CSR and the Pursuit of Legitimacy

The pursuit of legitimacy through codes on marketing of food to children in the Danish food industry

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Preface and Acknowledgements

Being graduate students in MSc. in International Marketing and Management, we both have a genuine interest in the challenges of contemporary marketing practices. The connection between marketing and one of the most current debated issues, CSR, along with the consequences on modern business practices, is an issue that we are both enthusiastic about. We found each other in the process of selecting a topic for the master thesis, because we were both eager to discuss the consequences of CSR. Today the outcome from our first meeting, is a master thesis that we are both very proud of. The focus on restricted marketing in the food industry is a topic that we are not only passionate about to shed light on, but is topic that we, through dialogue with our advisor Wencke Gwozdz, have gained additional valuable insight into. We would therefore like to give a special thanks to Wencke Gwozdz for her guidance and encouragement through the process.

We hope that you will enjoy reading our thesis.

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Adults may be fair game for marketers, but children are not
Marion Nestle in The Nation (Sept. 11, 2006)
Executive Summary

The objective of the thesis is to shed light on how companies in the Danish food industry pursue legitimacy by adopting codes of conduct on responsible marketing to children, specifically through the Code of Responsible Food Marketing Communication to Children formed in Denmark. The main theme of the thesis is how self-regulation by companies is believed to award these with legitimacy.

The underlying issue stems from the debate on initiatives required from businesses to fight one of the biggest health problems of the 21st century, namely child obesity. The call for companies engaging in CSR is based on the fact that by limiting exposure of unhealthy food is a key element in limiting child obesity.

Theoretically, the pursuit of legitimacy through CSR actions was explored through three propositions, which framed the discussion on the results from two content analyses conducted; one on a media and one on a company level.

The results from the discussion on the first proposition revealed that companies exposed to media pressure were more likely to behave social responsible and adopt codes on responsible marketing. Thus, the perception of CSR in the media can function as a catalyst for companies incorporating CSR actions in their strategy. The main results from the discussion on the second proposition revealed that formal and informal institutions take part in guiding the companies’ actions. Institutions, therefore, influence whether certain actions can ultimately grant companies with legitimacy. The third proposition focused on whether the companies investigated believe to pursue legitimacy by adopting code of conduct. The results revealed that companies believe to pursue legitimacy when adopting codes on responsible marketing, because they have corporate self-interest of gaining legitimacy.

The managerial approach to legitimacy shows that the integration of codes on responsible marketing to children distances the codes from their moral foundation. The companies thus believe to gain legitimacy by appear to align managerial self-interest with the values and norms in society, and the ethical attribute of codes is therefore questioned. The companies investigated are not in compliance with the Danish code, which indicates that it is not perceived as a norm or taken for granted. Alternatively, companies formulate codes that are applied across borders. Thus, companies self-regulate to gain strategic legitimacy.
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1 Introduction

The prevalence of child obesity has increased during the past three decades and can be seen as part of a global obesity epidemic (Han; Lawlor & Kimm, 2010). An estimated 300 million people are obese in the world today and one in 10 children is overweight, a total of 155 million children (W1). This picture is alarming since once the weight is gained, it is difficult to lose the extra weight. Moreover, obesity is associated with an increased risk of diet-related non communicable diseases and a lower life expectancy (Veerman, et. al. 2009). Obesity has become a significant public health crisis governments are challenged to overcome due to an increasing health cost of obesity and related diseases. In particular, the challenge is among the future of our children that might not only face physical problems, but also mentally vulnerability and object to social stigma (Puhl & Brownell, 2003). It is therefore important that the obesity epidemic is taken into consideration by governments as it is the most serious health problem in the 21st century (W2) that can delimit a future sound economy as well as productive and viable society.

Governments are not the only group that has to recognize the increasing obesity problem. Organizations such as the World Health Organization (WHO) promotes initiatives to limit companies marketing unhealthy food to children, because marketing of unhealthy food is believed to have an effect on child obesity. Additionally, organizations promote self-regulatory initiatives as an attempt to make the companies limit marketing of unhealthy food directed at children (WHO, 2004). This has resulted in international consumer organizations, non-governmental organizations (NGOs) and other stakeholders stressing that food producing companies have responsibility. Companies have answered this by adopting self-regulative actions in the shape of a code of conduct on marketing of food to children to show they take responsibility, hence companies take a political and ethical standpoint. At the same time,

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1 Diet-related non communicable diseases includes heart diseases, cancer, diabetes and obesity (WHO, 2004)

2 A classification of unhealthy food will not be discussed; instead, unhealthy is associated with food with high content of fat, salt and sugar.

3 The food industry consists of food products and beverages (Business Insights, 2009).

4 Codes and codes of conducts are referring to codes in general.

5 Marketing is associated with any visible advertising and food is only associated with unhealthy food.
companies are limiting their scope for the benefit from marketing activities. The trend of forming self-regulative actions is reflected in the increasing number of legitimate organizations that are not directly linked to state governance (Vogel, 2008). One can, however speculate whether companies are imposing self-regulation out of fear from government regulation on marketing activities, to protect their brands or to promote the company in a responsible manner.

One self-regulation initiative is found in Denmark, where the Confederation of Danish Industry (DI) has formed the group *Forum for Fødevarerklamer*\(^6\) (*Forum*) that consists of stakeholders in the food industry. The group has formulated a voluntary code on marketing of food to children; the *Kodeks for Fødevarerklamer*\(^7\) (*Code*), which is a supplement to the existing Danish law and prescribes a precise approach to marketing food to children. The *Code* is an ethical responsible initiative that might functions as a catalyst for implementation of voluntary actions in the food industry. This is so because the individual company focuses on being a good corporate citizen, by integrating responsible marketing practices to children in its Corporate Social Responsibility (CSR)\(^8\) strategy. The *Code* is as a result filling the vacuum within a sensitive issue that the government consequently can refrain from imposing laws within. The Danish food industry is thus taking responsibility and paving the way for limiting the rise in obesity among children.

The future success of the *Code* lies within compliance with the *Code*, since the voluntary character of the *Code* implies no authority to sanction infringement. A negative press of a company can, *ceteris paribus*, harm company reputation. The press therefore acts as a sanctioning organ, which makes you wonder whether CSR actions are actively communicated to companies’ stakeholders to avoid bad press. By doing so, companies can underline compliance with the *Code* and seek *legitimacy* from stakeholders. Therefore a way, to which companies perceive the actual *benefit* of CSR actions, can be revealed by exploring whether companies believe to be awarded with legitimacy. To explore the specific type of legitimacy

\(^6\) *Forum of Responsible Food Marketing Communication.*
\(^7\) *Code of Responsible Food Marketing Communication to Children. See full version of the Code in appendix 1.*
\(^8\) CSR refers to a form of corporate self-regulation integrated into the business’ strategy, by embracing responsibility for the impact of activities on the entire society (Crane & Matten, 2007).
pursuit, can tell you something about the intentions behind the code. Legitimacy is however not easily traced, since legitimacy can be defined as a business’ license to operate. Legitimacy evolves if the society’s expectations and the company’s actions are consistent. A company is therefore said to be legitimate when it conforms to society’s expectations, values and norms (Long & Driscoll, 2007).

1.1 Problem Area and Objective of the Thesis

The thesis will investigate the role of the Code among companies in the Danish food industry, and discuss whether the companies believe to acquire legitimacy from adopting the Code and reveal the specific type of legitimacy pursuit.

To explore the background for adopting the Code the thesis will take a closer look at what is communicated in the media. By exploring media coverage, one can discuss the external acceptance of the Code. The perception of the Code in the media reveals whether it can be considered a norm or valuable among stakeholders. Additionally, an external pressure from formal and informal institutions can influence the acceptance of the Code. The thesis therefore seeks to reveal the institutional framework in which companies act. By exploring media coverage and the institutional framework the fundament of pursuing legitimacy will be revealed.

It is believed that language is a carrier of legitimacy that transforms norms and values into tangible truth on reality (Long & Driscoll, 2007). Investigating communication from the company to stakeholders can reveal the attempt to acquire legitimacy. This is so because the companies can use the Code to steer or compose their CSR strategies. This will entail the creation of formal strategies, through which the companies will actively adopt the Code into the CSR strategy ultimately to pursue legitimacy. By self-regulating actions, such as the Code, the food industry will respond to the call for company action and possibly, and hopefully, gain legitimacy. The specific kind of legitimacy companies seek to gain can from communication be established as well as the possible future and acceptance of the Code among the companies.

When understanding the way in which the Code is actively communicated and the stakeholders’ perception of the Code, the consequences of self-regulation in the food industry
and the *Code* will be discussed. If companies do not accept the *Code*, future compliance of this soft law might end up in opportunistic behavior from the company. The discussion is therefore vital in connection to the fight of child obesity, future of the *Code* as well as consequences for companies’ engagement in CSR. On these grounds, the question rises whether a strategic or a moral interest lies behind the integration of the *Code*.

**Research Question**

Based on the above discussion the thesis will explore:

> What type of legitimacy are companies in the Danish food industry pursuing by adopting the *Code*?

To answer the research question the reader will be introduced to an understanding of the challenges and opportunities with CSR and self-regulation. The reader will furthermore be introduced to a discussion on whether companies believe to obtain legitimacy by adopting a code of conduct, and the specific type of legitimacy pursuit. This will be investigated by exploring specific companies’ approach to marketing of food to children and by exploring the media’s attention and perception on these issues. The theory on legitimacy must be seen in connection to other theoretical approaches, which has led to three propositions⁹ being formulated based on a theoretical framework that will provide an approach to answer the research question and steer the discussion to finally conclude on the thesis.

The thesis aims to equip the organizations that formulate codes on responsible marketing to children to understand the motives companies have in adopting codes, and whether companies believe to gain legitimacy by codes. On this basis, the thesis seeks to add to the theoretical discussion on the motives of CSR. Further contribution from the thesis is to equip food producing companies with an understanding of the formal and informal institutional environment in which they act. This is an analysis that has previously not been carried out in Denmark and the thesis is therefore contributing with valuable research to the discussion on legitimization of CSR, in a Danish perspective.

⁹ A *proposition* is defined as a statement that we seek to discuss.
Motivation

The motivation for investigating food companies’ quest for legitimacy by adopting codes on marketing of food to children is threefold. It is based on a i) personal, ii) practical and iii) theoretical motivation.

Initially, a personal motivation is a desire to add to the discussion on the need for company responsibility on marketing to children. The food industry is criticized because it is promoting rather controversial products containing a high level of sugar, fat and salt to a greatly debated target group. We believe fighting obesity is partly done through CSR actions from companies; hence a call for companies to take responsibility. The issue of balancing CSR, while maintaining a profitable business by marketing products, is an interesting dilemma that caught our attention. Profitability can take the shape of legitimizing companies' actions; thus, legitimacy is a way we seek to connect CSR actions and company benefits.

The continuous struggle between businesses’ economic and ethical responsibility is an essential conflict to understand, since every company is easily put into the spotlight by the media, which can ultimately lead to customers “voting with their dollars”, putting a company out of business. From a business perspective, or a practical motivation, it is therefore essential to understand the responsibilities, and from a society’s perspective, to understand the beneficial opportunities of businesses’ ethical responsibility. The delicate balance between ethical and economical responsibility is crucial for modern businesses. That is, a motivation to add to the debate on the benefits of codes of conduct to society as a whole and to companies incorporating the practices.

Our motivation stems from a desire to critically challenge the CSR theories by taking a closer look at authentic actions from companies. Considerable theoretical research along the lines of CSR and code on conduct is vast, with overlapping and contrasting theoretical contributions. Connecting CSR actions and legitimacy is found in the literature, and we wish to add to this discussion. The literature on CSR is evolving into embracing a globalized world, and by putting the Danish industry in an international perspective, allows the discussion to take a realistic approach, and additionally add to the deficient research on the Danish level.
1.2 Structure of the Thesis

The thesis is divided into three main parts; introduction, discussion and conclusion, as illustrated above. The introduction, which has so far presented the problem area and concretized the overall research question, proceeds with an introduction to the formal institutional background. Thereafter, a preliminary study is completed that provides a comprehensive review of existing theories, to establish the concepts of CSR, new
institutionalism and legitimacy. From this, three propositions are theoretically derived. The background information, the research question and the three propositions form the point of departure for the methodology, which portrays the method applied to answer the overall research question, and specifies how the propositions will be approached. The introduction part will recapitulate in an overview of the results from the data collection, which will provide the basis for the second part, namely the discussion. The discussion will be structured around the three propositions and connect the theory with the data collected. The discussion will be summed up in an overview of the propositions and the results. The last part of the thesis, conclusion and perspective will connect the propositions, the discussion and the results conducted to conclude on the entire thesis and additionally put it into perspective.
2 Institutional Background

This chapter is meant to give the reader an overview of central institutions and their work on marketing of food to children. The institutional environment is complex and consists of different institutional actors that each can influence at various levels. The focus of the thesis is on Denmark; however, international institutions influence the Danish industry. Therefore, the WHO, will be touched upon, since this institution is merely focusing on health as a secretary for the member states within the United National (UN). The European Union (EU) is a political and economical union that contrary to the WHO has to balance business and health for the member countries, and therefore influence Denmark through the EU membership. The reader will thereafter be provided with an overview of the legislative and voluntary framework in Denmark.

2.1 WHO

The WHO is the directing and coordinating authority within the UN that is responsible for providing leadership on global health matters (W3). Responding to the threat of a global diet-related epidemic, the WHO has defined a range of intervention possibilities, in which regulation of marketing of food to children needs special attention. Therefore to promote responsible marketing, the WHO has produced and approved a set of recommendations. In some WHO member states, legislation is already in place within marketing of unhealthy food to children, but these are often diverse, which is the background for twelve recommendations on responsible marketing, which can be summarized as follows (W4):

- The aim of a formulated policy should be to reduce the impact of marketing of unhealthy food to children.
- Governments should be involved and act as the key stakeholder in the development of a policy, provide leadership through a multi-stakeholder platform, and should support implementation, monitoring and evaluation of a policy.
- Member states should cooperate to reduce cross-border marketing of foods to children to avoid national regulations to be undermined.

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10 Institutions are in this chapter understood as formal organizations. The theoretical concept of institutions will be discussed in chapter three.
The policy framework should specify an enforcement mechanism, sanctions and a system for reporting complaints, to ensure compliance.

In Europe, a European Network has been established, which consists of European WHO countries, working together to find ways to reduce the pressure of marketing of food to children (W5). Denmark is a member of the network (W6), which consists of technical experts from each network country. The network is contributing with knowledge and experience to the WHO and has put forth a draft on a code on marketing of food to children (W7).

2.2 EU

The EU Commission is responsible for proposing legislation and works together with stakeholders to conduct integrative solutions. The Commission acknowledges that there are rising obesity issues in Europe and is focusing on formulating policies to fight obesity.

White Paper

The EU Commission has formulated a whitepaper *Strategy on Nutrition, Overweight, and Obesity-related Health Issues* in 2007 which laid the fundament for an integrated strategy in relation to nutrition and obesity. The white paper underlines that the EU should support actions taken from the single member country (W8).

As a part of this strategy, the EU Commission has two groups working within the areas of nutrition and activity. One group is the *High Level Group on Nutrition and Physical Activity* with representatives from European countries. The group seeks solutions to obesity-related issues by providing overview of all government policies on nutrition and physical activity, and helps government to share these ideas and practices. In addition to this, the group seeks to improve the liaison between governments and the other group (W9), namely the *EU Platform for Action on Diet, Physical Activity and Health*, which is a forum of European-level organizations willing to commit to tackle current health trends (W10). The platform seeks to provide best practice examples on coordinated actions on the issue to encourage national, regional or local initiatives across Europe (W11). The platform shows extensive commitments on the topic on restrictions of marketing of food to children (W12).
The main approach at the EU level has been voluntary self-regulation. In 2010, two evaluation processes of this approach run parallel to each other. The first was an external evaluation of the work on the *EU Platform Action for Diet, Physical Activity and Health*, which was a case study of self-regulation, published in July 2010 (e-mail interview, EU Commission). The *Code* was a part of the evaluation. The other evaluation will be an evaluation of the overall strategy presented in the white paper. A report on the self-regulation approach will be formulated to understand how well self-regulative actions are implemented and which effects they have brought along. This evaluation will be published in December 2010 (W13).

*Audiovisual Media Services Directive*

The Audiovisual Media Services Directive (AVMSD) sets standards for all EU audiovisual media services. By 2009 the directive had to be enforced into national law. The rules respond to technological developments and create a level of playing field in Europe, as regards to audiovisual media (W14), but should, nevertheless, guarantee the independence of national media regulators. The rules include a section on the protection of children, and address, for the first time, the issue of 'fatty foods' in advertisements linked to children's programs (W15). Consequently, the directive underlines encouragement of development of codes on appropriate marketing of unhealthy food in or accompanying children’s programs. The article does, however, not give any specifications for encouragement, and media service providers are given full responsibility to design and enforce the codes of conducts (W16). This directive thus supports the development of code of conduct within marketing of unhealthy food. It is however essential to point out that these are a minimum standard, and that it will not exclude stricter regulations in the single member country (e-mail interview, EU Commission).

*EU-Pledge*

In December 2007, 11 food manufacturers formed the EU-Pledge, which is a commitment not to engage in any commercial communication of food to children under the age of 12. Companies’ commitment applies to all advertising on TV, prints and the Internet, and came into force January 2009. Since the pledge is a public commitment, the initiative is subject to independent monitoring. Monitoring has shown that food advertisers were 93% compliant with their commitment (W17), which is an example of an effective voluntary action.
Union of European Beverages Association

Members of the Union of European Beverages Association (UNESDA), are soft drinks companies in Europe who conduct their business in at least five EU Member States (W18). UNESDA’s commitments include not placing any marketing communication in printed media, websites or during broadcast programmers’ aimed at children and not engage in any direct advertisements in primary schools, unless otherwise requested by school authorities (W19).

Policies on Marketing Food and Beverages to Children (PolMark)

The PolMark-project was a project carried out in 11 EU-countries and the idea behind the project was to gain understanding of factors influencing children’s choice of food and beverages that can contribute to improvement of the health among European children. This was examined by taking a closer look at marketing of unhealthy food targeted at children (Hedegaard, 2009). The background for the PolMark-project was to gain evidence and tools to strengthen the formulation of policy of marketing of food and beverages in the EU. This implies gaining an understanding of how marketing effects consumers’ choice on food and beverages, which provides politicians with knowledge on appropriate political actions in the area of fighting obesity. The project gives an overview on stakeholders’ view on challenges for policy-development as regards to the regulation on marketing of food. The data from Denmark shows that most stakeholders perceive the current statutory regulation as insufficient since it does not include unhealthy food and beverages, and might therefore distort competition.

The PolMark-project reveals complexity in the area of marketing and self-regulation and the report showed a clear difference in views between stakeholders. In spite of this, the overall results identified that self-regulation works well as a supplement to statutory-regulation. There is, however, a need to form regulation in the area, and it is believed that future regulation will be a combination of statutory- and self-regulation, but most likely with emphasis on self-regulation (Hedegaard, 2009).

2.3 Denmark

In Denmark, the legal framework lies in i) the Marketing Practices Consolidation Act, ii) the revised guidelines of the Consumer Ombudsman from 2006 and iii) a number of general regulations in the Food Law. The legal basis shows priority of food safety and information to
the consumer. Regarding marketing, information must not be misleading and the law includes a focus on consideration for the natural credulity of children (Hedegaard, 2009).

The essential aspect in the Marketing Practices Act is that businesses must show proper marketing practices and consideration for the consumer, other businesses and the society as a whole (The Marketing Practices Consolidation Act, § 1). Specifically for children, the law prescribes that marketing directed at children and young people shall be framed with specific reference to their natural credulity and lack of experience and critical sense, as a result of which they are readily influenced and easy to impress (The Marketing Practices Consolidation Act, section 8). It is thus the responsibility of the Consumer Ombudsman to make sure that companies adhere to the law, in the interest of the consumer (The Marketing Practices Consolidation Act, section 22).

**Code of Responsible Food Marketing Communication to Children**

In addition to the legal basis the Code on limitation of marketing of food to children, was introduced in 2007 (Hedegaard, 2009). DI is the private premier lobbying organization for Danish businesses on national and international issues (W20). DI has been one of the driving forces behind the introduction of the voluntary code on marketing to children and is therefore a member of the Forum, a collaboration composed of stakeholders within the media and food industry in Denmark. After approximately a year’s preliminary work by the Forum, the Code came into force on January 1st 2008. The main purpose of the Forum has been to construct a voluntary code to limit marketing of unhealthy food to children, based on a desire to take responsibility and fight child obesity. Even though marketing of food is not the only factor influencing children’s eating habits, the Forum believes that children should not actively be encouraged to eat unhealthy through marketing of unhealthy food.

Seeing that new possibilities within media and marketing are continuously changing, a legal framework within this area is difficult to construct. The Forum therefore believes that a voluntary code is the way forward, as the code can keep track of the development within media and marketing. Since January 2008, members have agreed upon not marketing food to children with a high content of fat, sugar and salt in any media that addresses children (Årsrapport, 2009). The Code thus builds on existing legislation on the area, but goes one step further (Kodeks, 2008), since it contains an exact approach to marketing of food to children.
Monitoring of the Code

The Forum monitors marketing targeting children and approaches the advertiser if any of the rules stated in the Code is offended (Kodeks, 2008). So far, the Code has turned out to be successful (Årsrapport, 2009/Interview with DI), however, there are some flaws, e.g. fat fish exceeds the acceptable limit of fat, but is naturally not unhealthy as such. This implies that the advertiser sometimes have to use common sense in determining whether the product is in fact unhealthy or not. Most of these cases will be assessed and the Forum will help members determining the right approach to the marketing strategy (Interview with DI).

Another issue is the age limit, which is set to be children under 13 (Kodeks, 2008). In some cases, it is difficult to determine what age group is actually targeted in the marketing strategy and to determine the target group in a media (Interview with DI). The Code does however prescribe that the advertiser should additionally show consideration for teenagers, even if marketing towards this age group is acceptable (Kodeks, 2008).

2.4 Summary and Concluding Remarks

The figure below serves as a summary and overview of the institutional background.

At all levels, approaches to constrain children’s exposure to marketing of unhealthy food are found. Children are thus recognized as a special group and that marketing to this segment should not exploit their credulity. At the country level, a range of regulations applicable to marketing of food to children have been implemented, by the introduction of a variety of laws, statutory guidelines and self-regulatory codes. Some rely solely on statutory regulations enforced by law, others prefer self-regulation. In many cases, both forms of regulation coexist. It is believed that despite regulatory gaps, as well as differences between countries,
the regulatory environment around marketing of food to children is in fact evolving. Some of the gaps are found within non-traditional forms of marketing channels; the Internet, sponsorships, product placement and sales promotion. Few countries have regulation within these areas. Another issue is compliance and enforcement of these. Across country borders, complaint systems, penalties for non-compliance and a system for preapproval vary considerable (WHO, 2004).

Within the food industry, self-regulatory actions are fairly new, and are from the industry’s perspective, believed to benefit public health, or they may be insufficient and self-serving and simply avoid further governmental interventions and thus protect business as usual (Sharma et al., 2010).
3 Theory

Theoretically, the issue of pursuing legitimacy can be approached from various viewpoints, leaving the theoretical debate to be broad and complex. These angles have been critically examined, and in the following chapter, the reader will be provided with an overview of theoretical approaches to the discussion of legitimacy. The theoretical perspectives presented will outline three propositions that will form the basis for the discussion.

The structure of the chapter is illustrated in the figure below, which shows three main and interrelated pillars. The initial part of the chapter will introduce the underlying theme for this thesis, namely CSR. Within CSR, voluntary self-regulation and, specifically, codes of conduct will be presented. The second part of the chapter is taking a closer look at new institutionalism to define institutions. Legitimacy in new institutionalism is only discussed in connection to other central concepts, which include isomorphism and myths. The third part of the chapter is dealing with one of the ultimate goals of incorporating codes of conducts in CSR strategies; legitimacy.

![Figure 3 Structure of the theory chapter. (Own development)](image)

From the above, it becomes clear that the theoretical pillars are looking into three main subjects that ultimately will add to the discussion on the pursuit of legitimacy. This is approached from the underlying research philosophy perspective, based on the ontology of critical realism. This research philosophy argues that an objective reality exists independently of human thoughts and knowledge, but in addition to this, reality is deep and does not only consist of our knowledge and observations, but also of social structures (Saunders, 2009).
This can be illustrated with the analogy of the tip of the iceberg; in order to understand what is visible or “the top of the iceberg”, one have to understand what is found beneath the surface, as a deeper level can be related to what is observable on the upper (Nygaard, 2005). Epistemologically, or what constitutes acceptable knowledge (Saunders, 2009), critical realists believe the truth is impossible to understand. Observations can be misinterpreted, as there is a gap between the researchers’ concept of reality and the “true” reality, since the researchers’ knowledge will shape the understanding of the reality. Thus, research is never value-free (Blumberg, 2005). This research philosophy is the underlying philosophy in the thesis, as the aim of the thesis is to understand some deeper structures of CSR in the food industry, how the institutional environment affect the industry and ultimately how businesses pursue legitimacy. In this thesis, a prevailing truth on legitimacy in the food industry cannot be found, but the truth is explored within the limits of the thesis.

3.1 Part One: Corporate Social Responsibility (CSR)

CSR has had a long and diverse history in the literature. In the 1950s, the discussion on defining businesses’ social responsibility arose (Carroll, 1999). The first to introduce the term social responsibility of the company was Bowen (1953) who stressed that businessmen are responsible to take decisions that follow the value of the society. During the 60s, the literature on CSR developed and various definitions of CSR were formulated (Carroll, 1999). In the 70s the academic discussion on defining CSR became more specific, and authors such as Johnson (1971) stated that a social responsible business is one that balances a multiplicity of interests, e.g. stakeholders, and that social responsibility is perceived as long-term profit maximization. Milton Friedman opposed the thought of CSR with the famous argument stating that the social responsibility of business is to increase its profits (Friedman, 1970:1). Friedman stresses that a business should use resources to increase profits (Friedman, 1979); consequently, there is no need for CSR. Friedman was concerned for the lack of legitimacy of managers using assets belonging to the shareholders, customers and employees to support the social issues of manager’s interest (Stratling, 2007). Throughout the 80s, additional research on CSR was conducted, and in the 90s, the concept served as a building block for related themes such as corporate citizenship and business ethics (Carroll, 1999)\(^\text{11}\).

\(^{11}\) For an illustration of the timeline of the milestones in the CSR debate, see appendix 2
Throughout the years, the concept of CSR and the role of companies in society have evolved in a fast speed in line with a changing society. Globalization has brought along an integrated world economy where international and multinational companies are operating across borders. The flow of information on companies’ actions has increased attention on the single company. One example of this is Nike being accused of bad working conditions at their factories in Vietnam (Dara O’Rourke, 1997). Scandals like this show that businesses' role in society and the world economy is closely examined and put on the agenda, leaving the daily media coverage to deal with corporate scandals and misbehavior (Crane, Matten & Spence, 2008). This pressure has throughout the years led companies to respond to the media agenda by advocating their CSR actions. The oil, the chemical and the tobacco industry were some of the first to take up this challenge, and realized, that businesses have to respond to media pressure, major disasters and governmental regulations to remain a place in society. Today, all industries, including the food industry, experience a pressure to legitimate its practices (Crane, Matten & Spence, 2008).

**Defining CSR**

CSR has different meanings as it depends on which “hat” you put on, therefore, there is not a precise definition (Crane, Matten & Spence, 2008). Consequently, companies, organizations and governments have their own terminology of CSR. In spite of this, one of the most cited models to explain CSR is the “Four-Part Model of CSR” by Archie Carroll (1991).

![Four-part model of CSR](image)

Figure 4 Four-part model of CSR. Crane & Matten, 2007

Figure 4 shows one way to regard CSR, namely as a multi-layered concept where all layers are consecutive layers within a pyramid, so that “true” CSR is only achieved when meeting all four levels consecutively (Crane & Matten, 2007). CSR embraces the economic responsibility...
of a business, argued by Friedman, and the legal responsibilities found in society; both basic underlying prerequisites to operate. When moving up the pyramid, ethical responsibilities oblige businesses to do what is right, just and fair despite the company not being compelled to do so by the legal framework. Society expects companies to take ethical responsibility (Crane & Matten, 2007), through voluntary actions, and additionally, to avoid or minimize harm to stakeholders when conducting CSR actions (Carroll, 1991). Finally, philanthropic responsibilities are the fourth level of CSR, which involve voluntary responsibilities. These responsibilities are desired, rather than expected, by society; therefore, CSR encompasses expectations and requests placed on businesses by society. The pyramid structures CSR and acknowledges that at the end of the day, businesses have basic legal and economic responsibilities (Crane & Matten, 2007).

From the pyramid, it can be said that CSR incorporates stakeholders' interests since businesses social responsibility lies outside the legal framework and outside responsibility towards shareholders. The discussion on CSR so far leads to a discussion on responsibility more than towards profit maximization to shareholders within the legal framework. Put forward, the responsibility of the business is no longer towards a homogeneity group of shareholders; rather, companies acknowledge the importance to manage the diverse groups of stakeholders (Carroll, 1991). One theorist in particularly, Edward Freeman, can be regarded as the “father” of recognizing stakeholders. Freeman’s original definition of stakeholders is the most used: any group or individual who can affect, or is affected by, the achievement of the organization’s objectives (Freeman, 1984; 46), hence acknowledges a web of stakeholders. In line with this definition, Brenner and Cochran (1991) underline that stakeholders are essential to look into for two purposes: to describe how organizations operate and to help predict organizational behavior. The stakeholder theory can be applied to understand numerous and diverse participants that have multiple, and not always entirely congruent purposes (Donaldson & Preston, 1995). This implies that a company’s stakeholders also include the shareholders, but this group is not the main stakeholder, rather, all stakeholders are evaluated to understand their specific characteristic and importance.
Even if numerous stakeholders influence the company, businesses have to filter these and understand the importance of the stakeholders. According to Mitchell (1997) there are three key relationship features that determine the importance of stakeholders:

- Power and how the stakeholders influence the organization’s action.
- Legitimacy and if the stakeholders view the organization’s action as desirable, proper and appropriate.
- Urgency, the degree to which stakeholders claims a call for immediate action.

Companies are therefore likely to give higher attention to those stakeholders who possess greater power, legitimacy and urgency, and regard stakeholders showing only one of these features as unimportant (Crane & Matten, 2007). To give high attention to certain stakeholders can evolve and lead to stakeholder collaboration. Stakeholder collaboration can take various forms and is more or less demanding, and must thus be continuously evaluated against potential problems. These could be resource intensity (time consuming), culture clash (different values between stakeholder and company) and uncontrollability (companies lose control) (Crane & Matten, 2007).

