



**d+i** LLORENTE & CUENCA

**PANAMA: DO PRINTED MEDIA  
SHOW COMPANIES  
ASSOCIALLY RESPONSIBLE?**

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## Introduction

The following study aims to know how the main national print media understand and deal with the Corporate Social Responsibility (CSR).

The study's methodology is featured below within the following technical sheet:

- **Interviews with national and economy media: 11 publishers from the main 10 media publishers in Panama. Contacted media:** La Prensa, La Estrella, Panamá América, Mi Diario, El Siglo, Martes Financiero, Capital Financiero, Metro Libre, Revista Ellas, Revistas Siete.
- **Analysis of media sources dealing with any area of Corporate Social Responsibility.**  
Total number of documents: 679  
Analyzed newspapers: La Prensa, La Estrella, Panamá América, Día a Día, Mi Diario, El Siglo, Crítica, Martes Financiero, Capital Financiero, Ellas, Mia.
- **Duration:** 3 months. February-April.
- **Note:** those articles regarding Social responsibility outside the corporate range have not been taken into account. That means this study focuses on CSR of public institutions or organizations.

# Starting point

The main international companies have already understood **that Corporate Social Responsibility (CSR) is not a trend but a way of corporate** management to achieve the company's sustainability in the long term: as society develops in all senses and is able to access new services, we are now counting with thousands of new clients and consumers that guarantee the business' continuity.

Companies in Panama are increasingly more aware of their great **role on the economic development and also on the social, cultural and environmental one.** CSR can become a strategic formula to make the private sector contribute to improve the citizens' lives in a country where improvements in development and equity are still needed.

Along decades, and due to its interest to collaborate, the private sector has practiced philanthropy and resources have been destined to support social and environmental issues but without a clear strategy and most of the time without a link to the company's business. On the contrary, nowadays many companies have moved forward and understand that in order to achieve success it is fundamental that they take into account the social, environmental, working and human rights aspects within their working methods.

A common practice in Panama is that multinationals companies pass their CSR from the parent company to the subsidiaries companies and later to other companies.

However, although increasing the number of companies working according to the CSR is still a challenge **those companies already working with it are facing a big difficulty: transmitting it.**

From LLORENTE & CUENCA we want to know why this situation is happening. If the CSR has a real impact both in the company and the *stakeholders'* lives, is it well reflected in the media? Based on this idea we have developed a study that analyzes the media perspectives regarding CSR so we can know if they really understand the dimensions of the CSR and how it is transmitted in their publications.

This study includes the analysis of the publications that appeared during the abovementioned period in the main print media of the country; and also, personal interviews with the publishers of the national and economic sections of each media.

# The study

## GOOD AND BAD NEWS

Between February and April 187 news regarding CSR were published in the Panamanian media. If we take into account that the average per day would be of two days, this number is quite significant. La Estrella and La Prensa are the newspapers with a higher number of news related to the companies' CSR.

If we analyzed it according to the type of media, the most interested on companies' CSR are journals, then tabloids and then weekly newspapers.

This analysis is according to what we find on newspapers. But, **how do journalists understand CSR?**

Based on our conversations with them we can say that they broadly know what CSR is and they define it as *"the way companies give back or share what they receive from communities"* or *"a company's or entity's commitment with the environment or society in general"*.

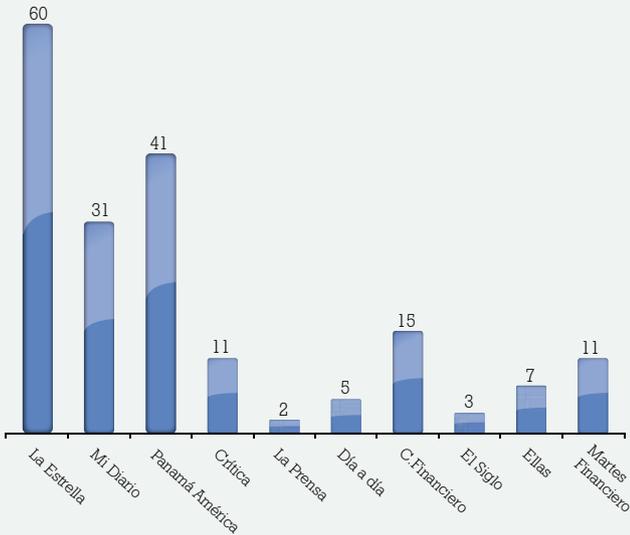
What might not be that clear is what CSR really encompasses. When asking about the different topics of the concept they mainly mention the social, educational and environmental areas in that order. **Only 4 out of the total mentioned that CSR has to do with all the working areas of a company.**

Most journalists do not **link the concept of philanthropy** to the business area but to actions of individuals. This might make it difficult for the media to understand when a corporative action can be understood as CSR or as philanthropy.

