

**Publisher**<http://jssidoi.org/esc/home>

THE COMMUNICATION STRATEGY OF CORPORATE SOCIAL PERFORMANCE: A STUDY OF CHILEAN COMPANIES*

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Received 11 November 2023; accepted 7 February 2024; published 30 March 2024

Abstract. Companies face growing pressure to act responsibly across the environmental, social and governance domains. To demonstrate their ESG commitment, some companies regularly disclose environmental and social indicators in annual reports on their websites. The focus on environmental responsibility has gained popularity, enhancing organisations' credibility with stakeholders. However, there's still much room for improvement in the social realm. This research aims to pinpoint the areas where Chilean companies are most engaged socially. We analyse what they disclose in their sustainability reports regarding their concerns in the community, human resources, suppliers, and product and customer domains and compare these claims with their actions. The methodology involves analysing statements about concerns and actions based on the Global Reporting Initiative's 400 series. The key findings reveal that companies often communicate strong concerns for social aspects to stakeholders, projecting a socially responsible image. However, the discrepancy arises in translating these concerns into tangible actions. While many companies express concern, only some of them perform actions.

Keywords: Bluewashing; Global Reporting Initiative (GRI); Social performance; Chile

Reference to this paper should be made as follows: Arribas, I., von-Bischoffshausen, P., García, F., Oliver, J. 2024. The communication strategy of corporate social performance: a study of Chilean companies. *Entrepreneurship and Sustainability Issues*, 11(3), 189-210. [http://doi.org/10.9770/jesi.2024.11.3\(13\)](http://doi.org/10.9770/jesi.2024.11.3(13))

JEL Classifications: M14, M19

1. Introduction

Corporate social responsibility (CSR) is an essential issue for organisations. Stakeholders such as consumers, investors, and governments have increased pressure on organisations to provide information about their ESG (environmental, social, governance) performance (Walker and Wan, 2012; Gatti et al., 2019; De Freitas et al., 2020; Caratas et al., 2021).

Hence, companies increasingly seek to demonstrate their commitment to society and the environment to gain a competitive advantage, strengthen their relationship with stakeholders, and improve their corporate image and reputation (Arribas et al., 2019). The relationship between financial and social performance has been extensively studied in scientific literature (e.g., Chen et al., 2021).

* This work was supported by the Generalitat Valenciana under the Excellence Program Prometeo CIPROM/2022/029.

Some authors propose that CSR has a significant impact on firms' idiosyncratic risk, suggest that managers make a mistake if they do not include CSR considerations in the overall strategy of their firms and show that CSR positively affects firm performance by improving firms' financial stability (Brooks and Oikonomous, 2018; Saha et al., 2020; and Mishra and Modi, 2013). However, there is a need for more clarity regarding whether and how CSR practices generate additional financial returns for firms (Taylor et al., 2018).

Companies often showcase these practices by emphasising the eco-friendliness of their products or employing branding and marketing strategies that spotlight green qualities, sometimes to camouflage or obscure environmental harm. They even present general or inaccurate information that implies improved performance of environmental indicators without clarifying whether they are still harming the environment. It is not uncommon for companies that claim to be socially responsible to become embroiled in media scandals because of their irresponsible behaviour (Arribas et al., 2021).

'Bluewashing' and 'greenwashing' are terms used to describe misleading communication practices about a company's social and environmental performance. Bluewashing occurs when an organisation uses its involvement in social or charitable projects as a marketing tactic without a genuine commitment to the cause. Only a few studies have been conducted on social measurements in this field. Greenwashing occurs when a company makes false or exaggerated claims regarding its commitment to environmental protection (Wakahara, 2017; Uyar et al., 2020).

To avoid misleading practices, companies must use reliable measurement and communication tools. One such tool is the Global Reporting Initiative (GRI), an internationally recognised sustainability reporting methodology. By applying the GRI standard, companies can communicate their social, economic, and environmental performance transparently and reliably.

The main objective of this study is to contrast what companies state they are concerned about and their actions regarding social issues. The different categories and criteria employed to evaluate companies' attitudes and actions towards social issues in the social realm are based on the GRI standard. This research contributes to the knowledge of firms' social responsibility while encouraging transparency in companies' current practices concerning human resources and the wider community. The study analyses the behaviour of 94 companies operating in Chile, identifying what they say they care about and their actions in three social categories: Community, Human resources, Suppliers, products and customers.

The findings reveal that the companies in the sample display a primary concern for human resources welfare, with a secondary focus on the local community where the business operates. The area of least concern is the social aspect of their suppliers, products and customers. Furthermore, the actions taken by these companies only sometimes align with their stated concerns. This research indicates that companies' social performance is sometimes primarily symbolic.

Section 2 provides a literature review of the relevant concepts. Section 3 describes the construction of the database and the methodology. Section 4 discusses the results. Finally, section 5 presents the main conclusions.

2. Literature Review

Companies have willingly integrated sustainability aspects into their reports to establish legitimacy. Reporting on sustainability initiatives has become crucial for addressing stakeholder concerns (Uyar et al., 2020). How companies self-report frequently shapes stakeholders' perceptions of their performance in social responsibility. CSR reporting can improve a company's legitimacy through various communication methods, regardless of whether its performance aligns with its social commitment. Independent of how companies choose to publicise their social responsibility – whether by participating in a UN program, adhering to a local social program, through marketing activities, etc. – the essential factors are the accuracy, transparency, and depth of information disclosed.

The institutional theory postulates that compliance with reporting requirements might be purely symbolic, aimed at improving legitimacy with stakeholders rather than bringing about actual internal change (Macellari et al., 2021).

Some studies suggest that companies may use misleading disclosures regarding their performance to improve their public image (Sanchez García and Orsato, 2020; Ortas et al., 2019). This lack of transparency is commonly referred to as ‘greenwashing’ for environmental issues and ‘bluewashing’ for social problems. Greenwashing is a misleading communication that has become a recurrent practice in marketing and corporate strategies aimed at concealing the most controversial aspects of environmental sustainability (Siano et al., 2017; Gatti et al., 2019). In the case of bluewashing, there is no agreed definition among academics. However, we can define it as mere symbolic social commitment without actual actions.

Simply having concerns about the environment is insufficient. Social responsibility requires companies to integrate the three essential ESG elements (Da Silva et al., 2020). Most current sustainability research has prioritised environmental performance, the methodologies for assessing environmental aspects, and the influence of communicating environmentally friendly actions on a company’s financial results. Only a few studies have been conducted on social measurements in this field. Furthermore, research on social issues predominantly employs subjective rather than objective evaluations (Kang et al., 2016). Therefore, it is imperative to identify an appropriate approach for measuring corporate social performance, which has yet to receive much attention. Researchers agree that investigating corporate social engagement poses significant challenges. This stems from the absence of a universally agreed-upon vocabulary, where delineations often remain unclear (Sailer et al., 2022).

Berliner and Prakash (2015) and Macellari et al. (2021) suggest that companies promote themselves as socially responsible by participating in voluntary programs such as the United Nations Global Compact. Yet, their study demonstrates that companies adhering to these voluntary initiatives yield improvements that are minor and which hardly consume company resources. There is no significant improvement in those areas that require greater investment, even though their impact on society would be more significant. Moreover, the same authors argue that United Nations Global Compact (UNGP) members only superficially discuss the genuine objectives of CSR rather than implementing substantial but expensive changes in their environmental and human rights performance.

Andreoli and Nogueira (2021) and Wakahara (2017) argue that companies engage in false marketing by claiming social responsibility when seeking to improve their social image without acting upon it. The literature has recognised this behaviour (Pope and Waeraas, 2016; Ruiz-Blanco and Fernandez-Feijoo, 2021).

3. Database and methodology

This paper aims to identify the areas of social concern in which Chilean companies are most active. More specifically, we aim to determine whether they carry out concrete actions that demonstrate their commitment to social issues or simply express concern without taking concrete action. To achieve this goal, we suggest a measurement technique in this study to determine the genuine social responsibility of firms.

An initial filter was applied from a database of 21,154 large companies with over 100 employees acquired from www.basesdedatoschile.cl, excluding government, educational, and consultancy entities, resulting in 222 companies. Next, companies that disclosed integrated or sustainability reports between 2018 and 2020 were selected, which reduced the sample size to 94 companies. Of these companies, we gather information on the sector according to the classification of The Global Sustainability Standards Board (Materials and Basic Needs; Transport, Infrastructure, and Tourism; Industrial; Other Services and Light Manufacturing), the location of the head of the business group (Chile or foreign) and whether or not they adhere to the GRI standard.