Stakeholder theory is in contrast to the conventional input-output model of the company\(^\text{12}\), which sees companies as converting inputs from investors, suppliers, and employees into outputs, which customers buy, ultimately returning capital to the company (Donaldson & Preston, 1995). Consequently, companies merely focus on the needs and demands of the groups mentioned. In contrast to the input-output model, Donaldson & Preston (1995) defines three aspects of stakeholder theory that can underline stakeholder importance. (i) Descriptive theory is a stakeholder approach, which attempts to describe and explain specific corporate characteristics and behavior to discover whether and how companies actually do take stakeholders’ interest into account, and whether stakeholders can potentially affect or benefit the company. (ii) The instrumental stakeholder theory looks into the profitability for companies to engage in stakeholder management, that is, whether stakeholders should be integrated in the pursuit of achieving the goals set. (iii) The normative theory attempts to

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\(^{12}\) See appendix 3 for illustration of the difference between the input-output model and the stakeholder model.
provide a reason to why companies should take stakeholder’s interest into account (Donaldson & Preston, 1995).

From the above, defining CSR seem to include an understanding of a company’s obligations and voluntarily engagement in actions outside the economic and legal commitments (Carroll, 1991) and an understanding the complexity of stakeholders (Freeman, 1984). To define CSR, one can argue that CSR refers to a form of corporate self-regulation integrated into the business’ strategy. CSR becomes a mechanism whereby a business conforms to laws, ethical standards and norms, which leaves businesses to embrace responsibility for the impact of their activities on the environment, consumers, employees, communities and stakeholders – basically the entire society. Businesses engaging in CSR will furthermore proactively promote their CSR actions, which underline the inclusion of the public interest in the corporate world (Crane & Matten, 2007).

In connection to this, it must be mentioned that approaching CSR additionally depends on the way in which CSR is traditionally carried out among companies in the particular environment. While US based companies have engaged in explicit CSR, European based companies have engaged in implicit CSR that sees social responsibilities embedded in the legal and institutional framework (Matten & Moon, 2008). These two opposing ways can be used to understand difference in CSR strategies and difference in communication of these. Both approaches embrace the voluntary attribute of CSR, which leaves governments to take the role of an empowering facilitator of CSR, not a regulatory enforcer. Governments’ objective is to instill a specific mentality into the minds of managers, creating a win-win situation where companies use CSR strategically with guidance from governments, while governments align corporate policy with public policy (Valentin & Murillo, 2009).

**CSR and Self-regulation: From Hard Law to Soft Law**

Numerous challenges faced in the modern world are found between or across borders of nation-states. In response to this, the emergence of a transnational or even global civil society can be seen in the shape of international NGOs, evolving into a sphere of “global governance” in which the leading actors are international NGOs. This tendency can potentially limit the power of the nation-state, by the existence of a new civil society (Dean, 2010). Specifically, companies are adopting self-regulative initiatives, which are far and foremost led by
international NGOs. Voluntary regulations such as Global Compact, ISO standards and the Global Reporting Initiative are large international standards and guidelines for companies to incorporate to act responsible. These initiatives do neither regulate nor legislate (W21). The voluntary actions are also a response to globalization, which has resulted in the lack of sufficient state procedures at the national and international level to govern companies and markets (Matten & Crane 2007). Scherer and Palazzo (2010) underline that businesses engage in self-regulation through soft laws where states are unable to regulate, leaving self-regulation to illustrate an attainable alternative to the market and the state. The international attribute of the soft law approach has the advantage of being able to respond to changing challenges across borders. In contrast to hard law, soft law lack the legitimacy and enforcement mechanism of a hard law, and compliance depends on voluntary participation. When a soft law by nature is not legalized, accountability is achieved through reputation and peer pressure, rather than in formal ways. The relationship between hard and soft law is dynamic to the extent that soft law can become harder, thus resulting in norms turning into hard law (Vogel, 2007).

When taking a step back and evaluating self-regulation, the fundamental issue of companies who take part in addressing problems that are traditionally under supervision of national governance occurs, mainly because of the lack of a legitimate enforcement mechanism. Sceptics stress that without sanctions or explicit penalties self-regulation will ultimately fail (King & Lenox, 2002). Companies can thus act in self-interest and infringe with the soft law. Consequently, companies pursue the interests of the society in a way that are compatible with their own corporate interests and goals and not in the interest of the society as a whole (Moon, Crane & Matten, 2005).

The criticism has led to academics opposing the support to self-regulation. Reich (1998) and Kapstein (2001) both believe companies are already under governmental laws and regulations. Therefore, CSR should also be under governmental responsibility. Robert Reich (1998) argues for governmental involvement on the CSR agenda because the voluntary feature of CSR can bring along the classical free-rider problem. The essence of the free-rider problem is that although each and one company may benefit from collective action (if other companies also participate in a self-regulative action), will enhance the reputation and
competitive position of the entire industry. Companies allowing governmental intervention might reduce the free-rider problem and achieve a more sustainable world (Reich, 1998). Kapstein (2001) supports Reich by stressing that at the end of the day, governments have the main responsibility in society (Kapstein, 2001).

The free-rider issue stressed by Reich (1998) is perhaps one of the most crucial issues to remain a well functioning self-regulative action. Provided that others will participate, each will benefit, despite single companies not participating. It is therefore rational for companies to free-ride or merely engages only in token compliance, ultimately to benefit from the collective self-regulation (Gunningham & Rees, 1997). If the industry cannot prohibit potential “bad” actors from becoming members, these might join to disguise their poor performance, and adopt the “easiest” form of the standard on paper; while shirking the actual effort that is required. In spite of this, an opposing institutional view underlines that despite the absence of sanctions, compliance of self-regulation can be controlled through norms and values, hence intangible structures in a society (King & Lenox, 2000). Additionally, depending on the setting within the specific industry, transparency will limit free-riding when companies can observe and detect non-compliance. This shows that the existence of peer pressure and a common, strong interest will strengthen a successful self-regulation and eliminate opportunistic behavior (Gunningham & Rees, 1997).

**Code of Conduct**

One specific way in which self-regulation can be composed is by formulating code of conduct. Code of conduct do not have an authorized definition, but the following definition serves our purpose to model a definition. *Codes are voluntary statements that commit organizations, industries, or professions to specific beliefs, values, and actions, and/or that set out appropriate ethical behavior* (Crane & Matten, 2007; 175). Codes can from the definition be seen as regulatory instruments, which are voluntary in nature and not legally binding or enforceable, e.g. they fall into the normative realm of soft laws (Wolfrum & Röben, 2008).
From the above definition, it becomes obvious that codes can take various shapes and can be created on several levels, which is illustrated in the figure below.

![Figure 5 Overview of codes of conduct, own production, with inspiration from Knudsen (2008)](image)

A code created within the *company*, defines particular ethical corporate standards. As illustrated in figure 5, one example is a company’s stance on marketing of food to children. At the next level are *industry* codes, e.g. the *Code*. On the broader level, an *international* code could be one formulated by the WHO, e.g. the set of recommendations on marketing of food to children. At the broadest level, *multistakeholder* codes, which are vital civil regulations, due to the quasi-public character of the code. In contrast to industry self-regulation, which is usually unilaterally passed, multiple stakeholder codes result from negotiation among businesses, governments, NGOs and/or trade unions (Vogel, 2008). One example is the EU Platform on Diet, Physical Activity and Health. Common for codes is that these address issues with globalization and establish “rules of the game”. Some arise due to the limitation of power from the nation state and other since international hard law faces limitations in dealing with the multinational attribute of companies, thus a way of filling the regulatory void from globalization. As illustrated in the figure, the development of codes on a range of levels has led to a plurality of often competing standards, as a consequence, the regulatory system is rather fragmented in character (Wolfrum & Röben, 2008).

Since the 1990s there has been a growth in voluntary corporate codes. This growth underlines a general shift away from state regulation toward self-regulation, with emphasis on social and environmental standards set by businesses (Jenkins et al., 2002). Voluntary corporate codes can be regarded as *a manifestation of, and a response to, the process of globalization* (Jenkins et al., 2002: 1). The importance of international brands and company reputation make leading
companies particularly vulnerable to bad reputation. Globalization allows a quick flow of communication on business misbehavior resulting in political and consumer pressure put on businesses, leading to a motivation of taking up voluntary codes of conduct, in order to defend their reputation and market position. Companies are hence taking part in successfully driving up standards, which shows the positive side of globalization (Jenkins et al., 2002).

Summary
From the above it becomes clear that the underlying focus of CSR is embracing the role of business in society. CSR is by definition voluntary actions by companies, hence taking responsibility in areas that is not within the basic input-output model of the business. Companies are therefore taking responsibility, perhaps within areas traditionally of the responsibility of the state. Examples of specific actions are codes of conduct, which cannot only be formed at the company level, but also at an industry, an international level or in the shape of multistakeholder initiatives. Companies formulating or adopting codes can be seen as a response to globalization and global activism to avoid additional regulation and/or to protect the reputation of their brands. Globalization and communication across borders result in activists targeting highly visible companies (Vogel, 2008). These tendencies further put pressure on companies’ choice of adopting codes of conduct and communicate their CSR actions.

Based on the above discussion, the following proposition can be formulated:

| External pressure on companies will result in these being more likely to behave socially responsible and adopt voluntary self-regulation. |

Based on this proposition, companies engage in CSR, partly, to streamline their CSR approach and respond to an external pressure. This leads to a discussion on CSR being institutionalized to the extent that companies are motivated to participate and adapt to the institutional environment on CSR. Another way to express it is that companies must adapt to certain explicit and implicit expectations to be able to satisfy their stakeholders and in return become legitimate, e.g. that companies are taking actions that are expected from the stakeholders to, ultimately gain legitimacy from these (Campbell, 2007). By taking a closer look at institutions and the elements compounding the institutional setting, one can discuss the adaption companies have to make to respond to society’s pressure and expectations.
Campbell’s central argument is that the absence of institutions makes companies more likely to behave irresponsibly than they would if such institutions were present (Campbell, 2007), leaving institutional insight to become valuable because it recognizes requirements besides companies self-interest.

The above discussion leads to the second part of the theory, namely the discussion on new institutionalism, where we will shed light on the institutions role of society.

3.2 Part Two: New Institutionalism

An organization is said to be legitimate when it conforms to expectations, values and social norms. Even so, legitimacy can be difficult to gain, since social values and expectations are contrasting and diverse across groups (Ashforth & Gibbs, 1990), hence subjective. New institutionalism focuses on informal, but also formal social structures, and incorporates a wide range of theoretical concepts, among others legitimacy. In order to get a clear theoretical understanding on what legitimacy consists of, new institutionalism therefore has to be discussed. The next part of the chapter introduces institutions (Scott, 2001), second, myths (Meyer and Rowan, 1977) and lastly, isomorphism (DiMaggio & Powell (1983).

Institutions are, as the theoretical approach underlines, a key fundament in new institutionalism. Richard Scott (2001) defines institutions as multifaceted, durable social structures, made up of symbolic elements, social activities and material sources (Scott, 2001: 49). From this definition, Scott defines institutions as structures and that institutions are comprised of regulative, normative and cultural cognitive elements that, together with associated activities and resources, provide stability and meaning to social life (Scott, 2008, 48). Scott refers to the building blocks of institutional theory which are the processes of regulative, normative and cultural-cognitive elements. Institutions are regulating social actions, and create some kind of order, which is adjusted and changed through actions and social relations. Institutions are therefore not predefined structures, but under constant change

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13 Three structures compound institutions: a regulative, rule-setting and constraining structure, a normative structure of values (desirable conceptions) and norms (how things should be done; defines legitimate means to pursue values) and a cultural-cognitive structure, which highlights unobservable taken-for-granted elements, thus, institutions are encoded into an actor and transformed to patterned behavior (Scott, 2001).
by behavior from actors. Even though norms, rules and cultural beliefs are the main elements of institutions, an institution requires resources to survive (Scott, 2001).

The theory on institutions also focuses on the organizational structures and processes influenced by institutions (DiMaggio & Powell, 1991). Institutions exist on multiple levels, from personal interaction to worldwide networks that can provide stability and order, but also experience changes in incremental and revolutionary steps which, through interaction, can reduce the uncertainty (Scott, 2001). In order to survive in this social environment, organizations are dependent not only upon technical information and material resources, but most importantly dependent on social acceptability and credibility. This is described by the term legitimacy and is from an institutionalist view a condition when an organization aligns with the perceived agreement of rules and laws, the norms or with the cultural-cognitive perspective. The symbolic alignment can be displayed to others outside the organization for the organization to visibly show association with the institutions (Scott, 2001). An organization is regarded legitimate when pursuing socially acceptable goals in acceptable manners (Ashforth & Gibbs, 1990).

The institutional environment is forming the basis for gaining legitimacy, through which organizations conform to the institutional environment. Institutionalization therefore becomes a process in which certain processes or obligations through mutual interpretation arise, which can come to take a rule like status. This can result in new “codes” on appropriate behavior (Meyer & Rowan, 1977).

**Myths**

The “rules” described above, can be discussed in relation to the concept of myths. A central issue in new institutionalism is that surroundings are producing institutionalized conceptions or myths on how organizations should work and be structured. Myths can be characterized by the following two qualities (Meyer & Rowan, 1977):

1. Myths are impersonal prescriptions that specify, appropriate means to pursue goals.
2. Myths are institutionalized and are therefore generally out of reach for any organization to influence.

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14 Legitimacy will be further explored in the next part of the chapter.
Myths should not be seen as limiting the actions by the organization, since these can facilitate the actions. In particular, myths create procedures for the organization to incorporate in order to gain legitimacy. Organizations arise as a reflection of the myths, and the structures of established organizations reflect the myths. In this matter, myths explain why organizations incorporate institutionalized rules and procedures to gain stability, legitimacy and to enhance survival of the organization (Meyer & Rowan, 1977).

**Isomorphism**

As discussed above, new institutionalism has its origin in the thoughts that organizations operate within the same institutional environment and that the objective for an organization is to survive by gaining legitimacy (DiMaggio & Powell, 1991). Several organizations are pursuing legitimacy within the same setting, and therefore face and deal with the same institutionalized myths. In this process, homogenization among organizations can become obvious, which can be captured by the term *isomorphism*.

DiMaggio and Powell define isomorphism as *a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions* (DiMaggio and Powell, 1983:149). In line with organizations conforming to the institutionalized myths, gaining legitimacy is based on organizations’ institutional environment that forces these to change and resemble. Despite organizations’ actions become more similar, this does not necessary make them more efficient. Thus, in a competitive environment, isomorphism is relevant to recognize since this approach describes how organizations take other organizations into consideration. Organizations are therefore not only competing for resources and customers, but also for political power and institutional legitimacy (DiMaggio & Powell, 1983).

There are three distinct mechanisms of institutional isomorphic change (DiMaggio & Powell, 1983):

- *Coercive isomorphism* occurs from political influence
- *Mimetic isomorphism* results from uncertainty
- *Normative isomorphism* is linked to professionalism
Coercive isomorphism occurs as a result of formal and informal pressure from organizations influencing the focal organization. This pressure may be felt as persuasion, or as invitation to join collusion. The existence of a legal environment effects organizations’ behaviors and structures, which can be found in organizational change as a response to governmental regulations. Organizations are forced to incorporate the change, due to institutionalized rules that is legitimated by and within the state. The result is organizational homogeneity, and legitimacy is pursued by obeying the rules (DiMaggio & Powell, 1983).

Institutional isomorphism does not always derive from a coercive authority. Uncertainty is a powerful force that encourages homogenization, resulting in the process of mimetic isomorphism. In environments influenced by a high degree of uncertainty, new organizations will usually imitate old and stable ones, which are perceived legitimate (DiMaggio & Powell, 1983).

The third and last type of isomorphism stems from professionalization which is the collective struggles of members of an occupation to define the conditions and methods of their work (DiMaggio & Powel, 1991:70). There are two types of professionalism worth mentioning. The first focuses on formal education and the legitimating in a cognitive base of being lectured by an academic specialist. The second is the growth of professional networks. Professionals act in similar ways despite acting within various organizational settings; therefore, professionals are homogeneous across organizations (DiMaggio & Powel, 1983).

Institutional isomorphism can result in success and survival of organizations in the shape of an increase in legitimacy, but criticism is found, since organizations have individual, strategic goals, which will limit the process of homogenization (Meyer & Rowan, 1977).

Summary
The second proposition is based on the theory on new institutionalism and covers the way in which institutions influence organizations. Within the theoretical scope, two essential aspects have been touched upon, namely incorporating myths and submitting to isomorphism. These actions found can become the basis for companies’ license to operate or put differently, the pursuit of legitimacy, thus an operational resource. Nevertheless, legitimacy can also be found on other layers than the organization, namely among formal institutions that take part in
shaping the environment in which organizations seek legitimacy. The essential conclusion to make is that there is a constant change in institutionalized norms that organizations face, which influence the pursuit in legitimacy. Therefore, the proposition can be formulated as follows:

Institutions take part in laying the fundament for pursuing legitimacy

Legitimacy has only briefly been touched upon in this part of the chapter; therefore, the next, and last part of the chapter, will explore legitimacy.

3.3 Part Three: Legitimacy

The discussion in this chapter has so far revealed the extensive amount of theories deal with approaches to CSR, which was defined as a the role of companies in society. The discussion has additionally revealed that in society, the institutional framework under which companies act, lay down a fundament of normative rules that companies conform to. The discussion on companies’ role in society must be linked to conforming to the social environment in which they act, and by this, companies conform to what is expected in society. This should, from the companies’ perspective result in legitimacy, which will be conceptualized in the following, by describing types of legitimacy and possibilities of gaining legitimacy.

Legitimacy is granted if there is consistency between the society’s expectation and the actions carried out by the company. Suchman (1995) defines legitimacy as a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions (Suchman 1995: 574). An organization is said to be legitimate when it conforms to the society’s expectations, values and norms (Dowling & Pfeffer, 1975; Ashforth & Gibbs, 1990) and it then acquires license to operate. Legitimacy is vital to the survival of the organization, as it is a precondition for the organization’s flow of resources and sustained support from the organizations stakeholders (Pfeffer & Salancik, 1978; Palazzo & Scherer, 2006).

Legitimacy is a way in which CSR activities do not only give something back to society, but also give something to the company. Globalization and media exposure have led companies’ legitimacy to be challenged and questioned by stakeholders, and has entailed a constant fight
for companies to pursue legitimacy, which they have answered by adopting actions to quest legitimacy (Palazzo & Scherer, 2006). These actions can be the aforementioned self-regulation initiatives such as corporate codes of conduct.

Legitimacy of business behavior is therefore perceived as compliance with norms, traditions and rules. Legitimacy is given from the stakeholders and is a perception of how they as observers see the organization (Suchman, 1995). Aerts & Cormier (2008) support this by arguing that legitimacy can be seen as a perception found within the public and the society. Legitimacy is dependent on a collective audience and it is socially constructed, because it reflects a balance between the behavior of the individual and the assumable shared beliefs of a social group. Therefore, a certain pattern of behavior leads to legitimacy (Suchman, 1995).

A way of determining legitimacy is by looking at the passive versus the active support. If an organization is disconnecting itself from a specific audience, legitimacy is seen as passive, while organizations gain higher legitimacy when actively seeking support from the audiences’ involvement. Organizations must evaluate which dimensions they seek legitimacy from and focus on why they want to gain it (Suchman, 1995).

There are two overall approaches to legitimacy; strategic and institutional. Strategic legitimacy is characterized as is an operational resource. Companies competitively employ elements from their cultural environment to pursue their goal (Suchman, 1995). Based on this, the strategic approach looks into a managerial perspective and underlines the ways in which organizations instrumentally manipulate and deploy symbols, for instance in their communication, to gain social support. The theory predicts conflicts between stakeholders and managers view on legitimacy activities, where stakeholders prefer substantive response and managers prefer flexibility and economy of symbolism. The institutional approach, contrary, emphasizes a set of constitutive beliefs. Cultural definitions determine how the organizations are constructed, developed and most importantly, how it is understood and evaluated. The institutional approach to pursue legitimacy is through moral and cognitive legitimacy (Suchman, 1995).
Three Forms of Legitimacy

As legitimacy is something that is subjectively perceived and ascribed to actions by social construction, various approaches to legitimacy exist. Suchman (1995) distinguishes between three types of legitimacy; moral, cognitive, and pragmatic legitimacy (Suchman, 1995). Pragmatic legitimacy will be referred to as strategic legitimacy.

Moral legitimacy

Moral legitimacy is granted to an organization by its compliance with social values and obligations (Deephouse & Carter, 2005; Scott, 1995; Suchman, 1995; Long & Driscoll, 2008). According to Suchman (1995) moral legitimacy is thus conforming to social values or procedures that are considered to be proper. Moral legitimacy becomes normative to the extent that organizations must constantly make decisions of what is right or wrong in order to act in a proper way according to social morals (Scott, 1995; Long & Driscoll, 2008).

Moral legitimacy reflects a normative evaluation of the organization and its activities, which is based on a judgment on whether the activity is the right thing to do or not. The judgment usually reflects beliefs about whether the activity promotes social welfare, based on the judger’s own values (Suchman, 1995). Institutional theory offers an important contribution to understand moral legitimacy because it becomes useful to understand the structural, procedural and behavioral characteristics of the organization (Long & Driscoll, 2008).

From the perspective of institutionalization comes the notion of social contracts. A social contract is the vehicle through which business behavior is brought into compliance with society’s expectations. This contract implies a set of mutual rights and obligations, including a particular obligation on the businesses to behave according to society’s values. The social contract forms the basis for corporate moral legitimacy (Long & Driscoll, 2008). The organizations behave in a manner that is responsive to the social constituents to gain legitimacy. If an organization does not behave according the need of the society, legitimacy is questioned and a change of behavior is necessary for the organization to respond to the need (Warren, 2003; Long & Driscoll, 2008).
**Cognitive Legitimacy**

The second form of legitimacy has a cognitive form by which organizations adopt structures and behaviors that occur logic and taken-for-granted. Legitimacy in this regard is achieved through cultural alignment and imitation that already seems to be legitimate (Scott, 1995; Long & Driscoll, 2008). Therefore, cognitive legitimacy is based upon *things to be otherwise is literally unthinkable* (Suchman, 1995: 583).

To pursue legitimacy, an organization must engage with the belief system and with the experienced reality of the stakeholder. Cognitive legitimacy is therefore based in the stakeholders’ mentality (Suchman, 1995). Cognitive legitimacy is also perceived from organizational practices being institutionalized. The cognitive view emphasizes the importance of how social identities are defined. Social structures are formed and derived from situations in which the behavior of two actors converge and become taken-for-granted (Long & Driscoll, 2008).

**Strategic Legitimacy**

The strategic approach to legitimacy endorses a managerial character to legitimacy. Pfeffer & Salancik (1978) express strategic legitimacy as a process where the manager purposefully manipulates their own goal, to simply give the appearance of close alignment with the current values and interests in society (Long & Driscoll, 2008). Strategic legitimacy is thus organizations acting in a self-interest manner by calculating the cost of non-conformance prior to actions (Deephouse & Carter, 2005: Scott, 1995; Long & Driscoll, 2008). Organizations adopt “facades”, which help managers to justify actions, and to maintain social support to the organizations’ actions (Long & Discroll, 2008).

Strategic legitimacy is pursuit outwardly by the organization, and an obvious challenge with this approach is when management face changing norms and values in society. This can, however, also provide management with opportunities (Long & Discroll, 2008). The key challenge for companies is how to inform stakeholders and the public so they get the perception that they can benefit from the company’s actions (Ashforth & Gibbs, 1990; Palazzo & Scherer, 2006).
According to Suchman (1995) there are three forms for strategic legitimacy:

i. The first form is *exchange legitimacy*, which is support to an organizational policy based on that policy’s expected value to stakeholders.

ii. The second, *influence legitimacy*, is socially constructed. In this case the stakeholders support the organization because they see the organization as being responsive to their interests.

iii. The last variant is *dispositional legitimacy*, where stakeholders react to organizations, as they were individuals who possess goals, tastes, styles and personalities. Based on this, stakeholders are more likely to give legitimacy to organizations that “have the best interests”, “share our values”, are “wise”, “trustworthy” and “honest”.

### Gaining Legitimacy

Cultural beliefs become arranged according to a system into rules and laws that allow for companies to gain strategic legitimacy. It is furthermore influenced by values and expectations that allow for moral legitimacy and mutual typifications stressing the importance of cognitive legitimacy (Suchman, 1995; Long & Discroll, 2008). There are three strategies for gaining legitimacies, which are categorized into (i) conform to the environment, (ii) select among environments and (iii) manipulate environments (Suchman, 1995).

#### Conform to the Environment

Managers who are seeking legitimacy find it easier to position the organization into an already established institutional environment. Conformist strategies possess few challenges and signal loyalty to the cultural environment. The nature of conformism varies depending on the specific kind of legitimacy that is pursued. To achieve strategic legitimacy an organization must meet the needs of stakeholders. In order to gain moral legitimacy the organization must be able to produce concrete outcomes that can be measured. In order to gain cognitive legitimacy organizations must comply with established standards and rules. According to this view, organizations in an uncertain environment often pursue taken-for-granted legitimacy through isomorphism, by imitating reliable organizations (Suchman, 1995).

#### Select Among Environments

If managers are afraid that the organization is operating in an environment that is damaging the company’s reputation, a shift to a proactive strategy can be a solution to the problem. The
easiest way to gain legitimacy is to choose a product and geographical area where the organization can be "as it wishes". Seeking strategic legitimacy is done by selecting a favorable environment. Entering new environments can be difficult when gatekeepers and informal and formal institutions can limit the access to the desired fields. Organizations can obtain access to the fields by conforming to the respective requirements. It is then easy to penetrate fields (Suchman, 1995). Moral legitimacy is more difficult to obtain in this setting, because moral legitimacy reflects a cultural concern and companies are by this limited in their choice of moral standards. To gain moral legitimacy, by selecting among environments, depends on which goals the organization sets (Suchman, 1995).

Manipulate Environments
Since strategic legitimacy involves direct influence between an organization and specific stakeholders, it is usually the easiest form of legitimacy to manipulate. This form of manipulation can be accomplished by marketing, since the organization tries to persuade the stakeholders to buy their products, and thus place an image to foster good attributions to a product. Establishing moral legitimacy successfully depends on social construction, and as changing a moral attitude is difficult, the company should operate in an environment where the moral values are not too distant from their own. From the cognitive legitimacy view, manipulate environments can be done by promoting taken-for-granted legitimacy by encouraging isomorphism. Specifically, advertising, sponsorship, lobbying and scientific research are tools that can be applies, thus, organizations may enhance their taken-for-grantedness by remaking others in their own image, either through success or modelling, or through coercion and regulation (Suchman, 1995: 593).

Legitimacy and Code of Conduct
Various academics support the idea that code of conduct can give organizations legitimacy and Sacconi (1999) accentuates that codes provide legitimacy by showing trust to an organization’s management. Sacconi believes codes are upheld because of the management’s self-interest to have them. Based on this, stakeholders give legitimacy to companies when they perceive management’s actions to conform to society’s goals. This view has a strategic shape, inconsistent with the outcome of isomorphic pressure, because it shows organization’s self-interest. Fogarty (1995) supports this argument saying that written codes of conduct are symbolically shaped to appear for the stakeholders of the organization. This entails that
stakeholders give organizations *carte blanche* (Fogarty 1995). Meyer and Rowan (1977) argue that managers symbolically use code of conduct to create an impression of compliance, ultimately to gain legitimacy.

Boiral (2003) stresses that moral legitimacy is found in the connection between legitimacy and codes. This is so because the purpose of codes is to restore legitimacy, when the company’s actions are perceived poor or unacceptable. Despite this legitimacy can be seen as strategic, since companies’ management are engaged to satisfy the stakeholders by the social responsible activities (Long & Discroll, 2008). Sacconi (1999) believes that legitimacy is a result of corporate codes, due to the basic of a *social contract* with companies, which provides trust to stakeholders. In other words codes are a social contract between the stakeholders and the company, in order for organizations to gain legitimacy (Sacconi, 1999). Many organizations apply codes to avoid bad reputation and to gain legitimacy, but they do not necessary comply with the code. This shows a tendency of the search for legitimacy, has given multinational companies the incentive to seek external approval and recognition for their commitments (Boiral, 2003).

Weaver, Trevino & Cochran (1999) stress that companies that have received critical media attention, are more likely to adopt policies in an attempt to restore lost legitimacy and avoid negative media attention in the future. This is because shapers of public opinion can influence the behavior of stakeholders. This becomes relevant since the media is in a position to publicize the companies’ ethical faults (Weaver, Trevino & Cochran, 1999).

For an established organization to engage in new activities, challenges the pursuit in legitimacy. Social norms make activities legitimate with time, but new activities’ legitimacy may be questioned, especially when the activity is different from what was previously done. Another problematic thing with legitimacy is if the organization’s methods of operation or output diverts from social norms. When legitimacy is a problem, the organization must conform to social expectations through identification with socially legitimate goals or institutions (Pfeffer & Salanick, 1978).
Summary

The subjective feature of legitimacy makes legitimacy difficult to measure, as it depends on the way it is approached. Legitimacy is a product of how companies conform to the informal and formal institutions in a society. Even though it may generally be perceived that hard laws indisputably entail legitimacy, one can question whether this is always the case, as the social norms can divert from those of the authorities. Suchman (2008) defines legitimacy as socially constructed systems of compatibility between the normative beliefs from the collective audience and the social value of organizations activities. Stakeholders give moral legitimacy to organizations when their behavior is socially acceptable within norms, standards and values. The adoption of a private code of conduct is therefore a signal that companies try to act according to shared norms and values on business ethics. From a managerial perspective codes of conduct contribute to companies’ search for legitimacy, thus, self-regulation can result in legitimacy. Ultimately, legitimacy will depend on whether the stakeholders perceive codes of conduct as a reliable instrument for CSR (Wolfrum & Röben, 2008), and how companies communicate their actions to stakeholders. This is vital because the higher the transparency of their CSR action, the more likely it is to receive legitimacy form their actions. Pursuing legitimacy through voluntary code of conduct can potentially be questioned if sanctions are not enforced. A company will comply with the code from fear of coercive sanctions. Another motive is managerial self-interest in understanding the importance of values and norms, thus a pursuit in legitimacy from stakeholders (Wolfrum & Röben, 2008). Based on the above discussion the following proposition can be formulated:

| Companies adopt codes of conduct to pursue legitimacy |

All in all, the discussion in this chapter has led to three propositions in which the first proposition, external pressure on corporations will result in these being more likely to behave social responsible and adopt voluntary self-regulation, underlines that an external pressure will result in companies being more likely to engage in CSR and the second, institutions take part in laying the fundament for pursuing and gaining legitimacy, highlights that institutions are a key element in laying the fundament for pursuing legitimacy. Certain elements could be codes of conduct, which leads to the last proposition; companies adopt codes of conduct to pursue legitimacy, which prescribes that companies are adopting codes of conduct to pursue legitimacy.
4 Methodology

The following chapter will focus on the methodological approach of the thesis and clarify the consequences these choices have on the final results. Specifically, this chapter will outline the approach to collect the empirical data to support the discussion on the three propositions, and thus the method used to answer the overall research question.