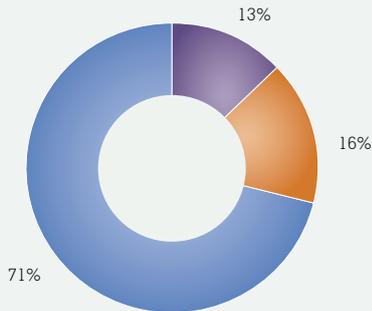
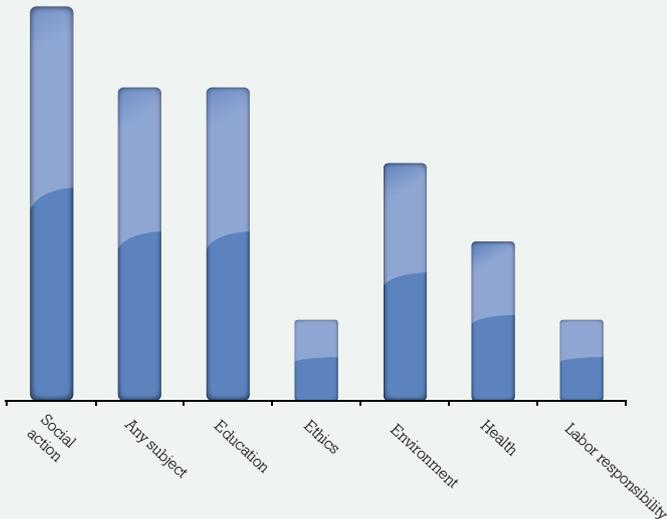
When analyzing the data we observe that 93 out of the 187 news appear in the "news in brief" section; **that means that at least half of the news have little informative value.** What we understand as informative value is the capacity of a new to transmit relevant information to the reader.

Analyzed by media we notice that with the exception of the Panamá América, all the big newspapers publish a larger number of news in the format of "news in brief" than in any other format.

News by media



Subjects of the CSR



In addition, **32 % out of the total are related to sponsorships and donations.** Both this and the environmental news are usually related to specific activities without knowing the real impact on the long and short term.

If we deepen in the news and from a more subjective point of view we analyze which news have a greater space and appearance in the media with more detailed information and going beyond the announcement of the activity.

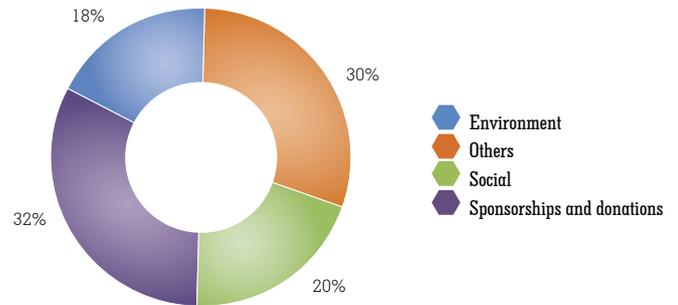
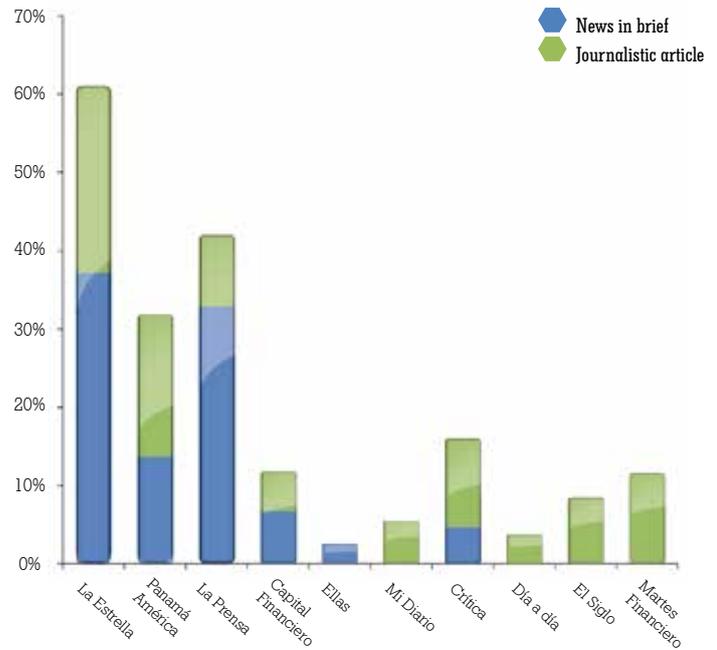
**Around 50 out of the 187 news (a little more than 25%) have low informative value.** The journals on a tabloid format less space for these kind of news due to their format. On the other hand, economy magazines publish more detailed articles about companies' actions and about the characteristics of CSR. There is a bigger difference among the big newspapers. Panamá América and La Estrella have some specific spaces for the CSR but La Prensa seems to be more strict when choosing to publish this kind of news out of their "news in brief" spaces.