Out of the companies in the sample, 32% belong to the Other Services and Light Manufacturing sector, 49% to Materials and Basic Needs, 6% to Industrial, and 13% to Transport, Infrastructure, and Tourism — meanwhile,

65% of the companies adhered to the structure proposed by the GRI standard. Additionally, 78% of the sample consisted of companies based in Chile.

The GRI standard is currently the most extensively employed for sustainability reporting (Halkos & Nomikos, 2021). This categorisation is the most detailed and far-reaching social and environmental information source.

Table 1 shows the indicators related to social responsibility used in our research, as defined by the GRI standard, together with adjustments for our analysis. These modifications are being implemented to enhance comprehension of corporate reality.

Table 1. Definition of the GRI standards used and their adaptation to our methodology

GRI standard	GRI standard description	Indicator employed in the study
401 Employment (2016)	Addresses the issue of employment. It includes the organisation's approach to job creation: hiring, recruiting, and retention.	Local job creation: Company actions related to supporting the development of local entrepreneurs, work placements for young people from the locality in which the company is located and the hiring of employees with preference given to those from neighbouring communities.
402 Company worker relations (2016)	Addresses issues of the employee-company relationship and the consultation practices of organisations with employees and their representatives, including the approach to communicating significant operational changes.	Employee relations and work-life balance: The company's communication with workers and benefits enable them to enhance their personal and family life.
403 Health and safety at work (2018)	Establishes requirements for providing information on health and safety at work.	Occupational health and safety: Measures taken by companies to prevent and guarantee workers' safety and health and evaluate and minimise risks in these areas.
404 Training and teaching (2016)	Establishes the notification requirements on the topic 'training and teaching' and includes the focus on employee skills improvements, performance evaluations, and professional development.	General and human rights training and education: Actions and measures related to the training and education of workers. Training programs taught by the companies or financed by them.
405 Diversity and equal opportunities (2016)	Addresses issues related to diversity and equal opportunities at work. This index can include percentages of female workers, equal pay, and participation at the highest level of governance.	Pay equity and Gender equality: Measures regarding remuneration above the minimum established by law and any other measure aimed at improving the salary level of workers in general—incorporation of women into the workforce and gender equality in the different areas of the organisation.
406 Non-discrimination (2016)	Addresses the issue of discrimination against workers at work, including harassment and corrective actions taken by the organisation.	Diversity and inclusion, non-discrimination: This indicator analyses actions aimed at preventing discrimination on gender issues, including people with disabilities above the 1% established by law, and raising awareness among workers on these issues.
407 Freedom of association and collective bargaining (2016)	Addresses the issue of freedom of association and collective bargaining.	Unionisation: Actions of companies that promote unionisation and communication between companies and union organisations.
411 Rights of Indigenous people (2016)	Addresses issues related to indigenous peoples and notification requirements regarding them.	Indigenous peoples' rights: Actions of companies that are related to Indigenous communities and native peoples and their rights, relationships, economic support, and education.
412 Human rights assessment (2016)	Addresses human rights evaluation issues and establishes notification requirements on the subject.	This GRI indicator is approached from the perspective of Human Rights education and is incorporated in the criterion: General and human rights training and education
413 Local communities (2016)	Addresses how organisations identify their interest groups, relate to them, and participate in their problems.	Community engagement, Culture and sport, Education and Other local investment and spending: Relationships and communications with the communities, as well as activities and workshops that provide some training or knowledge to the community, dual company training programs for technical education students, investments, donations, or monetary contributions, which benefit the community and

		that are beyond of what is required by law or the common business activity of the company.
414 Social evaluation of suppliers (2016)	Addresses the evaluation and selection of suppliers according to social criteria and the evaluation of significant or potential negative social impacts in the supply chain.	Control and dealings with suppliers: Actions related to evaluation, registration, and monitoring that ensure the quality of suppliers.
416 Customer health and safety (2016)	Addresses customer health and safety issues, including efforts to address health and safety in the life cycle of products or services.	Customers: Actions focused on customer safety.
417 Marketing and labelling (2016)	Fair marketing communications and information and labelling of products or services, including customer access to correct information about positive and negative economic, environmental, and social impacts of products.	Product labelling: The information delivered to customers through the labels of the products or services.
418 Clients' privacy (2016)	Addresses the issue of customer privacy, including loss of customer data and privacy violations.	This criterion is included in the criterion Customers.

Source: Description of GRI indices and adaptation for the study, extracted from <https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-spanish-translations/> consulted on 15 November 2022

The indicator employed in the study was aggregated into three main categories: one for community-related criteria (community), one for worker-related criteria (human resources), and the third and final one for product and customer criteria (suppliers, product and customers).

The community category includes the following criteria: Local job creation, Indigenous peoples' rights, Community engagement, Culture and sport, Education and Other local investment and spending. This procedure is repeated for the other two categories, human resources management and Production.

The category of human resources includes the following criteria: General and human rights training and education, Occupational health and safety, Employee relations and work-life balance, Pay equity, Gender equality, Diversity and inclusion, non-discrimination and Unionisation.

The category suppliers, products and customers includes three criteria: Control and dealings with suppliers, Product labelling and Customers.

For each criterion, we analyse if the company expresses concern, explicitly mentions an issue or presents statistical data, and if the company performs actions. We understand there is concern on the company's part whenever there is an action. The concern variable is binary: whether the company shows concern or not. The action variable is a numerical variable that records the number of actions carried out by the company in the indicated area, according to the information published in the company's report. Table 2 illustrates the classification of the community category.

Table 2. Criteria employed for the community category

Company		Local job creation	Indigenous peoples' rights	Community engagement	Culture and sport	Education	Other local investment and spending
Company name	Concern	Yes	Yes	No	Yes	Yes	Yes
	Action No.	0	1	0	1	7	3

Source: Own elaboration based on an adaptation of GRI 400 series criteria.

4. Results

This research aims to identify the areas of highest business concerns and activity in the social sphere in Chile. We separately analyse the community, human resources, suppliers, and product and customer categories to achieve the objective. Starting with the community category, firstly, we identify the global concerns of companies. Secondly, we compare the concerns of companies that adhere to the GRI standard with those that do not. Thirdly, we analyse if there are differences among production sectors. Then, we analyse if there are differences due to the location of the head of the business category. Once the concerns are examined, the same procedure is applied to analyse the actions implemented by the companies in the social realm. Finally, we investigate the level of concerns expressed and the number of actions performed.

After the community analysis, we will address the other two categories: Human resources, suppliers, and products and customers.

4.1. Community analysis

The analysis conducted for the community category reveals that companies are primarily focused on community engagement. 94% of the companies express concerns regarding this criterion. Similarly, companies are concerned about Education and Other local expenditures, as shown in Figure 1. Conversely, only 16% of the companies show concern regarding the Indigenous people's rights criterion, and only 28% are concerned with Local job creation.

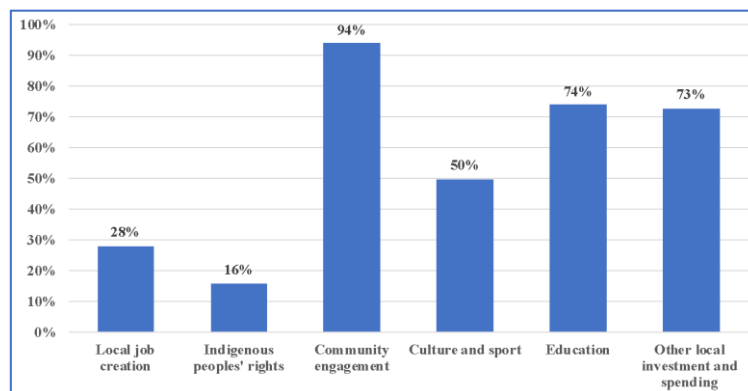


Figure 1. Percentage of companies demonstrating community concern
Source: The authors

Companies which adhere to the GRI standard exhibit more concern across all criteria than those that do not. The most notable difference between Local job creation and Indigenous peoples' rights is that GRI-reporting companies express twice as much concern as non-reporting companies (Figure 2).