4.1 Content Analysis

In the following, the content analysis approach will be described, which has been the main data collection method. A content analysis can be defined as an approach to the analysis of documents and texts that seek to quantify content in terms of predetermined categories and in a systematic and replicable manner (Bryman, 2004:181). A content analysis can take various forms and is a flexible method to analyze texts, one that can be applied to a variety of media (Bryman, 2004). The basic idea when conducting a content analysis is to classify the words of the text into content categories (Weber, 1985). The classification is done on the basis of predefined rules, which gives a content analysis an objective feature. Objectivity is evident because of transparency in the procedures for assigning the words to categories, resulting in a limited interference of the researcher’s personal biases. The predefined rules allow the approach to be systematic that additionally suppresses personal bias. Due to the objective and systematic character of a content analysis, anyone should be able to employ the rules and in theory come up with the same results.

Generating results that are not an extension of the researcher’s personal biases is thus a distinct characteristic of a content analysis. The rules may reflect the researcher’s interests and concerns, however, once the rules are formulated, these can be applied by any researcher, without the intrusion of biases. The approach conforms to a quantitative feature, in which the analysis is rooted, since the aim is to produce quantitative results from raw material in terms of the categories specified by the rules (Bryman, 2004). The above indicate that the researcher conducting a content analysis is positivistic in nature, since the underlying assumptions behind a positivistic research philosophy is that the researcher is independent, and takes the role of an objective researcher. The research becomes value-free and the social world can be viewed objectively (Blumberg, 2005).
The fairly objective approach is, however, at times not the most suitable approach for all content analyses. Depending on the goal of the analysis, the analysis could take a qualitative rather than a quantitative approach. When conducting an analysis, the researcher can face the problem of finding elements in a quantitative investigation, which cannot be quantified or the opposite. Therefore, both quantitative as well as qualitative methods should in the best possible way supplement each other. While the qualitative method gives the researcher in depth insight, the quantitative method provides a mechanical method to generate data (Holsti, 1969). By moving back and forth on the qualitative-quantitative continuum, the researcher is most likely to gain the most insight into the data collected.

**Focus of the Analyses**

Two content analyses will be carried out by, firstly, gaining understanding of the perception of the Code and companies’ responsibilities within marketing of food to children. This will be done by conducting a content analysis on written articles from newspapers in the Danish media. Secondly, the particular kind of legitimacy, the investigated companies are pursuing, will be explored by means of a content analysis of the codes on marketing of food to children, found on selected companies’ webpages.

For both analyses, selected media and selected companies will be the target of the analysis. The research method applied is thus qualitative in nature, which allows the researcher to take the investigation one step further and investigate what is written between the lines. From this, latent content is analyzed, which will be covered later in this chapter. This method allows for insight into the subjective creation of legitimacy in the food industry. The idea is not to find the most valid perception of marketing of food to children or the most valid type of legitimacy, instead to reach a most likely, not definitive, approach to the pursuit of legitimacy. The general orientation of the research practice rests on inductive reasoning, i.e. a conclusion that is an inference that goes beyond the evidence presented (Blumberg, 2008). In contrast to deductive conclusions, the focus is not to substantiate the inferences; hence, the research practice is less concerned with whether the underlying premises are true and valid.

**Connection between Content Analyses and Legitimacy**

The overall research question is focused on the specific kind of legitimacy companies pursue from the codes. Legitimacy is created subjectively, cf. 3.3, and by tracing the perception on
the area in which companies believe to gain legitimacy in the media, one can evaluate the foundation on which legitimacy is build. Specifically, the media analysis can reveal whether the *Code* and responsible marketing practices by stakeholders are perceived valuable. Thus, determine whether the company can pursue legitimacy by adopting the *Code*. The stakeholders’ overall perception is therefore investigated through the media content analysis.

Legitimacy is pursued through communication from the *individual company* on their CSR actions and stance on responsible marketing to children, and will be revealed by taking a closer look at the context in which these topics are communicated.

In the process of pursuing legitimacy, a number of stakeholders are communicating their view in the media, thus stating their perception of CSR in the food industry.

![Figure 6 Overview of connection between legitimacy and empirical data](image)

This is illustrated in figure six above, which shows three main groups, all influencing the possibility of pursuing legitimacy. The figure is based on the assumption that the individual company is pursuing legitimacy by communicating their CSR actions and strategy on marketing of food to children. The specific type of legitimacy can therefore be investigated by looking into communication to their stakeholders, hereunder the media. The media communicates the medias perception of marketing of food to children. What is communicated in the media on the topic of marketing of food to children is influenced by a number of
external factors, such as the political agenda, both nationally and internationally. The communication from these organizations will take part in setting the agenda in the media. This way of communicating is, however, not a one-way communication. What is covered in the media also influences the political agenda. It is assumed that the media attention is both influenced by the external agenda and vice versa. The company is thus seeking legitimacy in an environment influenced both by the political agenda, NGOs and media attention on the single company.

**Manifest or Latent Content**

The following seeks to clarify the approach to which the subjective feature of legitimacy is operationalized, namely to content analyze what is written between the lines, i.e. latent content. The choice lies in between conducting an analysis on the “surface of the text”, manifest content, or, alternatively, the researcher can take the analysis one step further and explore what is hidden “beneath the surface”, namely latent content. Manifest content is easily coded, where latent content must be inferred by the discrete symbols. Analyzing latent content, result in the analysis to take a qualitative character, and additionally creates an inferential task for the researcher, instead of being merely descriptive (Jordan et al., 2009).

The figure below separates the two issues of determining the type of content analyzed (manifest or latent), and the purpose of the analysis and tone of the reporting (descriptive or inferential).

*Figure 7 Latent or manifest data, own production, with inspiration from Jordan et al., 2009.*

In figure seven, in the lower left corner, a content analysis would focus on manifest content and the purpose of the analysis is descriptive. This form is the simplest form of a content analysis; symbols are easily recognized and counted, thus no interpretation of data. Simple rules are predefined, data is treated quantitatively, and the results are generated statistically.
This form of conducting a content analysis underlines the objective and systematic attributes of the analysis. By moving to the left upper side of the figure above, the coding does not change, but the role of the researcher is expanded in the reporting of findings, as the researcher is seen as having an obligation to contextualize the results. Conducting such an analysis would imply that the analysis would move from being an examination of the manifest content to relating these to related concepts.

When moving to the lower right level of the figure, the focus shifts from manifest content to latent content. Instead of merely recording symbols, interpretation is needed. The researcher shift from being “decision-maker” when dealing with manifest content, to being “judgment-maker” with latent content, as decision makers will have to take decisions according to a fix set rules. With manifest content, the symbols are salient and discrete, and the researcher deduces a simple conclusion of whether the symbol fits the rule. When dealing with latent content, judgments occur as the result of an inductive process of surveying symbols in the content (Jordan et al., 2009). Analyzing latent content therefore requires rules to guide in searching for symbols and ignoring other. Including examples in the rules serves to illustrate how particular symbols should be judged, but these examples can never be exhaustive. Researchers will continuously meet symbols that they will have to judge according to provided rules and examples, which requires much more effort from the researchers, than when coding manifest content.

The above discussion underlines the importance of understanding at what level the particular content analysis is, and that the predefined coding rules are specified, so that each researcher understands the purpose of the study. This is essential as there can be a difference between the researchers and their individual idiosyncratic knowledge on the content.

For both content analyses, the researcher will take the role as shown in figure seven, thus a focus on latent content. For the analysis on the media level, the perception in the media is the main target to investigate, and this is not a concept that can easily be statistically measured. Instead of simply counting the number of words related to the Forum, for example, the perception of the Forum will be investigated. Similar, for the company analysis, the goal is to understand the specific type of legitimacy pursued, which is not easily measured. The content
will be analyzed by applying a theoretical framework, to trace and classify the specific kind of legitimacy.

Despite the analysis of latent content, measurable variables will be used as a guide to track content (Neuendorf, 2002). Variables are first manifest of nature, but will only be used as selection criteria to go one step further and explore latent content. The analysis will thus move from the lower left to the upper right corner in figure seven, and will additionally both be qualitative and quantitative of nature.

4.2 Trustworthiness

In order to appraise the trustworthiness of the research, the procedures used to generate the findings must be evaluated. The discussion above shows that coding latent content threatens reliability and validity much more than when coding manifest content. Therefore, in the following, these concepts will be touched upon to reveal the influence on the final results.

Reliability

Reliability means how certain and accurate the measurement is, basically, how incidents can affect the measurement (Andersen, 2003), and limit producing the same results on repeated trials (Neuendorf, 2002). Since two persons are carrying out the analyses, correspondence between the two is of importance, since the issue of intercoder reliability can potentially arise. To achieve intercoder reliability, the coding rules are designed so that the coding task can be split (Neuendorf, 2002). The rules have additionally been tested so that the ambiguous meanings words can have, will not threat reliability when categorizing the words (Weber, 1985).

Reliability pertinent for the content analyses (Weber, 1985), have been approached in the following way:

- Stability, or the extent to which the results of content classification are invariant over time, has been established by one person being responsible of creating the framework for the entire analyses, and by coding the same content more than once to track inconsistencies.
Having developed the framework, this is handed over to the other researcher. Coding the same text and test the same manual by both researchers, create intercoder reliability.

During the process of conducting the analyses, random tests by both researchers have been made to make sure that the analyses are accurate and stable.

Validity

Beyond assessing reliability of measures and select measures that are as precise as reasonably possible, there are a number of ways in which a researcher can assess validity (Neuendorf, 2002). Validity means how valid and relevant the gathered data is, which tells you something about the congruity between the theory and the empirical data (Andersen, 2003). This basically means whether the analysis is valid, to the extent that the right measurement method is chosen to measure the intended (Weber, 1985). In this case, validity is assessed by understanding whether the perception in the media and the specific kind of legitimacy companies pursue truly reflect their perception.

The insight from the two content analyses, increase the possibility to get a nuanced picture on pursuing legitimacy in the food industry. Hence, the entire thesis will be covered from a variety of aspects resulting in a richer variation of the phenomena of legitimacy. Validity is therefore achieved from the approach to the entire analysis.

The amount of data to carry out the analyses is sufficient, as the purpose of the analysis is to show the overall perception in the media and the overall specific kind of legitimacy pursuit. The analyses have been approached by being open for emerging coding rules and the predefined rules are simply formed to gain intercoder reliability and to structure the analyses. The rules are believed to show what is intended, because these open up for interpretation of the collected data, which namely increase validity, since the rules relate the content to conclusions (Weber, 1985). The approach to the analyses are not too narrow and will not result in an unfocused analysis, and is furthermore not broad, since there is in fact specified rules beforehand.
The above discussion is conceptualized in two approaches to coding; emerging or priori coding. The approach for both analyses is influenced by both methods. Emerging coding entails categories being established following some preliminary examination of data. This is done by two researchers independently reviewing the material to come up with a checklist, and the two researchers hereafter compare notes and reconcile differences and come up with a combined checklist to independently apply coding. Reliability is assessed, and continues this process until the appropriate reliability level is found, and can thereafter be applied on a large-scale. Priori coding, on the other hand, entails categories being established prior to the analysis. Revisions are made as necessary and the categories are tightened up to the point that maximizes exhaustiveness (Stemler, 2001).

In addition to this, texts have been shorten, by condensation (Graneheim & Lundman, 2003), which involves the process of shortening text, while preserving the core of the content of the text. The condensed text is further grouped and categorized according to themes, through the process of abstraction (Graneheim & Lundman, 2003). What is essential to note about these processes is that the focus of the analyses is retained, by continuously preserving the content of the texts.

In the following the specific manual for both content analyses will be described. The analyses are carried out by human coding, as opposed to a computer coding approach. It has been chosen to avoid too many instructions in the manual, due to the analysis of latent content, which is more easily spurred when leaving the coding rules fairly open.

4.3 Content Analysis: Media Level

The content analysis on the media level seeks to show the perception of advertisement of food to children in the media. The assumption behind the content analysis is that there is some kind of debate in the media on this topic. It is assumed that various authors will cover the topic, and that the introduction of the Code will be a catalyst for discussion. Since the second content analysis is looking into eight companies, these will also be integrated in this analysis, to explore whether these are included in the discussion in the media. The goal of this analysis is to track a stance in the public opinion, which is namely one way to use a content analysis (Stemler, 2001).
The point of departure for the analysis is Denmark, since the *Code* is merely valid for the food industry in Denmark. The choice of sampling media will be chosen accordingly and will focus on mass media. The two newspapers with the greatest amount of readers are Politiken (POL) and Morgenavisen Jyllands-Posten (JP). These newspapers are chosen, as it must be assumed that these cover the most people. Due to the fact that JP has the most readers in Jutland, while POL has the most readers in Copenhagen, these two papers is believed to influence the agenda. The geographical location will additionally allow for the researchers to generalize. Additionally, Hjarvad (2997) underlines that the papers embrace the two aspects of the political spectrum and thus further strengthen possible generalization. Børsen focus on being reliable within business news, and is included to add a business perspective on the investigated issue. Berlingske Tidende has most of their readers in Copenhagen, is the third largest newspaper in Denmark and is included, due to the large number of readers. Ekstra Bladet and BT are tabloids and are more neutral on the political side (Hjarvad, 2007). These are included to get a neutral view on the issue investigated.

**Sampling Dates**

The decision on dates will be dictated by the launch of the *Code*. The dates of the analysis will be within two months before the introduction of the *Code* and up until May 2010.

![Sampling Dates Diagram]

**Coding**

The coding rules are constructed to specify the task of determining which messages fit into which categories. This will steer the analysis, create consistency throughout the analysis as well as reliability of the data. For this analysis, a number of rules are set and a manual is defined, prior to conducting the analysis. In spite of this, the analysis is open for input from the researcher, and an emerging coding approach is thus influencing the coding. This can be seen in the process flow chart for the analysis, see appendix 5, in which a preliminary study has continuously been evaluated to come up with the final approach to the analysis.

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15 See appendix 4 for a detailed overview of the newspapers chosen.
Coding Manual and Coding Schedule

The final result is a coding manual (table 1) which shows the initial manual of topics applied to search for articles.

<table>
<thead>
<tr>
<th>CSR and food industry</th>
<th>The Code</th>
<th>Child obesity and XX company</th>
<th>Child obesity advertising</th>
<th>Children advertising</th>
<th>Child obesity</th>
<th>Children marketing</th>
</tr>
</thead>
</table>

Table 1 Coding manual, topics covered, own production.

The articles found are entered into the coding schedule below.

<table>
<thead>
<tr>
<th>Article number</th>
<th>Media</th>
<th>Date</th>
<th>Page, issue etc.</th>
<th>Author</th>
</tr>
</thead>
</table>

Table 2 Coding schedule, overview of articles, own production.

The manual indicates that counting word-frequency (Stemler, 2001), will be applied to put focus on essential words. Thereafter the words will be investigated in the context in which they are used, hence strengthening the validity of the analysis. This is done by categorizing the perception in the articles, see appendix 10 for overview of development of the analysis and final results.

4.4 Content Analysis: Company Level

As regards to the methodological approach to the content analysis on the company level, the goal of this analysis is to look into selected companies’ CSR strategies and sketch out the information on their codes on marketing of food to children found on their webpages. It is important to note that the analysis is a picture of the present information, and is not looking into changes over time.

The assumption behind the analysis is that, theoretically, there are several types of legitimacy, and that legitimacy is derived from codes through language (Long & Driscoll, 2007). By content analyze what is communicated from the companies; the specific kind of legitimacy pursued can be classified according to the theoretical classification of legitimacy. For simplicity, legitimacy is divided into strategic and moral legitimacy, see section 3.3.1.

16 NB, original manuals and schedules in Danish.
discussing the pursuit of legitimacy in relation to the *Code*, one must assume that implementing the *Code* into the specific companies’ CSR strategy entails compliance with the *Code*. An investigation of compliance with the *Code* is hence a part of the analysis.

**Justification of Case Companies**

The *Code* is, as mentioned, created within the industry mainly by DI. It is by DI believed that companies in the industry has been positive about the *Code* and has accepted this and steered their strategy on the basis of the *Code* (Interview with DI). It is therefore assumed that companies, who are members of DI, have incorporated the *Code* into their strategy, and that this is the first criteria for the choice of companies (W22).

Another criterion for choosing the companies is an international aspect. The *Code* is only in theory relevant to Danish companies or international companies located in Denmark. In general, companies in the food industry in Denmark are international as well as being founded in Denmark (W23). International companies therefore become an obvious part of the analysis. In addition to this, creating legitimacy across borders for an international company, and complying with international regulation, cf. chapter 2, will add an extra element to the final discussion on pursuing legitimacy.

**Coding Schedule**

The coding schedules for this analysis are illustrated below. These have been developed through a process of continuous feedback, see appendix 6.

The first schedule is included to get an overview of the companies as regards to:

- Whether the companies have an international or Nordic CSR strategy.
- Whether the companies have a code on marketing to children.
- Whether the *Code* is mentioned.

<table>
<thead>
<tr>
<th>Company</th>
<th>International or Nordic CSR strategy</th>
<th>No statement of marketing to children</th>
<th>Policy/code for marketing to children</th>
<th>Specification of code for marketing to children</th>
<th>Statement of support to the <em>Code</em></th>
</tr>
</thead>
</table>

Table 3 Coding Schedule, overview of CSR strategy, own production.

---

17 NB, original manuals and schedules in Danish.
The second schedule specifies whether the company is communicating membership or support to organizations.

<table>
<thead>
<tr>
<th>Company</th>
<th>Support to organizations</th>
</tr>
</thead>
</table>

Table 4 Coding Schedule, overview of support to organizations, own production.

Lastly, the third schedule is included to get an overview of compliance with the Code. The table shows an overview of two points mentioned in the Code, namely the definition of a child and communication outlets used to perform marketing to children.

<table>
<thead>
<tr>
<th>Topics</th>
<th>Age limit</th>
<th>Compliance (age limit)</th>
<th>Content of the code</th>
<th>Compliance with the Code</th>
</tr>
</thead>
</table>

Table 5 Coding Schedule, compliance with the Code, own production.

**Coding Manual**

To take the research further and collect information of words and phrases that can be used to classify moral or strategic legitimacy, a quantitative approach is taken in searching for specific words, that allow the researchers to investigate latent content. Two categories are mentioned below, which are a point of departure for the analysis, thus not fixed. The categories will subsequently emerge when conducting the analysis.

<table>
<thead>
<tr>
<th>Coding Frame and Category</th>
<th>Coding rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance</td>
<td>What is the company’s attitude towards compliance of the Code?</td>
</tr>
<tr>
<td>Laws and regulations</td>
<td>How does the company relate to laws, regulations and self-regulation?</td>
</tr>
</tbody>
</table>

Table 6 Coding manual, coding frame and category, own production.

The overall categories above are defined to find content which can reveal the degree to which the communication from the single company is believed to generate strategic or moral legitimacy. At this point the analysis moves to deal with latent content and the researcher classifies the content, according to judgment of the content, in relation to the classification of strategic and moral legitimacy.
For simplicity, a number of possible words that could be used to classify the two types of legitimacy are mentioned below.

<table>
<thead>
<tr>
<th>Strategic Legitimacy</th>
<th>Moral Legitimacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders</td>
<td>Stakeholder</td>
</tr>
<tr>
<td>Value</td>
<td>Ethics</td>
</tr>
<tr>
<td>Money</td>
<td>Self-regulation</td>
</tr>
<tr>
<td>Legislation</td>
<td>Dialogue</td>
</tr>
<tr>
<td>Market</td>
<td></td>
</tr>
</tbody>
</table>

Table 7 Possible key words to classification of strategic/moral legitimacy, own production.

### 4.5 Delimitations of the Content Analysis Approach

**Media Level**

When conducting the content analysis on the media level, the choice has been not to include local media such as newspapers in smaller towns, and not to include any other media communication outlets such as the Internet. It has furthermore been chosen to use a single database with articles, *Infomedia* (W24), a database that includes all of the newspapers selected for the search. It is important to note that while all articles should be found in the database, there is the limitation that the key words (table 1) selected are not completely suitable for the database, resulting in the collection of articles not be exhaustive. This became clear when using the database, since some of the words used to collect articles corresponded to the same articles across topics. Various articles have therefore been excluded. It is, however, believed that to collect articles in this way does display a clear picture of the perception in the media. It has also been chosen not to supplement the data with other databases, due to the scope of this project.

The inclusion of companies in the analysis is excluded to merely consist of the eight companies that are the focus in the second content analysis. Including alternative food companies could potentially result in a number of articles on the topic. It is, however, chosen to delimit the analysis from any other companies in the industry that is not of importance to the analysis on the company level.

As one can see in the process flow chart, see appendix 5, numerous articles are excluded in the first steps. One has to keep the issue of human coding in mind, resulting in articles potentially being excluded in this process. Human coding also becomes an issue when dealing
with a perception in the media, as this, is a subjective topic that can result in an inadequate result.

Company Level
The analysis on the company level is steered by a theoretical classification of legitimacy. In order to show a more detailed picture of legitimacy pursuit by the companies, the classification could have been supported by various theoretical classifications of legitimacy.

Another limitation is that there are only eight companies involved, which can reduce the findings of legitimacy for the Code, specifically since all companies are international, while Arla and Toms are Danish/Nordic based. The choice for the specific companies is however believed to show a general picture in the industry, since these are some of the largest companies.

4.6 Expert Interviews
Three personal expert interviews and three e-mail correspondences were conducted. Please note that the interviews are not a principal empirical source. These are merely conducted to get background knowledge.

The personal expert interviews include:

- Senior Consultant, Kræftens Bekæmpelse.
- Consultant, DI.
- Senior Technical Officer (Nutrition), WHO - Regional Office for Europe, Division of Health Programmes, Noncommunicable Diseases and Environment Unit, Nutrition and Food Security team

The e-mail interviews include:

- EU-coordinator, Folketinget, EU Information Center.

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18 See appendix 7 for detailed information on Kræftens Bekæmpelse, WHO and DI
Conducting qualitative research paves the way for carrying out in-depth interviews (Blumberg, 2008). Expert interviews are included to gain insight to the subjective point of view on marketing of food to children. Therefore, a structured interview would not open up for a discussion on the topic. A semi-structured interview is contrary non-standardized. The researchers have a list of themes to cover and the order of the questions may vary and change during the interview, depending on how the discussion develops (Saunders, 2009). This approach is adequate to apply in this thesis, since insight into the perception on marketing of food to children and the Code is sought. This is best done, by creating two-way communication to ask further questions on the topic during the interview. It is, however, important to note that the interviews are not the core in the empirical data, and that these are included to get background understanding. The interviews conducted are therefore semi-structured, almost unstructured interviews, to allow the respondents to take the interview in other directions than intended (Blumberg, 2008).

E-mail interviews are in nature not semi-structured, due to the time difference in response. These are merely conducted to get some details on the WHO and the EU.

4.7 Summary – Overview of Empirical Data Collection

Secondary Data
Collecting the data for the content analysis on the media is done by collecting secondary written articles. It is important to mention that one database has been applied to collect the data, leading to a possible mismatch between the approach to this investigation and the construction of the database. That is, access to data can be difficult (Saunders, M., Lewis, P., and Thornhill, A., 2003). This has been considered by carrying out various approaches to the analysis with focus on a not relying too much on predefined rules.

Additionally, the purpose of the articles found is not necessary generated for the intention of this study (Saunders, M., Lewis, P., and Thornhill, A., 2003), which becomes evident, since a subjective perception in the media is not easily approached. This is overcome by analyzing
what is written between the lines. This issue serves to underline two problems, namely that secondary data is collected for another purpose, and that the quality of the data can be questioned (Saunders, M., Lewis, P., and Thornhill, A., 2003). The first issue emphasizes the subjective elements of secondary data, which at first glance is not an issue in this investigation, since the idea is to reveal the subjective attitude towards marketing of food to children. This additionally supports the choice of data collection. As regards to the second issue, the quality of the data has been thoroughly evaluated, and the largest newspapers covering entire Denmark have been chosen, which must be assumed to be of the highest quality possible. Newspapers can however choose to publicize any data on the expense of supporting data (Saunders, M., Lewis, P., and Thornhill, A., 2003). This leaves a generalization of the data to reflect the newspapers’ attitude and the background for the data to be questionable. The sender of the article may have unknown intentions, therefore, the articles used in the data collection are all carefully examined, and a cross-check verification (Saunders, M., Lewis, P., and Thornhill, A., 2003) of any data is carried out when possible.

Primary Data
Primary data, in the shape of expert interviews, have been carried out to understand the organizational work in fighting this issue of child obesity. The interviews are reflecting the work within the four organizations\(^\text{19}\), but the interviews furthermore give the possibility to question their approach and to discuss future possible solutions and action needed in order to fight obesity. Furthermore, it was desired to discuss the question on whether the Code is working as intended and the possible benefits and perception on the Code from organizations’ perspectives.

\(^{19}\) WHO, DI, the EU Commission and Kræftens Bekæmpelse
Overview

Table 8 below shows the connection between the three propositions and the content analysis conducted to empirically discuss the propositions and answer the overall research question.

<table>
<thead>
<tr>
<th>Proposition</th>
<th>Methodological consideration</th>
<th>Content analysis conducted</th>
<th>Purpose of analysis</th>
<th>Contribution of analysis to the discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposition 1: External pressure on corporations will result in these being more likely to behave social responsible and adopt voluntary self-regulation.</td>
<td>Provision 1: Methodological consideration</td>
<td>Content analysis on the media level</td>
<td>Reveal the perception of marketing of food to children in the media. Reveal mentioning of the food companies in the media.</td>
<td>Discuss the fundament for engaging in CSR in the food industry and discuss the importance of CSR in the food industry.</td>
</tr>
<tr>
<td>Proposition 2: Institutions take part in laying the fundament for pursuing and gaining legitimacy</td>
<td>Provision 2: Methodological consideration</td>
<td>Content analysis on company level</td>
<td>Reveal compliance of various codes and similarities between the investigated companies.</td>
<td>Discuss the causal relationship between compliance with codes set forth by institutions and the background or pressure for doing so.</td>
</tr>
<tr>
<td>Proposition 3: Companies are adopting codes of conduct to pursue legitimacy</td>
<td>Provision 3: Methodological consideration</td>
<td>Content analysis on company level</td>
<td>Content analyze the content of the investigated companies’ codes on marketing to children</td>
<td>Discuss whether companies pursue strategic or moral legitimacy from communicating codes on marketing of food to children.</td>
</tr>
</tbody>
</table>

Table 8 Overview of the two content analyses and the connection to the three propositions
5 Results

The purpose of the following chapter is to give the reader an overview of the results from the two content analyses. The first part will sketch out the results from the media analysis; the second part will outline the results from the analysis conducted on the company level.

5.1 Media Analysis

The purpose of the analysis on the media level was to get an overview of the perception of the topic of marketing of food to children in the media\(^\text{20}\). The results presented will focus on showing the perception of advertising in the food industry, the perception of the Code, and the perception of the selected food producing companies, and are categorized accordingly. Within each category, the perception is labeled according to a negative, a neutral and a positive perception. It is important to note that the content of each classification does not reflect the number of articles, rather, the content of each classification show the overall perception. That is, whether one perception is found a number of times, or simply one time, is not to be seen in the overall classification. In spite of this, the predominant perception will naturally reflect the perception within each topic investigated. It is additionally important to note that the results do not reflect every perception found\(^\text{21}\).

\(^{20}\) See appendix 8 for overview of all articles collected and appendix 9 for statistics on the articles.

\(^{21}\) For the entire list of perceptions, see appendix 10.3.
The first table below shows the perception of advertising of food to children.

<table>
<thead>
<tr>
<th>Negative</th>
<th>Neutral</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child obesity due to the media.</td>
<td>Children influence the choice of food in the family making advertisement of food to children a topic of debate.</td>
<td>Not enough scientific data on correlation between child obesity and advertising.</td>
</tr>
<tr>
<td>Need of rules on advertising of food to children.</td>
<td></td>
<td>Politicians and organizations want to ban advertising of unhealthy food to children. However, children watch much less advertisement today.</td>
</tr>
<tr>
<td>Advertisement of food is everywhere.</td>
<td></td>
<td>Children are not affected by advertisements, but more affected by parents or adults.</td>
</tr>
<tr>
<td>Children do get affected unconsciously, and children are aware of brands.</td>
<td></td>
<td>DI take responsibility, and help to fight child obesity.</td>
</tr>
<tr>
<td>Advertisements to children can be a problem because children cannot understand what an advertisement is actually trying to do.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In need of international rules for marketing to children under the age of 16.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 9 Perception of advertising in the food industry.

The perception of advertising in the food industry shows a prevailing negative perception. The negative perception includes a pressure on the company’s actions within advertising of food to children, since children are a special group that needs attention, since these are easily exploited in marketing. The responsibility therefore lies implicit with the company. Child obesity is furthermore affected by advertisements on TV and other media channels. The negative perception also includes a request for international rules. Even if a prevailing negative perception is found, the positive perception of advertising includes the need for a much more sophisticated view on children, since children can understand much more than assumed. This leaves marketing to be a less important indicator of child obesity, and that there is a need for more scientific research on the relation between marketing and child obesity. Additionally, adults are much more influential, which shift the responsibility from the companies to the parents.
The following table illustrates the perception of the Code.

<table>
<thead>
<tr>
<th>Negative</th>
<th>Neutral</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Code is not sufficient and a lot of products will be advertised anyway.</td>
<td>The Code is introduced by DI. Description of the Code. Voluntary code on advertisement of unhealthy food to children will eliminate advertisement of food to children in the media.</td>
<td>The industry is adopting ethical self-regulation and limits the number of advertisement to children. The Code will work better than a law, since a Code is about ethics and moral, thus mutual dependency on compliance. Legislation is not the way forward, instead self-regulative initiatives are needed.</td>
</tr>
<tr>
<td>There is a need of laws instead of self-regulation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-regulation is not enough – there is a need of something to guard the companies. A law is needed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Code is only including children programmes on TV, and this is a problem, as children also watch television that is targeting adults.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The nutrition limit is not the same described in the Code and the official label from the authorities.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 10 Perception of the Code.

