Corporate Social Responsibility in Chinese Media Industry

A Case Study of CCTV and Tencent

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**AUTHOR:** Xuan Wang

**TUTOR:** Renira Gambarato

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This thesis is a case study about Corporate Social Responsibility in Chinese media industry. The implementation of CSR in state-owned media companies and private media companies are different. The role that the government play in Chinese media companies implementing CSR were barely studied before. Since this thesis is a case study, two media companies were chosen for this study. One is CCTV, a state-owned media company, another is Tencent, a private media company. Document analysis was chosen as the main method for the analysis. Stakeholder theory, corporate political connection, and meta-governance are the main theories used in this study. In this thesis, the analysis of implementing CSR is divided into two dimensions, internally and externally implementing CSR. The internal dimension is further analyzed in three aspects, employees and health at work, shareholders, and public welfare and charitable activities. The external dimension is further analyzed in four aspects, customers, business partners, local community, and government. The role of the government in companies implementing CSR is subsequently analyzed. The results show that in implementing CSR, state-owned media companies significantly different from private companies. State-owned media companies follow more on government's guidance, private media companies have more freedom but they still need to build a good relationship with the government. The role of the government in both companies is different. The role of the government in state-owned media companies is like a leader, and in private media companies is like an important stakeholder.

Keywords: CSR, stakeholders, media, government, CCTV, Tencent, political connections
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1 Introduction

Corporate Social Responsibility (CSR) “is the voluntary actions that a corporation implements as it pursues its mission and fulfills its obligations to stakeholders, including employees, communities, the environment, and society as a whole” (Coombs & Holladay, 2012 p.8). A company which executes CSR should not just focus on its profit; it also needs to concern for people, the society and environment as well, these are voluntary actions. To the media industry, there are responsibilities to media companies to make the society more ecologically and socially sustainable (Responsible Media Forum, 2018). Relevant organizations in the world defined CSR in different ways. World Business Council for Sustainability Development (WBCSD) defined CSR as “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life” (WBCSD, 2002). The Organization for Economic Co-operation and Development (OECD) defined CSR as “businesses’ contribution to sustainable development. Consequently, corporate behavior must not only ensure returns to shareholders, wages to employees and products and services to consumers, but they must respond to societal and environmental concerns and value” (OECD, 2001a). In recent years, media companies are occupying a more relevant position in society. The social responsibility of media companies is getting more and more attention. Studying media companies’ CSR is necessary in the 21st century. Research on Chinese corporation social responsibility is still in a relatively early stage, and CSR research on media companies started out later. In addition to the development of CSR in traditional media, CSR in new media should also be considered. Most of the scholars’ definition of CSR (Carroll, 1979; Coombs & Holladay, 2012) are related to seeking corporate responsibility for stakeholders from the perspectives of law and ethics. For example, Carroll (1979, p. 500) offered a definition of CSR as “the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time”. However, the relevant organizations in the world are focusing their attention on human rights, ecology, and sustainable development of the whole society and the whole world. To some degree, Chinese scholars (Dong, 2013; Wang & Zhang, 2014) paid more attention to analyzing the social responsibility of the media than analyzing the CSR that the media companies should fulfil.

In China, media companies are mainly divided into two types, one comprises the state-owned media companies headed by China Central Television (CCTV) (Zhu, 2012), and another includes the private media companies like Tencent which has great influence in China (Dong, 2017). State-owned media companies are the mouthpiece of the government, and, in comparison to state-owned media companies, private media companies have less freedom (Zhou, 2014). In this thesis, CCTV and Tencent are chosen for the analysis. Freeman (2010, p.
13) had already mentioned the role of government in the U.S. business corporations in 2010, stating that “the business-government relationship in the U.S. has been founded on the principles of the ‘watch-dog,’ i.e., it is the legitimate role of government to regulate business in the public interest, and to enforce strict anti-trust laws to insure adherence to market principles”. And the role of government in the Chinese media industry was barely analyzed before. Thus, this thesis aims at examining how far and in what way CSR has been developed in Chinese media industry internally as well as externally. According to the explanation given by Commission of the European Communities (2001), human resources management (employees), health and safety at work, and environmental impact management are internal dimensions, while local communities, adoption to change, business partners, customers, suppliers, human rights, and global environmental concerns are external dimensions involved in CSR. In addition, government is also an external factor that need to be considered in this study.

1.1 The development of corporate social responsibility in China

According to Zhu's (2011) summary, corporate social responsibility is one of the factors that enhance the competitiveness of enterprises and reflects the ethical level of the company. Since the founding of the People's Republic of China, the concept of social responsibility in China has progressed. It has undergone three phases. First, in the era of planned economy, the political obligations are equated with social responsibility. Second, from 1978, the awareness of modern social responsibility raised at the beginning of the Reform and Opening-up period to the end of the 20th century. Third, the clear and self-conscious corporate social responsibility since the 21st century.

In the first phase (1949-1978), national interests were higher than corporate interests. Companies as a part of the government workshop, the primary responsibility and core function of a company is to serve the government. The country’s requirements for companies were based on political standards. In this phase, the development of CSR was very slow.

In the second phase (1978-2000), the socialist market economy as an institutional goal was established. Companies gradually had more corporate property rights and the right to allocate resources. As a market entity, companies must consider their own interests and the interests of stakeholders in order to survive and develop. As a result, the awareness of benefits, quality, and competition increased, and social charity activities were considered as an important part of the company’s competitive strategy. The real CSR awareness awakened.

In the third phase (21st century), companies’ cognition of social responsibility has been strengthened. CSR is manifested by diversification of content, conscientiousness of promotion,
and institutionalization. Shan (2007) surveyed more than 500 different types of companies’ CSR development and found that both large state-owned companies and private companies, both domestic and foreign-funded companies, have established social responsibility indicators within the company. From 2008, the government began to encourage state-owned companies to implement CSR, and state-owned companies should take the leading role in publishing CSR reports (Bhatia, 2012). Domestic-funded companies, including private companies, attach more importance to social responsibility than foreign-funded companies. Most companies have realized the importance of social responsibility.

Form 2011, the government requires all state-owned companies to publicize their CSR reports every year, and the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) established a CSR indicator system, and state-owned companies’ CSR practice will be a part of their annual evaluation system (Gu, Ryan, Bin, & Wei, 2013).

1.2 China’s new media social responsibility

The information about China’s new media social responsibility is mainly found in the “China’s New Media Social Responsibility Research Report” from 2014 to 2017, and this report is released year by year. The new media include news website, video websites, literacy website, large commercial websites, search engine websites, mobile media, news APP, microblogs, Wechat (a chatting APP) and other formats that based on Internet or mobile media.

According to the report released in 2014, the state level news websites and video websites fulfilled better social responsibilities, but, they need to be further strengthened in terms of different functions, such as information quality, incomplete education content, weak awareness of cultural heritage, and less interactive activities. The literacy websites and game websites still need to improve their ability in implementing social responsibility. Mobile media, news APP, and media microblog are at a lower level in implementing CSR. In the process of new media fulfilling social responsibilities, according to the nature, types, and functions of the network platform, the social responsibility status of the new media also shows significant differences. National news websites with an official nature can obtain support in terms of policies and funds, and thus emphasize the awareness of social responsibility in terms of information dissemination. Other types of online platforms will also attach importance to the social responsibility of the media. However, in the fierce market competition, websites often need to consider the social responsibilities they assume under the premise of ensuring survival.

The performance of new media fulfilling social responsibility in 2015 presented some change. The mainstream news websites social responsibility indicators are not good enough, but the youth websites had a strong sense of social responsibility and had a good development trend.
The level of social responsibility indicators for commercial websites was generally in the middle, and the status of social responsibility needed to be further improved. The social responsibility of social media had gradually increased, but the improvement of social responsibility’s execution capability required joint efforts of media agencies, the news industry, and the government.

The 2016 report indicated that the actual dilemma of new media social responsibility was manifested in the proliferation of illegal and harmful information, information security and protection issues. The public education and supervision were weak. The reasons for this situation include: 1) lack of original information, 2) ineffective control of infringement, 3) single risk monitoring, 4) over-pursuit of entertainment, 5) cultural heritage, and 6) poor user experience. Private media companies sometimes let out users’ private information. For example, Baidu Cloud, a personal data storage center, automatically let out its users’ documents and photos for years (Chen & Sun, 2017). These shortcomings make media companies begin to reflect on considering how to improve social responsibility of new media, and it could be started considering the following four aspects: 1) clearing the information space, focusing on information quality; 2) providing environmental monitoring, setting up a supervision platform; 3) disseminating cultural values, improving cultural quality; and 4) building a harmonious ecology and promoting coordinating relations. For further study, these four aspects are important elements in evaluating Tencent and CCTV.