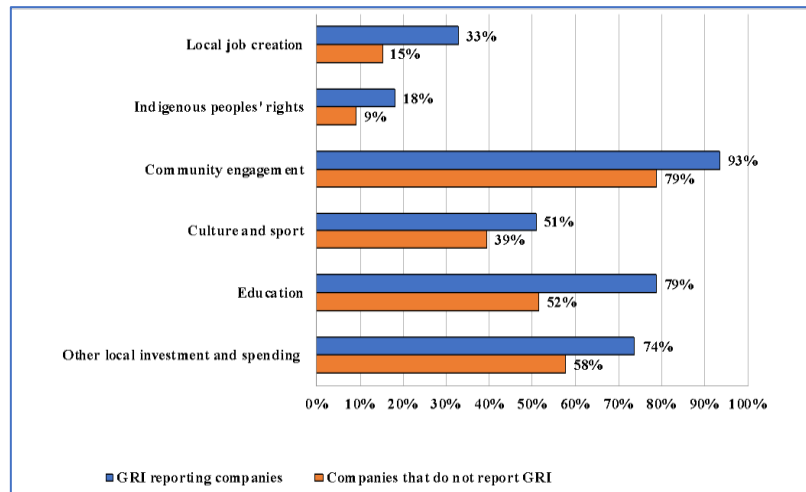


Figure 2. Percentage of companies showing concern for the community, according to whether they report following the GRI standard
Source: The authors

Figure 3 illustrates the concerns of the companies in the different sectors. Across all sectors there are companies expressing concern in the criteria of Community engagement, Culture and sport, Education and Other local investment and spending.

The criteria of Local job creation and Indigenous peoples' rights are of least concern to companies, regardless of their sector of activity. In fact, in the Transport, Infrastructure and tourism sector, no company is concerned about these two criteria.

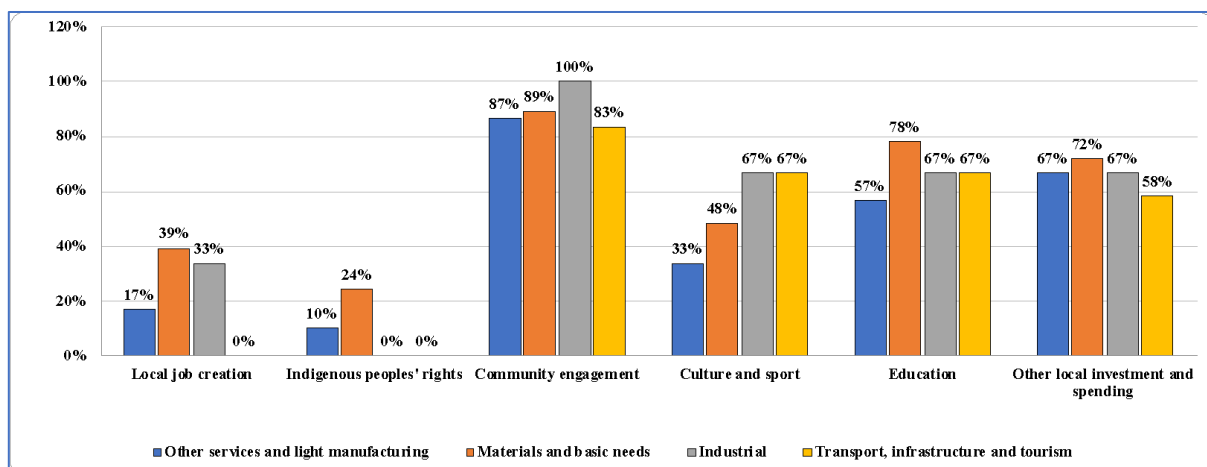


Figure 3. Percentage of companies showing concern for the community by sector of activity
Source: The authors

As for the parent company's location (Figure 4), it is evident that companies with headquarters outside Chile exhibit more significant concern across all community criteria than companies with headquarters in Chile, except Culture and sports.

In relation to the parent company's location (Figure 4), companies headquartered outside Chile demonstrate greater concern across all community criteria, except for Culture and Sports, than those headquartered in Chile. In this regard, the Education criterion shows the most significant difference (27 p.p.) between the companies headquartered in Chile those headquartered abroad.

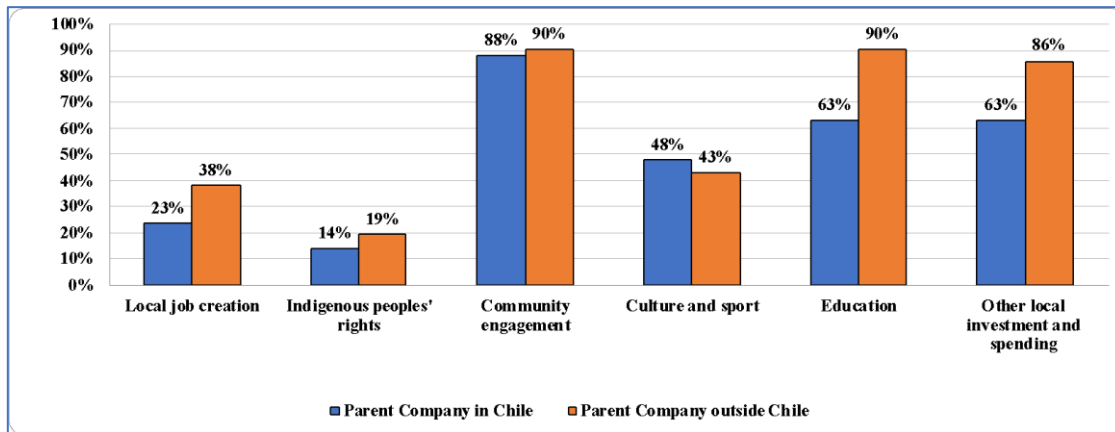


Figure 4. Percentage of companies showing community concern by location of the parent company of the business conglomerate
Source: The authors

Thus far, our analysis has focused on companies' levels of concern. Now, we undertake the same analysis for the number of actions carried out by corporations.

Figure 5 illustrates the average number of companies' actions in the Community category as disclosure in their annual reports. Community engagement is the most prioritised criterion, and Indigenous peoples' rights are the least prioritised.

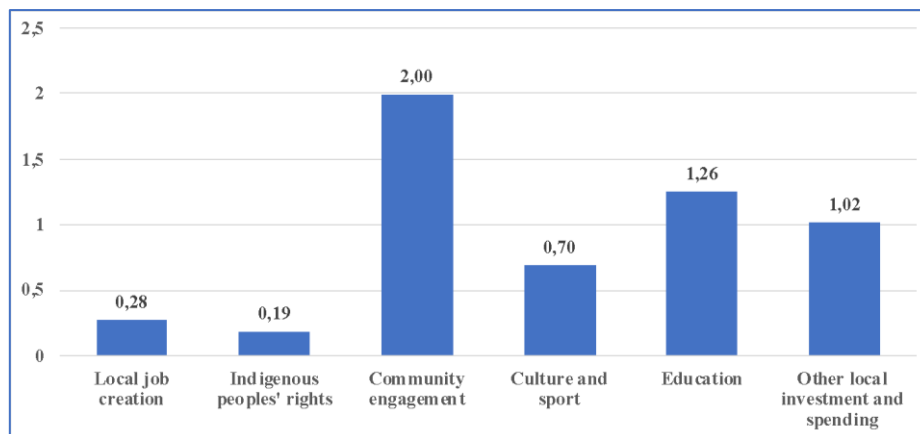


Figure 5. The average number of community actions
Source: The authors

On average, companies applying the GRI standard perform more actions than the others (Figure 6). The most significant difference is observed in the Education criterion, followed by Community engagement.

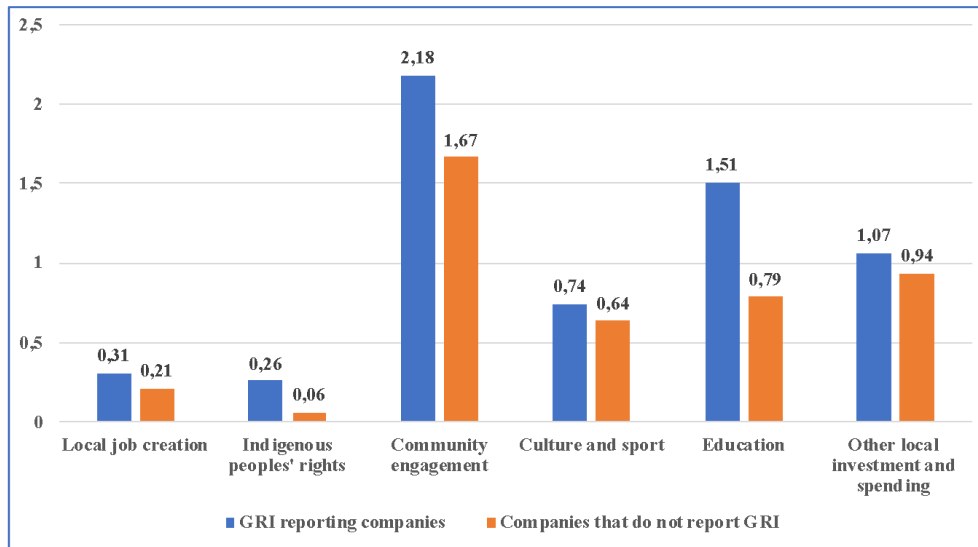


Figure 6. The average number of community actions, according to whether they report following the GRI standard or not
Source: The authors

Figure 7 highlights the prominence of Community engagement, where the Industrial sector performs an average of almost three actions. The other sectors also achieve the highest number of actions in this field. Conversely, companies hardly carry out activities related to Indigenous people's rights and Local job creation. More specifically, companies in the Transport, infrastructure and tourism sectors do not perform any activity in those fields.