The results reveal a debate on how adequate the Code is. The Code is far and foremost associated negatively. Critics, or the negative perception, include a questionable self-regulatory framework as a substitute to hard law and a lack of specific indicators in the Code to clearly state the specific requirements of a company’s marketing approach. The positive perception is supporting the Code as a successful self-regulatory framework. Self-regulation is perceived adequate and will compel the companies to comply with the Code in a better way than when introduced by law.

When taking a closer look at the discussion associated with the companies included, Coca Cola was the only company, among those investigated, highly debated and associated with the issue of child obesity. The results on the perception of Coca Cola are therefore included in the following.
The table above indicates that the negative perception stems from a focus on Coca Cola being associated with an unhealthy lifestyle and obesity. Coca Cola is addictive and a health risk. An initiative of promoting Coca Cola as healthy is therefore not accepted, leaving Coca Cola to execute a misleading marketing strategy. In addition to this, the negative perception includes a focus on Coca Cola not taking responsibility; instead, the powerful brand of Coca Cola is employed to influence the public sphere in their advance. The perception, indicates a positive response to responsible actions, hereunder limitation of marketing to children and limiting sponsoring of events.
Lastly, the debate on where the responsibility lies is summarized below.

<table>
<thead>
<tr>
<th>Negative</th>
<th>Neutral</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults should teach children to take a distance to advertisements, and to understand the idea behind an advertisement.</td>
<td>In need of various actions on advertisement of food to children; accept of the Code, education in schools, scientific research, campaigns and information on new media, marketing, children and a healthy lifestyle.</td>
<td>Consumers want to make their own choice and do not want the moral and healthy choice made for them. The actors behind the Code do not want to encourage children to eat unhealthy, and they want to take their part of the responsibility and take actions within one the problems within child obesity namely marketing of food.</td>
</tr>
<tr>
<td>Politicians have a responsibility in fighting obesity.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There should be international rules on advertisement of food to children. When most children are obese, parents and the schools have given up and society has to take over</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public help to families to prevent obesity in children’s adult life.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility lies within the schools, politicians and parents.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 12 The responsibility debate.

The responsibility debate is highly associated with a negative perception. The EU and politicians are perceived to have the overall responsibility of child obesity. These should form policies and regulations. In addition to this, the parents can influence what their children eat. Positive perception includes support of responsible actions, but also the support of a more liberal approach to responsibility. The industry or politicians should not take the responsibility for the consumer; it is up to the single consumer to make the right decision. Overall, someone should take responsibility. In this regard marketing of products is in an economical perspective, something companies should be able to do, so the consumer gets awareness of the products. In spite of this, marketing of unhealthy food can be a main point in the increased number of obesity among children, thus it is perceived impossible for parents to feed their children healthy food, because children are constantly exposed to marketing practices, and will demand the products seen in the campaigns.
All in all, the results presented above can for simplicity purpose be summarized in the figure below. From the figure, it becomes clear that the overall perception, despite the topic covered, is negative.

Figure 8 Summary - overall perception
5.2 Company Analysis

The company analysis was carried out by analyzing eights company’s webpages to understand their stance on marketing to children.

Table 13 below lists the companies investigated and the organizations, groups, associations etc. that the companies have listed on their webpage. The organizations marked yellow, have formulated a code on marketing of food to children. \(^{22}\)

<table>
<thead>
<tr>
<th>Company</th>
<th>Support to organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca Cola</td>
<td><strong>International Council of Beverages Association</strong></td>
</tr>
<tr>
<td></td>
<td>European Commision Undertaking</td>
</tr>
<tr>
<td></td>
<td>Global Reporting Initiative (GRI)</td>
</tr>
<tr>
<td></td>
<td>UN Global Compact, Dow Jones Sustainability</td>
</tr>
<tr>
<td>Nestlé</td>
<td>UN Global Compact</td>
</tr>
<tr>
<td></td>
<td>International Labour Organisation Convenctions</td>
</tr>
<tr>
<td></td>
<td>International (WHO) Code of Marketing of Breast-Milk Substitutes (^{23})</td>
</tr>
<tr>
<td></td>
<td><strong>International Chamber of Commerce (ICC) Business Charter for Sustainable Development</strong></td>
</tr>
<tr>
<td></td>
<td>OECD Guidelines for Multinational Enterprises</td>
</tr>
<tr>
<td></td>
<td>Danish Institute for Human Rights (DIHR)</td>
</tr>
<tr>
<td>Kellogg’s</td>
<td><strong>International Food and Beverage association</strong>, WHO, GRI, Member of EU commission Platform</td>
</tr>
<tr>
<td></td>
<td>on action on diet, action and health. Our criteria for products to meet our Diabetes Friendly</td>
</tr>
<tr>
<td></td>
<td>criteria is based on general guidelines from the American Dietetic Association, the American</td>
</tr>
<tr>
<td></td>
<td>Diabetes Association and the National Diabetes Education Program.</td>
</tr>
<tr>
<td>Kraft Foods</td>
<td><strong>International Food &amp;Beverage Association</strong>, WHO, Healthy weight commitment Foundation,</td>
</tr>
<tr>
<td></td>
<td>ISO, CARE, Pan American, Health Organization’s Trans Fat Free Americas Agreement, <strong>Codex</strong></td>
</tr>
<tr>
<td></td>
<td>Alimentarius</td>
</tr>
<tr>
<td>Unilever</td>
<td><strong>Confederation of the Food and Drink Industries of the European Union</strong>, UN Global Compact,</td>
</tr>
<tr>
<td></td>
<td>Global alliance for Improved Nutrition, WHO, World Heart Federation, FDI World Dental</td>
</tr>
<tr>
<td></td>
<td>Federation, Greenpeace, Oxfam, WWF</td>
</tr>
<tr>
<td>Toms</td>
<td>UN Global Compact, FN 2015, Danida, Max Havelaar, Amnesty Business Forum, <strong>DI</strong></td>
</tr>
<tr>
<td>Arla</td>
<td>UN Global Compact, Kræftens Bekæmpelse</td>
</tr>
<tr>
<td>Mars</td>
<td>UN Global Compact, <strong>Food and Drink Industries of the EU (CIAA)</strong>, WHO recommendations</td>
</tr>
</tbody>
</table>

Table 13 Overview of support to organizations.

The results show that companies are members of various organizations that work with CSR. Specific initiatives that are more closely related to marketing to children reveal that all companies, except Arla, are supporting different organizations promoting codes on marketing of food to children. Toms is the only company stating their support to DI, i.e. the Code. The specific codes and the companies’ exact approach to marketing of food to children will be

\(^{22}\) See appendix 7 for specification of the organizations.

\(^{23}\) The code is a code on marketing of food, but specifically on breast-milk substitute.
elaborated on later in this chapter. First, a specification of the companies’ CSR strategies will be outlined below.

<table>
<thead>
<tr>
<th>Company</th>
<th>International or Nordic CSR strategy</th>
<th>No statement of marketing to children</th>
<th>Policy/code for marketing to children</th>
<th>Specification of code for marketing to children.</th>
<th>Statement of support to the Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca Cola</td>
<td>International</td>
<td></td>
<td>X</td>
<td>International code on marketing of food to children</td>
<td></td>
</tr>
<tr>
<td>Nestlé</td>
<td>International</td>
<td></td>
<td>X</td>
<td>- International code on marketing of food to children - Nestlé follow self-regulatory marketing pledges around the world</td>
<td></td>
</tr>
<tr>
<td>Kellogg’s</td>
<td>International</td>
<td></td>
<td></td>
<td>Kellogg’s follow self-regulatory marketing pledges around the world</td>
<td></td>
</tr>
<tr>
<td>Kraft Foods</td>
<td>Nordic and international</td>
<td></td>
<td>X</td>
<td>Kraft Foods support self-regulations around the world</td>
<td></td>
</tr>
<tr>
<td>Unilever</td>
<td>International</td>
<td></td>
<td>X</td>
<td>Unilever support self-regulations in different nations and industries.</td>
<td></td>
</tr>
<tr>
<td>Toms</td>
<td>Nordic</td>
<td></td>
<td></td>
<td>Statement of the Code.</td>
<td>X</td>
</tr>
<tr>
<td>Arla</td>
<td>Nordic and international</td>
<td></td>
<td>X</td>
<td>Own marketing commitments regarding advertising to children.</td>
<td></td>
</tr>
<tr>
<td>Mars</td>
<td>International</td>
<td></td>
<td>X</td>
<td>Own marketing commitments regarding advertising to children.</td>
<td></td>
</tr>
</tbody>
</table>

Table 14 Overview of the single company’s CSR strategy and codes of conducts

From table 14, it becomes clear that all, except one company, Arla, do in fact mention their stance on marketing of food to children and list actions taken on their website. Most companies have an international code on marketing of food to children. In addition to this, the way in which responsible marketing strategies are executed, is by most of the companies done by stating that the company complies with local regulations and local self-regulative frameworks. None of the companies, except one, Toms, mention the Danish Code. This leads to a general trend of not being too specific and executing a rather global and universal CSR strategy, in this case within marketing of food to children.
In the figure below, the specific code on marketing of food has been closely examined to track compliance with the *Code*. The color code should be understood as compliance where red means not in compliance, yellow means partly in compliance and green means in compliance. See appendix 11 for a full overview of the *Code*, the single company’s code and explanation of whether the company is in compliance or not.

<table>
<thead>
<tr>
<th>Company</th>
<th>Compliance (age limit)</th>
<th>Compliance with the <em>Code</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nestlé</td>
<td>Not in compliance when it comes to age limit, as the <em>Code</em> specifies no marketing to children under the age of 13. Compliance with the age of under 6, otherwise not any compliance.</td>
<td>No specific definition of marketing activities on the Danish market, but in compliance as regards to programmers, but is not specific on other media. Refers to regulations and legislation in the single country within activities at school events, and that there should be an educational nutritional message, which is in compliance with the <em>Code</em>.</td>
</tr>
<tr>
<td>Coca Cola</td>
<td>Not in compliance with the <em>Code</em> as they will be able to do marketing activities to children who are 12, but in compliance that there will be no marketing.</td>
<td>Media for advertisement is described as <em>traditional advertising mediums</em>, and it is questioned what traditional include. In addition to this, consumption of products will be shown only in the presence of a parent or a caregiver, which is a topic that is not specified in the <em>Code</em>.</td>
</tr>
<tr>
<td>Kellogg’s</td>
<td>Not in compliance, as they are marketing to children under the age of 12 on specific products according to the company’s own nutritional classification.</td>
<td>Not specific on any other media, other than product placement in child-directed media. Classification of level in schools (elementary school) is not classified in the <em>Code</em>.</td>
</tr>
<tr>
<td>Kraft Foods</td>
<td>Not in compliance with the <em>Code</em>, but in compliance with no marketing under the age of 6. Older than 6 is not in compliance.</td>
<td>Advertisement in schools is not a specific topic in the <em>Code</em>. Better-for-you food choices are not specified, and compliance is thus not present.</td>
</tr>
<tr>
<td>Unilever</td>
<td>Not in compliance with the <em>Code</em>, but in compliance due to no marketing under the age of 6. Not compliance since “healthy food” is not specified further.</td>
<td>Compliance within media personalities. Otherwise no specification.</td>
</tr>
<tr>
<td>Toms</td>
<td>Compliance.</td>
<td>Compliance.</td>
</tr>
<tr>
<td>Arla</td>
<td>No information.</td>
<td>Not in compliance, due to no information.</td>
</tr>
<tr>
<td>Mars</td>
<td>Not in compliance with the <em>Code</em>, because of the age limit, but in compliance that there will be no marketing at all.</td>
<td>Compliance when using celebrities. Has own classification of target audience, which is not specified. Advertisement, sponsorships and product placement will not take place in films or media where the audience is under 12; is thus in compliance. The use of children in communication if relevant, thus not specified, but shows some kind of consideration and responsibility.</td>
</tr>
</tbody>
</table>

Table 15 Overview of compliance with the *Code*
The above table shows that one company is in compliance with the *Code*, and that all other companies are either partly or not in compliance. These companies are either specific in their code on marketing of food to children, and formulating a classification that is outside the classification in the *Code*, e.g. Kraft Foods approach to defining age limit, or the company is not clearly stating their approach, e.g. Nestlé's approach in defining the age limit.

In analyzing the specific content of the companies’ entire code on marketing a classification on whether the content can be regarded strategic or moral, resulted in the findings below. For simplicity purpose, the results are divided into three categories; laws and regulations, stakeholder focus and compliance.

<table>
<thead>
<tr>
<th></th>
<th>Strategic legitimacy</th>
<th>Moral legitimacy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Laws and regulations</strong></td>
<td>Monitoring (2)</td>
<td>Self-regulatory (4)</td>
</tr>
<tr>
<td></td>
<td>Legislation (4)</td>
<td>Pledge (2)</td>
</tr>
<tr>
<td></td>
<td>Regulation (3)</td>
<td>Guidance (5)</td>
</tr>
<tr>
<td></td>
<td>Restrictive rules (1)</td>
<td>Voluntary (5)</td>
</tr>
<tr>
<td></td>
<td>Prohibit (1)</td>
<td>Participant (2)</td>
</tr>
<tr>
<td><strong>Stakeholder focus</strong></td>
<td>Marketplace (4)</td>
<td>Parents (5)</td>
</tr>
<tr>
<td></td>
<td>Shareholder (2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market (5)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Value (2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employee (2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Public (1)</td>
<td></td>
</tr>
<tr>
<td><strong>Compliance</strong></td>
<td>Comply (regulation) (4)</td>
<td>Support (1)</td>
</tr>
<tr>
<td></td>
<td>Scientific basis (1)</td>
<td>Encourage (3)</td>
</tr>
<tr>
<td></td>
<td>Audit (3)</td>
<td>Common sense (1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Good judgment (1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Truthful (2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not misleading (1)</td>
</tr>
</tbody>
</table>

Table 16 Classification of strategic or moral legitimacy within three topics
Overall, going through the content of the codes contained words that are specified to be of strategic character. Companies thus pursue strategic over moral legitimacy by having codes on marketing of food to children.

![Figure 9 Summary of strategic and moral legitimacy](image_url)
6 Discussion

The following chapter will discuss the results and will be structured around the three propositions.

6.1 Proposition One: CSR and the Food Industry

This part of the discussion will focus on the proposition:

External pressure on companies will result in these being more likely to behave socially responsible and adopt voluntary self-regulation.

The proposition serves to validate or dismiss the assumption that companies in the food industry are exposed to media attention, which results in the media putting pressure on companies, in taking responsibility towards marketing of food to children. As regards to the acceptance of the Code will partly depend on media exposure of marketing of food to children. Therefore, in the following, media attention and adopting CSR actions will be linked, and is structured as follows. First, an introduction to CSR in the food industry will be made, in order to reveal tendencies of engaging in CSR and the consequences for the Code. Second, an evaluation of the importance of CSR will be touched upon in which, thirdly, stakeholders is a central element. Fourth, the Code is a voluntary code, hence codes of conduct are a key within the CSR umbrella and the consequences of codes will therefore be discussed.

Table 14 demonstrates that the companies investigated are communicating their CSR strategies to the public, i.e. it is assumed that the companies are engaging in the CSR actions they communicate. Specifically, Coca Cola, Kellogg’s, Unilever and Mars have developed an international CSR strategy while Kraft Foods and Arla have developed an international as well as Nordic strategy. These companies’ CSR activities are valid across borders, whereas Toms is pursuing a Danish strategy. The engagement in CSR implicates that companies engage in actions that from an economic point of view are outside the main economic purpose of profit maximizing. Hence, the companies take a social role in society and take part in the global business regulatory environment, since these fulfill some of the responsibilities of the state. In this manner, a state-like role of the companies is becoming evident in taking responsibility. The tendency of companies engaging in CSR actions is by authors such as
Scherer & Polazza (2010) argued to show a tendency of businesses being important political actors in the global society. CSR embracing state-like actions is not enforced by a global or local state or body to take the state-like role and govern CSR, rather, companies are self-regulating their actions. When taking a closer look at specific CSR actions, all companies, except one, have formulated a code on marketing of food to children, see table 14. One of the companies, Toms, has integrated the Code, which allows the Code to act as a practical tool or framework for the company to formulate their CSR strategy.

The above serves to our purpose to illustrate that the companies investigated are generally stating that these take responsibility and that the very existence of the codes on marketing of food to children suggests acceptance of the fact that marketing of unhealthy food can be harmful, e.g. result in child obesity. In spite of this, companies such as Arla has no information on marketing of food to children and Kellogg’s has formulated a code that is not based on any international codes, that is, Kellogg’s has set up standards that are not validated by an organization. This is not to say that companies cannot formulate adequate codes themselves, however, based on the economic foundation of the company, one can question the purpose of the code that is formulated by the company. Specifically, companies formulating their codes, get the opportunity to establish and define the standards themselves (Sethi, 2002). Alternatively, by integrating codes that is formulated by formal institutions, the credibility of these codes, become evident, when these respond to the external concern. These codes thus have to be up to date, implementable for the companies and in connection to this discussion; the codes have to be credible. This point is not to dig deeper into the issues with industry against company codes, and the influence on whether these are private or not, rather simply to note that there are issues with corporate codes, which formal institutions might have the insight and credibility to overcome.

That is, companies are to some degree taking responsibility, either by stating support to international codes or by formulating codes. This picture shows the voluntary feature of CSR as well as a lack of an international body to govern marketing of food to children, cf. chapter two. This can explain why none of the investigated companies have a similar approach to marketing of food to children, showing inconsistency between the companies. Marketing of food to children is therefore based on various approaches creating an uneven playing field.
This picture is consistent with the results from a similar research conducted a year ago (CI, 2009). The main result from this research is that large international companies communicate their commitment in an inconsistent manner. Furthermore, a lack of information and transparency in the companies’ communication makes an evaluation of their commitment problematic.

Another issue mentioned in the research (CI, 2009) is the fact that global companies are not formulating a global strategy on marketing of food to children, thus approaching marketing on a regional basis, which additionally shows inconsistency in strategies across borders. One can thus question the level of responsibility taken in each country due to the lack of transparency in the policies. The global attribute of the companies investigated implies that these are faced with either having to customize their strategy on marketing of food to children or approach this globally, in which the latter is the prevailing tendency in the results from CI (2009). The companies investigated, except Toms, are either taking an international or Nordic approach to CSR, and are thus not customizing their strategy to the Danish market. This approach is in contrast to the results from CI (2009). By taking an approach that is not customized to the framework in the particular country, could result in strong, global policies in which companies can set global standards. From the results in the thesis, the global strategies do, however, not seem to be strong policies. Companies such as Kellogg’s and Unilever are simply stating the support to pledges around the world, and have not formulated a strong, global strategy that could potentially set strong standards worldwide. That is, in spite of a global strategy, companies are not setting strong standards in the industry. This tendency additionally makes front-runners that can serve as an example to the wider industry impossible. The future of marketing of food to children in general is believed to be critical to the point that none on the companies take responsibility as a large player in the industry.

The international approach additionally results in questions on compliance with the Code. Toms’ local approach, cf. table 15, makes compliance with the Code fulfilled. Even if the rest of the companies are not mentioning the Code, the prevailing number of codes formulated by

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24 Recent research from the European Platform for Action on Diet, Physical Activity and Health indicates that most commitments of the Platform are international or global (Case Study Report, 2010)
companies, could show that initiatives such as the *Code* is boosting the development of codes at the company level. This can partly be explained by the fact that the *Code* by DI is regarded a way of thinking within the industry (Interview, DI). Therefore, despite the lack of actively communicating the *Code*, a shift in manager’s mentality could explain the focus on formulating some kind of code on marketing of food to children.

In spite of the choice of focusing on an international strategy, companies cannot neglect local legal systems and local jurisdictions. Additionally, local self-regulative frameworks such as the *Code* take part in governing CSR actions. This picture is in line with the argument by Scherer & Polazza (2010), who argue that we face a decentralized global governance system of authorities. The lack of an overall international code for companies to sign on marketing of food to children, adds to the tendency of a decentralization of the authorities and enforces the support to local codes. This tendency should strengthen the position of the *Code* on the Danish market, however, as mentioned, since Toms is the only company communicating the support to the *Code*; this does not seem to be the case. In connection to this discussion, decentralization can be found on additional levels. Companies operating across borders face national moral frameworks of managerial decisions that are fragmented due to a growing pluralism of values, norms and lifestyles. This furthermore challenges managers in justifying universal values or rules that can be applied across borders (Scherer & Polazza, 2010). From this, it is assumed that a local approach would be most optimal; however, in reality, this does not seem to be the case. At the same time, a global strong strategy is additionally not present, and the inconsistency across borders, underlines the issues of being a global company.

Executing a responsible approach to marketing of food to children is among other things based on support to organizations or advice from organizations, hence assumedly that Toms is gaining support from the *Forum*. Despite consensus on limiting marketing of unhealthy food to children, the complex global structure of various organizations prescribing an approach to marketing of food to children\(^\text{25}\), see chapter two. This results in companies operating within a context of fragmented approaches to marketing of food across borders. The fragmented

\(^{25}\text{An example is found in research on the EU level that shows 17 commitments related to marketing to children on the Commission’s database. 10.5 of which are self-regulative initiatives (Case Study Report, 2010)}\)
approaches are to be seen in a similar way, because the results presented in table 13 indicate that the companies are stating support to organizations in an inconsistent manner. Specifically, all companies, except Arla, are supporting an organization that set forth responsible marketing practices. In spite of this, the companies are not supporting the same organizations, thus inconsistency between the companies and a reflection of the complex global structure of organizations that companies have to choose from.

On the one hand, overall international bodies put pressure on companies taking up the most appropriate stance on marketing to children internationally. In spite of this, there is no international code as such. Therefore, on the other hand, local values and rules become an essential aspect of drawing up the most appropriate CSR strategy, due to the lack of an overall international code to benchmark and judge companies’ marketing practices. We believe, an international code would fill the vacuum of various approaches to marketing of food to children Denmark and other countries. However, one cannot dismiss the local conditions within each country. The advantages for companies to adopt local codes on marketing of food to children are that these will presumably fit the local legislative and moral foundation. The adaptation of the Code into Toms CSR strategy shows a case of success of the Code on a national level and indicates that the Code and the values behind it, fit perfectly with Toms as a Danish company. The disadvantages of a local code become evident when taking the international or even global attribute of the companies into account, and that a strategy based on a local framework becomes complex to approach in every country in which the company operates. We believe that the lack of support to the Code can show that national based codes are not implemented internationally. This can be an important aspect when evaluating the future success of the Code in relation to similar codes internationally.

**Achieving true CSR**

From the above, it becomes clear that through CSR actions and communication, businesses are active in the public discussion on business’ responsibility. Recalling the idea of achieving “true” CSR entails an understanding of a company’s ethical and philanthropic responsibilities while at the same time, accepting the basics of a business, namely an economic and legal responsibility (Carolls four-part model of CSR). From a company’s perspective, it is understandable that the basic economic responsibility becomes the *raison d'être* in order to maintain shareholder, thus the building block for the company. A Milton Friedman view on
the business’ responsibility is, on the one hand pulling a business to perform economically rather than climbing up the ladder within the four-part model of CSR (Carroll, 1999). When taking a closer look at the content analysis conducted on the media level, specifically table 9, table 11 and table 13, it becomes obvious that the perception on companies’ responsibility within the food industry is dominated by a concern. Specifically, the perception reveals that businesses should take responsibility and a major role in fighting child obesity. In addition to this, a positive reaction to CSR actions by companies’ can be spurred. Therefore, it is assumed that there is a desire as well as an expectation in the media for companies to take ethical and philanthropic actions, referring to the classification made in the pyramid. Thus, when businesses do not engage in philanthropic and ethical actions, the economic foundation of the business become fragile. The above leads to a discussion approached by a reversed pyramid or into four equal important aspects of a business’ responsibility (see illustration in 12) The media attention and pressure results in a new focus on CSR in the food industry, since CSR becomes an equal essential fundament of the business. If the media pressure is so distinct that the business cannot achieve the economic foundation, philanthropic and ethical responsibilities should be put at the top of the agenda for businesses within the food industry. We believe that the media pressure can be a driver for CSR in the food industry, and that the media attention can drive up CSR standards.

A change in focus within the pyramid leaves CSR to converge to a rather strategic approach, because CSR is a way in which the economical foundation is strengthened. Porter & Kramer (2006) describe how companies can link competitive advantage and CSR activities, which can be done when companies understand their stakeholders. Strategic CSR therefore implies initiatives that help the company achieve its strategic- and CSR objectives and to reassure the right image towards stakeholders. The balance of control and influence shifts between companies and their stakeholders because of the change of the flow of information. The communication from the companies about their CSR actions (table 14) and the focus on CSR in the media (table 12) namely creates communication between the companies and their stakeholders, e.g. the media. CSR thus becomes an issue that companies should make efficient, leaving CSR to be an inevitable central part in companies’ strategy.
CSR and the Media: a Stakeholder Approach

From the above, it becomes obvious that communication with the stakeholders and their response is a central issue for a business in the food industry. In the following, a discussion on the connection between media attention and communication from the companies will be made, by focusing on companies dealing with the media as a stakeholder. The discussion will be structured around Donaldson & Preston’s (1995) three approaches to stakeholder theory; a descriptive, an instrumental and a normative approach.

When taking a descriptive stakeholder theory approach, it entails focusing on describing and explaining corporate characteristics and behavior. By understanding the specific actions taken by the companies in relation to the stakeholder, one can understand the way in which the focal stakeholder is of importance. Businesses give higher attention to those stakeholders who possess some kind of power to influence the business’ actions. In this case, the media has some kind of power, as bad media press is an issue businesses are corresponding to. In the research conducted, Coca Cola is debated and covered in the media, and Coca Cola is communicating CSR actions, assumedly in response. These examples show practical actions companies are taking in response to bad press, and indicate that businesses are influenced by media coverage, which underlines the media as an important stakeholder. Bad press can easily be transferred around the world and influence the perception of companies such as Coca Cola worldwide. From the above, the media becomes a stakeholder to give a company legitimacy based on their actions, or in the case with Nestlé, has led to illegitimacy that Nestlé is seeking to restore by responding to the media.

The negative perception of advertising of food to children and the call for companies taking responsibility could make one assume that the media’s perception of the Code would be positive, since the Code is namely responding to the negative perception and is a tool to take responsibility within marketing of food to children. The overall perception of the Code is, however, negative and is thus not perceived proper and desirable. This questions the basis for

26 An example is Nestlé responding to negative media attention on the conditions for cocoa beans farmers in Africa, where both Nestlé and DI respond (within a day) to the discussion in the media (W26 & W27).
pursuing legitimacy by adopting the Code to the extent that the media as a stakeholder perceive the Code as being inadequate. In this sense, the perception in the media does not indicate a foundation or basis for legitimacy by communicating compliance with the Code to the media. The negative media perception can explain the lack of communication of the Code and the lack of compliance of it.

Due to the power of the media, it is believed that the media lays the fundament for the business to pursue legitimacy based on the media perception on what are proper and desirable actions. Legitimacy can be pursued on the positive perception of responsible marketing practices. The discussion in this part of the chapter, does not seek to underline whether legitimacy is pursued or not, rather, the purpose is to underline that pursuing legitimacy, is ultimately done for the economic foundation of the company. From an instrumental stakeholder theory view, this entails connection between stakeholder management with traditional corporate actions, thus a discussion of profitability of stakeholder management.

Equating the media with a stakeholder implies acknowledging that the media can take part in generating profit for the company. In addition to this, recognizing that the media takes a stance on the business’ strategies provides the media with a monitoring attribute. This aspect becomes essential when keeping the self-regulative feature of the Code in mind, which leaves room for opportunistic behavior of the company. This issue will be covered later in this chapter, however, it is essential to note that the media somehow becomes a watchdog for the industry.

When taking a normative stakeholder approach, entails understanding the moral guidelines for the management of the company. This approach summarizes the discussion above, since companies in the food industry ought to engage in their stakeholders’ (the media) interests, since these are one of the gatekeepers of pursuing legitimacy. Therefore, taking a descriptive and instrumental approach to stakeholder theory can be applied to underline the importance of normatively engaging in the media as a stakeholder.

From a business perspective, the benefits of engaging in stakeholders must, however, be carefully examined, as the engagement is resource intensive and can result in a loss of control (Crane & Matten, 2007). In this case, a loss of control to the media could be seen by
businesses simply obeying the agenda set in the media, and do not take other factors into consideration in their strategy. This is, however, not assumed to take place, since the media as such is a group composed of several actors; customers, consumers, NGOs, politicians etc. Therefore, the media becomes a complex and a comprehensive stakeholder. The characteristic of the media as a major stakeholder underlines the discussion in the first section on the importance of CSR, since the media as such has a saying in the development of companies’ CSR strategy. It furthermore underlines the fact that CSR is a strategic tool by acknowledging the strength of this stakeholder. That is, it is believed that a company will develop a close relationship to the media and in a more or less deliberate way collaborate with the media.

Directly or indirectly collaboration with stakeholders, must be valued against the uncontrollability of the media, since the media as such is not compelled to merely cover positive attention to the company. Even if table 9 shows both positive and negative media coverage and that the only company to receive a lot of media attention is Coca Cola, the overruling negative perception implies that the media can function as a stakeholder that is both promoting company actions, and is constantly evaluating and responding to the company’s CSR actions. We believe that the media can function as a watch-dog that lay the fundament for pursuing legitimacy. We, however, do not believe that the media as such can fulfill the role of a sanctioning organization, thus a call for organizational involvement in governing marketing of food to children.

Consequences of Codes of Conducts in the Food Industry

Despite the lack of legally binding commitments, codes of conduct can become a regulatory instrument, in the shape of a soft law. Since the Code is believed to be a symbol of a paradigm shift in the industry, the industry is believed to adopt a way of thinking marketing as prescribed in the Code (Interview, DI). The Code thus transforms from soft law to values or beliefs within the industry. On the Code’s website, the number of companies in compliance with the Code is not stated, which indicates that the thought of the Code creating an attitude on marketing of food to children do show that this stance is implicit. In Denmark, the traditional approach to CSR is “silent”, due to the European, implicit approach to CSR, based on values, norms and rules. Alternative, the American approach to CSR is explicit. The enforcement of mandatory publication of companies’ CSR reports in Denmark can be interpreted as a shift in an “American” approach to CSR (Morsing & Beckmann, 2006). The
focus on the *Code* in Toms’ communication might show the shift in actively communicating CSR actions. It must be underlined that a number of the companies discussed are American based.\(^{27}\)

Despite the fact that the *Code* is believed to become a way of thinking within the industry, the implicit compliance, do not necessarily imply that the companies are in compliance with the *Code*. Rather, the companies investigated codes are universal and thus live up to minimum standards across borders. If the analysis was conducted within Danish companies only, the picture might have been different, as the case with Toms has shown. However, Arla does not have a code at all, and even if Danish companies were to be investigated, companies still operate across borders, where they meet a pressure from international formal and informal institutions to adapt international standards, which will be elaborated in the next part of this chapter. The fact that companies have not mentioned the *Code*, and are merely referring to standardized international codes, simply underlines the importance of looking into whether the *Code* is in fact believed to grant companies with possible legitimacy, or whether the lack of information on compliance with the *Code* is bounded in an implicit CSR strategy.