Since 2017, the new media have faced new situations in fulfilling their social responsibilities, mobile social media has transformed the state of social responsibility, smart technology has challenged the social responsibility practice paradigm, the trend of platform concentration has affected the pattern of social responsibility, and the development of online video broadcast has increased the difficulty of social responsibility supervision. Considering an ever-changing scenario, the means of national governance have been constantly adjusted and upgraded. For example, the improvement of content supervision policies, the gradual classification of government supervision bodies, and the continuous improvement of administrative law enforcement capability. In terms of actual fulfillment of social responsibility, different new media have differences in their main forms, sources of operation funds, and user coverage. As a result, their social responsibility practices face different situations, they are subject to different pressures, and the level of fulfilling social responsibility is significantly different.

2 Aim and research questions

The aim of this study is to understand how far and in which way CSR have been developed in Chinese media industry internally as well as externally. In order to better study the development of CSR in Chinese media industry and as previous discussed, the role of
government in Chinese media industry also need to be studied. This research is a qualitative
case study based on a deductive approach: two specific companies (one state-owned company
- CCTV, one private company - Tencent) were chosen as cases for comparison and the results
will demonstrate if there are differences between the two companies’ manner of implementing
CSR and what role does the government play within CSR implementations.

Based on the aim of the study, here are the following research questions:

RQ.1 How have private and state-owned media companies in China implemented CSR both
within and outside the company?

RQ.2 What are the differences between private media companies and state-owned media
companies in implementing CSR?

RQ.3 What role does the government play in media companies implementing CSR?

3 Background

3.1 CCTV

The Central Television Station (CCTV) was established on May 1, 1958 and officially aired on
September 2 of the same year. It was initially called Beijing TV Station and was renamed CCTV
on May 1, 1978. CCTV is a national vice-ministerial institution with 24 deputy bureau-level
agencies and six subordinate units. CCTV is an important state-owned news media agency in
China. It is an important mouthpiece of Chinese Communist Party, the government and the
public and has a vital ideological and cultural position in China. As CCTV is the official
organization of Communist Party of China, it is one of the mainstream media with the most
international competitiveness and communication power in China (Zhu, 2012). CCTV is the
main channel for public to get information throughout the country, and is also an important
window for China to know about the world and the world to understand China. CCTV has
basically established an all-directional, diverse and integrated international communication
system. Up to now, there are 43 TV channels, including 29 open channels and 13 digital paid
channels. A total of 529 TV programs have been set up, and the total number of broadcasts in
338,000 hours. Users cover more than 210 countries and regions (CCTV, 2017). As one of the
most important and most influential media company, the social responsibility it implemented
cannot be ignored. CCTV started publishing social responsibility reports in 2013.

3.2 Tencent
Founded in November 1998, currently Tencent is one of the leading Internet value added service providers in China and it is a private company. Since its establishment, Tencent has been adhering to the user-oriented operating strategies and provides stable and high-quality services for the millions of users (Liu, 2012). According to Tencent’s company introduction, its mission is to improve the quality of human life through Internet services. At present, “connection” as its strategic target, social platforms and digital content services are the two core services provided by Tencent. Through instant messaging tool QQ, mobile social networking and communication services Wechat, and QQ.com, QQ Games, Qzone and Tenpay, the company seeks to meet the Internet users’ communication, information, entertainment, financial and business needs. In recent years, Tencent is committed to the development of social media, Internet media and a series of media platforms. It is not a media company in the strict sense, but it has a lot of media related products. In this thesis, it is seen as a media company. It has brought together China’s largest Internet community. Tencent’s development has profoundly affected and changed hundreds of millions of Internet users’ way of communication and living habits, and has created a broader application prospect for the Chinese Internet industry. Becoming the most respected Internet company is Tencent’s goal. Tencent has been actively involved in public welfare undertakings, endeavoring to assume corporate social responsibility and promoting Internet use. In 2006, Tencent launched the first charitable foundation of China’s Internet charity, and founded the Tencent charity network – gongyi.qq.com. The goal of Tencent is ambitious. Tencent published its first CSR report in 2008 (Tencent.com, 2018). Tencent makes full use of its Internet advantage to help people in need, and has established a comprehensive Internet public welfare system so that people can donate money or goods through the Internet, and it also has a certain role in promoting the public welfare undertakings of other enterprises (Dong, 2017).

In the following study, CCTV and Tencent’s CSR reports will be analyzed. The social responsibilities to different kind of stakeholders are the mean content in these reports, and CCTV as a state-owned media company has a lot of difference to the private media company Tencent in implementing CSR. The main purpose of this study is to analyze the difference between these two types of companies in implementing CSR. CCTV released its first CSR report in 2013, but Tencent released its first CSR report in 2008. For an equal comparison, this thesis will only compare the reports released by these two companies after 2013. The analysis of their stakeholders will be divided into two dimensions: internal and external. Internal aspect contains employees, shareholders, and public welfare or charitable activities. External aspect contains customers, business partners, local community, and the government.

3.3 Chinese Government
The highest national legislature in China is NPC – the National People’s Congress. The people’s congress system is China’s fundamental political system, and the people’s congress is China’s power organ. NPC has the supreme power to nominate the President of the People’s Republic of China, Premier of the State Council, and president of the Supreme People’s Court. The Central Government also includes various local governments including provincial governments, municipal governments, and county governments. In addition to the main body of the government, there is one extra branch of government in China called the Chinese People’s Political Consultative Conference (CPPCC). The figure below shows the structure of the government. This structure is prescribed by the Constitution of the People's Republic of China. But the NPC and CPPCC members owns very little real power. The president of People’s Republic of China (now is President Xi Jinping) owns the supreme power. In another word, the CPC holds all the power of the government. (Ding and Xu, 2015)

Communist Party of China (CPC) is China’s ruling political party, it is the leading core of Socialism with Chinese characteristics and the CPC Central Committee has the highest authority within the party (Ding and Xu, 2015). The realization of the power of the CPC Committees and the People’s Congress is closely related and not isolated. In China, CPC is the leader of the people, but it is not a mass organization in which all members of the society could participate in. CPC can participate in and lead the organs of state power, but CPC’s leading members are not elected by all people. CPC can serve as the leading force in the country’s political life, but the leading organs of CPC are also not state power organizations elected by the people and the power organs (Lu, 2003). Though the relationship between the government and the party is very complicated, but the state power is concentrated in the hands of the CPC.

![Figure 3: Structure of the government](attachment:image.png)

Figure 3: Structure of the government (Ding and Xu, 2015, p.222)
3.4 The beginning of Chinese companies to fulfil CSR

According to “The Development of China Corporate Social Responsibility Report” which is written by SynTao – Sustainability Solutions (2007), the first social responsibility report was issued by Shell (China) in 1999. Shell (China) is not a Chinese company in the true sense, but it has opened a precedent for Chinese companies to pay attention to social responsibility. In March 2006, the State Grid Corporation of China released the “2005 Social Responsibility Report”. This is the first social responsibility report officially issued by the central enterprises in China. On September 25, 2006, the Shenzhen Stock Exchange issued the “Guidance on Social Responsibility of Listed Companies”. Although this is just an advocacy guidance, it means that the importance of governance, environmental and social responsibility as the constituent elements of company profitability and risk disclosure have begun to be recognized by more and more listed companies (Qiu, 2009).

The 1998-2008 Tencent Corporate Citizenship and Social Responsibility Report is the first report that systematically elaborated Tencent's practice and thoughts on how to grow from being China’s largest Internet company to becoming an outstanding “corporate citizen”. As the first true CSR report in Chinese Internet industry, the publication of the report also marked that the young Internet industry in China is entering the “mature period” of actively implementing social responsibilities (tech.QQ.com, 2008). Tencent also has a lot of business in media market. This report is one of the earliest reports in the media industry as well.

3.5 News about Tencent

News 1. In 2017, Tencent granted 300 shares of Tencent stock to each employee as a special souvenir for its 18th anniversary. The total value of the awarded stock was 1.5 billion Chinese Yuan (approximate $240 million) (Wang, 2017). This measure shows the emphasis on employees.

News 2. Another news about Tencent’s employees is that Tencent employees’ per capita annual salary is nearly 800,000 (approximate $125,000) (Wang, 2017). This result is derived from Tencent’s financial statements.

News 3. There is one news about Tencent’s largest shareholder, MIH Holdings Limited: it declared that its investment in Tencent was its most successful one, and claimed that they would not give up holding of Tencent shares. Over the years, many investors who once invested in Tencent have sold shares in different periods. MIH has been holding Tencent shares and never sold (Guo, 2017).
The game ‘Glory of King’ which is designed by Tencent has gained a lot of trust from the parents because it is different from most games on the market. Glory of King is a multiplayer online game with a safe and suitable environment for minors. Users could choose game characters they want for group battle, and each battle takes some time to be played (Gong, 2017). This trust also allows the parents to relax their vigilance and allow their child to access games. However, many minors cannot stop playing this game, which can cause some social problems such as stealing money from parents to pay (Liu & Feng, 2017).