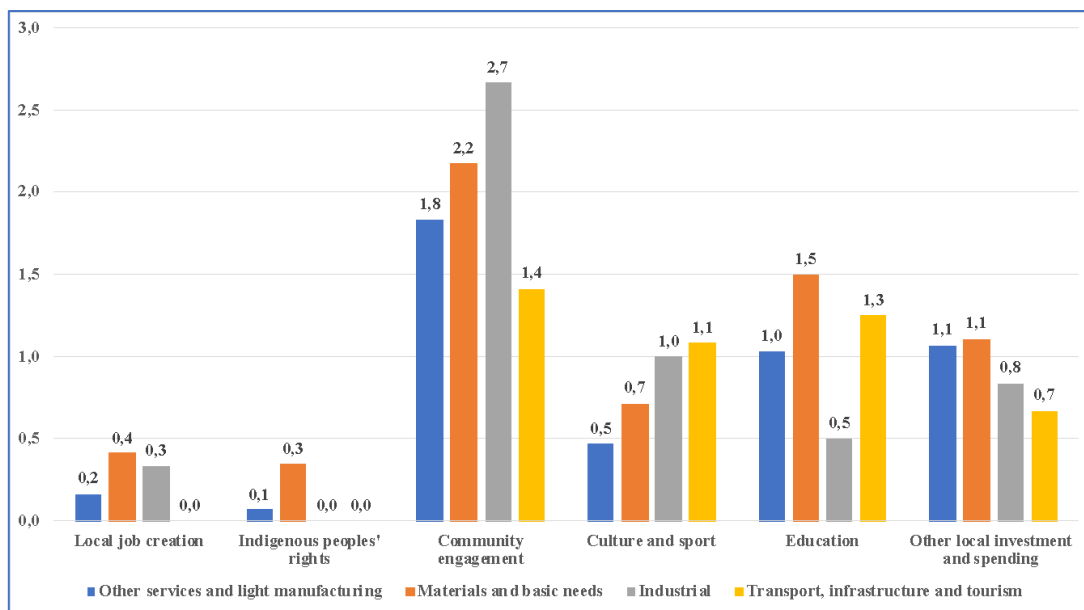


Figure 7. The average number of community actions by sector of activity
Source: The authors

As per the parent company, companies with headquarters located abroad carry out more actions on average than those in Chile. The companies with offices located abroad outperform local companies in four out of six criteria, producing approximately twice as many actions (Figure 8).

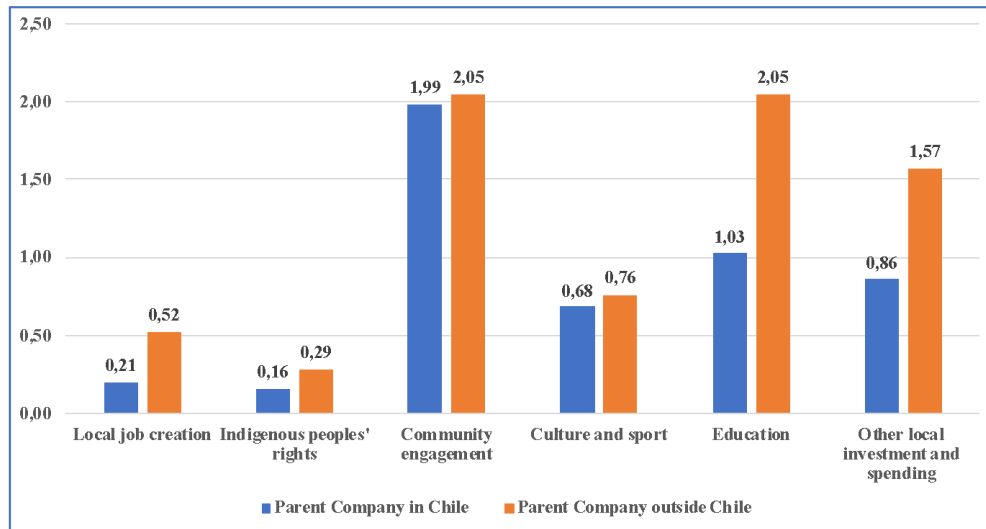


Figure 8. The average number of community actions by location of the parent company of the business conglomerate.
Source: The authors

Once we have analysed the concerns and actions undertaken by the companies in the different areas of the community category, it is relevant to check the degree of coherence shown by the companies. In other words, whether there is concordance between the degree of concern expressed and the actions carried out. The inconsistency could indicate an intention of bluewashing on the part of the companies.

In general, companies perform more actions in those areas where they have expressed greater concern and vice versa. There are no significant changes in this behaviour when considering differences between companies regarding their use of the GRI standard, their sector or the parent company's location. This means that companies will likely refrain from bluewashing in community-related aspects.

4.2. Analysis of concern for Human resources

In contrast to the community category, all criteria in the Human resources category show a level of concern above 60% (Figure 9). It is noteworthy the 31 p.p. of difference between Gender equity and Pay equity.

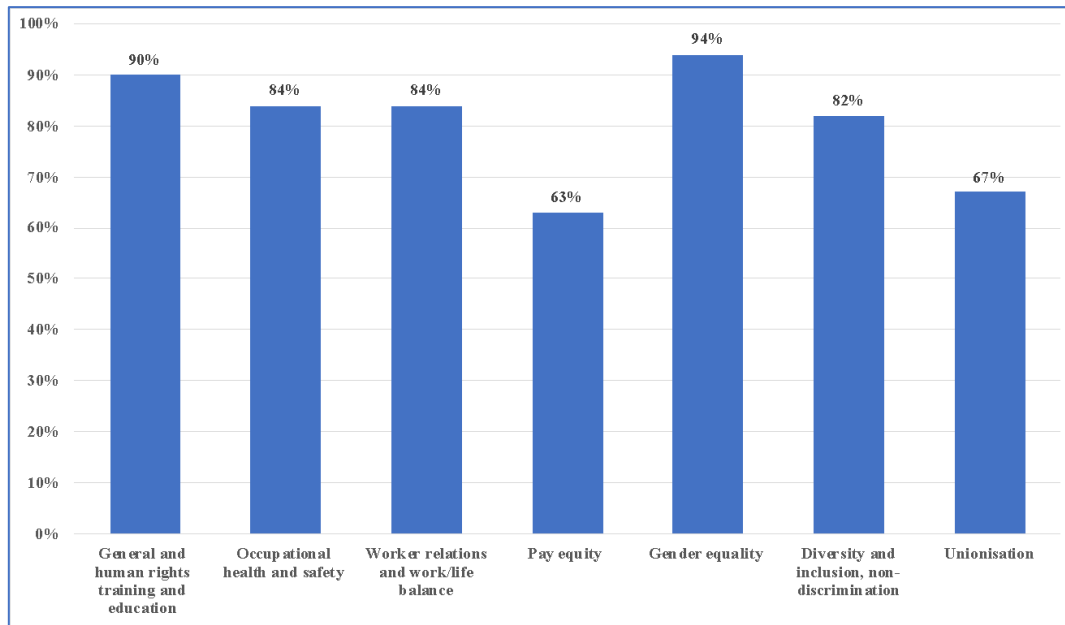


Figure 9. Percentage of companies showing concern for human resources

Source: The authors

Companies reporting applying GRI standards show more concern across all criteria than companies that do not adhere to GRI standards. Among the former, the requirements of least concern are Pay equality at 64% and trade Unionisation at 67%. Companies that do not adhere to GRI standards do not reach 80% concern, except for Gender equality, which is 85% (Figure 10). The largest difference (34 p.p.) is in Unionization.