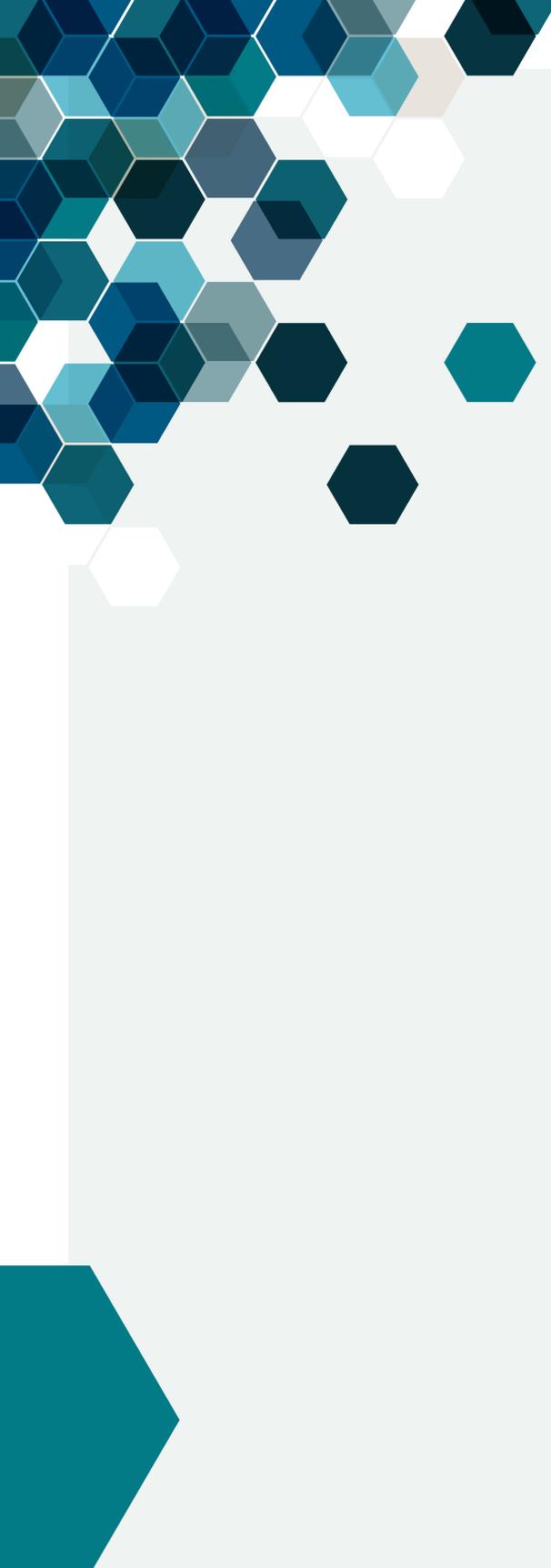
### WHERE CAN WE FIND THESE NEWS?

More than half of the journalists say that these kind of news can appear in any of the journal's sections depending on the type of news. For this reason there are no specialized journalists on CSR. Capital Financiero is the only newspaper that says to have a specific space just for CSR as well as a forum. On the contrary, four of the newspapers relate the news to the social sections such as Aplausos, "The pic of the day" or "business review".

What we have actually noticed is that **almost half of the news on this topic appear on the social sections and just 13 % of them on the economy section** (something directly linked to the number of "news in brief" published).

### Format of the new





## MISTRUST OR MISINFORMED?

**From the interviewed journalists 40 % think that companies do CSR activities just to have media coverage** regardless the real impact of the activity. On the other hand, just 20 % believe that companies do CSR activities based on a real commitment. The other 40 % say that are both, the interest on media coverage together with their commitment what makes them carry out these activities. Is it mistrust of the media or is it a matter of the companies being lazy to tell what they are really doing? It is probably both.