4 Previous research

In this chapter, the previous research in this study are mainly chosen from China Academic Journal Electronic Publishing House, ProQuest and ScienceDirect. Corporate social responsibility, media, private companies, state-owned companies are the main keywords for searching previous studies. Since the first CSR report in China was released in 1999, the studies from 1999 to 2018 are the main materials were chosen for this study. Based on these criteria, there was no clear research on Chinese media companies in implementing CSR, the studies conducted below are mainly focus on other industries, and other aspects such as media governance. But foreign scholars already have some research on media companies’ CSR, such as UK and America. Since two Chinese media companies are going to analyze in this study, and there is no clear research in this period in China, Chinese and foreign scholars’ research on CSR development will be conducted separately for better comprehension.

4.1 Chinese scholars’ researches on CSR development

In Qiu’s (2009) study, he chooses 593 companies listed on the Shanghai A-share market. In the past, Chinese companies’ CSR awareness was weak. Many Chinese companies were unwilling to fulfil social responsibility, such as Western Mining, and they even believed that fulfilling their social responsibility was not conducive to improving corporate performance and achieving “maximization of corporate value”. However, with the continuous economic globalization, economic growth, industrial upgrading, deeper exchanges, and cultural integration, the companies’ traditional values and responsibilities are changing. On September 25, 2006, the Shenzhen Stock Exchange issued the “Guidance on Social Responsibility of Listed Companies”. Although this is just an advocacy guidance, it means that the importance of governance, environmental and social responsibility as the constituent elements of company profitability and risk disclosure have begun to be recognized by more and more listed companies (Qiu, 2009). Throughout Qiu’s study, he confirmed the positive effect of CSR, and argues that companies should implement CSR.
Based on a study conducted by Xu and Xi (2011), they use inductive analysis to analyze 24 research on CSR published in Chinese core academic journals which include Management World, and Economic Research Journal, among others. The reason to start researching about CSR in China is the fact that the global corporate social responsibility movement, formed by the “green trade barriers” and the “labor protection barriers”, forced the domestic enterprises in China to adhere to this movement. Later, Xu and Xi (2011) sorted out three aspects that affecting domestic CSR:

1. external stakeholders like the consumers, the public, governments, etc.;
2. managers’ perceptions, reputation, scale, and economic capabilities, etc.;
3. corporate legal environments, international trade barriers and external institutional environments.

These three aspects help to do the external dimension analysis in chapter 7. Based on these three aspects, the external dimension analysis is divided into four parts: customers, business partners, local community and government.

Execution of CSR has been considered as an elementary approach for companies realizing the importance of sustainable development (Hou, 2014). Social media in recent years had not only a the “social” function; it also shows its power in the commerce, public administration and education fields. In Hou’s (2014) study, he mainly focuses on using media to handle the relationship between stakeholders and the company itself. The strength of the enterprise itself and its important role in the economic and social development process makes it possible for the enterprise always takes a strong position in the interaction with stakeholders. The strong position also leads enterprises to be in a passive and paternalistic attitude when implementing CSR. In the age of social media, the widespread use of social media has changed the current relationship between enterprises and stakeholders, but also provides new channels for them to communicate. Companies have lost their strong position in relation to stakeholders. Thus forcing companies to change their fulfilment of social responsibility from a passive social response to a pre-set preventive action. On social media platforms, more interactions between companies and stakeholders potentially lead to a fair and equal relationship. Companies can publish their own social responsibility information, and stakeholders can also feel free to comment and evaluate their opinions anytime and anywhere to criticize and question the behavior of companies. Media plays a crucial role in the relationship between companies and stakeholders.

Based on netizen perspective in analyzing internet media corporate social responsibility is another aspect was found in the literature review. In Xiao’s (2013) study, she carries on the literature research work through (1) the corporate social responsibility thought, (2) Internet
media companies’ corporate social responsibility, and (3) the corporate social responsibility evaluation. Tencent as an Internet based company, most of its customers are Internet users, the following study about analyzing Tencent need to concern the netizen perspective. Xiao (2013) also described the stage of development of the network media companies and the phenomenon of loss of responsibility. The lack of gatekeeper information on the internet media companies inevitably creates serious problems, such as spreading redundant information, false information and pornographic information. On April 9, 2012, the Ifeng Film and Television news channel reported the funny video of Titanic created by netizens as a real news, making James Cameron, director of the Titanic, believe it. These all influence users to understand and receive information. The credibility of internet media companies is thus affected. At the same time, the competitiveness of the internet media companies is reduced, and even worse, legal issues such as the infringement of information dissemination may be involved. Internet media companies are seen as the supervisor of public opinions. To some extent, people forget internet media companies should also fulfil social responsibilities. Based on the theoretical and empirical analysis results, the author proposed measures to promote the social responsibility of internet media companies. The awareness of information diffusion, the driving force of corporate development, the soft binding force of industry self-regulation, the external coercive force of government regulations, and the influence of public supervision on public opinion should be valued by the companies so as to better promote online media companies’ sustainable development. Companies reputation was also mentioned in Xiao’s study. The proliferation of internet media corporate social responsibility information will have a positive impact on the company’s reputation image and promote the sustainable development of the company.

In Dong’s (2013) study, the representative examples of communication in recent years are selected to analyze the status and the causes of the lack of social responsibility in the media in China. The governance methods for the lack of media social responsibility are proposed in three aspects, social system, supervision methods and ethics construction. He believes that to strengthen media’s sense of social responsibility, laws, ethics and morals are indispensable elements to restrain them. The government should strengthen relevant laws and regulations. While safeguarding freedom of the media, the power of the media also must be regulated. The author believes that it is also necessary to strengthen social supervision over the media.

Wang (2016) also did a study on the lack of social responsibility in new media enterprises. He started from the definition, characteristics, impact and significance of new media, and the status of the new media company’s social responsibility at home and abroad. It also relied on media theory and economics theory, applying the “gatekeeper” theory, communication model
theory and public trust theory to analyze the phenomenon of the lack of social responsibility of new media companies and synthesize the reason for this phenomenon. The author used inductive analysis method in this paper. He mainly focused on the reasons for missing new media corporate social responsibilities: 1) caused by changing in the mode of transmission, 2) caused by expanded audience information rights, 3) the lack of media literacy among media professionals, 4) loss of audience media literacy, 5) the weakening of the "gatekeeper" function, 6) the lack of public opinion guidance, 7) one-sided pursuit of commercial interests, 8) incomplete laws and regulations. Based on his analysis, all these aspects could be used in this study. Especially the one-sided pursuit of commercial interests, most private media companies treat their commercial interests as the most important thing, this is a criterion in evaluating how companies implementing CSR in this study.

Another interesting topic in studying CSR is based on the perspective of meta governance theory, which is about the government behavior in the construction of CSR. Feng (2014) used the “Meta-Governance” theory to systematically study the role of government and its behavior in the construction of CSR in China. The author pointed out that under the meta governance model, the government assume itself the role of “meta regulator” in the construction of CSR. Feng’s (2014) study took the construction of state-owned enterprises social responsibility as an example and discussed in detail the behavioral characteristics of the government in promoting the process of CSR construction, analyzed and discussed in a targeted manner from the perspective of practice. This will undoubtedly have great potential and referenced value for the government to implement CSR construction.

Another study conducted by Zhou (2014) also mentioned the role of the government in CSR. This paper gives a very clear guidance about China’s CSR development and also Russia’s. The purpose of study is making a comparative analysis of the fulfilment of CSR both in China and Russia. He first gave the definition of the concept. Then he gave a clear frame on CSR development and modern status both in China and Russia. The Russian analysis is not considered for this thesis. The Chinese analysis started from the period of ‘China’s reform and opening up’ process. Then mentioned that the first time some issue of CSR became a part of China’s Company Law in 1994. Employees were firstly concerned in the operation of the company. In the cooperation part, he compared the definition, standards, motivation, and requirements. In Zhou's (2014) study, government regulation of CSR in China was mentioned a lot, for example, regulating or requiring CSR management models, reports, indicators, and auditing system; offering CSR services and support to CSR initiatives by companies. The role of government in China’s CSR is significant. Finally, Zhou (2014) concluded that the concept of CSR is quite new for both countries. Government is the main power in promoting and
pushing forward the implementation of CSR in both countries. In China, state-owned companies and private companies are two main types of companies. Compared to private companies, state-owned companies fulfil more than twice better performance in CSR. Though Zhou’s study is not related to the Chinese media industry, it gives a better understanding of the development of Chinese CSR.