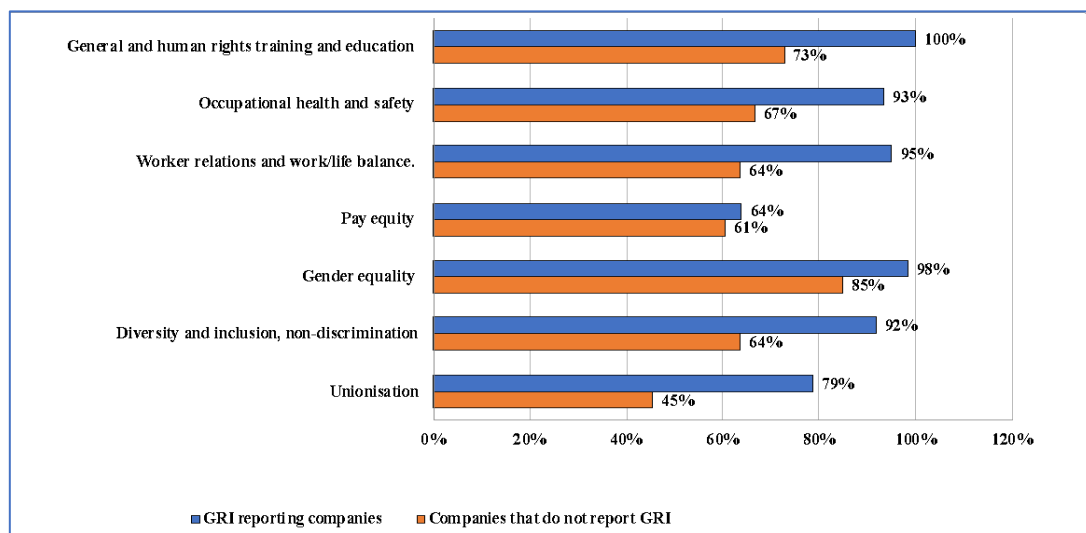


Figure 10. Percentage of companies showing concern for human resources, according to whether they report following the GRI standard or not.

Source: The authors

According to Figure 11, all four sectors show concern for every criterion of the human resources category, and there is no difference in the level of concern across sectors. Diversity and inclusion, non-discrimination, and unionisation show the most significant variations.

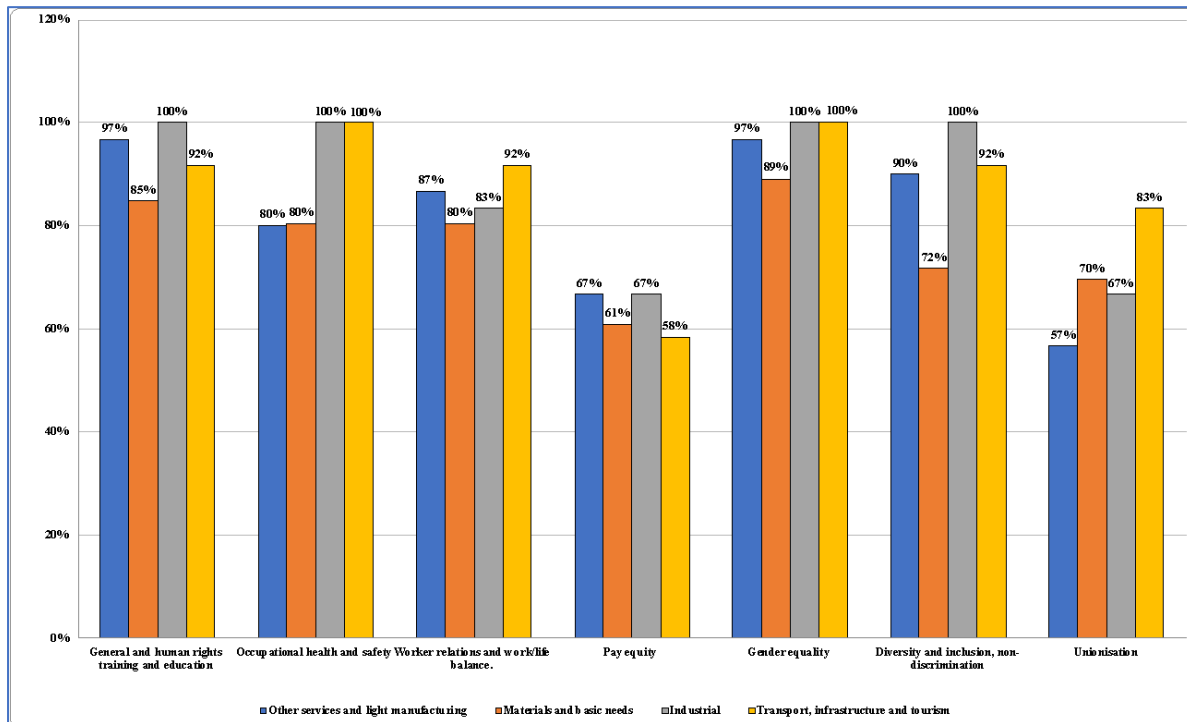


Figure 11. Percentage of companies showing concern for human resources by sector of activity
Source: The authors

Overall, companies headquartered in Chile demonstrate a greater focus on human resources concerns. This is particularly evident with regard to Pay equity, with a significant 38 p.p. difference compared with companies headquartered overseas (Figure 12). While among companies headquartered in Chile, the highest difference in concern is equal to 28 p.p. (observed between Gender equality and unionisation); among companies headquartered outside Chile, the most significant difference in concern is equal to 62 p.p. (observed between Occupational health and safety and Pay equity).

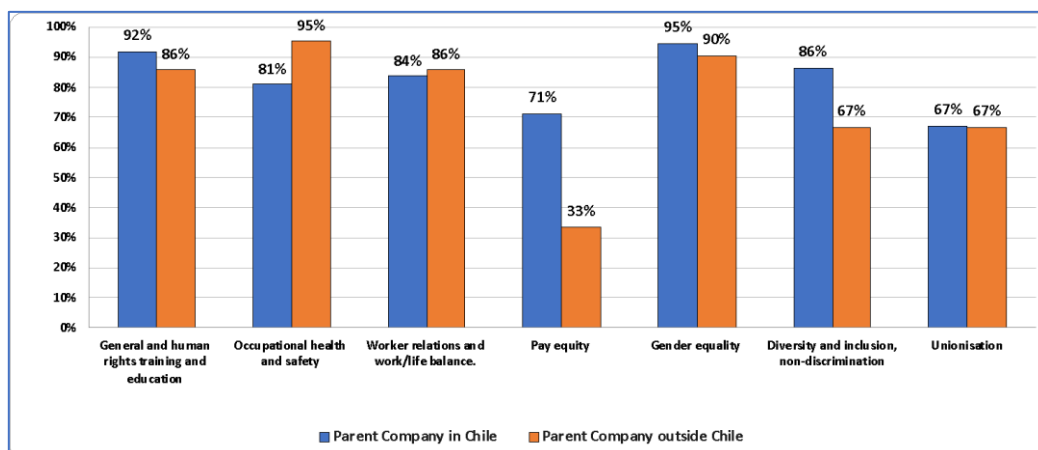


Figure 12. Percentage of companies showing concern for human resources by location of the parent company of the business conglomerate
Source: The authors

Concerning the number of actions carried out by the companies, Gender equity and Pay equity are the criteria where the least actions are observed (Figure 13). General and proper human training and education are the only ones with actions above the average of the other criteria.

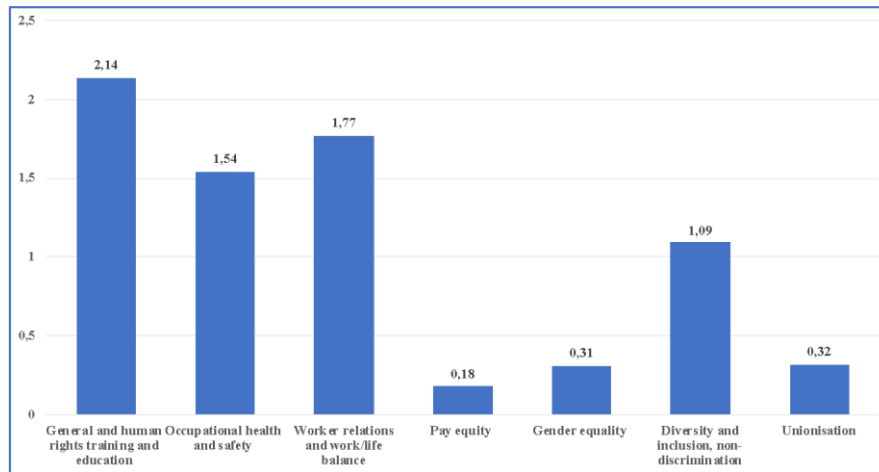


Figure 13. Average number of actions in human resources

Source: The authors

Figure 14 shows companies that adhere to the GRI standard generally duplicate the actions of those that do not report. Companies that do not adhere carry out only a few actions in terms of equity, encompassing both salary and gender.