Despite this, all media with just one exception believe that it is important that companies are more proactive regarding the communication of their CSR activities.

**Why?** Among several reasons we can highlight the readers' interest on knowing how companies behave and the need to be informed of those who could be benefited. However, several agree that the information sent by companies is not always interesting and therefore they do not consider it necessary to inform about all the activities they are carrying on.

When asked about changes over the last years regarding the way the media has treated CSR, **more than 70 % of the journalists believe that companies are sending more information and that there is a greater acceptance by the media.** However, they still mention that a lot of the information received is still too commercial and does not have space on their newspapers.

This study also shows that Panamanian **media are not very critical with companies regarding their CSR.** We did not observe any critics, monitoring or comments on the media about the CSR activities companies say they are doing. It seems the media simply accepts what the company says, adapts it and publishes it.

>> "No se trata de alardear de las buenas acciones sociales realizadas. Comunicar RSE es comunicar los distintos aspectos que encierra la gestión empresarial en su globalidad"

### THE VALUE OF THE ALLY

According to what we read in the media, Panamanian companies are never alone on their CSR actions (or at least that is what the reader can notice). One out of every four news (25 %) mentions the associations that have set the agreement with the companies in order to develop the projects. The most mentioned associations are Casa Esperanza, Mar Viva and ANCON, although they do not have a main role in general. Moreover, according to 30 of the published news that mentioned it, some Panamanian companies collaborate with public institutions.

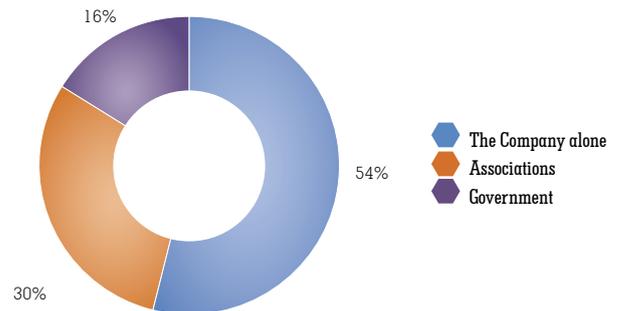
### ARE ALWAYS THE SAME COMPANIES THAT INFORM ABOUT THEIR CSR ACTIVITIES?

When mentioning the social responsible companies journalists affirm, spontaneously, that there is a wide variety of companies and they mentioned examples coming from all the sector such as banking (Banco General); technology (Dell and Telefónica); food (Rey and Riba Smith); big consumption (Coca Cola and Tetrapack) and hospitality (Hotels Bern). The number of companies is so wide that only three companies have been mentioned more than once by journalists: AES, Morgan & Morgan and Banco General.

Within the months analyzed we find on the top 5 of Panamanian companies with more visibility national and international companies. The technological sector stands out on this list:

- ACP
- Cable & Wireless
- Copa Airlines
- Digicel
- Telefónica

WHAT INTERESTS?
<ul style="list-style-type: none"> <li>• News</li> <li>• Data such as benefits and outcome</li> <li>• Global CSR programs</li> <li>• Educating topics for readers</li> <li>• Topics related to entrepreneurship and ethics</li> <li>• Talking based in several sources</li> <li>• The impact of CSR activities on the company</li> <li>• Know the project (in situ)</li> </ul>
WHAT IS NOT INTERESTING
<ul style="list-style-type: none"> <li>• Every single small activity of sponsorship and donations</li> <li>• News focused just on the promotion of the company</li> <li>• Activities that have just started and do not have any outcome yet.</li> </ul>



# Conclusions

## BOTH SIDED INTEREST

We take for granted that both companies and the media know the important role of the private sector on the economic, cultural, social and environmental development in Panama. According to data we can also say that the media and the companies have interest in spreading their corporate policies and social actions (CSR).

## THE COMPANIES' RESPONSIBILITY: HAVING A CSR STRATEGY IS IMPORTANT...

A truly CSR strategy is the one that comes from the pillars of the company, it is present in all departments and levels and has a concrete goal related to the business strategy. If we want it to be effective we need to have a reliable strategy.

## ...BUT ALSO KNOWING HOW TO COMMUNICATE IT

If we want journalists to know the real impact of our CSR policies on stakeholders we need to provide them with the right tools: data, a spokesperson, approach them to the project and its benefits...