Political connections and private companies’ social responsibility have some connections. The study inducted by Zhang and Liang (2012) mainly focused on these connections. This study first showed that the performance of China’s private companies in undertaking social responsibilities has recently been positively developed, and the content of social responsibilities they fulfilled have become more abundant. Zhang and Liang’s (2012) study takes private listed companies in China as the samples to examine the influence of political connection on the performance of private listed companies in implementing CSR. Through collecting data, the study finds that a total of 114 private companies issued social responsibility reports during the period from 2008 to 2010, of which 52 companies had political connections and accounted for 45.61% of the social responsibility reports. The study found that there is a positive correlation between the political connection of private companies and the fulfillment of social responsibilities. The higher the level of political connection, the better the fulfillment of social responsibility. Looking further at the regions, in the areas with a better institutional environment, the political connections of private companies promote the fulfillment of social responsibilities. In the regions where the institutional environment is poor, political connections have no effect on the social responsibilities of private companies. The government especially the local government, has played an important role in guiding enterprises to fulfil their social responsibilities. The government should strengthen the supervision of companies, which have political connection in implementing CSR.

Another study about political connections is written by Chen, Liu, and Lu (2018). This study takes the publication of corporate social responsibility reports as a research context. From the perspective of political legitimacy, it discusses the influence of political connections on the corporate responses to legitimacy policies, and how the corresponding ways of firms change due to the different levels of political connections. It also examines how companies respond to institutional pressure conflicts caused by the heterogeneity of government demands.

This study (Chen et al., 2018) found that companies that have political connections with the central government respond positively to the government’s legitimacy policies, that is, they are more likely to publish social responsibility reports, and the quality of the reports is also higher. On the contrary, companies that have local government political connections will respond to
the government’s legitimacy policies in a negative way, showing that their willingness to publish social responsibility reports is low, and even if they publish reports, they are of poor quality. In addition, if companies have both central and local governments political connection at the same time, they will adopt decoupling strategies to deal with institutional pressures. On the one hand, through the release of reports, the companies respond to the call of the central government, on the other hand, by reducing the quality of the reports, the companies cannot meet the expectations of local government.

4.2 Foreign scholars’ researches on CSR development

Gulyás (2009) explored the perceptions of CSR among British media companies and examined their activities and practices about CSR and CSR engagement in British media companies. The result showed that internal factors (employees, executive managers, shareholders) influenced CSR more than external factors (regulator, public opinion, consumers) did. Comparing to small media companies, big media companies engaged more environmental sustainability activities, big media companies are more likely to do CSR activities.

Hou and Reber (2011) focused on dimensions of CSR disclosures, which were reported by media companies. They examined the CSR initiatives and disclosures of some big companies in America. They used content analysis to analyze CSR disclosure in six aspects, environment, community relations, diversity, employee relations, human rights, and companies’ specific media CSR activities. They chose the “top ten” media companies in America and analyzed their CSR reports and online CSR information and annual reports. Their research provides a new classification, containing environment, diversity, community and employee relations. This is different than Zhou’s (2014) study which contains economic, legal ethical, and philanthropic dimensions.

Reputation and media governance were mentioned by Ingenhoff and Koelling (2011). They wrote that the reputation of media companies was getting more and more important. The media companies started to present themselves as ‘good corporate citizens’ through participating CSR activities and Media Governance (MG) so that they could legitimate themselves. Ingenhoff and Koelling (2011) used quantitative content analysis to fill the gap and examine websites and reports of certain media companies in five European countries. The results showed that compared to private media organizations, public service media organizations communicate more on MG. Why the result showed like this may because the public service media organizations take more responsibilities to the public in public service obligation aspect. In general, public service media organizations take more activities in CSR
and MG than private media organizations. And national differences are another aspect that cannot be ignored when doing the multinational analysis.

The study CSR and Sustainability in the Media Industry – A Focus on Austria (Geiger, 2015) focuses on a specific country – Austria. Geiger (2015) found that although there is some literature about CSR, but the researches about CSR in Austria media companies could barely be found. The purpose of this study was to find out the implementation of CSR and sustainability in Austrian media companies and the approaches they used to communicate within and outside the company. The author first gave the theoretical framework, it is a comprehensive literature review about previous studies in this research field. And he chose two media companies and one media expert’s view on this topic in his study, which were not used in studying Austria before. Qualitative semi-structured interviews were used in his study and it is an empirical study. He collected data to analyze by comparing it to the theory.

4.3 Research gap
After the research review work, the research about the role of government in CSR in media industry is still an aspect that has barely been studied. There were studies about the role of government in CSR in business industry, in some listed companies, but barely in media industry. There are some studies about a certain country, like Austria (Geiger, 2015) and Britain (Gulyás, 2009). There is no systematic research on the development of media CSR in China and the history of media CSR. The studies about media CSR are mainly focused on some certain aspects, for example, netizen perspective (Xiao, 2013), lack of social responsibility (Dong, 2013; Wang, 2016), and media governance (Ingenhoff & Koelling, 2011). Therefore, this thesis focuses specifically on a case study analyzing the development of CSR in Chinese media industry. How CSR is implemented internally and externally both in state-owned companies and private companies. Since China is a socialist country, the role of the government in CSR is somewhat different from that of Western countries. Thus, one state-owned and one private media company were selected to the empirical research part of this thesis.

5 Theoretical frame and concepts
5.1 Corporate Social Responsibility (CSR)
CSR was first proposed in the 1950s, and begun to attract more attention in the 1990s. In academic filed, it is a relatively new area, which started to build up in the 2000s. (Crane, et al., 2008).

CSR began to take shape in the 1950s. Before it was named as corporate social responsibility (CSR), it was called social responsibility (SR) for many years. Bowen was one of the first
scholars to give a definition of SR, which “refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society” (Bowen, 1953, p. 6). And Carroll (2006, p. 5) considers Bowen as the “Father of Corporate Social Responsibility”.

Compared to 1950s and before, the decade of 1960s marked a significant growth in more precisely defining CSR. (Crane, et al., 2008) One of influential contributor in this decade was Frederick, he defined CSR as “social responsibility in the final analysis implies a public posture toward society’s economic and human resources and a willingness to see that those resources are utilized for broad social ends and not simply for the narrowly circumscribed interests of private persons and firms” (Frederick, 1960, p. 60). In the end of 1960s, the business practice that are seen as social responsibility had a lot of topics, such as working conditions, personal policies, customer relations, stakeholder relations, and charity (Heald, 1970).

In the 1970s, one of the definition of CSR was given by Carroll (1979, p. 500), “The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time”. This definition contains an economic responsibility, he argues that economic viability that business dose also could help the society (Carroll, 1979). He later created the famous “pyramid of CSR”, and the ‘economic responsibility' forming the foundation of his CSR pyramid (Carroll, 1991).

In the 1980s, Jones defined CSR as “corporate social responsibility is the notion that corporations have an obligation to constituent groups in society other than stockholders and
beyond that prescribed by law and union contract two facts of this definition are critical. First, the obligation must be voluntarily adopted; behavior influenced by the coercive forces of law or union contract is not voluntary. Second, the obligation is a broad one, extending beyond the traditional duty to other societal groups such as customers, employees, suppliers, and neighboring communities” (Jones, 1980, p.59-60). In addition, CSR as a ‘process’ is one of the contribution that Jones's mainly emphasized. His contribution was very important, and the debate about the content and extent of CSR expected of business should not be ended.

The contributions to the concept of CSR in the 1990s are relatively small. Carne et al. (2008) found that the significant continued growing themes in the 1990s included corporate social performance (CSP), stakeholder theory, business ethics, sustainability, and corporate citizenship, and there were a certain number of research tried to inspect the relationship between corporate social performance and financial performance (Griffin and Mahon, 1997). In addition, the most prominent contribution was in the business practice field. The non-profit organization Business for Social Responsibility (BSR) (as cited in Crane, 2008) defines CSR in a really broad way, business ethics, community investment, environment, governance and accountability, human rights, marketplace, and workplace are all mentioned. BSR proposed that “CSR is viewed as a comprehensive set of politics, practices and programs that are integrated into business operations, supply chains, and decision-making processes through the company” (BSR, as cited in Crane, 2008, p. 38).

Finally, to the 21st century, the empirical research about CSR definition related to stakeholder theory, business ethics and so on are the main contributions. A three-domain approach to corporate social responsibility was proposed by Schwartz and Carroll (2003), the three-domain approached evolved from Carroll's four categories of CSR, which contains economic, legal and ethics. This approach’s model presents as a venn diagram. The three-domain model completely discussed each of the three domains and shows each section of the venn diagram represents a part of the organizational characteristics that could be useful when analyzing enterprises.

With the theory developed, the definition of CSR is clearer. Carroll’s pyramid of CSR is still a very good and clear structure in understanding companies’ social responsibility. In this thesis, Carroll’s definition of CSR will be mainly used.