Companies such as Coca Cola and Mars do not a clear and informative website in Denmark, alternatively, these companies direct the visitor to the international website, leaving CSR to become a less national and geographical adjusted approach rather a uniform or universal approach. On the international site, CSR and the company’s stance on marketing of food towards children is communicated, in spite of lack of information, e.g. Coca Cola does not communicate that the company has signed the EU pledge and does not take a stance on the *Code*. Instead it is stated that the company take in overall or local self-regulatory approaches, which indicates that Coca Cola should comply with the *Code* implicitly. The company does however, not comply with the *Code*, see table 15. Compliance with international minimum standards show that despite the fact that standards are specified in the code, these are minimum standards and possible upgrading across borders become nonexistent, and the fear

\(^{27}\) List of companies investigated and the countries in which they are based: Kellogs: USA, Nestlé: Switzerland, Kraft Foods: USA, Unilever: Holland & England, Coca Cola: USA, Arla: Denmark & Sweden, Toms: Denmark and Mars: USA
of a race to the bottom might occur. In connection to the discussion above, it is essential to look into the way in which international companies present their codes on CSR and marketing to children. In table 14, the lack of a distinct Danish website leaves CSR to be transferred across borders. One view on this is termed relativist which underlines the importance of constructing codes for the specific country whereas an absolutist would argue that one code can and should fit all (Crane & Matten, 2007). It seems as if the companies investigated in the thesis has found a middle way in which the companies are respecting local regulation and at the same time is conforming to international standards. This leaves the codes communicated to become rather general in nature, by complying with minimum standards that can comply with local codes and can thus be transferred across borders.

**Self-regulation and Opportunistic Behavior**

The Code has so far in the media not revealed any opportunistic behavior from companies, and the Forum has as a monitoring organ not mentioned any issues with compliance. We do, however, question compliance with the Code since one might wonder whether the Forum has hidden intentions of not communicating issues with compliance. The communication of the success of the Code in the industry as a whole, leads to a discussion on whether companies are free-riding to the extent that the industry is promoting acceptance of the Code, while the individual company is free-riding on the rest’s behalf. By taking a closer look at the companies investigated, see table 15, indicates that all companies, except Toms, is not in compliance, thus potentially free riding on the approach to marketing of food to children on the industry level. It can thus be argued that the justification for industries adopting self-regulatory actions and promoting these could be out of fear of governmental regulations and to curb a critical public opinion (Sharma, 2010:240). The Forum and its intentions are therefore questioned.

Self-regulation is however believed to the best tool to manage restrictions in marketing activities, since marketing seems to move into new areas in which companies take up creative approaches (Story & French, 2004). Online marketing tools (Milne, Rohm & Bahl, 2009), the use of cartoon characters and stealth marketing, which, as the concept indicates, is marketing
practices that is “undercover” have become widespread (Roblin, 2007). Self-regulation is a flexible approach to curb the new marketing techniques, rather than having to go through a long process of implementing legislation. These arguments are probable reasons for the introduction of the Code and support the Forum as an institution. It must be noted that the Code does not as such include the new approaches to marketing, which we consider a weakness of the Code. Additionally, the future evaluation by the EU is believed to create an international “competition” or a goal of setting the highest or best standards in the industry to become the front-runner. This can thus be regarded as a driver for creating the Forum in the first place, and additionally supports its work. The intentions behind the Forum is something that can never be revealed, however, the above indicates a future support to the intentions behind the Forum and the self-regulative Code.

In addition to this, the PolMark report has revealed that stakeholders mostly agree that statutory regulation is insufficient, and that self-regulation is perceived as an effective supplement to statutory regulations. Self-regulation becomes an ethical binding commitment (Hedegaard, 2009), but this view still questions the possible opportunistic behavior of the company. With no sanctions publicized by the Forum, one can question whether companies at the end of the day go back to basic and think in line with Freeman’s view on businesses responsibility. Stakeholders in the PolMark report emphasize that they do not perceive laws and regulations to be a threat, that statutory regulation may distort competition, that CSR actions are stimulating and that consumers will put pressure on businesses to take up more responsibility (Hedegaard, 2009).

We think that the above discussion simply underlines the fact that self-regulation is the way forward and that governmental influence will not become a reality. Instead, a governmental influence or empowerment for businesses to think in a more responsible way seems to be dominating, resulting in governmentality. This has become distinct due to the fact that businesses in Denmark have to publicize their CSR actions.

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28 Children are vulnerable to stealth marketing techniques, because they are unable to understand the intent of advertising and are thus unable to make decisions in an informed, mature manner (Pomeranz, 2010).
**Sub-conclusion**

To conclude on the first proposition, it is first of all essential to note that food companies’ role in society is changing along the adaptation of CSR actions. Therefore, companies are taking a state-like role in fighting child obesity, which can be seen in companies formulating codes on marketing of food to children. CSR is thus becoming a *raison d'être* for companies in the food industry. These actions are enforced by a perception in the media that has revealed a positive perception towards CSR actions and a negative perception putting pressure on companies to be a good corporate citizen. Therefore, stakeholders, in the shape of the media become an element essential for the companies to pay attention and respond to. That is, a media pressure is to be seen and enforce companies to incorporate CSR in their strategy. The integration of codes, challenges companies operating across borders, where various approaches to CSR challenge international companies in constructing a strategy that can be applied across borders. Despite gaps in the framework, e.g. modern technology, self-regulation seems to be the way forward. The *Code*, however, is not explicit integrated and compliance with the *Code* is non-existing, in spite of the fact that the *Forum* has not reported any issues with non-compliance. The fear of free-riding to avoid governmental intervention is thus present. Instead of complying with the *Code*, companies are forming individual, standardized codes.

### 6.2 Proposition Two: The Institutional Environment

The previous discussion has so far confirmed the essential role of CSR for companies’ in the food industry. Analyzing companies’ CSR actions revealed integration of organizations in their strategies, see table 13. This trend leads to a discussion on the influence organizations have on companies within the industry and whether organizations are shaping institutions. The following discussion will look into how both formal and informal institutions influence companies to pursue legitimacy. First, the discussion will take a closer look at the organizations, in order to understand whether these generate an institutionalized approach to marketing of food to children. Second, this discussion leads to an evaluation on whether an institutionalized approach can result in *myths*, which, forth, can determine whether *isomorphism* become a reality.

The following discussion will be centered on the proposition:

| Institutions take part in laying the fundament for pursuing legitimacy |  |
The WHO is a large player on the global level and highly influential for national governments that are members. Companies such as Kellogg’s, Nestlé, Kraft Foods and Unilever state the support to WHO, cf. table 13, which implies that WHO as an organization is setting forth recommendations that a company seeks to be identified with. Companies are actively using WHO as a part of their CSR strategy, which indicates that companies believe this approach support the pursuit in legitimacy.

WHO therefore seems to be an organization that is essential for companies, and thus has a vital voice in the global community. WHO seems to be empowered to put pressure on companies to follow a certain approach to marketing of food to children, consequently, the WHO can in this process institutionalize an approach to responsible marketing. In spite of this, the above-mentioned companies do not state more specifically which recommendations of the WHO they support, for example Unilever states a general cooperation with the WHO. Therefore, the details on the exact areas in which the companies support WHO is implicit, which indicates that the companies are seeking to be identified with WHO, and integrate WHO in their strategy, to the degree that the specific CSR actions taken by the companies cannot be questioned.

As a consequence, WHO as a catalyst for generating an institutionalized approach of marketing of food to children seem possible due to the active, but not specific, communication of WHO on the companies’ webpages. In spite of this, WHO has not formulated an operational code on marketing of food to children to companies. Contrary, WHO has set forth general recommendations. Additionally, the recommendations include both governments responsibility and self-regulative actions on the industry level by promoting codes on marketing to children. Thus, the WHO does not set forth a distinct solution, but could potentially institutionalize an approach to marketing, rather than formulating specific codes.

When looking at the European level, an evaluation on companies implementing voluntary self-regulation initiatives has been finalized. The main conclusion from the study is that self-regulation clearly has been efficient in limiting marketing of unhealthy food to children, especially on TV. In spite of this, advertisements on TV can be further limited, thus calling
for a more strict approach. Similar, initiatives should be expanded to include a more varied spectrum of communication outlets such as the Internet. Another conclusion is that self-regulation initiatives on the national- and EU-level should be influenced by an independent organization, with the purpose of providing frameworks, standards and guidance in succeeding with self-regulation (Case Study Report, 2010). The evaluation concluded that there is a need for organizations to take action and influence companies’ self-regulatory approach to marketing of food to children. This conclusion put pressure on DI to strengthen their framework of the Code and to live up to the requirements that seem to be prevailing in the EU. In spite of this, Denmark was directly mentioned by one interviewee, who regarded the Danish initiative, which is assumed to be the Code, to be a strong pledge that ultimately can undermine other member states initiatives. This conclusion suggests that the Code, in relation to other initiatives, is perceived well developed and highly competitive with other nation based pledges. Thus, the entire approach to marketing of food to children on the European level is not agreed on, and an institutionalized approach is not reached. The Code as such is regarded an appropriate approach, which could result in the Code to become an institutionalized approach to marketing of food to children. We do recognize that there is a general negative perception of the Code in Denmark, see table 10, thus is a hindrance of institutionalizing the Code. In spite of this, a European perception might show another picture of the Code, which makes the Code competitive with other European initiatives.

The current on-going evaluation of the self-regulative initiatives within the EU is, as discussed, assumed to result in an additional pressure on self-regulation initiatives, since the Code will be evaluated (e-mail interview, EU Commission). This implies that actions from DI are assessed and that the EU is an important organization for the future of the Code and other frameworks. It must be assumed that vast amount of organizations setting forth initiatives will imply more competition in bringing forward a best-case example within marketing of food to children. Therefore, actions taken by DI are not delimited to the Danish market and an institutionalized approach in the EU is not yet obtained.

We believe that the EU can pressure DI, and that the evaluation of self-regulation in the EU, is currently creating dynamics among organizations in the competition of formulating the best self-regulation approach. In spite of this, the evaluation can also result in organizations
holding back in working more towards self-regulation, as they are not convinced that future outcomes of further self-regulation will benefit them. This affects the companies adopting self-regulative codes formed in an EU country. Until the evaluation is published, there must be uncertainty among businesses in the choice of support of the most appropriate framework in the EU. Thus, an institutionalized approach to marketing of food to children in the EU presently does seem unstable. The possibility of a bad evaluation of self-regulative actions, can result in companies deselecting self-regulation since a bad reputation of a framework will, ceteris paribus, be perceived as a mean to not ameliorate companies’ legitimacy. A bad evaluation of the entire self-regulative approach can also result in a threat to the soft law approach, because the EU has a degree of legitimate power to force regulations on EU member countries. In the case of a defective self-regulative framework the soft law may be replaced by a legally enforced hard law.

One example to shed light on in connection to the above is the EU-pledge. In contrast to the active communication of compliance with the WHO, on the EU level, see table 13, as mentioned, none of the investigated companies actively communicate the support of the EU-pledge. It is interesting that none of the companies investigated mention the EU Pledge in their communication on their stance on marketing to children, particularly since several companies’ names appear on the website of the EU pledge; hence the companies are in compliance with the pledge (W29). Coca Cola, Kraft Foods, Mars, Kellogg’s, Nestlé and Unilever, which are six out of eight companies investigated, have signed the EU pledge. Compliance with the pledge is therefore implicit. A similar tendency is prevalent regarding UNESDA. Coca Cola, Nestlé and Unilever are members of UNESDA (W30), but do not explicit state this on their webpage’s, see table 1329.

Nonetheless, a reason for the lack of communication of the EU-Pledge and UNESDA could be a sign of the uncertainty from the ongoing evaluation. The uncertainty results in companies not finding these organizations value adding to communicate, rather, companies support these implicit as the picture may change in the future. The uncertainty could strengthen the support

29 Please note that UNESDA is not an EU initiative, and that the members of the organization are composed of producers of soft drinks that are operating in the EU.
to other organizations, such as the discussion on WHO has shown. Companies thus seem to pursue to be associated with stable or well known organizations. In addition to this, the high number of self-regulative frameworks to choose from results in a jungle of self-regulative frameworks and a list of (possible) conflicting or overlapping frameworks. Therefore, the complexity of the choices the company has to take, result in a multifaceted institutional environment in which companies act. The choices made will influence the company; both due to the formal structures of the institutions, but also due to the informal frameworks. This became evident in the first part of the discussion on CSR that showed the investigated companies support different organizations and pledges.

At the Danish level, the law on marketing states that companies should show responsible marketing practices, see section 1.4, but this is not specified within the topic of marketing of food to children. As seen within the EU, so far, the main driver in Denmark towards marketing of food to children is not legislation, but self-regulation, in the shape of the Code. The formation of the Code can be seen as a response to pressure from the Danish government, which the former Danish government, in particular, has focused on (interview, Kræftens Bekæmpelse). The formulation of the Code can additionally be seen as a response to the pressure from the international level, i.e. evaluation in the EU. The analyses conducted on the media level, cf. 5.1, have shown that another pressure exists, namely the one from the media and stakeholders, in which there is a focus on companies’ actions and their responsibility. From this, it becomes obvious that the Danish government, the EU and the media put pressure on DI to further develop and enforce the Code. As a result, DI is on behalf of all members responding to the pressure. That is, the pressure on DI and the support to a self-regulate initiatives leads to the creation of the Code in the first place, and appropriate actions within marketing of food to children is being institutionalized and explicitly formulated in the Code. It can thus be argued that the Code is believed to show an institutionalized approach to marketing of food to children.

From the above it is evident that dealing with the issue of marketing of food to children presently exceeds the capabilities of any single organization or state. Companies in the food

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30 The Case Study Report (2010) indicates both statutory and voluntary codes across European countries.
industry are not only conforming to existing legal standards, they have also become a main driving force in dealing with child obesity. Pressures from the Danish government and local agencies as well as international bodies leave the distinction between politics and business activities blurred. Scherer & Polazza (2010) argue that as a reaction to such a setting makes companies operate within a politically enlarged concept of responsibility, which can be seen as a shift from national to global governance, because of the lack of regulatory impact from national governments to companies. It also results in soft law regulations, namely the number of self-regulative actions internationally. On the contrary, self-regulative actions are also to be seen nationally, e.g. the Code, which implies that there is a shift in responsibility from national governments to the degree that international bodies and companies take over some of the responsibilities of the state.

Support to self-regulative frameworks can provide the particular company with a stable approach to marketing of food to children, and will ultimately ameliorate the support. When a norm within marketing of food to children is institutionalized, formal organizations will arise as reflection of these norms.

**Myths**

The discussion on consensus on a norm can be seen in connection to *myths* (Meyer & Rowan, 1977). Myths are to be seen within the food industry, since the codes and recommendations set forth by the various organizations, prescribe the way in which companies should act. Organizations are therefore creating consensus on an approach to marketing of food to children. Table 14 shows that companies seek to comply with formal approaches on marketing of food to children. This indicates that there are in fact norms and rules being conceptualized by the international and national organizations. Norms are thus structured externally, which leaves the single company not to have any influence, and leads to a property of myths, namely since rules are institutionalized, and is hence out of the reach for individuals. Despite the fact that the Code is formulated by several stakeholders, hereunder DI as a representative of the industry, the single company's influence varies regarding formulation and creation of the rules and norms. Norms for businesses within the industry are therefore dependent on a formal organization, DI, that is, formal organizations emerge in line with new institutionalized myths (Meyer & Rowen, 1977). In the food industry, the emergence of international myths can be said to create a myth on the Danish level, both
because companies within the industry are international and are already adopting myths internationally, but also because DI is continuously facing pressure from EU, in the shape of the evaluation.

Companies acting within the food industry are incorporating practices in the shape of self-regulation, which are defined by prevailing norms institutionalized in society, that is, companies are incorporating the myths and conforming to these, e.g. acting responsible within marketing of food to children. They do so, ultimately to gain legitimacy by conforming to the myths. This does, as Meyer & Rowan (1977) describe, conflict with efficiency of the company and limits the company of rational actions (Barley & Tolbert, 1997). Companies within the food industry are thus limiting their economic foundation to stay ahead of competition. Put differently, companies are forming their actions not only on the basis of a rational and economic approach, but it seems that institutions influence these in taking up a responsible behavior.

The communication from the companies investigated shows a mirror of the institutionalized myths in the formal strategies on the webpages. These should, as the discussion indicates, not conflict with the economic purpose of the company. Each investigated company support various formal organizations, showing that there is no consensus among the companies on this matter. Among the organizations setting forth recommendations, the overall approach to fight child obesity seems to be self-regulative actions. This consensus does, however, not specify the precise definition of what “unhealthy” entails or a precise definition of marketing tools and channels. The *Code* is specifying the nutrition facts on what can be labeled “unhealthy” and is forming an operational code. Even if the *Code* specifies “children” as being under the age of 13, there are dissimilarities between the companies and their approach to setting an age limit on marketing of food to children, because the majority of companies partly set the standard under the age of 12 or 6, see table 15. This shows the *Code* is not followed punctuality wise.

All in all, the actions communicated by the investigated companies show an institutionalized myth in the shape of self-regulative actions in which the specific approach to marketing of food to children is not specified by the single company or by the organizations promoting
these. It is assumed that companies’ success depends on, not only economics, rather; success depends on conforming to the institutionalized myths.

We believe that, in the long run, despite the minor focus on the economic purposes of the company, incorporating the myths of responsible marketing will be beneficial to the company. In addition to this, companies are pursuing institutionalized myths by leaning to organizations that promote self-regulation. This result in the companies either communicating an unspecific approach to marketing to children and therefore do not support actual codes, or that these have formulated their own specification in their code. This discussion leads to a tendency of isomorphism with institutionalized rules which will be discussed in the following.

Evidence of Isomorphism
Formal institutions creating norms and rules can be institutionalized, leaving companies’ code on marketing to children to become isomorphic with the myths. The theory underlined three types of isomorphism; coercive, normative and mimetic, which will be discussed in the following.

Coercive isomorphism entails incorporating structures because an organization is forced to do so, and legitimacy can thus be gained by complying with rules and laws. Coercive isomorphism can be discussed on the institutional level where it is essential to understand the organizational pressure on DI in creating the Code. This is because the Code can be argued to be a result from formal pressure from international organizations and the Danish government. WHO, EU and international consumer organizations are vital organizations that pressure the industry to create the Code, by underlining the importance of formulating self-regulation. In addition to this, the fear of governmental regulation shows that voluntary self-regulation is an answer to the fear of this (Matten & Moon, 2007). DI has, as a trade association, been pressured to take responsibility on the Danish level, and is by this taking a position as a legal organization empowered to formulate formal rules. Hereby, a coercive organizational pressure on DI is to be seen, and the pressure can be argued to be essential, because DI is dependent on acceptance from other organizations such as the EU and the WHO. These organizations are clearly institutionalizing the need of taking responsibility within marketing of food to children, which leaves organizations to expect organizations to take responsibility.
The first variety of pressure leads to the second form of coercive pressure. This is found at the business level, as the above discussed pressure is argued to be transferred to the members of DI, in order to convince these to adopt the Code. DI is as an organization representing the members that in the end are to accept the specification within the Code. DI is dependent on their members accepting the Code, in order for the organization to maintain support from their members in recognizing DI, as an organization working for better conditions for their members. DI is thus seeking legitimacy from their members to insure a successful framework.

The Code and the fact that DI has created the Code are believed to be a result of coercive isomorphism where formal pressure at various levels has affected the organizational environment. DI is constrained by international organizations and DI’s members are constrained by DI. In a resource dependency view (Mizruchi & Fein, 1999), DI is pursuing power internationally and among members, which results in DI having to establish relationships with the international organizational environment as well as with members. Internationally, members of DI are becoming dependent on DI in setting forth a solution, and DI is becoming dependent on international organizations acknowledging the Code. The pressure is illustrated in appendix 13.

In connection to the discussion above, mimetic isomorphism, which theoretically entails isomorphism to lower risks, is found since the companies are communicating their support to organizations such as the WHO, cf. table 13. This focus shows that companies want their stakeholders to know they supports well-know organizations and their initiatives, which must imply that organizations perceive these as giving the businesses legitimacy through stability, resulting in mimetic isomorphism. A small and nation-based code is not interesting to communicate to their stakeholders, even though the Code is valid within the country in which the companies are executing their marketing strategy. In addition to this, the Code is mentioned in the media, see table 10, and it must be assumed that stakeholders in Denmark are aware of the existence of the Code. This can show a tendency of relying on international codes and recommendations and from a business perspective, to perceive these as being more stable resulting in mimetic isomorphism. The above underlines the fact that organizations are relying on the support from other organizations, and that companies are relying on organizations forming a stable environment in which these can pursue legitimacy.
This specific type of isomorphism results in a certain mindset or professionalism, since the organizations that are supported are communicating a certain behavior on how company leaders should act. A specific mindset is then shared among managers in the industry, which result in *normative isomorphism*, due to a normative pressure. The similarities between companies cf. table 13 and 14, shows that companies are pursuing the same approach to the extent that they approach marketing of food to children in a responsible manner. It is thus believed that this trend is a result of a certain mindset of managers or norms within the investigated companies. Specifically the trend shows that the companies investigated are converging in their approach; from this a spur of normative pressure. It is important to note that the analysis is not conducted over time, therefore, it is not certain whether the companies have developed converging strategies, or whether the companies are developing into formulating differentiated future strategies.

Isomorphic pressure can promote success and increase companies’ legitimacy, but one negative point accentuated by DiMaggio & Powell (1983) is that companies are focusing on supporting the same self-regulating initiatives when formulating their code of conduct. This can cause the companies not to pay enough attention to their strategic goals and instead adopting codes for strategic purposes. This is found in the analysis, where most of the companies support the WHO and unspecified national self-regulations.

From the above, it becomes obvious that companies do not only change in order to stay ahead of competition, rather companies respond to other companies’ and organization’s actions, which results in isomorphism, and becomes a struggle to compete for legitimacy within the institutional setting. Similarly, table 14 shows comparable actions within the investigated companies. Deviation from this (Toms) could be an indicator of Toms being a front-runner or a lack of recognition of the *Code*’ value from the rest of the companies. Alternatively, Toms is one of the only companies based in Denmark, leaving the Danish market to be an important market to Toms which explain Toms’ approach. The rest of the companies have a more international approach, specifically be means of an international webpages on CSR. The international attribute and complexity therefore have to be taken into account when it comes to understanding the isomorphistic pressure companies are facing in the food industry.
Sub-conclusion

From the discussion above, it became obvious that large international organizations such as the WHO can take part in institutionalizing an approach to marketing of food to children, since companies seek to be identified with the WHO. On the EU level, companies are engaging in organizations promoting self-regulation within marketing of food to children, but companies do not seek to actively be identified with these organizations. The lack of communication was partly found because of an additional evaluation that will be published this year. Therefore, from a company’s perspective, the lack of an institutionalized approach makes it difficult to determine which approach to integrate. In Denmark, the active communication of the Code on Toms’ webpage could be a mirror of the norms in Denmark, which indicates that this code can be institutionalized and perceived a myth within the industry. In spite of this, the future evaluation put pressure on the Code to perform well among other codes in the EU can lead to confusion on whether the Code is the right approach or not. Isomorphism was found on several levels; coercive isomorphism is found both because the formulation of the Code in the first place, was due to coercive isomorphism from the EU and WHO and since a pressure from DI towards their members is found. Mimetic isomorphism is found since companies seek identification with stable organizations, which ultimately leads to normative isomorphism given that this approach becomes the norm within the industry. Formal organizations such as the WHO and the EU are forming the basis for companies to pursue legitimacy through integration of codes on responsible marketing, since they support and encourage companies to adapt and implement codes. Formal institutions in the food industry are therefore taking part in establishing the basis for companies to pursue legitimacy, or put differently, informally institutionalizing an approach to marketing.

Since companies within the food industry are affected by both local and global organizations, organizations take part in shaping the institutions or the rules of the game, which provide stability and guide companies’ actions. At the same time these are not static and are under constant change which results in stability as such to be hardly obtained (Antonsen & Jørgensen, 2000). Companies within the food industry are influenced by a shift in institutionalized norms, and results in a change in conditions for pursuing legitimacy. In order for companies to preserve legitimacy in a national context, companies would follow the nationally defined rules of the game (Scherer & Polazza, 2010), but the changing international
institutional context, makes a stable framework non-applicable and company will thus find new ways of keeping their licenses to operate, i.e. legitimacy. See appendix 14 for an illustration of the dynamics on the connection between the pursuit of legitimacy and organizations. It is assumed that institutions shape the fundament and influence the pursuit of legitimacy, since acknowledgement of the Code by organizations will add to the possibility of a single company to gain legitimacy from adopting the Code. Thus, the pursuit of legitimacy by companies is influenced by organizations that become a catalyst for the formations of institutions, thus shaping the fundament for pursuing legitimacy. The process of companies pursuing legitimacy will be discussed in the following.

6.3 Proposition Three: Legitimacy

So far, it has been discussed that companies are engaging in CSR activities, and that formal and informal institutions influence the environment around the food industry. Adopting the Code or codes of responsible marketing is a CSR activity that functions as a mean for the company to take responsibility. The next proposition will discuss if companies are pursuing legitimacy when adopting codes of conduct on responsible marketing, based on the following proposition:

Companies adopt codes of conduct to pursue legitimacy.

This proposition will in the following be discussed by categorizing legitimacy into strategic and institutional legitimacy. This is done in order to understand the specific type of legitimacy companies in the food industry intent to gain from formulating codes on marketing of food to children. Institutional legitimacy will be discussed on the basis of Suchman’s (1995) contribution to moral and cognitive legitimacy whereas the strategic approach is focused on Suchman’s (1995) work on pragmatic legitimacy.

Institutional Approach to Legitimacy

The institutional legitimacy approach can be used to look into the characteristics in the environment and discuss the consequences of stakeholders. The media analysis serves the purpose of illustrating the perception of various topics within the theme of responsible marketing to children, which allows us to discuss the foundation for legitimacy through responsible marketing practices. As discussed, the media is an essential stakeholder that
consequently can influence the level of legitimacy companies can pursue. Legitimacy can be pursued through the media, since a close alignment between media content and public opinion (Deephouse & Carter, 2005), makes companies more likely to develop practices and visible policies in an attempt to restore lost legitimacy, to limit a future negative media attention or in an attempt to gain future legitimacy (Ashforth & Gibbs, 1990). The media’s role is thus vital not only because the topics covered in the media are distributed to a vast amount of people, but also because the media as a stakeholder is spreading or displaying a distinct perception, that ultimately can establish the foundation for pursuing legitimacy.

The perception of *advertisement in the food industry* in the media is overall negative, cf. table 9, which morally results in a perception that there is a need for responsibility towards marketing to children. The acknowledgement of the obesity issue leaves the pressure not only to be on governmental agencies to impose restrictions on marketing, but there is additionally a direct pressure in the media targeting companies. As an example, the negative perception of Coca Cola’s marketing practices shows that a negative perception of advertising of food to children increases a moral pressure on companies to acknowledge their responsibility. In spite of this, there are opposing thoughts on advertising, such as a question on the proof of correlation of marketing activities and child obesity. This questions the “right thing to do” within advertising.

Companies can pursue moral legitimacy if they are doing the right thing within marketing of food to children. In this case the overall negative perception underlines an opinion that calls for companies to take responsibility within marketing, and introduce and support codes on marketing to children. The companies investigated are forming the basis for aligning their actions with the moral expectations by formulating a CSR strategy and codes on marketing. All companies, except one have done this, which is seen as a reaction to the moral pressure, and the alignment of activities with moral expectations.

When companies can pursue moral legitimacy by conforming to the perception in the media, could ultimately result in the stakeholders take-for-granted that companies are responsible within marketing of food to children. If this perception is manifested in the media *cognitive legitimacy* can be achieved. Thus, the perception in the media can on the one hand reflect the
basis for moral legitimacy by corresponding to a negative perception of advertisement of food to children, and can additionally be manifested and cognitive taken-for-granted. On the other hand, the media as such is composed of several stakeholders, resulting in a perception that is not solely negative. The perception is therefore not clear-cut, which limits a unified perception of moral or cognitive taken-for-granted legitimacy. In spite of this, it is believed that the prevailing negative perception result in a pressure on companies to morally live up to the perception, which function as myths, creating social values and norms, hence possible moral legitimacy and/or future cognitive legitimacy.

When taking a closer look at specific CSR action, the perception of the Code, cf. table 10, is important for companies incorporating the Code because the more positive the perception of the Code the likelier is it that the Code can enhance company legitimacy by integrating it. In order to achieve moral and cognitive legitimacy, the Code must be socially accepted, perceived as being the right thing to do (moral), and to be taken-for-granted (cognitive). The perception of the Code in the media is far and foremost negative. The critics are skeptic, since it is argued that the Code is not sufficient and that there is a need for a complete ban on marketing to children instead of self-regulation. Despite that the Code is taking a step in the right direction to fight obesity, one specific criticism of the Code is that products will be advertised anyway through alternative marketing activities. This view mirrors a public negative perception of the Code that questions whether the Code is the right solution to fight child obesity. The negative view can be an obstacle for the Code to become cognitive taken for granted and morally accepted, thus a hindrance in companies pursuing moral and cognitive legitimacy from adopting it. It is thus believed, that the negative perception questions the future of the Code, because the lack of a taken-for-granted perception of it leaves this initiative without support.

The negative perception can also be a hindrance of the Code to become a symbol of the creation of a social contract, which according to Long & Driscoll (2008) can be defined as a way in which business behavior is conformed to society. Specifically, the negative perception as well as a lack of compliance with the Code illustrate that the Code is simply not expected from society, and consequently cannot set forth a social contract. An alternative perspective is that the Code can in fact be seen as a social contract between the companies and the
stakeholders, because the opposing or positive perception of the Code stress that it is better to adopt a code than regulating through state regulation. This perception could form the basis of a social contract between the companies and society, which could make companies comply with society’s expectations. That is, the Code is a contract where the company’s obligations are in focus, thus creating trust to stakeholders. This point is crucial, for the discussion on legitimacy, since an argument by Sacconi (2009) underlines that a code is a social contract and can thus form the basis for moral legitimacy. All in all, the negative perception at first glance opposes the creation of a social contract through which companies can gain legitimacy, however, despite this, the perception shows an expectation of companies forming codes in general, resulting in a code to become a social contract and boosting possible legitimacy. It is thus believed that the Code can function as a social contract that can lead to moral legitimacy. In this regard, we believe the future of the Code is bright.