## OPPORTUNITIES TO HAVE MORE CONTENTS THAT CREATE VALUE

The "news in brief" section has its own space in newspapers and it does not have a negative sense. However, we need to be aware of the fact that publishing CSR information as "news in brief" does not really communicate the CSR policies since this section offers little information about the company's commitment to the readers.

## THE NEED TO GAIN THE MEDIA TRUST

Due to this information more focused on social marketing has created some reluctance among the media when publishing the information received (also due to the little information offered and the partiality of those news where the company wants to play the main role. Before sending information it is important to think what can be important for the journalist and the reader.

## COMMUNICATING CSR IN A MORE STRICT WAY

Comunicar RSE no es baladí, es tan estratégico como la comunicación financiera o de crisis. Sin embargo, la comunicación de cada una de las actividades que realiza una compañía sin un sentido estratégico impide que ni el periodista ni el lector puedan entender cuál es realmente el aporte responsable de la compañía al desarrollo del país.

>> "Informing about all the corporate activities without a strategic vision does not allow journalists neither readers to understand what is the real benefit of the project for the country's development"

## THE ALLY'S ROLE

In 50 % of the published notes the company's partners on their CSR activities were not mentioned (something surprising since few times the CSR activity is unilateral). The information becomes more attracting for the readers when partners and benefited have voice and visibility. They are the credible aspect that will raise awareness in population showing the companies' commitment with the change.

## THE MEDIA RESPONSIBILITY: COMMUNICATING CSR IS SOCIALLY RESPONSIBLE

Media give companies responsibility on their behavior with society. In the same way, as companies, the media needs to be socially responsible when publishing CSR information and understand the companies' role in Panama regarding development by giving space to their policies and being analytical on the treatment.

## DEEPEN KNOWLEDGE OF THE CSR DIMENSIONS

As many publishers mentioned, specialized journalists on CSR are not needed since this kind of news can appear in any section of a journal. However, it is important that the media understand the CSR dimensions so when contacting companies they value the real importance of this information and they are able to analyze it from a socially responsible perspective.

## A MORE ANALYTICAL APPROACH

Although companies are certainly the ones to blame for the situation, we can also say that the tendency is for the media to have less space on their journals to talk about CSR. When offering real and interesting information to readers and the society in general, part of the journalists' responsibility is to have a more analytical approach to information looking for the society's awareness, consulting sources or carrying out reports combining different policies and stories

## NO SPACE FOR MEDIUM-SIZED COMPANIES

Communicating CSR is not easy for big companies; but for medium-sized companies it represents a real challenge since their CSR activities have little importance. This study shows that the mentioned companies were big Panamanian and international companies.

## WHY SHALL WE COMMUNICATE CSR ACTIVITIES?

For many years companies have usually hidden their activities since they feared to be accused or implementing them just because of marketing. Some reasons for both, companies and the media, to inform about CSR activities are:

- Society has the right to have the needed information about a company's behavior regarding its interest groups in order to choose it against the competition.
- The media are the perfect way to raise social awareness regarding the areas the CSR activities are working on. They are also the perfect way for those benefited and involved in the activities to have information about them.
- The company's activities can be an example for other companies and even help to establish contacts for future projects.

## THE CSR COMMUNICATION'S TARGET IS NOT ONLY THE MEDIA

Although the media has always been the main target of the communication, it is important that we know that the information needs to be focused on each interest group involved and the communication strategies will depend on the policies, goals and the stakeholders. It is important to analyze if we need to spread the information in the media and choose which are the correct media regarding our information.

All in all, although a lot of improvements can be noticed, this study shows that both, companies and the media, still have to face many challenges. There is a clear need to improve the understanding of the magnitude of the CSR, who are the partners, what is the target of the efforts and how are results measured. The information on this issue should not be limited to the "news in brief" section but show citizens how companies are socially responsible and how that could benefit them.

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Currently, LLORENTE & CUENCA has offices in **Argentina, Brazil, Colombia, China, Ecuador, Spain, Mexico, Panama, Peru, Portugal** and **the Dominican Republic**. Moreover, it also offers its services through sister companies in **the United States, Chile, Bolivia, Uruguay** and **Venezuela**.

Thanks to its **international development**, LLORENTE & CUENCA was **one of the 50 largest communication companies worldwide** in 2010 and 2011, according to the Global Annual Ranking published by The Holmes Report. In 2013, LLORENTE & CUENCA ranked 51st, improving the results of 2012 (52nd).

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