5.2 Stakeholder Theory

One of the concepts of stakeholder was proposed by Freeman (2010) in his book Strategic Management: A Stakeholder Approach. Stakeholders is “any of the groups and individual that can affect, or are affected by, the accomplishment of organizational purpose” (Freeman, 2010,
In Freeman’s book, he gives a view of every kind of stakeholders (see figure 2) which includes governments, local community organizations, consumer advocates, customers, competitors, media, employees, SIG, environmentalist, and suppliers. Each of these groups has a crucial role in the business enterprise operation. “Each of these groups has a stake in the modern corporation, hence, the term, ‘stakeholder,’ and ‘the stakeholder model or framework’ or ‘stakeholder management’” (Freeman, 2010, p. 25).

In addition to the groups and individuals that proposed by Freeman, Friedman and Miles (2006), they also have concerns about the composition of stakeholders: media, the public in general, business partners, future generations, past generations (founders of organizations) academics, competitors, NGOs or activists, government, regulators and so on. Since Freeman gave a clear framework in clarifying stakeholders and it suits this study better, the concept of stakeholder theory which is given by Freeman will use as the theoretical reference for this study.

5.3 Meta-Governance Theory

Jessop (2002) described it in his research as “organizational preparation for governance models.” Meta-governance is neither a new governance model in the traditional sense nor an independent concept of governance, but rather a method and tool that emphasizes coordinated governance. Its purpose is to effectively combine independent governance models. On the whole, the concept of meta governance focuses on correcting the denial of government (or country) status by governance concepts and the possible neglect of government (or country) responsibility results, re-emphasizing the status and role of government in governance. Jessop (2002) believes that meta governance is a process of reverberation accompanied by governance trends — government or national authority intervenes in the organizational process of natural organizations, networks, and multiple governance entities. He also mentioned that the main
body of meta-governance is the state, while public organizations such as government departments are the representatives of the country (Jessop, 1990).

5.4 Corporate Political Connections

Political connection was first proposed by Fisman (2001) when he studied the relationship between Indonesian companies and the Suharto family. Sun, Liu and Li (2005) were the scholars who paid attention to “political relationship” in China in the early stage. Johnson and Mitton (2003) believed that political connection refers to the close relationship between the company’s top managers or major shareholders and the prime minister, vice prime minister, or minister of finance. In China, Luo and Tang (2009) and other scholars regarded whether the company’s general manager or chairman is a government official as a symbol of political connections.

The resource dependence theory holds that an organization needs to maintain its relationship with important stakeholders and reduce the uncertainty caused by resource constraints (Hillman, Withers, & Collins, 2009). Under the background of the “emerging and transformation” system in China, the government is responsible for the supervision of the market and is also responsible for the allocation of important resources, thus becoming a key stakeholder that affects the survival and development of the company (Li, Meng, Wang, & Zhou, 2008). In terms of how companies establish and maintain relations with the government, feasible methods include political lobbying, participation in government projects, and establishing personal relationships with officials (Hillman, Keim, & Schuler, 2004; Wang, Zheng, & Jiang, 2016; Mellahi, Frynas, Sun, & Siegel, 2016). These concerns focus on how companies actively participate in or influence government planning the process. The government will also use some signals about various behavior guidelines to express expectations of corporate behaviors, such as appealing for charitable donations in the event of a disaster and implementing more social responsibilities in pursuit of profits (Marquis & Qian, 2013). If a company can actively respond to government signals, it may gain recognition from the government and obtain political legitimacy (Wei, Shen, Zhou, & Li, 2017). Political legitimacy means that the government believed that to a large extent the behavior of the company complies with legal provisions meet the government’s own expectations (Zhao, 2012). The more corporate actions conform to the expectations of the government, the higher the political legitimacy the company will get, and the company may obtain more key resources and information from the government (Wei et al., 2017; Zhao, 2012). As an important form of political embedding, political connections provide enterprises with access to government resources and information, but at the same time, it combines the company with the government. It is the companies’ behavior that must meet the government’s expectations and
pursue the government’s desired social goals (Boubakri, Cosset, & Saffar, 2008; Marquis & Qian, 2013). Therefore, companies with more political connections are more likely to respond positively to the government signals in exchange for legitimacy and resources (Chen et al., 2018).

6 Method (and material)

6.1 Case Study
Since this is a case study, the process of doing a case study should be clear. According to Yin (2018, p. 8) book, for research purpose, there are three kinds of case studies:
(1) “Explanatory or causal case studies
(2) Descriptive case studies
(3) Exploratory case studies”

In order to define which case study should be used, Yin (2018, p. 9) mentions there are three conditions:
(1) “The types of research question posed
(2) The extent of control a researcher has over actual behavioral events
(3) The degree of focus on contemporary as opposed to entirely historical events”.

This thesis is a descriptive case study but also contains some exploratory components. The social responsibility reports of CCTV and Tencent are the cases to be studied. First, the thesis addressed the first CSR report in media industry in China, and how CSR develops in media industry in China. Then, the study focuses on two specific companies’ CSR process, CCTV (state-owned company) and Tencent (private company), comparing and analyzing these two companies, and investigates what role does the government play within CSR implementations in the country.

6.2 Document analysis
Document analysis is a main method of social research, and it is meaningful and appropriate in the context of research strategy (Mason, 2002). “Literal ‘readings’ of documents should not extend to treating them as though they are direct representations or reflections of ‘reality’ or straightforward ‘factual records’” (Mason, 2002, p. 107). Document analysis is used for reviewing or evaluating document in a systematic process (Bowen, 2009). According to Bowen’s (2009) study, documents have five specific functions in a research:
(1) Providing data on the context
(2) information from the documents could draw forth some questions that need to be solved
(3) providing complementary research data
(4) providing a sort of tracking change and development
(5) documents can be analyzed to certify findings or verify evidence from other sources.

Rapley and Jenkings (2010, p. 380) show that analyzing documents could be simply divided into two aspects:
(1) “work that focuses on the actual textual and extra-textual content of documents (meta-synthesis and discourse analysis),
(2) work that focuses on the use, role, and function of documents in interactional and organizational settings (ethnography and ethno-methodological ethnography)”.

The first aspect focuses on documents as an independent object, as gathering knowledge. This kind of work abandon empirical observation of how people read, consult, or use the documents in practice. The second aspect is mainly observational. This kind of work seeks to find out how documents become the active agents in organizations or/and the interactions between companies and the outside of companies (Rapley and Jenkings, 2010). This thesis focuses on the second aspect, examining the relationship between companies and government through document analysis.

6.3 Case selection
The cases studies are the state-owned media company CCTV Social Responsibility Reports and the private media company Tencent CSR Reports. As one of the research questions is relates to how media companies implement CSR internally and externally, these two cases cover the main types of media companies in China and allow to understand the possible different roles the government play in these two kind of media companies could also be understood.

The prior research review does not give too much useful information about the role of government in CSR implementation in China. CCTV as a state-owned media company, to a certain extent, it is working for the government, while Tencent as a private company, it is more concerned with the part related to its own interests. Thus, comparing these two companies is meaningful and helpful to depict the CSR development in China.

6.4 Samples
So far, CCTV released in total four social responsibility reports in 2013, 2014, 2015, 2016 respectively. Tencent released in total five reports referring to 1998-2008, 2008-2010, 2011-2012, 2013-2014 and 2015-2016 corporate social responsibility report. Tencent started releasing its CSR reports five years earlies than CCTV and reports from 2013 is comparable. Since they represent two types of media companies, CCTV social responsibility reports are
quite different than Tencent CSR reports. This study will mainly focus on comparing the reports were released after 2013, totally six reports will be used, and the table below shows these six reports' main information. These six reports will firstly be categorized into two dimensions and seven aspects in a big table: 1) the implementation of CSR internally, which considers employees, shareholders, health and safety at work, and commonweal organization, and 2) the implementation of CSR externally, which involves customers, business partners, local community the government. Secondly, these seven aspects will be analyzed separately. In addition, the role of the government in CCTV and Tencent implementation of CSR will be studied respectively.

<table>
<thead>
<tr>
<th>Number of the report</th>
<th>Title of the report</th>
<th>Hyperlink to where it is available online</th>
<th>Date of publication</th>
<th>Language of publication</th>
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Table: CCTV and Tencent CSR reports from 2013-2016

7 Analysis (and result)

In this chapter, six reports will be analyzed separately in seven aspects. In order to be able to analyze it clearly, all these six reports were extracted from seven aspects before the analysis, totally took two days, about 15 pages of A4 paper. Since there was no clear study about CSR in Chinese media industry, this thesis is more pathbreaking. The following is the analysis of the six reports.

7.1 Implementing CSR internally

7.1.1 Employees and safety at work
In China, the employees working in public institutions are mainly divided into two categories, in-system staff and contract workers. The in-system staff owns more benefits than the contract worker and the contract worker need to leave after the contract expires, while the in-system staff does not have this concern. Based on the China’s national condition, the wages and benefits of these two types of employees have significant difference (Chen & Zhuang, 2008).