Compliance with the Code can at first glance not result in achieving moral legitimacy, since the perception is more negative. Similar, cognitive legitimacy can be achieved if the Code is in fact, as believed by DI (interview with DI), taken-for-granted. Put differently, DI takes for granted that by being a member of DI implies that companies adopt the Code. If the Code is in fact taken-for-granted can explain why companies are not stating the support to the Code, because there is no point in stating something that is cognitive taken-for-granted. However, it is believed that since companies are not complying with the Code or stating direct support to it, shows that the Code as such is not taken for granted in the industry, see table 15. It is possible that the Code can be said to create tendencies of formulating codes on marketing to children, however, is it uncertain if the Code functions as a catalyst for the creation of codes on marketing to children in general.

One perception of self-regulation in the media is that self-regulative action is a superior alternative because an industry has the best knowledge about its products and approaches to marketing these. However, monitoring of self-regulation is a returning issue, since the lack of a sanctioning power can result in fewer incentives to comply with a self-regulative code and ultimately result in the possibility of free-riding. In spite of this problem, there is a positive media perception towards DI as being responsible for the Code and monitors compliance. Thus, despite a general negative perception on self-regulation and monitoring, DI can level
the negative perception and form the foundation for legitimacy, because DI fills the vacuum of expectations of a moral watchdog. Despite the fact that the media as such is argued to be a watchdog, we believe an organization responsible for monitoring (and sanctioning) is needed.

The *responsibility debate*, see table 12, shows a divided perception. One perception is that the increasing obesity epidemic is a problem that politicians have to handle. The opposing side claims that the public has to take their health more serious and think about what they eat. Various articles put advertising in a positive corner, stating that there is no proof of correlation between child obesity and advertising, and that children watch fewer advertisements today. Notwithstanding the general perception of advertising in the food industry is negative. The solution debated is a voluntary code, which is preferable for the government, the companies and stakeholders/consumers. Despite this, the code should be supported by rules and recommendations, since companies, on the one hand, are being faced with a negative perception of advertising and that a code is perceived a solution to the issue, thus may feel a moral pressure to adopt codes. On the other hand, the debate does not show a straightforward picture on where the responsibility lies. Governments, international agencies and parents are groups that, morally speaking, have responsibility. Thus, at this point, various expectations might limit possible moral legitimacy from integrating the *Code*.

In spite of the above, overall negative perception and a perception that voluntary self-regulation is the way forward, can pave the way for pursuing moral legitimacy from adopting the *Code*, because it is believed that legislation on marketing is not the way forward. This is so mainly because the lack of satisfactory state regulations at the national and international level, makes self-regulation the best way for companies to act social responsible. Another important reason found is that the *Code* will work better than a law, because the *Code* is established based on ethics and moral, which give the industry mutual dependence on compliance. This latter is important to moral legitimacy, as pursuing moral legitimacy is based on being ethical and act according to moral views in a society. Thus, the above indicates a foundation to gain moral legitimacy from adopting the *Code* since it is meant to be an initiative to take a stand to act responsible when marketing to children.
By taking a closer look at actions from companies, the media analysis revealed that Coca Cola was among the companies that received most media attention, mostly negative, see table 11. The negative media attention is believed to be a challenge for Coca Cola to pursue moral legitimacy. The negative perception can, however, also be an explanation to why Coca Cola responds by engaging in CSR. However, a well-developed webpage with information on the company’s CSR actions is not present in Denmark, leaving Coca Cola to focus more on aligning with a global moral approach to legitimacy rather than focusing on the local perception. The prevailing global approach from the rest of the companies, table 14, additionally underlines an attempt to align CSR actions with a global set of morals. Possible mismatch between the moral expectations in Denmark (the expectations prescribed in the Code) and a global moral framework is evident at this point. This argument can be supported by the fact that merely one of the companies is in compliance with the Code. Thus, the moral foundation in Denmark is not of importance to the companies.

All in all, opposing perceptions of the Code results in an unstable environment in which there is no consensus on whether the Code is beneficial or not. The perception is, however, mostly negative, creating a sphere in which it is difficult for companies to gain moral or cognitive legitimacy from adopting the Code. In spite of this, moral and cognitive legitimacy is achievable if companies address the negative perception, by actively taking a stance in marketing of food to children. Thus, the right thing to do is to take responsibility, and respond to the stakeholder’s pressure of doing the right thing, thus pursuing moral legitimacy. This indicates an active approach to pursuing legitimacy, while the lack of incorporating the Code in the companies’ strategies, suggest passive, or as an unimportant mean to pursue legitimacy,

**Strategic Approach to Legitimacy**

Strategic legitimacy is a managerial perspective on legitimacy, in which it is perceived as an operational resource pursued through manager’s goals to align the company’s actions with social interests. The Code and codes of conduct can thus be a mean for managers to integrate in their interest. The core within strategic legitimacy involves a discussion on whether companies strategically pretend that they are following a code of conduct, which is easily communicated on their webpage. The communication, however, does not mean that companies necessarily follow the code. This question is also valid when it comes to the food industry, since the companies investigated are communicating codes on marketing of food to
Integrating the Code should act as a guideline to how companies execute responsible marketing practices to children, and can also become a tool to receive legitimacy from stakeholders. Therefore, integrating the Code could potentially be done on the basis of a strategic approach to the Code, which results in the question from the stakeholders on whether companies are taking a stance and implement the guidelines, or whether it is manipulation. Put differently whether companies are in fact doing what are saying they do.

The question whether the Code is a strategic device to pursue legitimacy is best discussed by taking a closer look at exact actions from the companies investigated. From figure 9, it becomes clear that there is a high correlation of companies adopting codes of conduct based on a pursuit of strategic legitimacy. That is, the analysis shows that companies perceive codes on marketing of food to children to be a strategic tool to gain legitimacy. Being a good corporate citizen is by companies believed to benefit the company, and is carried out from strategic purposes. At this point, it is essential to note that merely one code communicated from one company indicates full compliance with the Code. Therefore the investigation on the rest of the companies shows that codes in general are integrated based on a pursuit of strategic legitimacy. The Code is therefore not by companies perceived a strategic device. From the moral legitimacy discussion, it was concluded that there is a basis for the Code to become morally accepted; therefore, it is possible for management to strategically pursue legitimacy.

According to Suchman (1995) there are three types of strategic legitimacy. One of them is exchange legitimacy, which can be seen in the sense that DI expects its members to integrate the Code. Since the companies are generally not integrating the Code, reveal that there is not a direct exchange of legitimacy between the companies and DI, rather, it can be said that companies in general are responding to the media attention on the call for company action. Even though these actions are not in direct compliance with the Code, DI claims that companies do take action (Årsrapport, 2009) and regard the actions a success thus legitimizing DIs actions, which indicates influence legitimacy. Additionally, companies engage in exchange legitimacy by responding to possible governmental intervention. From this, companies avoid legislation, while the government avoids intervention. When it comes to dispositional legitimacy, companies engaging in CSR can from the media analysis be
regarded as being a good corporate citizen. The analysis has furthermore shown that this attribute is positive perceived. Thus, communicating CSR actions can not only influence the company’s moral standards, but also indicate dispositional legitimacy.

When managers purposely use codes of conduct, they are executing CSR activities that are expected by companies to give these values in return. This shows a parallel tendency to strategic CSR by Porter & Kramer (2006), where the focus is to make economic profit and at the same time be social responsible. Pursuing strategic legitimacy can be seen as the same level because one of the reasons for pursuing strategic legitimacy is the estimated cost of non-conformance to CSR actions. Codes of conduct and the *Code* are symbols of taking responsibility and therefore a way to strategically pursue legitimacy from stakeholders. Despite this, there are dissimilar ways of gaining legitimacy, which will be covered next.

**Gaining Legitimacy**

As stated in Scherer & Palazzo (2010) the conditions that affect how legitimacy is gained constantly change. According to Suchman (1995) there are three ways companies can gain legitimacy, which will structure the discussion in the following.

*Conform to environment*

The easiest way of gaining legitimacy is for managers to position the business into the already established environment that converges with companies’ value. In this regard companies in the food industry try to conform to the already established institutional environment by implementing industry self-regulations, as shown in table 14.

To seek strategic legitimacy companies manipulate to meet the stakeholders’ needs, which on the basis of the discussion to the institutional approach to legitimacy, has revealed is not as straightforward, since it is both perceived that companies should take responsibility and that there is no need to. It is however believed that companies overall need to take a stance on marketing to children, to show that they are responsible. Only one of the companies has strategically used the *Code* in their CSR strategy, namely Toms, which shows that Toms is conforming to the Danish environment. Arla is the only company that has not written anything about codes on responsible marketing, despite having a comprehensive CSR report and being a large player on the market. Arla is thus not conforming to the environment by not
stating their responsibility to fight obesity, or taking responsibility towards marketing practices. Kellogg’s has not made their own code of conduct, but refers to the self-regulatory pledges around the world. Kellogg’s shows conformance to the environments’ expectations and institutional settings, but do not specify which code the company supports. The rest of the companies have implemented their own corporate code. Companies who support pledges are conforming to the informal institutions in the environment, due to the normative expectations of doing so. Since there is no direct conformity with the Code, except Toms, companies are not directly conforming to the local Danish environment. The negative perception of the Code reveals that an informal compliance with the Code would not give companies incentives to comply with it. The Code is not law, thus, complying formally would in a sense be based on informal expectations to comply with it.

A negative perception of the single company in the media would make companies more likely to respond to the criticism. This can be done by adopting codes of conduct and if these in return give the company a positive feedback in the media, then the code is explicitly taken-for-granted and will give the companies cognitive legitimacy if they comply with the code. The companies have listed the various organizations they support on their webpage and in their CSR report. This shows that they are actively supporting well-known and global CSR actions. These organizations are believed to be well-known and perhaps perceived taken-for-granted, thus the companies are conforming to the environment.

Select among environments

When managers wish to protect their brand they can move to the right environment for them to gain legitimacy. This can be difficult, since the international attribute of the companies investigated are all operating in the EU. Initiatives to limit marketing of food to children have been formulated across the EU; therefore, selecting among EU-countries will in theory not change the environment. Internationally, the WHO is setting forth recommendations which unify the environment, and the question rises whether the EU integration and harmonization makes the borders blurred. That is, it can be a challenge to select among environments. In spite of this, as discussed, there are in fact differences between cultures, norms and values, thus a possible approach to relocate to a different market geographically. One action companies can take if they do not gain legitimacy in the Danish market is to reallocate to a
new market. By moving outside the Danish market, implies that companies must adapt to new informal and formal institutions. Despite this companies can choose to integrate international codes, or formulate codes themselves, which most companies in the analysis have done. Thus, there is a possibility for maneuver. The companies act within an international environment, but none of the companies are able to move away from the EU when conducting business in the region, since the EU laws and regulations shall be followed. Despite this, at the national level norms and myths and regulations have to be complied with. This is especially true, when keeping the soft law approach of self-regulation in mind.

*Manipulate environments*

The strategy of manipulation to gain legitimacy is based on a need for companies’ collective action, which means that companies must collaborate in order to manipulate the environment. The environment around the food companies is based on Danish laws and morals. For companies to manipulate environments they can influence their stakeholders through alternative channels, e.g. actively sponsoring schoolchildren and sports events, lobbying the Danish government, and do scientific research to convince their stakeholders that they are taking responsibility, and to show that there is no correlation between obesity and marketing. Publicized CSR reports are also a mean to manipulate, by making the stakeholders believe they are acting responsible, while they in fact do not know if they have executed the operations mentioned in the reports. If people do not believe companies actions are legitimate, is there a future for CSR? Despite this, the media can be used as informal monitoring of companies’ CSR actions as the media is constantly following and monitoring whether companies are behaving responsible.

Based on the above discussion, it is obvious that companies in the food industry can conform to the environment. This does not seem to be the case in Denmark, due to the lack of compliance with the *Code*. If companies complied, it is assumed that the *Code* would be accepted by other companies than Toms. Additionally, selecting among environments is possible to the degree that there are cultural differences and local self-regulative initiatives. However, institutions such as the EU limit the differences across borders. Lastly, manipulate environments is possible, if companies collaborate to manipulate in their favor.
Strategic or Moral Legitimacy

Based on the above discussion companies have self-interest in showing the public that they are responsible, however the question remains if they have manipulated the content of their code of conduct to persuade the stakeholders that they are responsible. The results illustrate that companies are adopting codes of conduct to a larger extent to pursue strategic legitimacy over moral legitimacy, see figure 9. This means that managers of companies within the food industry have a strategic intention behind responsible marketing of children.

This can be due to a pressure from other professional networks within the industry as they are aware of a possible regulation of marketing, if companies do not act responsible. As discussed earlier in this chapter, the institutional environment dominated by influence from the WHO and the EU in pressuring companies to take responsibility and the government and NGOs comprehend that marketing of unhealthy products have a negative impact on obesity. The strategic approach to legitimacy as well as the attempt from all companies, except Arla, is to communicate their actions and underline an active approach to pursuing legitimacy. The active attempt to gain legitimacy reflects that companies are actively competing against each other in being legitimate to the stakeholders.

From a management perspective, one important problem with legitimacy is how to link the organization’s core actions to values that are socially accepted. This is especially problematic when organizations of the same type compete for the same activities to gain legitimacy. According to Pfeffer & Salancik (1978) legitimacy will always be difficult and problematic for a company to achieve, because what is perceived legitimate is continuously changing. One can say that informal rules and norms are deeply rooted in society, however, the international flow of information and emerging issues challenge the norms and values being, so what is perceived legitimate is continuously changing. The Code is in this regard something that has been implemented the last couple of years. As there are no other national self-regulatory codes in the Danish food industry on marketing to children, the companies operating in Denmark are competing to gain legitimacy on the same code of conduct. Competition can explain the strategic approach to pursue legitimacy.
Companies are implementing codes of conduct to obtain legitimacy and according to Stratling (2007) companies with a higher visibility in the media are more active in their CSR reporting than others. A company such as Coca Cola has a high visibility in the media. To avoid bad press companies have strategic reasons to adopt codes of conduct on responsible marketing, because the economic calculations of not taking the codes into account are negative. This is one explanation to the strategic approach. Hence, they are better off to implement codes of conduct because they have an economic self-interest to generating revenue. We believe that since the companies investigated are marketing unhealthy products, namely underlines the central aspect of pursuing legitimacy. The companies investigated are marketing controversial, unhealthy products that are not at first glance paving the way for legitimacy in an environment, which requires these to take responsibility. We believe that the companies are pursuing strategic legitimacy, because the cost of bad press is too high. This corresponds with the media analysis, where the perceptions of marketing to children and the Code are mostly negative; consequently stakeholders believe they should take further actions. Companies who have codes of conduct strategically want their stakeholders to believe they are operating within the social accepted environment, and that their actions are accepted from the stakeholders. As companies want to make profit, they are strategically using responsible marketing as a symbol to give the impression of good behavior.

Companies are seeking strategic legitimacy by taking responsibility within issues traditionally within the responsibility of the state, and thus proactively engaging in the political sphere (Scherer & Polazza, 2010). On the contrary, moral legitimacy seems to depend on the specific involvement of the single company. Moral legitimacy is socially constructed by means of considering reasons to justify what takes place in some kind of discourses between the company and its environment. This leaves moral legitimacy to be created from companies participating in explicit public discussion. Moral legitimacy is based on a communicative process of sense-making and consensus-building among stakeholders and the companies. When companies are facing a changing and complex moral background of various stakeholders, communicative or discursive approaches are needed to meet the demands of conflicting positions (Scherer & Polazza, 2007). That is, for food companies in Denmark to meet conflicting demands, these companies meet various demands by embracing broad and
global standards, such as the prevailing support to the WHO. This approach underlines the strategic, manipulate approach to codes.

**Sub-conclusion**

Just a few years ago child obesity was not on the agenda to the degree that it is today. This implicates a shift in possible legitimacy given to the food companies. Today, these companies are exposed to public opinions, resulting in a public pressure questioning their legitimacy. In the media analysis conducted, a distinct, critical perception was found, revealing that legitimate actions are associated with a demand to take a stance on the increasing obesity debate, and to show responsibility and transparency in their marketing activities to children. Codes of conduct are a way of gaining legitimacy and an important CSR tool for companies.

To fight the obesity epidemic, companies must take a stance to show responsible marketing practices; hence CSR actions must be carried out. All of the investigated companies have CSR reports, with written information about responsible marketing to fight obesity. However, only one company, i.e. Toms mentioned the *Code*, and Arla do not have a code at all. The other companies have either developed their own corporate code of responsible marketing or explicitly stated they are following international self-regulative pledges around the world. According to the conducted analysis there is a correlation between bad media and the likelihood for adopting codes of conduct to restore lost legitimacy and avoid negative media attention. The importance of communication is vital, because the higher the transparency of the actions carried out, the more likely the companies are to gain legitimacy from their CSR actions.

To finalize the proposition, the findings from the media analysis resulted that companies who are exposed to bad media pressure regarding their marketing practices, have implemented codes of conduct to restore lost legitimacy. The only company explicitly stating support to the *Code* was Toms. Based on the media analysis on Toms, they did not receive much critical media attention. This leaves you to wonder why Toms chooses to comply with the *Code*, particularly as it has long roots in Denmark and already has received legitimacy by being a responsible company. When it comes to the company analysis it was revealed that companies within the food industry are pursuing strategic legitimacy by conducting CSR activities and explicitly stating they have corporate codes of responsible marketing on their webpage’s,
based on self-interests to do so. One reason for this is that the cost of not behaving socially responsible is higher than if you take a stance on marketing to children but also for the reason to gain value in return. Food companies in Denmark thus have adopted codes of conduct to gain legitimacy, but the Code impact is in this case limited. Instead, many of the investigated companies have chosen to follow self-regulative pledges around the world and implement corporate code of conducts, which make you question if there is a need for the local industry Code and that companies should adapt to international codes instead. The world institutional background on marketing to children is complex and this might be a reason for companies to adopt their own code of conduct and at the same time show their stakeholders that they are taking responsibility and gain legitimacy based on their own actions. Put forward, the relationship between strategy and CSR is high, whereas companies’ management sees value of executing CSR activities for responsible marketing to children. By executing this activity companies underline that these are highly involved in CSR and acknowledge the call for stakeholders request to fight obesity.
Overview: Findings

The table below is included to provide the reader with an overview of the discussion and the main conclusion.

<table>
<thead>
<tr>
<th>Proposition</th>
<th>Main Theoretical Contribution</th>
<th>Findings</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposition 1: External pressure on companies will result in these being more likely to behave socially responsible and adopt voluntary self-regulation.</td>
<td>Global governance Scherer &amp; Polanza, 2010 CSR Crane &amp; Matten, 2007 Carroll, A. 1991 Stakeholders Donaldson &amp; Preston, 1995 Codes of conduct Crane et al., 2007</td>
<td>- Companies are exposed to media pressure and the media is a stakeholder that can influence companies’ commitment to CSR. - Companies take some of the responsibilities of the state by engaging in CSR. - Achieving true CSR in the food industry requires the companies must be pervaded with CSR - Inconsistency in engagement in CSR between the companies investigated. - Mostly global CSR strategies. - Only one company in compliance with the Code.</td>
<td>Companies are more likely to behave socially responsible when exposed to external media pressure.</td>
</tr>
<tr>
<td>Proposition 2: Institutions take part in laying the fundament for pursuing legitimacy.</td>
<td>Institutions Scott, 2001 New institutionalism DiMaggio &amp; Powel, 1983 Myths Meyer and Rowan, 1977 Isomorphism DiMaggio &amp; Powell, 1991</td>
<td>- WHO, EU and DI agree on self-regulation within the food industry, thus institutional support to the Code. - No precise institutionalized code to marketing of food to children. - The agreement can function as myths. - There are isomorphic tendencies between companies.</td>
<td>Institutions do take part in shaping the fundament for gaining legitimacy</td>
</tr>
<tr>
<td>Proposition 3: Companies adopt codes of conduct to pursue legitimacy</td>
<td>Legitimacy Suchman, 1995</td>
<td>- Stakeholders (the media) form the institutional environment in which companies pursue legitimacy. The media supports self-regulation in general which can become taken-for-granted, but is sceptic about the Code → obstacle to acceptance of the Code. - Managers have a strategic approach to the pursuit of legitimacy by deliberately constructing the CSR strategy in a strategic manner.</td>
<td>Companies adopt codes of conduct to gain strategic legitimacy</td>
</tr>
</tbody>
</table>

Table 17 Overview of propositions, main theoretical contributions, findings and main conclusion.
7 Conclusion

The motivation behind the thesis is to highlight the call for companies participating in the fight of child obesity. The business tool to do so is through CSR actions, specifically through codes on marketing of food to children. By implementing a code, companies commit to limit their marketing of unhealthy food to children.

The objective of the thesis was to shed light on how the Code and codes on marketing of food to children are operationalized in the pursuit of legitimacy. This was approached by conducting two content analyzes; one on articles from newspapers and one on codes on marketing of food to children found on companies’ webpages. The goal of the analysis on the media level was to explore the fundament for pursuing legitimacy by understanding the perception in the media. The goal of the company analysis was to classify the specific type of legitimacy quested. Both analyses explored latent content to reveal the subjective perception of the Code, and to understand whether companies find that the Code grant these with legitimacy.

Three propositions have been theoretically formulated, which structured the discussion and connected the theory with the data collected. The first proposition; external pressure on companies will result in these being more likely to behave social responsible and adopt voluntary self-regulation, was centered on CSR, self-regulation and code of conduct. It was theoretically concluded that companies will take vital stakeholders into account when designing their CSR strategies, while remaining a profitable business. It was empirically found that companies, who were exposed to media pressure, were more likely to behave social responsible and adopt codes on responsible marketing. This showed that companies take a state like role by self-regulating their actions, influenced by a pressure from the stakeholders to be a good corporate citizen. The media as a stakeholder did not directly put pressure on the companies to adopt the Code, but rather to form responsible marketing practices in general, and thus underlines a call for companies taking responsibility. This partly explains why the Code was not explicitly integrated in the companies’ CSR strategies, and that merely one of the eight companies is in full compliance with the Code.
The second proposition; *institutions take part in laying the fundament for pursuing legitimacy* is based on the theory within new institutionalism. The theory predicts that informal institutions are constantly changing but can develop into rules or “myths”, which companies integrate to pursue legitimacy. Companies will integrate the same myths which results in homogeneous companies, which is best explained by isomorphism. Institutions consequently partly form the fundament for pursuing legitimacy. The discussion revealed that *institutions do take a significant part in shaping* the rules of the game and guide companies’ actions. From analyzing the formal institutional environment, it became clear that global and local organizations are working on convincing companies’ that these should take responsibility in their marketing of food to children. WHO, EU and DI are encouraging companies to adopt codes of responsible marketing, thus shaping the fundament of pursuing legitimacy through incorporating codes. An institutionalized precise approach to marketing of food to children is however not established.

The third, and last proposition; *companies adopt codes of conduct to pursue legitimacy* explored the theory on legitimacy, which involved companies pursuing legitimacy in order for these to gain a license to operate. Legitimacy is gained when the companies’ actions are perceived appropriate, proper and desirable with society’s expectations and norms. The discussion was structured around whether companies perceive to gain legitimacy based on a strategic or moral reason. Companies in the Danish food industry are pursuing strategic legitimacy when adopting codes on marketing of food to children. Thus a corporate self-interest background for gaining legitimacy, as the economic cost of not complying is high. Moral legitimacy was, however, additionally found due to a moral interest from the stakeholders, based on a perception that companies ought to take responsibility. Therefore, a moral approach is also found, based on the assumption that having responsible marketing practices is the right thing to do.

The three propositions serve to our purpose of answering the overall research question; *what type of legitimacy are companies in the Danish food industry pursuing by adopting the Code?* First, the fundament on which companies pursue legitimacy must be found, because stakeholders have a perception that can influence the grounds on which legitimacy is pursued. Stakeholders thus have a saying in companies’ CSR actions and that in order to pursue
legitimacy; companies have to explicitly state CSR initiatives to the stakeholders. In this process, the media is a stakeholder that can ultimately grant legitimacy. Second, institutions and norms are additionally influencing appropriate and proper actions; therefore institutions shape companies’ and organizations’ actions. The institutionalized norms become a mean to pursue legitimacy. In the process of communication to the stakeholders and pursuing legitimacy, the simple answer to the research question is that companies do not integrate the Code, rather, the companies integrate other codes on responsible marketing, mainly by garnering one form of legitimacy; strategic legitimacy.

Since only one company explicitly stated the support to the Code, left the research on whether the Code as such by the companies is believed to grant these with legitimacy, to not directly be found. The rest of the companies either had their own company codes for responsible marketing or stated that they followed industry self-regulation. This revealed that the companies are not adopting national based codes such as the Code, that is, they pursue legitimacy by formulating codes that functions across borders. This makes us question the need for a national code in Denmark, and the thesis stress the call for a clear and understandable international code, for global companies to sign up for.

The lack of compliance with the Code is at first hand not understandable, since the fundament is present, because the perception of marketing to children in Denmark is mostly negative in the media, thus a desire to take responsibility and marketing products responsibly. However, the perception of the Code is perceived inadequate. This can explain why large companies do not necessarily adopt the Code but mainly remain in line with the environment and adopt a responsible approach in general, which companies can apply across borders. In spite of this, local values and norms are inevitable, which can support the Code, thus, future compliance with the Code might be seen. Additionally, a recent positive evaluation on the EU level, and a possible future positive evaluation, might further strengthen the position of Code on the Danish market. That is, it seems as if stakeholders as such is a group that ultimately can become the gatekeeper to legitimacy, and understanding whether stakeholders perceive the Code to be valuable, lays the fundament for creating legitimacy from adopting the Code. The Code is to a degree expected from stakeholders to be implemented by companies, due to a
general call for company engagement, but stakeholders are additionally skeptic about the Code; thus there is not one answer to the future of the Code.

The main contribution we seek to highlight is that companies must take responsibility to fight child obesity. A way of doing so is to develop a CSR strategy focusing on responsible marketing. The discussion on legitimacy highlights that companies have a managerial self-interest when it comes to fight obesity, much based on the cost benefit of not taking responsibility. Companies therefore generally do not succumb to moral pressure. The strategic approach is therefore distancing the CSR actions from their moral foundations. We believe that the managerial perspective on CSR can connect CSR and traditional business practices, which is important for companies, legitimacy wise; otherwise you can question future compliance of voluntary CSR actions. Based on this companies should adopt a CSR strategy consisting of clear responsible marketing practices to children, which makes the strategies transparent. By this they will set strong standards within the industry and are able to gain legitimacy from the stakeholders, thus ultimately gain something in return from CSR.

7.1 Future Research
In retrospect, the thesis did not try to make an attempt to dig deeper and explore the business case of CSR in the food industry in Denmark. This could be a possible future research perspective, and could ultimately discuss a managerial perspective on CSR and its consequences for society.

The discussion of informal institution on the Danish, the European and the global level would be a challenge, as institutions are not easily measured and observed. Informal institutions would require a complete different approach to investigate these, but could ultimately add to a more nuance picture of influence from institutions.

In connection to the above, the content analysis data collection method could, for future research, take a step further by conducting interviews with the investigated companies, which could potentially reveal their subjective perception of the Code. The limitation at this point for this thesis is that it is found non-relevant, because companies will most likely speak in their favor. In order to reveal a perception, a latent content approach to conduct the interviews is needed, which would require much effort, but could give a clear picture of their perception.
Similar, another focus could have been to interview the consumers on their perception of marketing to children and the Code. For future investigation on this topic, interviews with companies and stakeholder could thus give valuable insight on the future of the Code.

7.2 Putting the Thesis into Perspectives

An alternative approach to the entire issue on whether companies believe to gain legitimacy from CSR actions, could have been approached from various angles, and these perspectives have during the process of writing the thesis been critically evaluated. In the following, we will wrap up the thesis, by putting the topic in perspective with some interesting alternative perspectives we have met.

The current debate of the structure in the food industry has revealed a picture of an industry that is dominated by few, large companies that can control and manage the entire supply chain in their advantage (Food Inc., 2010). This has led to production of unhealthy, cheap food. Meanwhile, people take on bad eating habits, not only in the western world, but also in the developing countries. Thus, companies are left with the dilemma of understanding their CSR obligations in their home (western) country as well as in developing countries. When operating in developing countries, companies will witness a different institutional pressure, than revealed in this thesis. We believe this is a key element in the CSR dilemma of tomorrow, because it can result in a race to the bottom in developing countries, because companies are mainly seeking legitimacy from their main stakeholders. Stakeholders are often found in their home market, and their perception of legitimacy may differ in the developing country.

In these lines, the public perception of business’ responsibilities has developed towards businesses seen as part of the solution rather than the source of the problem; consequently, businesses do not have a free choice than to take responsibility (Barkemeyer, 2007). In spite of this, the thesis concluded that an assumption behind CSR is that it is voluntary, leaving room for maneuver, thus, it is assumed that CSR actions are developed in the economic North and transferred to the South. This leaves us with the question whether the CSR actions developed are shaped by the institutional environment in the South, or whether the strategy is formulated in the North to please stakeholders and ultimately gain legitimacy from these. This result is in a bias towards short-term projects with a high visibility towards stakeholder rather
than long-term initiatives. A fear of greenwashing comes to mind in which companies apply CSR in a misleading manner. The issue above could be challenged if companies as discussed in the thesis, face coercive pressures for isomorphism in a developing country, yield for the pressure and change the strategy from a headquarter-based approach, to fit the actions with the country in which the company is located.

The above-sketched issues lead to a managerial dilemma on legitimacy across borders that from the company’s perspective can be approached by identifying the different legitimacies in home vs. host country through decentralizing CSR. Therefore, the theories within new institutionalism and legitimacy can be useful in developing sound CSR strategies that will benefit the company’s bottom line. Additionally, the theory adds to the understanding of culture differences, often explained by works from authors such as Geert Hofstede. Understanding perspectives on culture differences do not only provide managerial tools to operate across borders, adding new institutionalism to the theory on culture differences, could lay the fundament for discussing cultures in a more nuanced manner.

The above discussion reveals a new approach to CSR and business’ role in society; a new thought that claims that the company should be seen as a part of the surrounding environment with which it has to be in harmony. Authors such as Arie de Geus (2001) state that a company should be regarded as a living organism, and Bragdon (2006) apply the terminology that companies that mimic living systems put a higher value on living assets (people and nature) than they do on non-living (capital) assets. Companies will survive in the long run because they think and act like living communities that are integrated into the larger living system (society) (Bragdon, 2006). We believe that the world is changing and that behind the financial crisis, is a perfect time to change the way companies are managing their CSR actions, in the North as well as the South. Now is the time for companies to comprehend the surrounding environment and obtain harmony, consequently benefiting society, employees, stakeholders and shareholders in return.
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1 Content of the Code

Issued by Forum of Responsible Food Marketing Communication

Code

Of responsible food marketing communication to children
Forum of responsible food marketing communication

Overweight among children is an increasing problem in the Danish society. A combined effort from the families in question, the business community, the authorities, as well as political awareness is needed in order to find an apt solution.