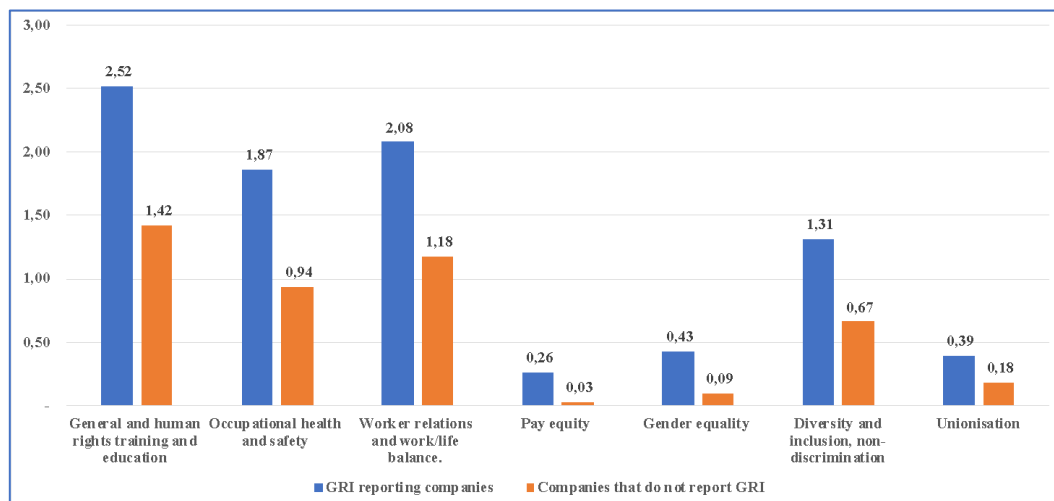


Figure 14. Average number of human resources actions, according to whether they report following the GRI standard or not

Source: The authors

Figure 15 displays the number of actions that companies implement according to their operational sector. The highest number of actions is observed for the Industrial sector in the Occupational Health and Safety criteria. Notably, the sector of Other Services and Light Manufacturing has the highest number of actions for the criteria of Diversity, Inclusion and Non-discrimination, and General and Human Rights, Training and Education, compared to the other sectors.

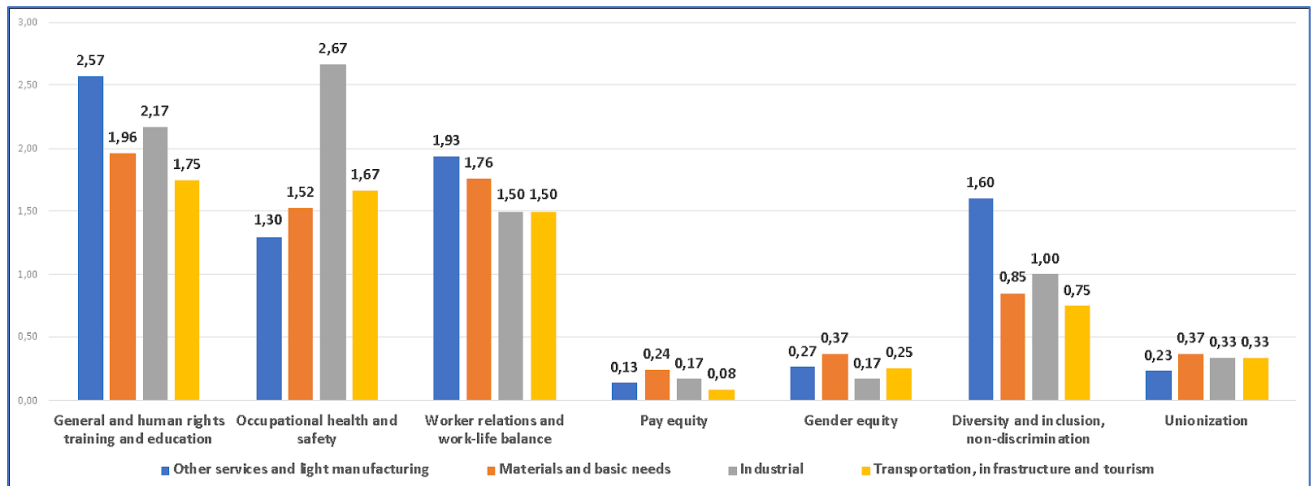


Figure 15. Average number of actions in human resources by sector of activity

Source: The authors

There are no notable variations in the number of actions by companies depending on the location of the head of the business (Figure 16). As in earlier analyses, the areas of Pay equity, Gender equity, and Unionisation represent those with the lowest number of actions taken. The mean number of actions undertaken in these areas is less than 1.

For companies headquartered outside Chile and those headquartered in Chile, the most significant difference is observed between General and human rights training and education as the most concern and Pay equity as the slightest concern.

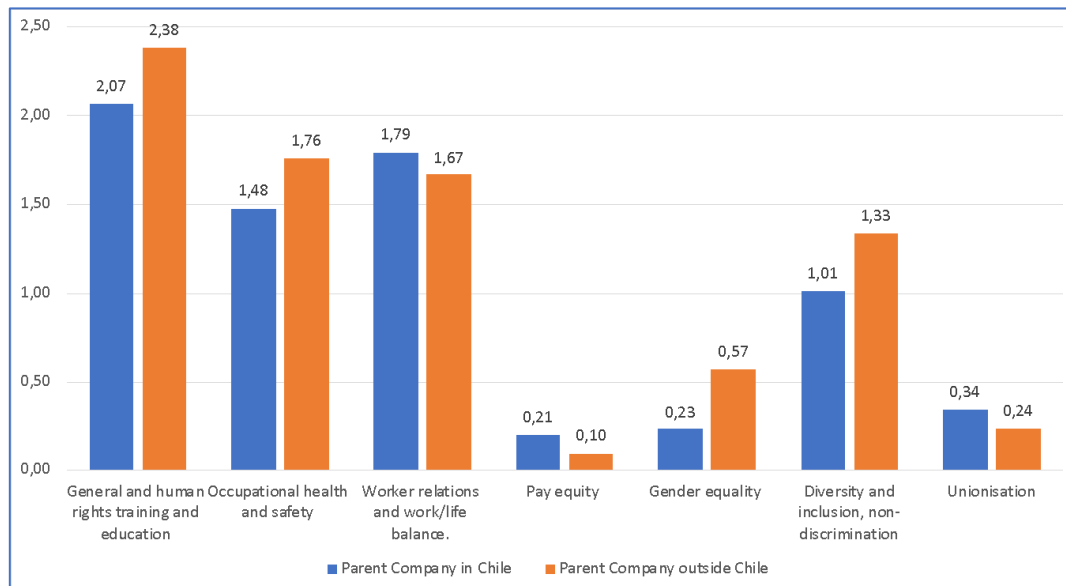


Figure 16. Average number of human resources actions by location of the parent company of the business conglomerate

Source: The authors

Once we have analysed the concerns and actions undertaken by the companies in the different areas of the human resources category, it is relevant to check the degree of coherence shown by the companies.

In general, most companies express concern in all the criteria of the human resource category. However, this is different in terms of the actions carried out. This is evident in the criteria Pay equity, Gender equity and

unionisation. Notably, 94% of the companies show concern about Gender equality, but only one out of three implement an action.

There are no significant changes in this behaviour when considering differences between companies regarding their use of the GRI standard, their sector or the parent company's location. This could be an indicator that companies are bluewashing in the area of human resources.

4.3. Suppliers, product and customer analysis

In the suppliers, products, and customers analysis, more companies are concerned about controlling and dealing with suppliers (92%). Very few companies are worried about product labelling (Figure 17).

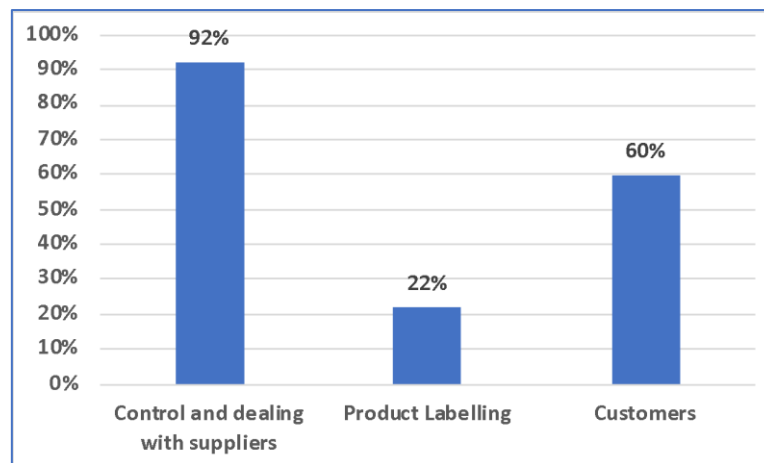


Figure 17. Percentage of companies showing suppliers, product and customer concerns
Source: The authors

The disparities between companies that adhere to the GRI standard and those that do not are significantly more marked within this category than in the community and the human resources categories. The most significant difference exists in Control and dealing with suppliers (Figure 18).