The first aspect that 2013 CCTV social responsibility report mentioned is to reduce the wages and benefits gap between these two types of employees. In this report, CCTV announced that they continued to improve the management system of dual-regulation employment. They based on the relevant regulations from the Labor Law and the Labor Contract Law, revised and promulgated the Interim Measures for the Employment of CCTV, and drafted the Management Methods for the Staff of CCTV. These actions regulated various types of employment from the institutional level. CCTV safeguarded employees’ rights which includes social insurance, statutory leave, labor protection and other rights and interests according to the law, and actively organize employees to carry out physical exercise activities and health examinations. Regarding the safety at work topic, CCTV fulfilled its responsibility to provide a safe work environment. The annual total safety accident rate was only 0.058 second per one hundred hours, which is the best score in ten years. These contents have appeared in both the 2014 and 2015 CCTV social responsibility reports as well. The only difference is the safety accident rate, in 2014, the rate was 0.16 second per one hundred hours; in 2015, there was no big safety accident.

CCTV as a national media company, and in its CSR reports, although it did not mention what kind of accidents happened, it did not hide the truth. CCTV, as the mouthpiece of the CPC and the government, dared not post false information, and what CCTV disclosed in its CSR reports is worth trusting, or its reputation would be destroyed if it released false information, lying to the public. However, it is important to understand that, in the context of China, nobody dares to say anything bad about CCTV because it is the most important state-owned media, and it is controlled by the CPC and the government.

The report in 2016 presented some differences in relation to the previous reports. The wages and benefits difference among the two types of employees was not mentioned in the 2016 report because CCTV has solved this issue. In addition to continuing safeguarding employees’ rights, the report also mentions the necessity to provide journalists proper identification to guarantee their rights. They also organized all employees to participate in online training regarding relevant topics within news editing business. Li was a staff who worked for CCTV for 35 years. According to Li’s (2012) book, he mentioned that CCTV is willing to training its
employees, and employees from other TV stations. Thus, there is some evidence to demonstrate that the information in the reports are true.

According to the whole information of employees in Tencent CSR reports, Tencent always treats employees as the company’s first wealth. Tencent gives great importance to employees’ interests and hobbies, provides a good working environment, pays attention to the management of corporate culture, continues to stimulate employees’ potential, pursues personal growth with the company and plans careers for employees.

The report released on 2013-2014 is that Tencent put forward a policy for employees’ housing issues. Tencent provides its employees with an interest-free borrowing policy for the first apartment of a total of one billion Chinese Yuan. Tencent also established a specific council named Occupational Health and Safety (OHS) to make sure every employee works in a safe and healthy work environment. The 2015-2016 Tencent CSR report made some improvements and additions based on the previous report. Tencent promotes the culture of tolerance, supports the free growth of employees, and holds the value of integrity. And it also published the policy about clarifying the regulatory measures for all types of violations.

As mentioned in the background, in 2017, Tencent granted 300 shares of Tencent stock to each employee as a special souvenir for its 18th anniversary. On the surface, this shows that Tencent’s employees have very good employee treatment. As a matter of fact, this is only a mean of publicity, the truth is that the top leaders are also counted as employees, so the average wage appears to be that high (Wen, 2017). Tencent as a private company, it attaches great importance to the credibility of the company and uses that to obtain better economic benefits.

Comparing CCTV and Tencent’s CSR reports, both have maintained some stable measures, but Tencent has relatively put forward some new measures for the care and protection of employees in each year’s reports. Tencent as a private company, the report contents they proposed are more in detail and have several measures, and the contents about employees that CCTV released are more likely to maintain its image as a state-owned company and speak for the government.

7.1.2 Shareholders
CCTV CSR reports do not involve shareholders. If there is someone who plays the role of shareholders in CCTV, it is the CPC. Four CCTV social responsibility reports are all about maintaining the CPC’s reputation. For example, in 2015, CCTV successfully completed the publicity and reporting tasks of the National People’s Congress (NPC) and National Committee
of the Chinese People’s Political Consultative Conference (CPPCC), the Fifth Plenary Session of the 18th Communist Party of China (CPC) Central Committee, the Central Economic Work Conference and other major conference activities. CCTV authoritatively interpreted, with Xi Jinping as general secretary, the new concepts and new ideas of the CPC Central Committee for managing the country, providing powerful public opinion support for the development and stability of reform.

The Tencent CSR reports did not mention shareholders as a specific chapter or a clear topic, the 2013-2014 and 2015-2016 reports only used a few sentences to simply describe what Tencent did to shareholders. Tencent regularly published financial reports in time, held shareholders’ meeting and shareholders’ special meetings, and timely accepted shareholders’ consultations. Tencent also established a board of directors, and published performances on a quarterly basis.

Based on the news about Tencent’s largest shareholder, MIH Holdings Limited in the background, the relationship between Tencent and its biggest shareholder is good. The reports did not mention too much about shareholders, maybe it does not want to leave a deep impression about economic trades to the public, because the public do not care about Tencent’s financial situation.

State-owned media companies like CCTV are not listed companies. In other word, there is no relationship between companies and the shareholders. CCTV as a national media company is a mouthpiece of the CPC and the government and, therefore, it should consider the interest of the CPC and the government.

Private media companies are not all listed companies, but the private media company Tencent is a listed company. Compared to state-owned companies, private media companies need to consider one more thing — shareholders. But in the Tencent CSR reports, shareholders are not in an important position. Shareholders were just mentioned in the beginning of the reports, which means that most of readers may be the public and users. What Tencent want to show in the reports are the things they did to the customers and its employees, which is good to build its reputation.

7.1.3 Public welfare or charitable activities
In the 2013 CCTV social responsibility report, charitable activities were divided into several sections, providing social responsibility, humanistic care responsibility, and prosperity and development of social and cultural responsibility. First, CCTV actively organized employees to
participate in voluntary blood donation, and other social charitable activities. CCTV was awarded the honorary title of “Voluntary Blood Donation Work Model Unit” by the government, and it has been consecutively awarded this honor for 20 years. CCTV also organized well-known announcers and presenters to hold reading activities of classic literary works for the visually impaired people. CCTV has also done a lot of work to help the poor, and organized employees to carry out various donations, they also helped the home-left children whose parents are out for working. The CCTV social responsibility report released in 2014 made some changes: CCTV actively organized various social service activities, and gave full play to the professional characteristics of TV institutions. CCTV used media platforms to initiate charity actions to help people who need help, and held large-scale public welfare activities, such as ‘Touching China’ and achieved good social effect. When college students face severe employment forms, CCTV initatively set up an employment service department to provide job information for college student, and help them to find a job. In addition to adult services, there were special charity activities for children. According to the “end the violence to children” initiated by the United Nations Children’s Fund, CCTV released a 60-second public welfare short film about “prevention of child sexual abuse”. A corresponding public welfare short film was also made for the defense of AIDS. The 2015 and 2016 CCTV social responsibility reports are not different from the previous reports. CCTV published a lot of public welfare advertisement, but many of these advertisements are built around the core socialism values, and CCTV insists on social benefits first principle. In fact, the public welfare activities that CCTV did are not only to maintain its own image, but also to maintain the image of CPC.

As a national television station, CCTV plays an important role in inheriting the good culture and advocating the concept of a civilized life (Chen, 2007). Market-oriented media companies’ main economic income comes from audiences and advertisements. Some media outlets, such as Beijing Times, have to consider the requirements of the audience and advertisers, leading the company to cater the preferences of the audience and without limitations to satisfy the requirements of the advertisers (Guan, 2007). But CCTV’s, as a national media, its main task is propagandizing the government which is actually required by the government policies. Then CCTV needs to produce various series of public welfare advertisements to propagandize the government work and promote good culture. Since CCTV does not see economic profits as its goal, the information of public welfare in its reports are more reliable than in the Tencent ones. CCTV just need to maintain its credibility and influence.

In the public welfare aspect, Tencent CSR reports could be briefly divided into two phases, before 2012 and after 2013. This study mainly focused on the second phase. After 2013, there is no specific chapter about public welfare, activities about public welfare were divided into
different chapters, and the description about public welfare become rare. In addition to combine public welfare activities with its own products, such as QQ Zone, it uses social characteristics for transparent public welfare, and Tencent continuously improves the network donation platform, socializes the public welfare, and cultivates public awareness of the public welfare. Tencent also provides various non-profit organizations with the necessary funds and resources to help them, thereby expanding Tencent’s social influence and creating more social values.