First and foremost, obesity is a lifestyle problem; we eat more than necessary with regard to energy expenditure - and we eat the wrong things.

The sooner in life a healthy lifestyle is adopted, the better the effect. Therefore, children are an important target group to reach in the battle against obesity.

There are no easy solutions.

On this basis, the Danish Food and Drink Federation in The Confederation of Danish Industries, The Danish Chamber of Commerce, The Federation of Retail Grocers in Denmark, TV2 | DANMARK, Danish Brewers’ Association, Danish Newspaper Publishers’ Association, Association of Danish Advertisers, the Association of Danish Internet Medias, Danish Association of Advertising and Relationship Agencies, Danish Magazine Publishers’ Association, have established an informal cooperation called Forum of responsible food marketing communication. The purpose of the Forum is to create and maintain a voluntary code, encouraging not to advertise for food with a high content of sugar, fat, and salt in media directed towards children.

The code was effective from January 1st 2008 and it is accompanied by a guide, explaining which foods and media, the code includes.

The organizations and media represented in the forum have formulated and agreed on the following code concerning food commercials directed towards children.
Code of responsible food marketing communication to children

§1
General rules
Marketing have to be in accordance with the Danish legislation, including the Food Act, the Marketing Practices Act and the Radio and Television Broadcasting Act, and in addition respect the commonly accepted ethical standards of advertising practice.

§2
Marketing of foods directed towards children
Marketing of foods with a high content of sugar, fats or salt in media or parts of media, where the target audience is children under the age of 13 years, is not allowed.

§3
Definition of food
In this code, the definition of "food" is in accordance with the definitions in article 2 of the regulation (EC) No 178/2002 of the European Parliament and the Council of 28 January 2002.

§4
Definition of marketing
Marketing is defined as any notice in any form that is released in return for a financial compensation or other kind of compensation with the purpose of promoting the sales of specific products.

§5
Definition of media directed towards children
Media or parts of media directed towards children are for example:
- Childrens programs in television or radio, or programs that specifically appeal to children.
- Webpages on the internet directed towards children for example gamesites, chat rooms, or pages with children products such as toys or computer games directed towards children, regardless of whether the homepage comes from a third party or from the company itself.
- Text messaging services, content rated services or other cell phone marketing directed towards children.
- Printed media, such as magazines, comic books etc cetera, or pages in printed media that are directed towards children.

In order to determine whether or not a media or part of a media has children as its target group the following should be considered:
• Content, use of language and visual effects
• Whether or not children are represented
• Time of broadcasting
• Expected users
• Actual users

§6
Assessment
The advertiser / sender of the commercial determine whether or not the commercial or sponsoring includes foods with a high level of fat or sugar.

The media enterprise / company determine whether or not the media or parts of the media have children as its target group.

Forum of Food Commercials have published a guidance to be used for the evaluation.

§7
The above mentioned criteria apply to all marketing in media directed towards children under the age of 13 years in Denmark.

§8
This code was effective from 1 January 2008 and was revised August 2010.
Guide

Code
of responsible food marketing communication to children

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<td>6. Fruit and vegetables</td>
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<td>The Danish Radio and Television Broadcasting Act</td>
<td>12</td>
</tr>
<tr>
<td>Further information</td>
<td>12</td>
</tr>
</tbody>
</table>
What is the age limit?

The forum has chosen to set the age limit to 13 years. Marketing directed at children below that age is covered by the obligations stated in the code.

The 13 years age limit should be seen as a minimum limit. Providers of food marketing communication are encouraged to show consideration towards teenagers as well.

What is the definition of media?

The code applies to children’s media and media with a range of children programs or homepages directed at children.

| What is media? |
|----------------|----------------|
| · Homepages    |
| · Programs in television or radio |
| · Comic books  |
| · Text messaging services |
| What is media with a range of children programs? |
| · Children programs in television or radio |
| · Part of of homepage (a microsite) with children activities |
| · Supplement to or special pages in a newspaper directed towards children |

<table>
<thead>
<tr>
<th>What is not media?</th>
</tr>
</thead>
<tbody>
<tr>
<td>· The jerseys of the local soccer team</td>
</tr>
<tr>
<td>· The local fun run</td>
</tr>
</tbody>
</table>

The below questions can be used as a help to judge whether or not a media is directed - partly or in full - at children under the age of 13 years.

- Is the use of speech particularly directed at children?
- Do the used effects appeal particularly to children? The effects could for example be: animation, cartoons, games and play.
- Are there people or characters particularly appealing to children? It could for example be teenage or children actors, pop stars, super heroes, hosts in children programs or other famous television hosts or characters.
- Are the discussed topics particularly relevant to children? The topics could for example be: “the first love”, “friendships”, “idols”.
- Do children under the age of 13 years participate?
- How is the target group defined?
- Actual users?

The overview is not exhaustive. It should be read as a suggestion to criteria, which can be part of an overall evaluation of the media or parts hereof.
**Sponsoring in connection to after school activities for children**

Marketing in media is included in the code. Sponsorships to the local sports club are not included, because this type of activity is not part of the media definition. The forum encourages the food producers together with the recipients of the sponsorship to carefully consider the message that the sponsorship send to the children concerning eating habits and lifestyle.

**Segmented marketing**

Certain interactive media are able to avoid exposing children under the age of 13 years to certain types of marketing by using segmentation of the users of their media.

If interactive media contain marketing for food with a high content of sugar or fat, they need to employ segmentation in order to make sure that such content is not accessible to children under the age of 13 years.

**Where is the limit for content of sugar, fat and salt?**

The food has been divided into 10 categories, each of which has a limit value for the allowed content of sugar and fat. The limit values are only guiding and should be regarded in relation to the purpose of the code - to limit obesity among children. Read more about exceptions, considerations and salt in the section [Considerations for all food products](#).

<table>
<thead>
<tr>
<th>Categories:</th>
<th>1. Dairy products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Cheese</td>
</tr>
<tr>
<td></td>
<td>3. Meat, poultry, fish and similar</td>
</tr>
<tr>
<td></td>
<td>4. Bakery products (bread, biscuits and cakes)</td>
</tr>
<tr>
<td></td>
<td>5. Cereals</td>
</tr>
<tr>
<td></td>
<td>6. Fruit and vegetables</td>
</tr>
<tr>
<td></td>
<td>7. Sauces and dressings</td>
</tr>
<tr>
<td></td>
<td>8. Beverages</td>
</tr>
<tr>
<td></td>
<td>9. Desserts, snacks and candy</td>
</tr>
<tr>
<td></td>
<td>10. ready-made meals and convenience food.</td>
</tr>
</tbody>
</table>

1. **Dairy products**

<table>
<thead>
<tr>
<th>Dairy products</th>
<th>Cannot contain more than 2.5 grams of fat and 10 grams of sugar per 100 g.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Included in the category</th>
<th>Not included in the category</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Milk</td>
<td>- Ice cream (see category about desserts)</td>
</tr>
<tr>
<td>- Milk with taste, e.g.</td>
<td>- Cheese (see category about cheese)</td>
</tr>
<tr>
<td>- Vodkachocolate milk</td>
<td>- Milk slices (see category about desserts)</td>
</tr>
<tr>
<td>- Lemon buttermilk</td>
<td>- Desserts based on milk, e.g.</td>
</tr>
<tr>
<td>- Vodvodka</td>
<td>- Chocolate mousse and lemon mousse</td>
</tr>
<tr>
<td>- Cream, crème fraiche, curd cheese, fromage frais, butter</td>
<td></td>
</tr>
</tbody>
</table>

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| Content of the Code | 125 |
2. Cheese

<table>
<thead>
<tr>
<th>Cheese</th>
<th>Cannot contain more than 20 grams of fat per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category</td>
<td>Not included in the category</td>
</tr>
<tr>
<td>- Yellow cheese</td>
<td>- Cheesecake (see category about desserts)</td>
</tr>
<tr>
<td>- Cheese spreads</td>
<td>- Cordon Bleu (see category about ready-made meals)</td>
</tr>
<tr>
<td>- Mould cheese</td>
<td></td>
</tr>
</tbody>
</table>

3. Meat, poultry, fish and similar

<table>
<thead>
<tr>
<th>Meat, poultry, fish and similar</th>
<th>Cannot contain more than 20 grams of fat per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category</td>
<td>Not included in the category</td>
</tr>
<tr>
<td>- Meat, poultry, fish and similar</td>
<td>- Entire meals such as pizza, spring rolls and cup noodles</td>
</tr>
<tr>
<td>- Sliced meat, poultry, fish, egg and similar</td>
<td></td>
</tr>
<tr>
<td>- Mayonnaise products containing meat</td>
<td></td>
</tr>
<tr>
<td>- Poultry, fish or similar</td>
<td></td>
</tr>
<tr>
<td>- Single products such as meatballs, sausages, pølser (sigs in a blanket), hotdogs, chicken sticks that are eaten as a snack.</td>
<td></td>
</tr>
</tbody>
</table>

4. Bakery products (Bread, biscuits and cakes)

<table>
<thead>
<tr>
<th>Bakery products (bread, biscuits and cakes)</th>
<th>Cannot contain more than 10 grams of fat or more than 10 grams of sugar per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category</td>
<td>Not included in the category</td>
</tr>
<tr>
<td>- Bread: rye bread, white bread, buns,</td>
<td>- Cornflakes</td>
</tr>
<tr>
<td>crisp bread, Danish pastry and similar</td>
<td>- Granola</td>
</tr>
<tr>
<td>- Biscuits: rice biscuits, rye biscuits, fruit biscuits</td>
<td>- Salt sticks and crackers</td>
</tr>
<tr>
<td>Marzipan (vanilla biscuits), cheese biscuits and similar.</td>
<td></td>
</tr>
<tr>
<td>- Pancakes</td>
<td></td>
</tr>
<tr>
<td>- Cakes: cinnamon rolls, croissants,</td>
<td></td>
</tr>
<tr>
<td>sponge cakes, danish and buns cakes, layer cakes, cookies, granola bars, cheesecakes, fruit pie</td>
<td></td>
</tr>
</tbody>
</table>

5. Cereals

<table>
<thead>
<tr>
<th>Cereals</th>
<th>Cannot contain more than 10 grams of fat or more than 15 grams of sugar per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category</td>
<td>Not included in the category</td>
</tr>
<tr>
<td>- Oatmeal</td>
<td>- Bread</td>
</tr>
<tr>
<td>- Oatmeal squares</td>
<td>- Croissants</td>
</tr>
<tr>
<td>- Cornflakes</td>
<td>- Danish pastry</td>
</tr>
<tr>
<td>- Granola</td>
<td></td>
</tr>
<tr>
<td>- Rye bread topping</td>
<td></td>
</tr>
</tbody>
</table>

6. Fruit and vegetables

<table>
<thead>
<tr>
<th>Fruit and vegetables</th>
<th>Cannot contain more than 5 grams of fat or more than 10 grams of sugar per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category</td>
<td>Not included in the category</td>
</tr>
<tr>
<td>- Fresh and frozen fruit and vegetables</td>
<td>- Salty nuts and almond products</td>
</tr>
<tr>
<td>- Mixes of fruit and vegetables</td>
<td>- Marmalade</td>
</tr>
<tr>
<td>- Pure mixes of nuts, coconut and almonds</td>
<td>- Chocolate spreads and nut spreads</td>
</tr>
<tr>
<td>- Marmalade, stewed fruit</td>
<td></td>
</tr>
<tr>
<td>- Solid mix of fruit, vegetables and nuts</td>
<td></td>
</tr>
</tbody>
</table>
### 7. Sauces and dressings

<table>
<thead>
<tr>
<th>Sauces and dressings</th>
<th>Cannot contain more than 10 grams of fat per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category:</td>
<td>Not included in the category:</td>
</tr>
<tr>
<td>- Salad dressings, dip mix, ready to use-dip, tartar sauce, pure mayonnaise, ketchup, sauces for salads, sticks, stuffed pita bread and similar.</td>
<td>- Mayonnaise with added ingredients - Honey and syrup</td>
</tr>
</tbody>
</table>

### 8. Beverages

<table>
<thead>
<tr>
<th>Beverages</th>
<th>Cannot contain more than 0 grams of fat and 0 grams of sugar per 100 grams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category:</td>
<td>Not included in the category:</td>
</tr>
<tr>
<td>- Water</td>
<td>- Milk, chocolate milk and drinking yogurt (see the dairy products category)</td>
</tr>
<tr>
<td>- Juice</td>
<td></td>
</tr>
<tr>
<td>- Fruit syrup</td>
<td></td>
</tr>
<tr>
<td>- Soft drinks</td>
<td></td>
</tr>
<tr>
<td>- Tea and coffee</td>
<td></td>
</tr>
<tr>
<td>- Cider</td>
<td></td>
</tr>
</tbody>
</table>

### 9. Desserts, snacks and candy

<table>
<thead>
<tr>
<th>Desserts, snacks &amp; candy</th>
<th>Cannot contain more than 5 grams of fat or more than 5 grams of sugar per 100 grams.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category:</td>
<td>Not included in the category:</td>
</tr>
<tr>
<td>- Confectionery (wine gums, boiled sweets, marshmallows, chewing gum)</td>
<td>- Cakes - Danish pastry</td>
</tr>
<tr>
<td>- Chocolate</td>
<td>- Cinnamon rolls - Yoshurt</td>
</tr>
<tr>
<td>- Ice cream</td>
<td>- Fruit pies</td>
</tr>
<tr>
<td>- Marzipan</td>
<td>- Layer cakes</td>
</tr>
<tr>
<td>- Honey</td>
<td></td>
</tr>
<tr>
<td>- Syrup</td>
<td></td>
</tr>
<tr>
<td>- Popcorn</td>
<td></td>
</tr>
<tr>
<td>- Salty nuts</td>
<td></td>
</tr>
<tr>
<td>- Salt sticks and crackers</td>
<td></td>
</tr>
<tr>
<td>- Pancakes</td>
<td></td>
</tr>
<tr>
<td>- Fruit jelly and mix</td>
<td></td>
</tr>
<tr>
<td>- Milk slices</td>
<td></td>
</tr>
<tr>
<td>- Chocolate spreads and nut spreads</td>
<td></td>
</tr>
<tr>
<td>- Chips and French fries</td>
<td></td>
</tr>
</tbody>
</table>

### 10. Ready-made meals and convenience food

<table>
<thead>
<tr>
<th>Ready-made meals and convenience food</th>
<th>Cannot contain more than 10 grams of fat or more than 10 grams of sugar per 100 grams Special conditions: see text about ready-made meals and convenience food below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Included in the category:</td>
<td>Not included in the category:</td>
</tr>
<tr>
<td>- Dishes that are expected to be eaten as a meal, regardless of the way the product is presented.</td>
<td>- Pastrami (Pizza in a blanket)</td>
</tr>
<tr>
<td>- If it needs to be heated or water needs to be added</td>
<td>- Hotdogs</td>
</tr>
<tr>
<td>- e.g.: soups, pies, spring rolls, cup noodles, lasagna, hamburgers, shawarma, sushi, cordon bleu</td>
<td>- Sauces</td>
</tr>
<tr>
<td></td>
<td>- Fruit pies</td>
</tr>
</tbody>
</table>
The size and composition of ready-made meals and convenience food can vary and the nutritional content is not always calculated. The meal can instead be evaluated entirely on the composition:

- Does the meal contain food from all of the three main food groups, i.e. meat, fish, cheese or egg; bread, potatoes, rice or pasta; and fruit or vegetables?
- Are the main food groups combined roughly as shown on "the plate model"?
- Would nutrition specialists in general agree that the used foods in the three main food groups are appropriate for children to consume?
- Would nutrition specialists in general agree that the entire meal is appropriate for children to consume?

The ready-made meal or convenience food can be advertised towards children, if the answers to those questions are yes.

"The plate model":

Considerations for all food products!

Some last considerations needs to be made before the food product can be advertised towards children.

Some products should give rise to further consideration, despite complying with the limit values posed by the code.

- Does the product contain more than 0.5 grams of salt per 100 grams?
- Is the product considered more as being a candy or a dessert?
- Can the product be considered less fat than it really is?
- Is there any risk that the product would replace important parts of the diet?
- Would the product be an inappropriate part of the daily diet of children?
The nutritional value and the impression that a commercial would leave should be considered carefully, if the answer to any of the above questions is yes.

*Carefully consideration should be made to certain categories and products e.g.*:
- Dairy products: chocolate milk, products that could be considered desserts.
- Bakery products: bread, cakes in general.
- Desserts, snacks and candy: the entire category.
- Ready-made meals and convenience food: The entire category. Read more in the section about [ready-made meals and convenience food](#).

**Applicable legislation**

The Code of Responsible Food Marketing Communication to Children is an addition to the existing Danish legislation. In that connection, it can be necessary for business owners to be familiar with the applicable legislation. Link to homepages with legislation and directions that the forum finds relevant can be found on this homepage: [www.kodeksforfoedevareklamer.dk](http://www.kodeksforfoedevareklamer.dk)

Below you will find the legislation, that the forum consider specifically relevant in connection to food marketing communication to children.

**The Marketing Practices Act**

**The Consumer Ombudsman’s Guidelines: Children, Young People & Marketing Practices**

**The Food Act**

**The Danish Radio and Television Broadcasting Act**


**Further information**

Read more about Code of Responsible Food Marketing Communication to Children on the homepage: [www kodeksforfoedevareklamer.dk](http://www.kodeksforfoedevareklamer.dk)
2 Overview of the Theoretical Development within the CSR Literature.

The figure below serves to give the reader an overview of the development within the CSR literature.

First definition of CSR: businessmen are responsible, Bowen (1953)

Businesses should focus on stakeholders and a social responsible businesses brings along long term profit, Johnson (1971)

Globalization putting pressure on businesses → rise of CSR actions and communication of these, Crane, Matten & Spence

Opposing CSR: the social responsibility of business is to increase its profits, Friedman (1970)

CSR becomes a building block for related issues, Carroll (1999)
3 Input-output Model vs. Stakeholder Approach

Traditional management model

Stakeholder model
4 Specification of Newspapers Applied in the Media Content Analysis

<table>
<thead>
<tr>
<th>Newspaper</th>
<th>Number of readers</th>
<th>Readers according to geography and information on the newspaper</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Morgenavisen Jyllands-Posten</strong></td>
<td>492 000</td>
<td>National newspaper, but greatest circulation in eastern Jutland and eastern Sealand.</td>
</tr>
<tr>
<td><strong>Politiken</strong></td>
<td>416 000</td>
<td>National newspaper, and has the second largest amount of readers, but with the greatest amount of readers in Copenhagen and area.</td>
</tr>
<tr>
<td><strong>Berlingske</strong></td>
<td>322 000</td>
<td>85% readers east of Storebælt.</td>
</tr>
<tr>
<td><strong>Borsen</strong></td>
<td>199 000</td>
<td>61% of readers east of Storebælt, and 39% west of Storebælt.</td>
</tr>
<tr>
<td><strong>BT</strong></td>
<td>364 000</td>
<td>56% east of Storebælt.</td>
</tr>
<tr>
<td><strong>Ekstra Bladet</strong></td>
<td>386 000 (^2)</td>
<td>Most readers east of Storebælt (^3)</td>
</tr>
</tbody>
</table>

\(^1\) W33

Please note that the source for Ekstra Bladet is different than the numbers for the other newspapers. The numbers are not essential, rather the size of the newspapers.

\(^2\) W31

\(^3\) W32
5 Process Flow Chart: Media Level

Master thesis
Research question

Initial preparation
- Coding scheme
- Coding manual
- Coding rules
- Dates
- Newspaper

Application of initial content analysis

Results

Continuous feedback loop. Evaluation / adjustment of method and results

Preliminary study. Quantitative approach.

Final content analysis approach
- Coding scheme
- Coding manual
- Coding rules
- Dates
- Newspaper

Final study. Qualitative approach.

Final Results

Classification of perceptions
6 Process Flow Chart: Company Level

Initial preparation
- Coding scheme
- Coding manual
- Companies

Application of initial content analysis

Results

Continuous feedback loop. Evaluation / adjustment of method and results

Preliminary study. Quantitative approach.

Final study. Qualitative approach.

Final content analysis approach
- Coding scheme
- Coding manual
- Companies

Final Results

Classification of type of legitimacy
### Overview and Specification of Organizations

<table>
<thead>
<tr>
<th>Organization</th>
<th>Specification</th>
<th>Code on marketing of food to children</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Diabetes Association</td>
<td>We lead the fight against the deadly consequences of diabetes and fight for those affected—by diabetes.</td>
<td></td>
</tr>
<tr>
<td>American Dietetic Association</td>
<td>The American Dietetic Association is the world's largest organization of food and nutrition professionals. ADA is committed to improving the nation's health and advancing the profession of dietetics through research, education and advocacy.</td>
<td></td>
</tr>
<tr>
<td>Amnesty Business Forum</td>
<td></td>
<td>W35</td>
</tr>
<tr>
<td>CARE</td>
<td>CARE is one of the world's largest humanitarian organisations in the world and helps more than 55 million people in 70 countries.</td>
<td></td>
</tr>
<tr>
<td>Codex Alimentarius</td>
<td>The Codex Alimentarius Commission was created in 1963 by FAO and WHO to develop food standards, guidelines and related texts such as codes of practice under the Joint FAO/WHO Food Standards Programme. The main purposes of this Programme are protecting health of the consumers and ensuring fair trade practices in the food trade, and promoting coordination of all food standards work undertaken by international governmental and non-governmental organizations.</td>
<td>Various codes on marketing</td>
</tr>
<tr>
<td>Confederation of the Food and Drink Industries of the European Union</td>
<td>CIAA brings a high level of expertise to its members, by providing services and carrying out studies, which aim to promote and represent the interests of the Food and Drink Industry in the EU and beyond. The Food and Drink industry is the EU’s first industrial sector, and a major employer, and exporter.</td>
<td>X</td>
</tr>
<tr>
<td>Danish Institute for Human Rights (DIHR)</td>
<td>The Danish Institute for Human Rights (DIHR) is an independent, national human rights institution modelled in accordance with the UN Paris Principles. The Institute, which was established by statute in 2002, carries on the mandate vested in the Danish Centre for Human Rights in 1987.</td>
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<tr>
<td>DI</td>
<td>The Confederation of Danish Industry is the premier lobbying organisation for Danish business on national and international issues.</td>
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<td>Dow Jones Sustainability</td>
<td>Launched in 1999, the Dow Jones SustainabilityIndexes are the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide. Based on the cooperation of Dow Jones Indexes and SAM they provide asset managers with reliable and objective benchmarks to manage sustainability portfolios.</td>
<td></td>
</tr>
<tr>
<td>EU commission Platform</td>
<td>The creation of the Platform is part of an overall strategy on nutrition and physical activity being developed by the European Commission</td>
<td></td>
</tr>
</tbody>
</table>
and followed several months of discussions between the institution and the various stakeholders about how to address the obesity epidemic in Europe.

The FDI World Dental Federation is a federation of approximately 200 national dental associations and specialist groups. The organisation's vision of "leading the world to optimal oral health" acknowledges that oral health is an integral part of general health and well-being.

The eight Millennium Development Goals (MDGs) – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 – form a blueprint agreed to by all the world’s countries and all the world’s leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world’s poorest.

CIAA brings a high level of expertise to its members, by providing services and carrying out studies, which aim to promote and represent the interests of the Food and Drink Industry in the EU and beyond. The Food and Drink industry is the EU’s first industrial sector, and a major employer, and exporter.

The Global Alliance for Improved Nutrition (GAIN) is an alliance driven by the vision of a world without malnutrition. GAIN is a Swiss foundation that mobilizes public-private partnerships and provides financial and technical support to deliver nutritious foods to those people most at risk of malnutrition.

Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework.

The Healthy Weight Commitment Foundation, a CEO-led organization, is a national, multi-year effort designed to help reduce obesity—especially childhood obesity—by 2015.

Representation of the beverage industry on a global level.

ICC has more than 80 years of experience as an international body representing the interests of businesses in all sectors, all over the world. It works to promote world trade and investment based on free and fair competition, and to harmonize trade practices and formulate guidelines and terminology for importers and exporters. In response to the World Commission on Environment and Development report, ICC developed a 'Business Charter for Sustainable Development' which sets out 16 principles for environmental management.

The 27th World Health Assembly in 1974 noted the general decline
| **(WHO) Code of Marketing of Breast-Milk Substitutes** | in breastfeeding related to different factors including the production of manufactured breast-milk substitutes and urged Member countries to review sales promotion activities on baby foods and to introduce appropriate remedial measures, including advertisement codes and legislation where necessary. W52 | X 4 |
| **International Food and Beverage association** | The International Food and Beverage Alliance (IFBA) is a group of food and non-alcoholic beverage companies with a presence in over 200 countries worldwide, who share a common goal of helping consumers in all nations to achieve balanced diets and healthy lifestyles. W53 | X |
| **International Labour Organisation Convenctions** | The International Labour Organization (ILO) is the tripartite UN agency that brings together governments, employers and workers of its member states in common action to promote decent work throughout the world. W54 |
| **International Organization for Standardization (ISO)** | ISO launches the development of new standards in response to sectors and stakeholders that express a clearly established need for them. W55 |
| **Kræftens Bekæmpelse** | Our aims are: - to prevent the development of cancer - to improve patients’ chances of successful recovery - to limit the physical, psychological and social side-effects of cancer W56 |
| **Max Havelaar** | W57 |
| **National Diabetes Education Program** | Established in 1997, the National Diabetes Education Program is a federally-funded program sponsored by the U.S. Department of Health and Human Services’ National Institutes of Health and the Centers for Disease Control and Prevention and includes over 200 partners at the federal, state and local levels, working together to improve the treatment and outcomes for people with diabetes, promote early diagnosis, and prevent or delay the onset of type 2 diabetes. W58 |
| **OECD Guidelines for Multinational Enterprises** | The Guidelines are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide voluntary principles and standards for responsible business conduct in areas such as employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation. W59 |
| **Pan American Health Organization’s: Trans Fat Free** | The PAHO is an international public health agency with more than 100 years of experience in working to improve health and living standards of the countries of the Americas. It serves as the specialized organization for health of the Inter-American System. It also serves |

4 The code is a code on marketing of food, but specifically on breast-milk substitute, thus not a “traditional” food product.
<table>
<thead>
<tr>
<th><strong>Americas Agreement</strong></th>
<th>as the Regional Office for the Americas of the World Health Organization and enjoys international recognition as part of the United Nations system. The Trans Fat Free Americas Agreement is an initiative to eliminate industrially produced trans fatty acids from foods in the Americas.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UN Global Compact</strong></td>
<td>The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary agent driving globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.</td>
</tr>
<tr>
<td><strong>World Health Organization (WHO)</strong></td>
<td>WHO is the directing and coordinating authority for health within the United Nations system. It is responsible for providing leadership on global health matters, shaping the health research agenda, setting norms and standards, articulating evidence-based policy options, providing technical support to countries and monitoring and assessing health trends.</td>
</tr>
<tr>
<td><strong>World Heart Federation</strong></td>
<td>The World Heart Federation is a nongovernmental organization committed to uniting its members and leads the global fight against heart disease and stroke, with a focus on low-and middle-income countries.</td>
</tr>
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</table>
### Overview of Articles Found

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<th>Article number</th>
<th>Media</th>
<th>Date</th>
<th>Page number, issue etc.</th>
<th>Author</th>
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9 Statistics on Media Content Analysis

9.1 Topics According to Newspaper

![Bar chart showing topics according to newspaper]

- Berlingske Tidende
- Politken
- Børsen
- JP
9.2 Topics According to Dates

<table>
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<tr>
<th>Month</th>
<th>MARS OBESITY</th>
<th>TOMS OBESITY</th>
<th>ARLA OBESITY</th>
<th>KELLOGS OBESITY</th>
<th>CHILDREN COMMERCIAL</th>
<th>COCA COLA COMMERCIALS</th>
<th>COCA COLA CHILDREN</th>
<th>COCA COLA OBESITY</th>
<th>FOOD COMMERCIALS</th>
<th>FOOD INDUSTRY COMMERCIALS</th>
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</table>

9.3 Monthly Frequency
10 Content of Articles

10.1 Specification of Content in the Single Article according to Topics

The table below shows a classification of the topics and key words used to find the articles. The sub topics illustrate the content of the articles. The number indicated within each topic is the number of the single article, see appendix 8. The following tables show the development of analyzing the content, and therefore conclude in the final perceptions found.

<table>
<thead>
<tr>
<th>Main Topic</th>
<th>Sub Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food industry advertisement</td>
<td>12: Code on advertisement of food to children is not sufficient, due to the nutrition limits within the code is different and there is a need to back up the code with sufficient labeling of products.</td>
</tr>
<tr>
<td></td>
<td>13: The code is not sufficient, because the limits within the code is not high enough, which means that a number of cereals and ready to serve dishes will not be influenced by the code, thus advertised anyway.</td>
</tr>
<tr>
<td></td>
<td>14: Self regulation within the food industry has led to a decrease in advertisement of unhealthy food to children. Children are not as exposed to advertisement as they used to be.</td>
</tr>
<tr>
<td></td>
<td>15: Voluntary code on advertisement of unhealthy food to children will eliminate advertisement of food to children in the media. The actors behind the Code do not want to encourage children to eat unhealthy, and they want to take their part of the responsibility and take actions within one the problems within child obesity namely marketing of food. Initiative by DI.</td>
</tr>
<tr>
<td></td>
<td>16: The Code is not sufficient. A lot of products will be advertised anyway. There is a need of completely abandon advertisement of food to children and develop better labeling on the products.</td>
</tr>
<tr>
<td></td>
<td>18: Supermarkets take responsibility, but cinemas do not → no healthy choice within cinemas. But the customers do not want the cinemas to make their choice; they want the unhealthy choice. The cinemas should therefore not take responsibility. The cinemas however do take a little responsibility and limit size of Coca Cola for example, yet, they do sell unhealthy food. People who go to the cinema do not want the cinema to take a moral and healthy choice for them. Cinemas in the only group that is not a part of the Code.</td>
</tr>
<tr>
<td></td>
<td>26: Advertisement of what is believed to be unhealthy food can become a reality, if the EU parliament removes the safety net in the rules within the EU that protects the consumers against being mislead on the foods healthy elements. This means that food producers can add healthy content to unhealthy food, and market these healthy. This can, however, take a long time before it becomes a reality.</td>
</tr>
</tbody>
</table>

Please note that the topics as well as content are translated from Danish to English.
27: A new authority to file a claim if consumers see advertisement on soda targeted at children. Beverages take an important part in child obesity, but the beverage industry was one of the first industries to take action and take responsibility, since the producers have agreed to advertise responsively. In addition to this, the industry has agreed on not to advertise towards children at all. Advertisement involves ANY kind of advertisement. By setting up a place to file a complaint on advertisements, will probably enhance the self regulation tendency within the industry. Actions are self-regulatory and are not the same as regulations from the state.

