orientation in which CSR in the form of actions on programs is provided to the community. Second, external orientation in which CSR is oriented to the ideal type in the form of corporate values used to implement or realize actions in accordance with social conditions for the surrounding community.

Implementation of Corporate Social Responsibility (CSR) Philanthropy and CSR Philanthropy (PCSR); CSR is described as a company's commitment to minimize or eliminate harmful effects and maximize its long-term beneficial impact on society. There is

some evidence that explains the influence of CSR Philanthropy on consumer behavior in influencing purchasing decisions. To improve attitudes and behavioral intentions, several studies propose Corporate Social Responsibility Philanthropy (PCSR). CSR is identified with four categories of economic, legal, ethical, and philanthropic responsibility.

Carroll explained that economic and legal responsibility is what companies need, ethical responsibility is what companies are expected to hold, and philanthropic responsibility is what companies want to have. Furthermore, Carroll asserts that economic and legal responsibilities represent traditional corporate responsibilities, while ethical and philanthropic responsibilities reflect modern corporate responsibilities. Likewise, PCSR is considered to be the core of CSR in modern times.

Recently, the types of CSR program are classified into philanthropy, value chain, and ecosystem. Rangan, Chase, and Karim explained that each has an important role in addressing social and environmental issues, and companies should concentrate on the type of program depending on their capabilities, capacities and core competencies. Philanthropy includes voluntary actions taken by corporations in response to societal expectations, either in the form of financial support or donations in the form of goods, products and services for non-profit and community service organizations. In other words, it involves all kinds of charitable endeavors for the public (Rangan, 2015; Nugroho et al, 2019; Porter & Kramer, 2006).

The company provides significant CSR resources to such programs as training for business and management skills, and successfully illustrates how its corporate philanthropy can serve the social causes it cares about. Perfect Health's CSR campaign emphasizes the need to persuade consumers to do something meaningful for society and also help revive the company's image. While the value chain is centered on increasing operational effectiveness in increasing business opportunities or profits while at the same time also providing social and environmental benefits. This means that companies seek to re-value chain which includes procurement, manufacturing, shipping, and delivery.

As such, innovative and new manufacturing technology solutions are often

recognized in this category because they contribute to reducing operating costs and environmental impacts. The last CSR domain is an initiative to turn the company's business model into an ecosystem to create solutions to environmental or social challenges. These activities may not directly benefit the company but encourage long-term profits and business opportunities.

Therefore, it requires certainty from the executive committee to focus on long-term business strategy rather than short-term financial benefits. The comprehensive initiative in the automotive industry is a common example showing its involvement in many aspects of renewable energy production and the production of electric vehicles to tackle global warming and climate change. Many experts in existing research have drawn attention to the missing link between CSR activity and consumer behavior by questioning whether consumers are aware of CSR initiatives. In view of that, this research is centered on philanthropy, including categorizing CSR programs in areas that can be easily evaluated by consumers through various communication channels, and what is considered to be the essence in today's world. PCSR is defined as "a corporate action that responds to people's expectations that businesses become good corporate citizens".

As explained before, Perfect Health's Philanthropy CSR program is carried out in the following stages: On the corporate introduction, This was also expressed by Mrs. Yani, that the first thing to do in carrying out Corporate Social Responsibility activities was to introduce certain parties. A.B. Susanto in his book "Reputation-Driven Corporate Social Responsibility", reveals that the company's competence to improve the quality of people's lives is expected to provide great and profitable benefits, the first benefit of implementing Corporate Social Responsibility activities can be in the form of reducing risks and accusations of inappropriate treatment received by the company.

The second benefit of implementing CSR is that it functions as a protector and helps the company minimize the adverse effects caused by a crisis, the involvement and pride of employees consistently makes efforts to help improve the welfare and quality of life of the community and the surrounding environment, as well as being consistent will be able to

improve and strengthen relationship between the company and its stakeholders. Given these benefits, CSR activities are considered capable of boosting the company's image in the long term towards a better reputation. (Susanto, 2009). Public Relations Perfect Health uses a sponsorship strategy for several activities/events by becoming a sponsor or agency that provides assistance. Secord and Backman (1964) say that attitude is a certain regularity in one's feelings (affection), thought (cognition), and predisposition of action (conation) towards an aspect of the surrounding environment. Changes in the positive attitude of the communicant (community) who received a stimulus message of educational assistance will support the effort to achieve the goal of implementing "street children sponsorship" in accordance with Hess Indonesia's commitment.