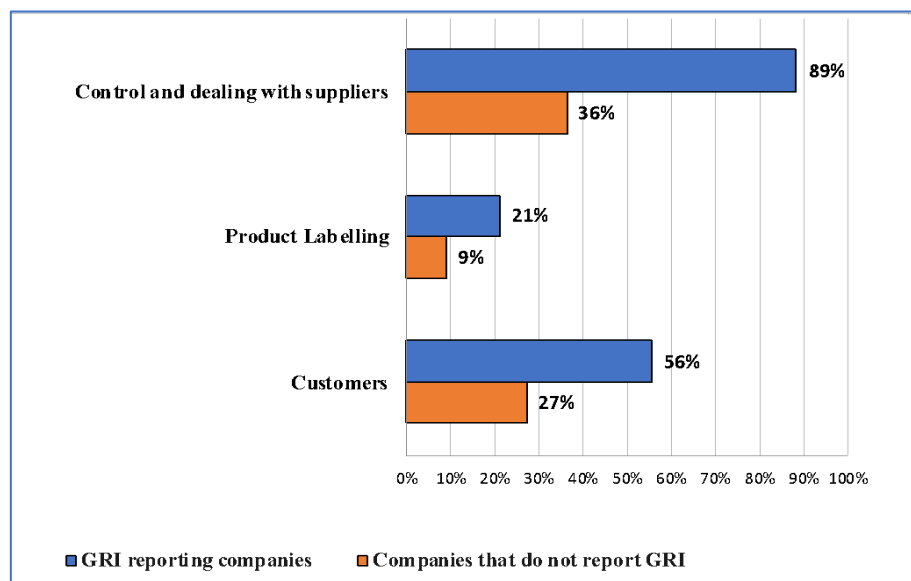


Figure 18. Percentage of companies showing suppliers, products and customers concerns, according to whether they report following the GRI standard.
Source: The authors

In the analysis by sector of activity, we can observe that many companies from all sectors are concerned about Control and dealing with suppliers. It should be noted that the Industrial sector shows a low level of companies that care about Customers, unlike other sectors (Figure 19).

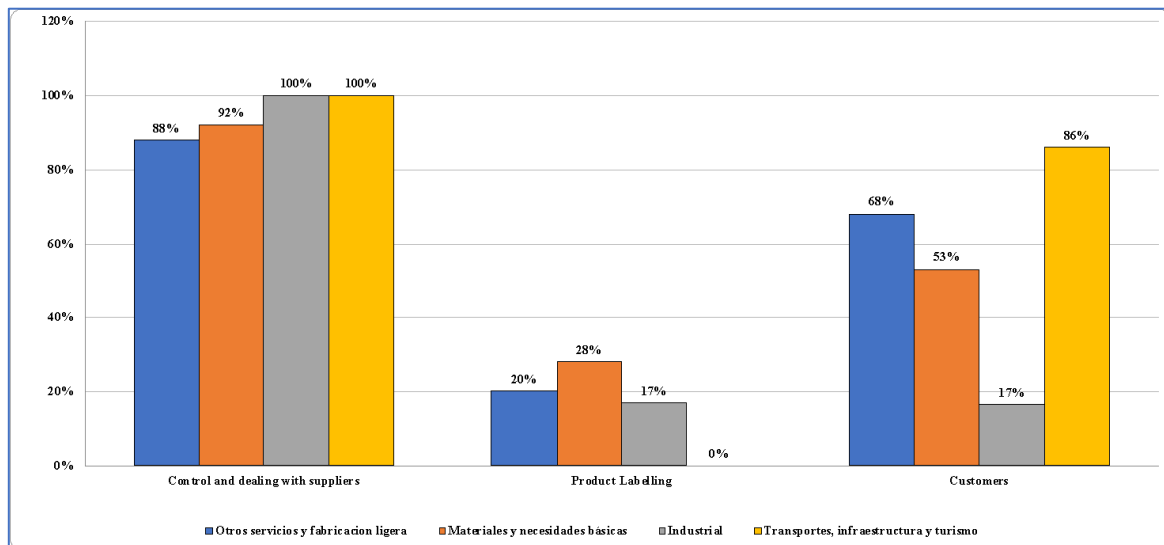


Figure 19. Percentage of companies showing concern for suppliers, products and customers by sector of activity.
Source: The authors

Companies headquartered outside of Chile are much less concerned about Customers than Companies headquartered in Chile (42% and 66%, respectively).

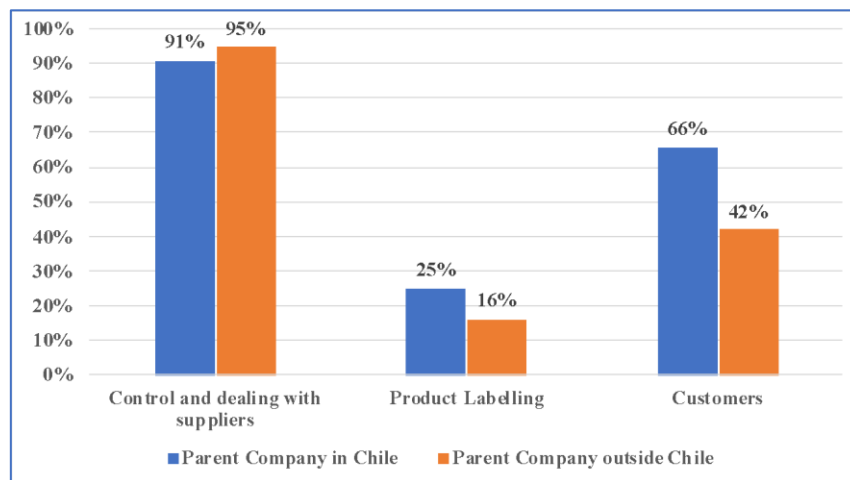


Figure 20. Percentage of companies showing suppliers, product and customer concern by location of the parent company of the business conglomerate
Source: The authors

Regarding the actions of the examined companies for the suppliers, products and customers categories, the average actions do not exceed one action in any of the criteria (Figure 21).

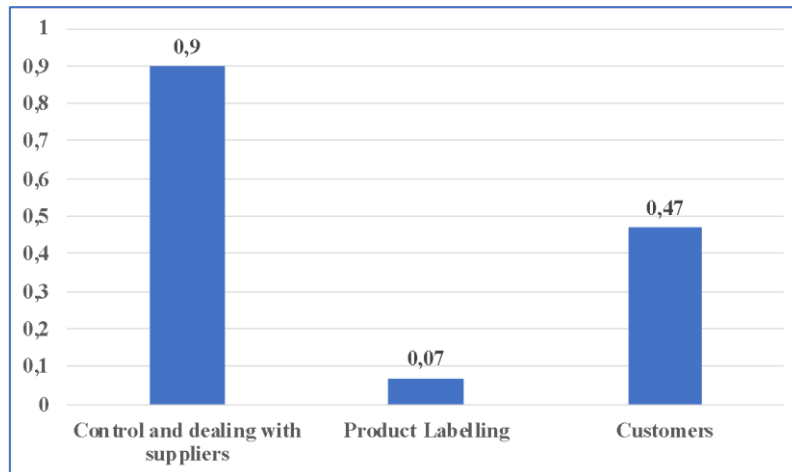


Figure 21. Average actions in suppliers, products and customers

Source: The authors

In the case of companies reporting GRI indicators, a higher average number of actions is performed compared to those that do not report, particularly for Control and dealing with suppliers (Figure 22).