36: Firms brand themselves as being green and natural, and even Coca Cola is branding themselves as being natural. Criticism of the approach of promoting oneself as being natural.

41: Children get affected by the food they see in children’s movies. Children want to eat unhealthy by watching unhealthy food on TV. Advertisement and product placement in movies have great effect on children and is as effective as advertisement elsewhere.

### Coca Cola Obesity

5: Misleading advertisement from Coca Cola
6: Coca Cola is associated with modern bad food habits
Cheap food is standard food
Size of portions are larger such as Coca Colas.
Tax must be imposed because the population cannot handle their consumption of food.
7: Healthy alternatives are expensive → Coca Cola is rather cheap. Globesity.
31: Children are getting more obese. Children will keep bad habits in their adult life. Children’s health is focused on epidemic of obesity and physical inactivity, which leads to health issues in their adult life.
32: Supermarkets take an ethical responsibility and do not want to sell too large soda bottles.
33: Globesity, obesity is becoming an epidemic.
37: Lobbyism, Coca Cola in the US, beverage industry is responding to tax on beverages. The size of a Coca Cola is getting larger and children are used to drink a large amount of Coca Cola, and children get obese because they are used to eat a large amount of food and drinks. Children are obese. Children eat too much sugar and fats, eat too much and do not move around enough.
38: New Coke with green tea and vitamins are made to brand Coke more healthy, even if Coke claim they do not want to seem healthy.

### Coca Cola Children

1: Addictive
Health risk
Need of a tax on sugar
Soft drinks= cigarettes?
Companies know their responsibility
Companies lobby more today
Coca Cola has taken responsibility and will not advertise to children
Coca Cola is in collaboration with authorities
Soft drinks are addictive
Political pressure to get tax money from tax on sugar
Tax on sugar → reduction in consumption of soft drinks → big problem for Coca Cola to remain competitive
Tax on sugar → more money to the state (like pressure on the cigarette industry)
2: Political health problem of child obesity
Schools should be involved
<table>
<thead>
<tr>
<th>Content of Articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca Cola lifestyle = obesity</td>
</tr>
<tr>
<td>Responsibility lies within: schools, politicians and parents.</td>
</tr>
<tr>
<td>Public health help to families to prevent obesity in children’s’ future life.</td>
</tr>
<tr>
<td>3: Modern society focus on bad food and soft drinks.</td>
</tr>
<tr>
<td>Coca Cola is addictive.</td>
</tr>
<tr>
<td>Obesity = expense for the society.</td>
</tr>
<tr>
<td>Solution to the obesity problem is prohibition or society will have to pay the price for obese population.</td>
</tr>
<tr>
<td>Unhealthy food = drugs, tobacco and alcohol.</td>
</tr>
<tr>
<td>When most children are obese, parents and the schools have given up → society has to take over</td>
</tr>
<tr>
<td>Unhealthy food is cheap food → problems in society</td>
</tr>
<tr>
<td>4: Coca Cola is being reported due to misinformation on the labels of their products.</td>
</tr>
<tr>
<td>17: Coca Cola is associated with sports, fun and time off.</td>
</tr>
<tr>
<td>20: Coca Cola sponsors sport event for children, by serving Coca Cola at the events.</td>
</tr>
<tr>
<td>21: Brands like Coca Cola becomes much more visual in the everyday life of children, and that brands will influence the governmental sphere in the schools and sponsor the schools.</td>
</tr>
<tr>
<td>22: Coca Cola sponsors sport event for children. Sports event are perceived fun and healthy. Children drink energy drinks which can be unhealthy and politicians want to get more knowledge on children consumption on energy drinks. The energy drinks are produced by Coca Cola, which by Coca Cola is said not to be targeted at children.</td>
</tr>
<tr>
<td>35: Children under 7 do not know what is facts and what is advertisement. 7-10 year olds can understand some of the difference. Children around 10-12 understand almost anything. Children are easily affected and want to get the products. And that want to be as other children are in the advertisements. Children are strong consumers, because they influence their parents. Additionally, the TV stations want to make money, and children are good for the profitability of the companies.</td>
</tr>
<tr>
<td>Coca Cola Advertisements</td>
</tr>
<tr>
<td>8: No cut in Coca Cola advertisement budgets in Denmark.</td>
</tr>
<tr>
<td>19: Coca Cola knows they have to take responsibility when the company launches a campaign on TV.</td>
</tr>
<tr>
<td>28: Discussion on companies interfering in the schools, and Coca Cola is connected to a negative way of having sponsorships within schools.</td>
</tr>
<tr>
<td>29: Coca Cola is seen in connection to product placement which is a profitable industry action.</td>
</tr>
<tr>
<td>30: Coca Cola is seen in connection to product placement. Coca Cola is a brand that is well knows and a brand that advertises everywhere and consumer get exposed to the brand frequently.</td>
</tr>
<tr>
<td>Children Advertisement</td>
</tr>
<tr>
<td>9: Lack of knowledge within marketing of new products and digital media, where children have a great knowledge of new media, and the ad agencies use the new media.</td>
</tr>
<tr>
<td>Obesity within children due to the media.</td>
</tr>
<tr>
<td>TV is one point leading to child obesity.</td>
</tr>
<tr>
<td>Children influence the choice of food within the family.</td>
</tr>
<tr>
<td>Advertisement is often related to fun (eatertainment) → applies to children, but not necessarily a point that leads to obesity.</td>
</tr>
<tr>
<td>Legislation within this area is not the way forward, instead;</td>
</tr>
<tr>
<td>SR initiatives, rules of the game approaches and education in the schools</td>
</tr>
</tbody>
</table>
10: Line of directions for advertisement of soft drinks. The industry association within soft drinks wants to go one step further than the *Code* introduced and focus on the possibility of complain on marketing of soft drinks.

11: Introduction of the *Code*.

34: Nestlé shareholder do not like bad media coverage, becuase it will damage their profitability.

39: Advertisements are everywhere, even in the cinemas where children are targeted in the advertisements → making children wanting to have unhealthy food in the cinema.

**Advertisements**

23: Politicians and organizations want more ban on advertisement of unhealthy food to children. However, children watch much less advertisement than few years ago. The initiative of the *Code* is met with criticism as there is a need of laws in this area, instead of self regulation. A lot of organizations such as Fødeværinstituttet, DTU, Forbrugerrådet, Diabetesforeningen, Kæftens Bekæmpelse and Hjerteforeningen are criticizing the *Code*. Self-regulation is not enough – there is a need of something more to guard the firms. The *Code* is only including children programs on TV, and this is a problem, as children is also watch television that is targeting adults. Critics also say that the limits for content of unhealthy food are not the same within the *Code* as what the official label from the authorities. A report is cited that shows that the industry is adopting ethical self regulation and limits the number of advertisement to children. Some claim that the *Code* will work better than a law, since a *Code* is about ethics and moral, and the *Code* mean that the industry gives mutual dependency on following the *Code*.

24: Children are much more sophisticated when it comes to advertisements, and their consumption cannot be linked to the exposure of advertisement on TV."Tweens" can understand that advertisements are not just entertainment; instead, these are made to make them buy a product. Children are not as affected by advertisements, as they get more affected by parents or adults. Therefore, adults should teach children how to take a distance to advertisements, and teach children how to understand the idea behind an advertisement. However, other mean that children do get affected more unconsciously, and that children are aware of brands.

25: Sweden introduces a law against advertisement towards children, even if the rules are different than the EU. Sweden is ready to introduce the law, despite problems with harmonizing with the EU.

34: Nestlé does not like bad reputation. But the firm has had problems with Greenpeace since they have made a controversial video that is very negative towards Nestlé. Nestlé reacted fast and knows the importance of bad reputation.

35: Negative towards advertisement towards children. Children cannot understand what an advertisement is actually trying to do. Firms want to advertise and make money.

41: In children’s movies there are a lot of product placement of unhealthy food → children wanting to eat and drink unhealthy food.

**Kellogg’s Obesity**

42: Kellogg’s and Coca Cola are taking advantage of the consumers trust. Kellogg’s is launching products associated with well known toys as well as targeting children under the age of 12 in their marketing. This is believed to be not ok, as their products are containing too much fat, sugar and salt. There should be international rules on advertisement of food to children.
| Arla Obesity | 43: One of the greatest threats in the western world is obesity. Arla is taking part in the fight against obesity by researching whether their products can act as fighting obesity.  
44: Obesity is not just a problem in DK. It is also a problem in entire EU. EU has to take action. Put pressure on the food producers.  
49: Coca Cola is among top 10 companies in Denmark with the best publicity image, where Arla is performing worse, and is not among the top 10 companies image wise. |
| Toms Obesity | 45: Toms has problems selling their products since consumers are becoming more health conscious.  
46: Toms has problems, as people are thinking more about their health and do not buy as many Toms products. Toms wants to focus on more healthy alternatives of their products.  
47: Toms has been in dialogue with the company’s stakeholders on diet and health and it has been good for Toms: the company has a positive feedback on their approach to CSR. |
| Mars Obesity | 48: Coca Cola and Mars are associated with unhealthy food. The politicians have a responsibility in fighting obesity. |
## 10.2 Summary According to Classifications of Perception

In the table below, the topics from the articles are classified according to perception\(^6\).

<table>
<thead>
<tr>
<th>Topic</th>
<th>Perception</th>
</tr>
</thead>
</table>
| Advertisement in the food industry |  - Less advertisement of food in TV leads to marketing of food in alternative ways.  
- Lack of knowledge within marketing and digital media: children have a great knowledge of new media, and the ad agencies use the new media.  
- Obesity within children due to the media.  
- TV is one point leading to child obesity.  
- Advertisement is often related to fun (eatertainment) ➔ applies to children, but not necessarily a point that leads to obesity.  
- Advertisements are everywhere, even in the cinemas where children are targeted in the advertisements ➔ making children wanting to have unhealthy food in the cinema.  
- Politicians and organizations want more ban on advertisement of unhealthy food to children. However, children watch much less advertisement than few years ago.  
- Children influence the choice of food within the family.  
- Rules of the game approaches  
- Focus in the schools |
| Responsibility debate         | Responsibility problems:                                                                                                                                                                                                                                                                                                                |
|                               |  - Supermarkets take responsibility within unhealthy food, but cinemas do not  
- Advertisement of what is believed to be unhealthy food can become a reality, if the EU parliament removes the safety net in the rules within the EU that protects the consumers against being mislead on the foods healthy elements |
| Voluntary code in the food industry |  *Code* and a code on advertisement of food to children is not sufficient due to:                                                                                                                                                                                                 |
|                               |  - Nutrition limits within the code is different and there is a need to back up the code with sufficient labeling of products  
- A lot of products will be advertised anyway. There is a need of completely abandon advertisement of food to children and develop better labeling on the products. |

Negative perception of the *Code*:

- A need of laws in this area, instead of self regulation
- Organizations such as Fødevareinstituttet, DTU, Forbrugerrådet, Diabetesforeningen, Kæftens Bekæmpelse and Hjerteforeningen are criticizing the *Code*

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\(^{6}\) Please note that the content is translated from Danish to English.
Self-regulation is not enough – there is a need of something more to guard the firms. The Code is only including children programs on TV, and this is a problem, as children is also watch television that is targeting adults. The limits for content of unhealthy food is not the same within the Code as what the official label from the authorities.

Positive mentioning of the Code:

- Self regulation within the food industry has led to a decrease in advertisement of unhealthy food to children.
- Initiative of voluntary code within the food industry is constructed by DI.
- Legislation within this area is not the way forward, instead self regulatory initiatives are the way forward.
- Introduction of the Code.
- The industry is adopting ethical self regulation and limits the number of advertisement to children.
- Some claim that the Code will work better than a law, since a Code is about ethics and moral, and the Code mean that the industry gives mutual dependency on following the Code.
- Line of directions for advertisement of soft drink that is one step further than directions for Code.
- A new authority to file a claim if consumers see advertisement on soda targeted at children. Beverages take an important part in child obesity, but the beverage industry was one of the first industries to take action and take responsibility, since the producers have agreed to advertise responsively. In addition to this, the industry has agreed on not to advertise towards children at all. Advertisement involves ANY kind of advertisement. By setting up a place to file a complaint on advertisements, will probably enhance the self regulation tendency within the industry.

**Perception of Coca Cola**

Negative perception of Coca Cola (Coca Cola is mentioned):

- Misleading advertisement from Coca Cola
- Coca Cola is associated with modern bad food habits
- Size of portions are larger such as CC
- Tax must be imposed because the population cannot handle their consumption of food.
- Healthy alternatives are expensive and Coca Cola is cheap
- Children are obese, Children eat too much sugar and fats, eat too much and do not move around enough. A little coke is not just a coke – the children are used to more.
- Lobbyism Coca Cola is acting in the US and beverage industry is responding to tax on beverages
- New Coke with green tea and vitamins are made to brand Coca Cola more healthy, even if Coca Cola claim they do not want to seem healthy
- Firms brand themselves as being green and natural, and even Coca Cola is branding themselves as being natural. Criticism of this approach.
- Addictive
- Health risk
- Need of a tax on sugar
- Soft drinks are becoming the new cigarettes both health wise and because there is a risk on a tax being imposed on sugar
- Companies know their responsibility
- Companies lobby more today since there is a political pressure to get tax money from tax on sugar, but a tax on sugar will reduce the consumption of soft drinks and lead to problems for Coca Cola
- Soft drinks are addictive
- Coca Cola lifestyle is associated with obesity
- Modern society focus on bad food and soft drinks
- Coca Cola is addictive
- Coca Cola is being reported due to misinformation on the labels of their products.
- Brands like Coca Cola becomes much more visual in the everyday life of children, and that brands will influence the governmental sphere in the schools and sponsor the schools.
- Discussion on companies interfering in the schools, and Coca Cola is connected to a negative way of having sponsorships within schools.

Coca Cola is positively associated with:
- Coca Cola has taken responsibility and will not advertise to children
- Coca Cola is in collaboration with authorities
- Coca Cola sponsors sport event for children, by serving Coca Cola at the events.
- No cut in Coca Cola advertisement budgets in Denmark.
- Coca Cola knows they have to take responsibility when the company launches a campaign.
- Coca Cola is seen in connection to product placement. Coca Cola is a brand that is well known and a brand that advertises everywhere.

Negative perception (Coca Cola is not mentioned directly):
- Political health problem of child obesity
- Schools should be involved
- Responsibility lies within: schools, politicians and parents.
- Public health help to families to prevent obesity in children’s’ future life.
- Obesity is an expense for the society and the solution to the obesity problem is prohibition or society will have to pay the price for obese population
- Unhealthy food is drugs, tobacco and alcohol
- When most children are obese, parents and the schools have given up and society therefore has to take over
- Unhealthy food is cheap food which leads to problems in society
- Children drink energy drinks which can be unhealthy and politicians want to get more knowledge on children consumption on energy drinks.
- Children are getting more obese, and will keep bad habits in their adult life.
### Articles

| **Advertisements** | Children are much more sophisticated when it comes to advertisements. “Tweens” can understand that advertisements are not just entertainment, instead, these are made to make them buy a product (an analysis is quoted). Children are not as affected by advertisements, as they get more affected by parents or adults. Therefore, adults should teach children how to take a distance to advertisements, and teach children how to understand the idea behind an advertisement. However, other mean that children do get affected more unconsciously, and that children are aware of brands.

Sweden introduces a law against advertisement towards children, even if the rules are different than the EU. Sweden is ready to introduce the law, despite problems with harmonizing with the EU.

Nestlé does not like bad reputation. But the firm has had problems with greenpeace since they have made a controversial video that is very negative towards Nestlé. Nestlé reacted fast and knows the importance of bad reputation.

Negative towards advertisement towards children. Children cannot understand what an advertisement is actually trying to do. Firms want to advertise.

In children’s movies there are a lot of product placement of unhealthy food → children wanting to eat and drink unhealthy food.

| **Kellogg’s Obesity** | Kellogg’s and Coca Cola are taking advantage of the consumers trust. Kellogg’s is launching products associated with well known toys as well as targeting children under the age of 12 in their marketing. This is believed to be not ok, as their products are containing too much fat, sugar and salt. There should be international rules on advertisement of food to children.

| **Arla Obesity** | One of the greatest threats in the western world is obesity. Arla is taking part in the fight against obesity by researching whether their products can act as fighting obesity.

Obesity is not just a problem in DK. It is also a problem in entire EU. EU has to take action. Put pressure on the food producers.

Coca Cola is among top 10 companies in Denmark with the best publicity image, where Arla is performing worse, and is not among the top 10 companies image wise.

- Supermarkets take responsibility and do not want to sell too large soda bottles.
- Globesity, obesity is becoming an epidemic.
- Cheap food is standard food
<table>
<thead>
<tr>
<th><strong>Toms Obesity</strong></th>
<th>Toms and health:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Toms associated with unhealthy food</td>
</tr>
<tr>
<td></td>
<td>- People are being more health conscious which leads to problems for Toms</td>
</tr>
<tr>
<td></td>
<td>- Toms wants to focus on more healthy alternatives of their products.</td>
</tr>
<tr>
<td><strong>Toms and their stakeholders:</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Toms has been in dialogue with the company’s stakeholders on diet and health and it has been good for Toms: the company has a positive feedback on their approach to CSR.</td>
</tr>
<tr>
<td><strong>Mars Obesity</strong></td>
<td>Mars and health:</td>
</tr>
<tr>
<td></td>
<td>- Coca Cola and Mars are associated with unhealthy food.</td>
</tr>
<tr>
<td><strong>Responsibility:</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The politicians have a responsibility in fighting obesity.</td>
</tr>
</tbody>
</table>
### 10.3 Overview Perception According to Topic

**Perception of advertising in the food industry**

<table>
<thead>
<tr>
<th>Negative</th>
<th>Negative continued</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of knowledge within marketing and digital media: children have a great knowledge of new media, and the ad agencies use the new media in marketing strategies.</td>
<td>In children’s movies there is a lot of product placement of unhealthy food which leads to children wanting to eat and drink unhealthy.</td>
<td>Not enough scientific data on correlation between child obesity and advertisement.</td>
</tr>
<tr>
<td>Child obesity due to the media.</td>
<td>In need of international rules for marketing to children under the age of 16.</td>
<td>No proof of correlation between less advertisement on TV and child obesity.</td>
</tr>
<tr>
<td>TV is leading to child obesity.</td>
<td>Toys that come with food makes children want to buy unhealthy food.</td>
<td>Politicians and organizations want to ban advertisement of unhealthy food to children. However, children watch much less advertisement than few years ago.</td>
</tr>
<tr>
<td>Need of rules for the game of advertisement of food to children.</td>
<td>Advertisement of food is everywhere.</td>
<td>Children are much more sophisticated when it comes to advertisements</td>
</tr>
<tr>
<td>Advertisement of food is everywhere.</td>
<td>Advertisement of unhealthy food is seen in the cinemas leads to children wanting unhealthy food in the cinemas.</td>
<td>“Tweens” can understand that advertisements are not just entertainment and that they are produced to make them buy products.</td>
</tr>
<tr>
<td>TV advertisement of food does not help children that are obese.</td>
<td>TV advertisement of food does not help children that are obese.</td>
<td>Children are not as affected by advertisements, as they get more affected by parents or adults.</td>
</tr>
<tr>
<td>Children do get affected more unconsciously, and children are aware of brands.</td>
<td>Children do get affected more unconsciously, and children are aware of brands.</td>
<td>DI has taken responsibility within the problem, and is helping to fight child obesity by limiting advertisement of food to children.</td>
</tr>
<tr>
<td>Advertisement to children can be a problem because children cannot understand what an advertisement is actually trying to do.</td>
<td>Advertisement to children can be a problem because children cannot understand what an advertisement is actually trying to do.</td>
<td>Neutral</td>
</tr>
<tr>
<td>Less advertisement of food in TV leads to marketing of food in alternative ways.</td>
<td>Children influence the choice of food in the family making advertisement of food to children a topic of debate.</td>
<td></td>
</tr>
</tbody>
</table>

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7 Please note that the content is translated from Danish to English.
Perception of the *Code*

<table>
<thead>
<tr>
<th>Negative</th>
<th>Neutral</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>The <em>Code</em> is not sufficient and a lot of products will be advertised anyway.</td>
<td>The <em>Code</em> is introduced by DI. The industry association within soft drinks wants to go one step further than the <em>Code</em> and focus on the possibility of complain on marketing of soft drinks.</td>
<td>The industry is adopting ethical self-regulation and limits the number of advertisement to children.</td>
</tr>
<tr>
<td>There is a need of completely abandon advertisement of food to children and develop better labeling on the products.</td>
<td>Description of the <em>Code</em>. Voluntary code on advertisement of unhealthy food to children will eliminate advertisement of food to children in the media.</td>
<td>The <em>Code</em> will work better than a law, since a <em>Code</em> is about ethics and moral, and the industry gives mutual dependency on compliance.</td>
</tr>
<tr>
<td>Cinemas are the only group that is not a part of the <em>Code</em>.</td>
<td></td>
<td>Self regulation within the food industry has luckily led to a decrease in advertisement of unhealthy food to children.</td>
</tr>
<tr>
<td>There is a need of laws instead of self-regulation.</td>
<td></td>
<td>Legislation within this area is not the way forward, instead self-regulatory initiatives are the way forward.</td>
</tr>
<tr>
<td>DTU, Forbrugerrådet, Diabetesforeningen, Kræftens Bekæmpelse and Hjerteforeningen are criticizing the <em>Code</em>.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-regulation is not enough – there is a need of something more to guard the firms.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The <em>Code</em> is only including children programmes on TV, and this is a problem, as children also watch television that is targeting adults.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The nutrition limit is not the same described in the <em>Code</em> and the official label from the authorities.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Perception of Coca Cola (CC)

<table>
<thead>
<tr>
<th>Negative</th>
<th>Negative – continued</th>
<th>Neutral</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misleading advertisement by CC.</td>
<td>Need of a tax on sugar.</td>
<td>No cut in Coca Cola advertisement budgets in Denmark.</td>
<td>Coca Cola has taken responsibility and will not advertise to children.</td>
</tr>
<tr>
<td>CC is associated with modern bad food habits.</td>
<td>Soft drinks are becoming the new cigarettes both health wise and because there is a risk of a tax being imposed on sugar.</td>
<td>Coca Cola is seen in connection to product placement. Coca Cola is a brand that is well knows and a brand that advertises everywhere.</td>
<td>Coca Cola is in collaboration with authorities.</td>
</tr>
<tr>
<td>CC portions are getting larger.</td>
<td>Companies know their responsibility.</td>
<td></td>
<td>Coca Cola sponsors sport event for children, by serving Coca Cola at the events.</td>
</tr>
<tr>
<td>Tax must be imposed because the population cannot handle their consumption of food, and CC is trying to avoid this.</td>
<td>Companies lobby more today since there is a political pressure to get tax money from tax on sugar, but a tax on sugar will reduce the consumption of soft drinks and lead to problems for CC.</td>
<td></td>
<td>Coca Cola knows they have to take responsibility when the company launches a campaign.</td>
</tr>
<tr>
<td>Healthy alternatives are expensive and CC is cheap.</td>
<td>CC lifestyle is associated with obesity.</td>
<td></td>
<td>Size of coca Cola is limited in cinemas</td>
</tr>
<tr>
<td>Children are obese. Children eat too much sugar and fats, eat too much and do not move around enough. A little coke is not just a coke – children are used to more and larger size CC.</td>
<td>Modern society focus on bad food and soft drinks.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Responsibility Debate

**Negative**

Cinemas do not take responsibility within unhealthy food.

Advertisement of what is believed to be unhealthy food can become a reality, if the EU parliament removes the safety net that protects the consumers against being misled on the foods healthy elements of a product.

Adults should teach children how to take a distance to advertisements, and how to understand the idea behind an advertisement.

Politicians have a responsibility in fighting obesity.

There should be international rules on advertisement of food to children. When most children are obese, parents and the schools have given up and society has to take over.

**Negative continued**

Public help to families to prevent obesity in children’s’ adult life.

Political health problem of child obesity.

Schools should be involved in fighting obesity.

Responsibility lies within the schools, politicians and parents.

**Positive**

Supermarkets take responsibility within unhealthy food.

Consumers want to make their own choice and do not want the cinemas to take the moral and healthy choice for them; consumers can take their own decision.

Policies should be made to regulate people’s way of eating.

The actors behind the Code do not want to encourage children to eat unhealthy, and they want to take their part of the responsibility and take actions within one the problems within child obesity namely marketing of food.

**Neutral**

In need of various actions on advertisement of food to children; accept of the Code, education in schools, scientific research, campaigns and information on new media, marketing, children and a healthy lifestyle.
### Overview of Content of Codes and Compliance with the Code

<table>
<thead>
<tr>
<th>Topics</th>
<th>Age limit</th>
<th>Compliance (age limit)</th>
<th>Content of the code</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overview of the Code</strong></td>
<td>No marketing or sponsoring to children under the age of 13.</td>
<td></td>
<td>Children programs in television or radio, or programs that specifically appeal to children. WebPages on the Internet targeting children, e.g. gamesites, chat rooms, or pages with children products such as toys or computer games, regardless of whether the homepage comes from a third party or from the company itself. Text messaging services content rated services or other cell phone marketing directed towards children. Printed media, such as magazines, comic books etc., that are targeting children. Sponsoring at school events is not specified as media, and there should be a message on lifestyle and nutrition connected to the sponsorship.</td>
</tr>
<tr>
<td><strong>Nestlé</strong></td>
<td>Children under 12, but definitions vary from country to country. No advertising or marketing activity may be directed at children under 6. Advertising for children from 6 to 12 to be restricted to products with a nutritional profile which helps children achieve a healthy balance diet, including clear limits for ingredients such as sugar, salt and fat.</td>
<td>Not in compliance when it comes to age limit, as the Code specifies no marketing to children under the age of 13. Compliance with the age of under 6, otherwise not any compliance.</td>
<td>Products developed from or associated with programme content primarily directed to children should not be advertised during or adjacent to that programme. Programme personalities, live or animated, should not be used to sell products, premiums, or services in or adjacent to programmes primarily directed to children in which the same personality or character appears. In the same way, a character or personality associated with the editorial content of a print</td>
</tr>
</tbody>
</table>
The publication should not be used to sell products, premiums, or services in the same publication. Sampling and promotional activities in schools and at events will be done only with the prior agreement and consent of the school administration and event organizers. It should comply with applicable legislation or regulations, and should ideally be accompanied by some kind of educational nutritional messages.

<table>
<thead>
<tr>
<th>Topics</th>
<th>Companies</th>
<th>Age limit</th>
<th>Compliance (age limit)</th>
<th>Content of the code</th>
<th>Compliance with the Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overview of Content of Codes and Compliance with the Code</td>
<td>Coca Cola</td>
<td>No marketing to children under the age of 12.</td>
<td>Not in compliance with the Code as they will be able to do marketing activities to children who are 12, but in compliance that there will be no marketing.</td>
<td>It will not be directly targeted by any of our marketing messages in traditional advertising mediums, nor will they be shown drinking any of our products outside of the presence of a parent or a caregiver.</td>
<td>Media for advertisement is described as traditional advertising mediums, and it questioned what traditional include. In addition to this, consumption of products will be shown only in the presence of a parent or a caregiver, which is a topic that is not specified in the Code.</td>
</tr>
<tr>
<td></td>
<td>Kellogg’s</td>
<td>No advertising to children under age 12 those products that did not meet the KGNC (Kellogg’s global nutrition criteria)</td>
<td>Not in compliance with, as they are marketing to children under the age of 12 on specific products according to the company’s own nutritional classification.</td>
<td>Our longstanding policy of not advertising products in elementary schools or engaging in product placement in child-directed media.</td>
<td>Not specific on any other media, other than product placement in child-directed media. Classification of level in schools (elementary school) is not classified in the Code.</td>
</tr>
<tr>
<td>Topics</td>
<td>Company</td>
<td>Age limit</td>
<td>Compliance (age limit)</td>
<td>Content of the code</td>
<td>Compliance with the Code</td>
</tr>
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<tr>
<td>Overview of Content of Codes and Compliance with the Code</td>
<td>Unilever</td>
<td>Prohibition of any advertising to children under the age of 6 and restrict advertising to children between the ages of 6 and 12 to products that meet strict nutritional criteria.</td>
<td>Not in compliance with the Code, but in compliance with no marketing under the age of 6. Not compliance since advertise to children on “healthy food” is not specified further.</td>
<td>Broadcast or print media personalities (live or animated) should not be used to sell products, premiums or services in a way that obscures the distinction between program or editorial content and commercial promotion.</td>
<td>Compliance within media personalities. Otherwise no specification.</td>
</tr>
<tr>
<td></td>
<td>Toms</td>
<td>Not directly mentioned, but they follow the Code.</td>
<td>Compliance.</td>
<td>As a result of adopting the voluntary code we refrain from advertising in media targeting children.</td>
<td>Compliance.</td>
</tr>
<tr>
<td></td>
<td>Mars</td>
<td>Will not advertise food and snackfood products in media primarily directed to children under the age of 12.</td>
<td>Not in compliance with the Code, because of the age limit, but in compliance that there will be no marketing at all.</td>
<td>Will not use a celebrity in a way that might mislead consumers about the benefits of our brands. In terms of ad content and media purchasing: not purchase advertising time or space where the composition of the under 12 audience at the time of the media buy is expected to exceed 25%. Will not advertise, sponsor or undertake product placement in films or media programming where the intended audience is primarily children under 12. May show children under 12 in marketing communications if relevant to the marketing message e.g. depiction of a family situation or activity.</td>
<td>Compliance within using celebrities. The company has own classification of target audience, which is not specified. Advertisement, sponsorships and product placement will not take place in films or media where the audience is under 12, and the company is thus in compliance. The use of children in communication if relevant. This is not specified in the Code, but this shows some kind of consideration and responsibility.</td>
</tr>
</tbody>
</table>
12 New Focus in Four-Part Model of CSR (Carroll and own production).
13 Overview of Coercive Pressure (own production).

![Diagram showing the relationships between WHO, EU, DI, and Company]

- WHO
- EU
- DI
- Company

The diagram illustrates the flow of coercive pressure between these entities.
14 Connection between the Pursuit of Legitimacy and Organizations (own production)

The Code

Pursue of legitimacy for the company

Danish Government

International organizations