On the evaluation moment, the influence of CSR Philanthropy on the image or positive image of the company refers to the tendency of consumer attitudes or psychological which is reflected by the evaluation of certain entities with some level of liking or disliking. Following this concept, attitude is defined as the consumer's internal evaluation of the brand. It is further described as state enduring and conceptualized as "a relatively enduring unidimensional summary evaluation of a brand that might energize behavior." Thus, consumer attitudes in using a brand are important clues for the company because the brand is what differentiates itself from the competition. Many studies have shown that consumers show positive attitudes towards organizations engaging in CSR activities that create a preferred image of the company or brand.

Research confirms that CSR evokes positive consumer feelings and results in increased consumer attitudes towards the company. In other words, the various kind of CSR programs play an important role in improving customer attitudes. In particular, Rangan et al. explained the role of business in creating value for society and they emphasized that the company's program to fund social and environmental activities is very important to enhance its brand reputation. In a similar vein, Mohr and Webb examined the impact of CSR in the environmental and philanthropic domains on consumer responses, and the results demonstrated a significant positive effect of PCSR on firm evaluation. That is, CSR enhances a company's reputation, thus playing

an important role in enhancing the customer's favorable attitude of a brand. Pino et al. investigates the impact of corporate philanthropic responsibility on consumer attitudes towards certain food markets. Therefore, it will be interesting to examine how Public Relations of Perfect Health performs the function of CSR Philanthropy activities and their impact on consumer attitudes in using brands.

Philanthropic corporate social responsibility has a positive influence on attitudes towards using brands. This strategy can stimulate word of mouth marketing or word of mouth marketing refers to the possibility of informal person to person communication regarding a particular product/service or brand. Willingness to pay more is described as the consumer's possible willingness to pay more for a particular product or service. Many previous studies showed a significant influence of attitude towards brand use behavioral intentions which include intention to use, word of mouth intention, and willingness to pay more. Phillips et al. investigates the intentions of US customers to try new foods, and their analysis. The results revealed that attitudes towards new foods increase the intention to try new foods.

CSR and brand equity; Concretely, the impact of economic CSR on brand equity is greater for consumers with a high degree of ethical consumerism. However, until now there has not been a complete study conducted on how CSR affects the relationship between companies and consumers' attitudes towards the use of a brand. The author suggests that the results of this study serve as a recommendation for further research. Therefore, CSR Philanthropy can be a strategy that has a positive effect in improving the company's image.

Conclusions

Based on a series of data obtained in the field, both through interviews with respondents as well as observations during the research and from existing written data sources, the researcher can conclude that public relations activities in building image through Perfect Health's CSR program are as follows:

Perfect Health does not have a special section that carries out all public relations activities, most of the public relations activities are carried out by the customer service department. Thus, public relations activities at

Perfect Health can be carried out by every leader and employee. The role of a public relations officer at Perfect Health is carried out to create and plan all series of activities related to communication, both superior to subordinate communication, as well as organizations with the public, community, agencies, government, journalists, and with other companies.

Perfect Health has carried out CSR activities in various fields. In the field of religion, it provides compensation to orphans, holds fast-breaking gathering (iftar), and organizes Qur'an Memorization Competitions (*Hafiz Al-Quran*). In the field of education, it donates books and provides scholarships for outstanding children. In the social field, it paves and builds roads. Based on the explanations from the previous chapter, the conclusions obtained are as follows. The Function of Strategy Corporate Social Responsibility Activities through CSR Philanthropy activities have a significant role, no longer limited to creating private value for its shareholders but also creating public value for the environment, namely the community. Following this idea, corporate social responsibility (hereinafter CSR) is built on the concept of creating shared value. CSR is defined as a commitment to improve the welfare of the community through business implementation policies and company resources. The significance of CSR has grown drastically over the past few decades and is now a requirement for every business entity around the world.

In other words, corporations in modern society are under greater pressure to look after society in a socially responsible manner. Likewise, a number of companies in the hospitality sector have initiated various CSR programs. In the coffee industry, Starbucks is a great example of being involved with various CSR initiatives. The company takes the lead in developing various CSR activities such as energy and water conservation, reuse and recycling, and financial support for farmers.

CSR programs are classified into a range as diverse as economics, law, ethics, and philanthropy, or philanthropy, value chains, and ecosystems. Among them involve proactive involvement in activities or programs to promote human well-being or goodwill. In this case, Perfect Health is collaborating with Disaster Response Action (ACT), Dompot Dhuafa, and other philanthropic institutions wanting to make a contribution or good faith in

the public sphere to simply meet the expectations of today's community needs

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