The comments about Tencent in implementing public welfare responsibility are mostly good comments. Liu and Feng (2017) believe that Tencent did well in the existing public welfare activities, and they think there are more things that Tencent could do in the future. Zhou, Fan and Tian (2017) found the problems of Tencent’s charitable responsibility through issuing questionnaires to Tencent’s users. Although Tencent specifically set up a public welfare channel, the number of public welfare activities need to be increased, and it could provide an overall coverage of public welfare reports. Less attention was paid to the topic of environmental protection, and environmental protection and ecological construction still need to be promoted. Most researches about social responsibility in the Internet based companies like Tencent are mainly focused on four aspects: 1) protection of minors, 2) protection of user’s privacy, 3) limitation of the spread of bad information, and 4) increase research investment and promote scientific and technological innovation (Ma, 2017; Ruan, 2017). But there are other scholars like Huang, Xie, and Liang (2018) that recently mentioned the environmental responsibility in Internet based companies like Tencent. The online shopping brought by Internet companies has become an integral part of the people’s lives in China. The overpackaging and pollution emissions brought by the express delivery have become an environmental issue to be considered. Tencent, based on its Internet support and huge user base, is involved in the electricity business and established the QQ e-commerce business. In order to reduce operating costs, e-commerce platforms often use cheap packaging materials, and the packaging materials are often treated as waste after the transaction is completed. Packaging material represented by plastic tapes and cartons are difficult to degrade. They not only cause pressure in the ecological environment, but also waste a lot of forest resources. According to Huang, Xie, and Liang (2018), till now, Internet based companies do not seem to have taken effective measures to take up this issue of social environmental responsibility. Tencent still needs to consider more aspects on social responsibility, as charitable activities to the public are not enough, it also should consider the environmental issues more attentively.

From CCTV and Tencent’s reports, it is clear to see that the types of charity activities are quite simple to the state-owned media companies and, on the contrary, private media companies
have more diverse types of public welfare activities. These two kinds of companies have something in common: their employees attended the volunteer activities. The volunteer activity is also one of the easiest and common activity to implement. Private media companies concern more on their social reputation: the more charitable activities they do, the higher reputation they will get.

7.2 Implementing CSR externally

7.2.1 Customers

Since the 2013 CCTV social responsibility report is the first report, there is still some shortcomings. In this year’s report, CCTV mainly tried to guide social hotspots, and carried out public opinion supervision, adhered to objectively report, and provided the audience with real and effective information. The 2014, 2015 and 2016 reports are similar. In addition to keep their role in public opinion supervision, CCTV reported that they exposed some news that infringed the rights of customers, safeguarded the interests of customers, and informing customers how to identify and prevent these kinds of scams. CCTV also carried out popular science activities, provided scientific information services and life services for the public, and actively carried out propaganda of the law, and raised public awareness of the law. According to the reports, the main social responsibility CCTV provides is useful information to the audience. However, there is no direct interest relationship between audience and CCTV. This is also the common relationship between most state-owned media and the audience. Since there are too many channels and programs on CCTV, the distribution of new programs on each channel is fragmented, and CCTV has not yet fully targeted the audience accurately.

For Tencent, users are customers, and it always follows ‘all based on user value’ (tech.QQ.com, 2008). The Tencent CSR reports about customers are also divided into two phases, before 2010 and after 2011. Here it only concerns the 2013-2014, and 2015-2016 Tencent CSR reports. These two reports conclude what Tencent did to users in a very brief way. Tencent just continuously improved the customer service system. Other information about users could be found in the chapters which Tencent introduced its products. For example, QQ Health Center has invested in the health Internet — Lilac Garden to provide users with convenient medical and health services. As a matter of fact, Tencent as private company, its commercial interest is the most important thing it cares.

The game business which was not mentioned in Tencent’s reports. It is one of the major sources of income for Tencent, and it has continued to grow. The game “Glory of King” caused some social problems that did not mention in its reports. Tencent still only showed its good side in implementing CSR. Though showing the good side could build Tencent’s reputation among the
public, but once there is any problem exposed to the public, Tencent’s reputation will decline exponentially.

Compared to CCTV, Tencent pays more attention to users. Tencent as a private Internet-based company, relies on its various products to provide its own economic income. Thus, the users’ position is self-evident. They have direct economic relationship between private companies and the users. On the contrary, as a national media, CCTV has already accumulated a profound mass base and has no direct interest in the audience. Therefore, users as a part of stakeholders take up different proportions in the two companies’ CSR reports.

7.2.2 Business partners
The four CCTV social responsibility reports did not release anything about the real ‘business’ partner, but some partners were mentioned in these reports. In 2014, CCTV organized a series of public welfare TV programs and cooperated with Tencent Charity and Alipay Wallet to complete donations. CCTV provided the platform and Tencent Charity and Alipay Wallet provided donation channels. And these TV programs enhanced their reputation. In 2015, CCTV provided manuscripts for People’s Daily’ special column, and this is not the only cooperation between CCTV and People’s Daily. In 2016, CCTV established the Belt and Road Media Community which created a platform for the exchange and cooperation of the Silk Road countries’ media to achieve mutual benefits. It has already cooperated with 53 media and production agencies in 33 countries and regions. This has strengthened China’s position in international cooperation and it is also a means to CCTV’s propaganda. All these partners do not have real economic interest in CCTV, but the cooperation with Silk Road countries’ media reflected the real economic cooperation between the countries.

All Tencent CSR reports only briefly mentioned business partners. In 2013-2014 and 2015-2016 Tencent CSR reports, Tencent has established a special investor relations department, and regularly held supplier conferences, partner forums to communicate with suppliers and partners about the development opportunities and potential defects in cooperation, and creates more competitive cooperation opportunities for partners. It also provides financial and technical support to help partners grow. Since 2011, Tencent has established anti-commercial bribery working groups which is a fully independent operation to eliminate any damage to its business partners.

Tencent has a lot of suppliers and other business partners, such as suppliers and cooperator. CCTV has some business partners, but it did not mention them in the CSR reports. In other words, CCTV as a state-owned media company, it does not want to show too many business
partners. Business partners always relate to economic interest, state-owned media companies want to show more about how they did to the society and the public, rather than the business trade with its business partners.

7.2.3 Local community
In four CCTV social responsibility reports, it is difficult to find a topic about local community. CCTV only mentioned the grassroots workers once with one sentence in the 2014 report, they recorded the real working conditions of grassroots workers and called on the society to pay attention to the improvement of grassroots workers working conditions. To some degree, the grassroots are the main the local community in China. CCTV only appealed the society to pay attention to this situation, but there is no true action to help them and serve the community. Throughout these four reports, CCTV paid more attention to the construction of ideology, the core socialism values.

The goal of Tencent is to bring a good integrated environment to the community and create a harmonious community, and this is still the goal. In 2013-2014, and 2015-2016 Tencent CSR reports, Tencent Charitable Foundation made targeted donations to community development projects to contribute funds and media resources for community development. On the local community part, Tencent did not mention too much.

CCTV did not pay much attention on local communities. The behaviors of Tencent on local communities are basically based on public welfare and charity, and the reports did not show too much about local community. On the other hand, these two companies do not pay enough attention to the local community. Although environmental protection is also an important part of local community, both companies did not mention environmental issues. Private media companies concern more on users and their employees, and state-owned media companies concern more on public welfare.

7.2.4 Government
A company’s business always has a connection with the government, and the congress always release various legislation, some of which could affect the company’s business (Freeman, 2010). All four CCTV social responsibility reports have one thing in common which is CCTV always adhered to the correct political and ideological orientations leaded by CPC. CCTV also followed the various meetings of the government to promote the socialism with Chinese characteristics and Chinese Dreams. The Chinese Dreams was proposed by president Xi, and it is the important guiding ideology and governing concepts (Zhou, 2013). In addition, CCTV promoted the core socialist values put forward by the government through a series of activities. The
reports released in 2013 indicated the corruption of government workers, reflected the determination of CPC and the government to do the anti-corruption work. As the mouthpiece of CPC and the government, CCTV ought to report on the important issues of CPC and the government. In this year, CCTV also assisted local discipline inspection commissions and procuratorates to verify 16 cases. In the 2014 CCTV social responsibility report, it mentioned that the sport channel established a series of activities which are followed by the requests proposed by President Xi and Prime Minister Li. For the crashed aircraft MH370, CCTV timely reported the important instructions of CPC and state leaders and once again embodied the role of CCTV as the mouthpiece of CPC and the government. In the 2015 and 2016 CCTV social responsibility reports, CCTV mainly mentioned that the most important political task is to study the important speeches of President Xi, and broadcast a large number of programs that practice the core socialist values.

2013-2014 and 2015-2016 Tencent CSR reports have the common description about the relationship with the government. Tencent committed to the effective implementation of the government’s decree, in line with national laws, and actively paying taxes. Tencent also set up a policy development department and a government affairs department to plan and implement all kinds of related projects in cooperation with the government, and established a good mechanism for regular meetings with the government.