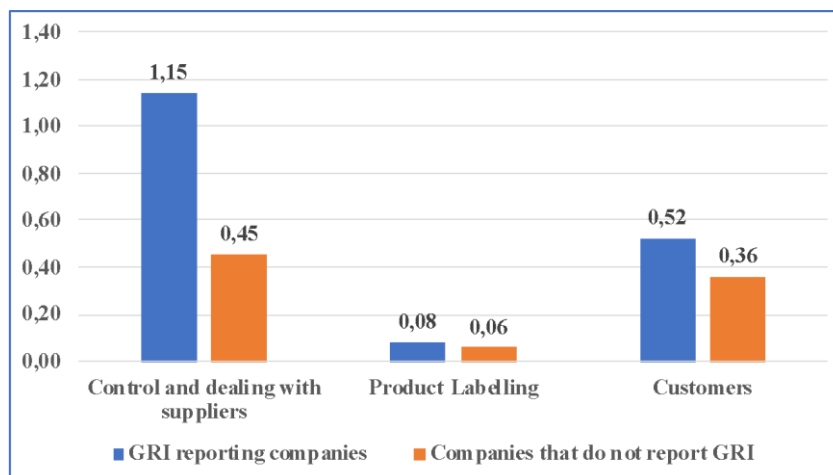


Figure 22. Average number of actions in suppliers, products and customers, according to whether they report following the GRI standard.

Source: The authors

In terms of the activity sector, Figure 23 highlights that Transport, infrastructure, and tourism companies, on average, performed fewer actions than the other sectors. Only on the Control and dealing with suppliers criterion do the four sectors take action.

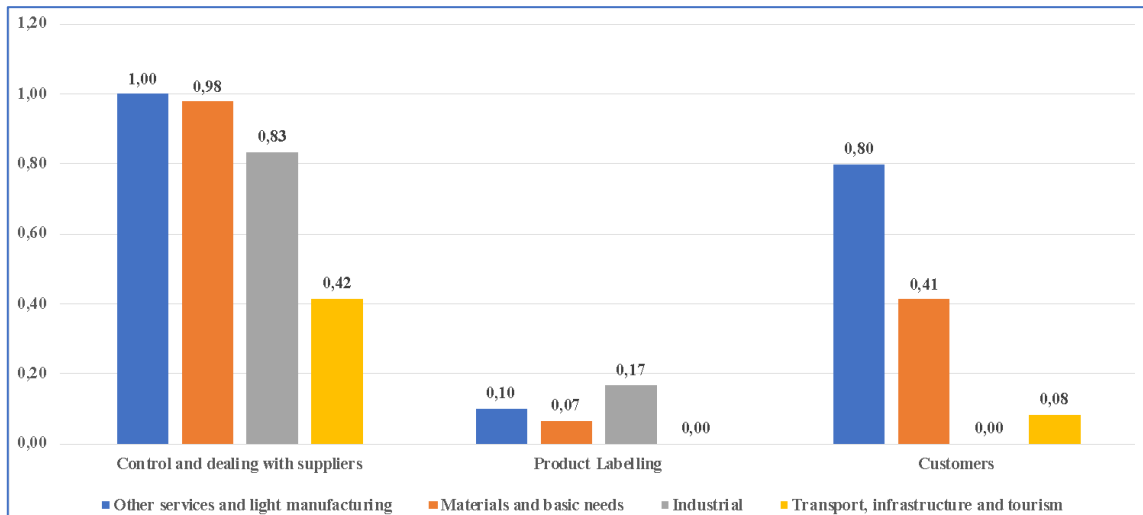


Figure 23. The average number of actions in suppliers, products and customers by sector of activity
Source: The authors

The number of actions performed displays no significant differences based on the parent company's location, as shown in Figure 24.

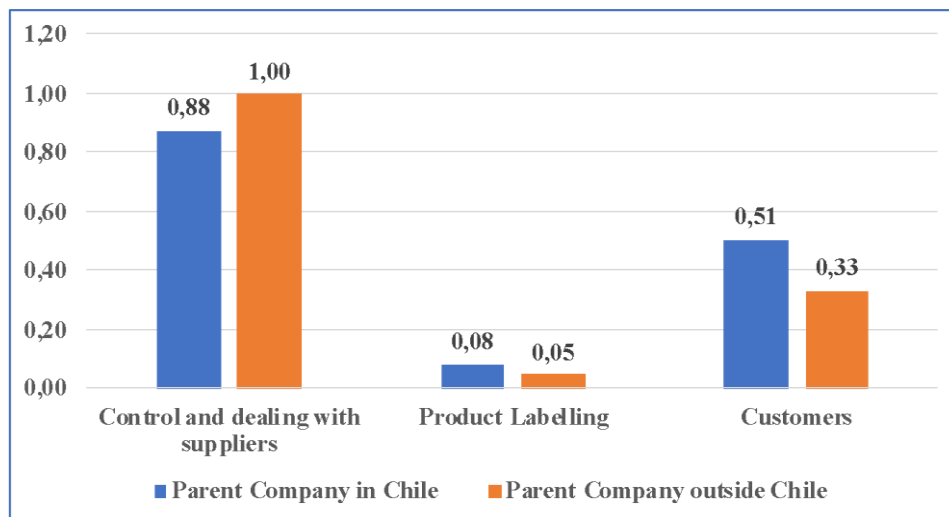


Figure 24. The average number of actions on suppliers, products and customers by location of the parent company of the business conglomerate
Source: The authors

Once we have analysed the concerns and actions undertaken by the companies in the different areas of the suppliers, products and customers category, it is relevant to check the degree of coherence shown by the companies.

In general, companies perform more actions in those areas where they have expressed greater concern and vice versa. There are no significant changes in this behaviour when considering differences between companies in terms of their use of the GRI standard, their sector or the parent company's location. Companies are unlikely to be bluewashing in suppliers, product and customer-related aspects.

Conclusions

Companies' communication of environmentally and socially responsible activities is crucial for achieving a competitive edge and enhancing stakeholder relationships. It also serves as a pivotal aspect in improving corporate image and reputation; thus, companies should consider it when devising their overall strategy. Some companies have integrated sustainability aspects into their reporting to increase their credibility despite failing to fulfil their sustainability commitments. This is achieved through various communication strategies that enhance the legitimacy of practices. There is a large amount of sustainability research on environmental performance and the impact of communicating environmentally friendly actions, but more research needs to be done regarding social aspects.

This study examines the contrast between what companies claim to be concerned about and their actions in the social realm. This contrast could be used as a proxy to identify bluewashing behaviour by firms. To this end, we analyse the sustainability reports of 94 companies operating in Chile and isolate what companies state they care about and their actions in three social categories: Community, Human resources, Suppliers, products and customers. For each category, different criteria are employed based on the GRI standard.

The companies analysed express concern mainly in the human resources category rather than the community and suppliers, products and customers, with the latter category attracting the slightest interest. Companies that adhere to GRI standards show more concern than those that do not apply GRI standards. Companies belonging to foreign business groups exhibit greater concern than local ones. No significant differences are observed when analysing the behaviour of companies in the different sectors.

When the actions performed by the companies are studied, results indicate that most actions are made in the Human resources category, followed by those in the Community category and, finally, in the Suppliers, product and customers category. This is the same structure as found for the concerns expressed. Again, companies that adhere to the GRI standard carry out more actions than those that do not adhere. Chilean companies carry out fewer actions than foreign companies, although they expressed the least concerns. In the analysis by sector, there is no difference in behaviour in any of the categories.

Regarding bluewashing, most companies express concern about all criteria in the Human resources category. However, the high level of concern is backed by only a few company actions. In some cases (Gender equality and Pay equality), the actions undertaken are relatively scarce. This is indicative of companies' bluewashing. In the Community and Suppliers, product and customers categories, companies take more action in those areas where they have expressed more significant concern and vice versa. Companies will likely avoid bluewashing on community, suppliers, and product and customer aspects. This behaviour is the same when considering differences between companies regarding their use of the GRI standard, their sector or the parent company's location.

Notably, our study reveals that many companies claim that they are deeply concerned regarding community, human resources and suppliers, product and customer issues despite taking limited actions in these fields. This could be identified as bluewashing, a phenomenon in which companies attempt to legitimise themselves in the eyes of their stakeholders

This paper is a pioneer in the study of bluewashing, a topic that has received little attention in academia but deserves more research, in our opinion. This work may serve as an initial step towards developing a standard definition and appropriate methodology for measuring the extent to which companies engage in bluewashing. The study's limitations are related to the number of sustainability reports accessed, which restricted the database used. In fact, the analysis is restricted to big companies operating in Chile. Studying a larger number of companies from different countries may reveal bluewashing practices that warrant further investigation. Finally, it solely focuses on public information provided by the companies. Future studies should compare what companies disclose in their sustainability reports with the opinions and perceptions of their stakeholders.

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Funding: This work was supported by the Generalitat Valenciana under the Excellence Program Prometeo CIPROM/2022/029.

Author Contributions: All authors have participated in the contextualisation, writing, review and editing of this article. All authors have read and accepted the published version of the manuscript.

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