As Xiao (2013) summarized the measures to promote the social responsibility in Internet media companies. In China, the government cannot be ignored in any industry, when analyzing CSR, the external coercive force of government regulations cannot be neglected. State-owned media companies like CCTV are the mouthpiece of the government and CPC and CCTV. One of its duties is to maintain the government and CPC’s reputation and raise their voices. CCTV and the government are closely related. All measures CCTV did is to build the CPC and the government’s good image to the public. On the contrary, private media companies like Tencent, its first relationship between it and the government is to abide the law and pay tax. In addition, it should maintain good communication with the government and implement the government’s policies.

7.3 The role of the government in companies implementing CSR

7.3.1 CCTV – State-owned media company
The fundamental motivation for companies to fulfil their social responsibilities is to seek a way to maximize corporate profits. The social responsibility of private companies comes entirely from the external pressure of the company, and it is not the voluntary behavior of the company. The fulfillment of social responsibility of state-owned enterprises is better than that of private
enterprises. As a form of government participation in the market economy, state-owned companies carry more political tasks, such as increasing employment, maintaining social stability, and promoting the realization of government goals (Zhou & Wang, 2015). According to CCTV CSR reports, CCTV, as a state-owned media company, always insists on correct political and ideological orientations, and closely focuses on various government conferences to promote socialism with Chinese characteristics and ‘Chinese Dreams’. In addition, CCTV promoted the core socialist values put forward by the government through a series of activities. These are not related to the economic profits. Some public welfare activities such as CCTV carried out poverty alleviation work and organized employees to carry out various donation activities. When college students face severe employment forms, CCTV initiated an employment service department to provide job information for college students, and help them to find a job.

The role of the government in the process on CSR construction in China is not only “one of the equal participants”, but also the ultimate receiver of results and responsibilities (Feng, 2014). According to Feng’s (2014) study about meta-governance, the government (or country) is the supervisor in the development of the market economy and bears the heavy responsibility of creating a completely competitive market economy. At the same time, the government is also the regulator of the macro economy. Against this background, the government must not interfere too much with the company’s self-employment activities in the progress of promoting the fulfillment of CSR, but it must also stipulate laws and regulations. Under the mode of meta-governance, social governance is a multi-governance and interactive governance model, in which the government and the companies are the two main players in this multi-governance structure. Meta-governance emphasizes that the state and the government should play a “central” role in social governance. Managing corporates’ social responsibility is a part of social governance. The important role of government in companies implementing CSR is shown.

7.3.2 Tencent – private media company
Tencent being a private company, its biggest relationship with the government is paying tax. In addition, Tencent uses its core strengths to assist the government in guiding the right public opinion, helping the government communicate with the public and discuss issues related to people’s livelihood. This is similar to CCTV’s social responsibilities. Tencent committed to the effective implementation of the government’s decree, in line with national laws. Wartick and Cochran (1985) believe that the main means for the government to promote corporate responsibility construction is to formulate and improve a series of policies and regulations, such as regulations about product quality, production processes, and consumer protection. The essence of these means is to transmit information to enterprises and require them to abide by
laws and regulations. The government’s actions are essentially a kind of behavior that prevents enterprises from committing illegal actions, and it is an action that requires enterprises to fulfill their social responsibilities in advance.

Tencent also set up a policy development department and a government affairs department to plan and implement all kinds of related projects in cooperation with the government, and established a good mechanism for regular meetings with the government. Tencent tries to build a good relationship with the government, and not only in these aspects, but also in the public welfare aspect. The charitable activities Tencent did do not less than CCTV did.

In addition to organizing employees to attend volunteer activities, Tencent uses its Internet advantage to set up a charitable foundation for public welfare, and it conducts many public welfare activities both online and offline, focusing on fulfilling its responsibility to society, communities and users. Offline activities such as the construction of schools and libraries, providing medical relief service for people in poor areas. Online activities include online education, the development of online donation platforms, and the integration of their production with public welfare. Frederick (1994) believes that strengthening CSR construction is the main content of social governance by the government. The government has the responsibility and obligation to promote companies implementing CSR by exercising relevant powers. Social responsibility construction is one of the main ways for the government to govern society and solve environmental problems. What Tencent did is in line with national interests and is also what the government requires both state-owned and private companies to do. Tencent plans various public welfare and charitable activities to make a good connection with the government, this could help Tencent to get legitimacy better resources (Chen et al., 2018).

7.4 Discussion

1998–2008 Tencent corporate citizenship and social responsibility report is seen as one of the first CSR reports in the media industry. The development of CSR in China’s media industry started relatively late. Thus, the fulfillment of CSR is mainly in the new media field. China’s New Media Social Responsibility Research Reports are the main source for understanding how new media companies are implementing CSR. The government is one of the main powers enforcing media companies to implement CSR. The leading power of the government and the CPC also cannot be ignored in any field in China, based on the requirement given by the government and the pressure from the foreign-owned companies in China. Shell (China) is the first company which issued a CSR report in China, and it influenced the media industry. This study mainly analyzed the implementation of CSR in state-owned and private media companies. Answering the research questions about how private and state-owned media
companies in China implemented CSR both within and outside the company and what are the
difference between them, we considered that. CCTV and Tencent respectively represent these
two types of companies. There are many differences between these two companies, and they
are analyzed internally and externally.

Regarding the first and second research question about how have private and state-owned
media companies in China implemented CSR both within and outside the company, and what
are the difference between these two kinds of companies in implementing CSR. The internal
dimension is further analyzed in three aspects. First, employees and safety at work. CCTV and
Tencent both have some measures for their employees, such as health care and additional
training. But Tencent has relatively put forward some new measures for its employees, and its
report contents are more in detail. The CCTV CSR reports about employees are more likely to
maintain its image as a state-owned company. Second, shareholders. CCTV as state-owned
media company, it does not involve shareholders, it just need to concern the CPC and the
government’s reputation and benefits. Tencent as a listed private media company, the
shareholder is an important element that need to be considered. But in Tencent CSR reports,
shareholders are not in an important position. Tencent cares more about customers and
employees. Third, public welfare or charitable activities. Both companies have conducted many
charitable activities, and both of their employees attended the volunteer activities. But the
charitable activities that CCTV did are a little bit simple. On the contrary, Tencent, as a private
media company, has more types on charitable and public welfare activities.

The external dimension is further analyzed in four aspects. First, customers. Both CCTV and
Tencent have a large customer base. From the reports, Tencent as a private Internet-based
media company, relies on its various products to provide its own economic income, so Tencent
pays more attention to customers than CCTV. But Tencent hid some accidents in its CSR
reports. Since CCTV, as a state-owned media company, has no direct interest in the audience.
Therefore, private media companies see customers in a more important position than state-
owned media companies. Second, business partners, both Tencent and CCTV have a lot of
business partners, but CCTV did not mention its business partners in the reports, and Tencent
only briefly mentioned its business partners. Both of CCTV and Tencent want to show more
about what they did to the society and the public, rather than the business with its business
partners. Third, local community. Both companies did not pay enough attention to the local
community. Fourth, government. It is quite different between CCTV and Tencent. CCTV is the
mouthpiece of the government and CPC. One of its duties is to maintain the government and
the CPC’s reputation and they are closely related. Tencent as a private media company, its first
relationship with the government has to abide the law and to pay taxes, and it also should implement the government’s policies.

The last question about the role of government in both companies implementing CSR is also quite different. CCTV as a state-owned media company, follows by the government and the CPC, and meta-governance emphasizes that the government should play a “central” role, like the leader of the company. Thus, the role of the government in state-owned media companies is obvious. Tencent as a private media company, is more concerned about political connection. Only by making good relations with the government can Tencent obtain more resources. Therefore, the government plays a role as an important stakeholder.

8 Conclusion

The government announced that a company’s release of CSR report is a necessary task since 2011. Before 2011, in March 2006, the State Grid Corporation of China released the “2005 Social Responsibility Report”. This is the first social responsibility report officially issued by the central enterprises in China. In 2008, Tencent released its first CSR report, this report is seen as the first CSR report in media industry. In examining how these two kinds of companies implementing CSR, this study chose to consider two dimensions: internally and externally. Two companies, CCTV and Tencent, are analyzed in this study and they represent two main kinds of companies in China. The result shows that Tencent as the private media company has a lot of differences in implementing CSR than the state-owned media company CCTV. The reason why companies started to release CSR reports is the government’s requirement.

A clear limitation of this study is the fact that the main materials available to be analyzed are just the companies’ CSR reports, since other information about the fulfillment of CSR in these two companies are not available and critical publications regarding CSR in China are scarce. This thesis is a case study limited to only two companies, and Tencent is a listed company. The implementation of CSR in non-listed companies is still not clear, and the role of government in non-listed companies in implementing CSR has not been studied. CCTV, as the main mouthpiece of the CPC, may need to adhere more to the government regulations and policies. CCTV is a typical state-owned media company, but there are other state-owned companies controlled by the local government. The fulfillment of CSR in these companies has some difference from the central government controlled media companies and this field is not analyzed yet. For further study, the implementation of CSR in non-listed media companies and other state-owned media companies should be regarded.
9 References


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