# TABLE OF CONTENTS

I. EXECUTIVE SUMMARY.......................................................................................................................... 1

II. INTRODUCTION ................................................................................................................................. 3
   A. Description of the Business or Organization ................................................................................. 3
   B. Description of the Community ........................................................................................................ 4
   C. Overview of the Business or Organization's Current Corporate  
      Social Responsibility ....................................................................................................................... 6

III. RESEARCH METHODS USED IN STUDY ....................................................................................... 7
   A. Description and Rationale of Research Methodologies  
      Selected to Conduct the Study ........................................................................................................ 7
   B. Process Used to Conduct the Selected Research Method ............................................................... 8

IV. FINDINGS AND CONCLUSIONS OF THE STUDY ...................................................................... 10
   A. Findings of the Research Study .................................................................................................... 10
   B. Conclusions Based on the Findings ............................................................................................. 13

V. PROPOSED STRATEGIC PLAN ....................................................................................................... 15
   A. Objectives and Rationale of the Proposed Strategic Plan ............................................................ 15
   B. Proposed Activities and Timelines ............................................................................................... 15
   C. Proposed Metrics or Key Performance Indicators to Measure  
      Plan Effectiveness ........................................................................................................................... 18

VI. PROPOSED BUDGET ....................................................................................................................... 19

VII. BIBLIOGRAPHY .............................................................................................................................. 20
I. Executive Summary

**BUSINESS OVERVIEW:** HSBC Holdings PLC is one of the largest banking and financial service organizations in the world, with the goal of becoming “the world’s leading international bank.” It was founded on March 3, 1865 by Sir Thomas Sutherland, a Scottish banker and politician. HSBC consists of over 250,000 employees and 38 million customers, and offers retail, commercial and global banking services. HSBC centers itself around cultural diversity, personal connections with customers, and dependability.

**PROBLEM:** HSBC is well established in the global community, carrying out global initiatives, but lacks the focus and impact of meaningful cause marketing. Many customers, especially in the United States are not aware of HSBC’s current cause marketing as this strategy is not prioritized in United States’ HSBC branches. Currently, HSBC’s cause marketing appears to be throwing money at global causes without any meaning and connection behind it, which is needed for effective cause marketing. To generate positive perception, HSBC must alter its social corporate responsibility strategies and target local communities rather than focusing on the world at large.

**RESEARCH METHODS:** In my research, I sought to develop an understanding of HSBC’s current corporate social responsibility strategies, understand the most effective methods of cause marketing, identify and improve upon competitors’ promotional strategies, as well as gather the opinions of current HSBC customers through direct feedback. I used a variety of methodologies to collect our data, summarized below:

- **Primary Research**
  - Local Branch Interviews
  - Competitor Analysis
  - Customer Interviews/Focus Group
  - Professional Consultation

- **Secondary Research**
  - HSBC Annual Report
  - Data Assessment

**FINDINGS AND CONCLUSIONS:** After extensive research, it can be seen that HSBC:

- Has a strong global presence, but lacks this same presence in each individual local community
- Lacks effective cause marketing: there is no significant cause that customers evidently support
- Lacks media coverage of any current cause marketing events and activities
- Should utilize both their clients and employees to contribute to the corporate social responsibility

I believe that these weaknesses can be resolved if my proposed strategic plan is implemented, as HSBC has the necessary resources.

**OVERALL GOAL:** To implement successful cause marketing strategies, clearly demonstrating HSBC’s social corporate responsibility. With HSBC’s increased involvement in HSBC’s community, customers are more likely to bank with HSBC.
PROPOSED STRATEGIC PLAN:

- **Financial Literacy Program**: The implementation of this community program will reach out to a large number of the community who HSBC typically does not interact with. The rationale behind this program is: 1) many members of the community believe that education is one of the most important social causes to support and 2) teaching financial literacy among high schoolers would foster loyalty to HSBC among those students. This program will consist of partnerships with local high schools, as well as a virtual partnership with Khan Academy. This program will also start up the HSBCares Scholarship program, awarding at least $50,000 to local high schoolers annually.

- **"Bridging the Gap" Community Event**: HSBC will host an annual senior citizen community event called “Bridging the Gap” on August 21st of every year (National Senior Citizen Day) in a local Santa Clara County center. This event will consist of the employees and the community spending time with senior citizens in senior centers: playing games with them or talking to them or teaching them how to use technology. This event involves both the community and HSBC’s employees, and shows that we are committed to supporting a wide range of age groups.

- **Employee Community Service**: Employees are to be encouraged to volunteer within the community. This could be for HSBC’s own initiatives, such as the financial literacy program or the senior citizen community event. They can also choose to volunteer for organization and causes of their own choosing. Each employee will be paid for two-days of volunteer leave per year.

- **#HSBCares Campaign**: This social media campaign seeks to highlight the culmination of the previous aspects of the strategic plan. Through the #HSBCares hashtag on social media, this campaign will aim to share HSBC’s values to a wide audience. The campaign has three main aspects of HSBC Community Service Posts, a video campaign, and HSBC customer posts. This campaign plans to expand on HSBC’s near non-existent social media presence, and acts as a easy way to gauge customer perception and metrics of the company.

PROPOSED METRICS:
The effectiveness of the plan will be measured through the following performance indicators by the end of year 3:

<table>
<thead>
<tr>
<th>Increase in HSBC accounts</th>
<th>Increase in social media presence</th>
<th>Decreased annual churn rates</th>
<th>Increase in employee community service, with a target of 5000 hours annually in the Santa Clara district</th>
</tr>
</thead>
<tbody>
<tr>
<td>20% increase in savings and checkings accounts</td>
<td>800 likes on Facebook, 500 followers on Twitter and Instagram</td>
<td>averaging 15-20% and increased revenue overall</td>
<td></td>
</tr>
</tbody>
</table>

PROPOSED BUDGET:
The strategic plan will cost HSBC approximately $747.7 thousand over a course of 3 years. This cost covers the enactment of the various aspects of the proposed strategic plan and timeline. Since each client deposits a different amount of money into the bank, the return on investment may vary widely; however, based on estimates from other banks in recent years, the overall anticipated ROI is 71.14%.
II. Introduction

A. DESCRIPTION OF BUSINESS

HSBC Holdings Plc, established as the Hong Kong and Shanghai Banking Corporation Limited, is a British multinational financial service and banking provider. Headquartered in London, United Kingdom, HSBC is Europe’s largest bank and the seventh largest bank in the world. It was originally founded on March 3, 1865 to finance trade between Asia and the West, and currently serves 38 million customers globally. HSBC has an international network of about 3,900 offices in 67 countries, and holds $2.52 trillion in assets.

Retail Banking and Wealth Management (RBWM)

RBWM serves customers through four main business areas: Retail Banking, Wealth Management, Asset Management and Insurance. HSBC works to improve customer satisfaction through enhanced staff behavior. RBWM provides services to individuals who are under the HSBC Premier and Advance propositions, and mainly focuses on growing the business through building relationships and connections with clients.

Commercial Banking (CMB)

CMB serves customers of all global businesses—buyers, suppliers, commercial clients, small companies, etc. The services offered include Global Trade and Receivables Finance, Global Liquidity and Cash Management, Global Banking, and Insurances and Investments.

Global Banking and Markets (GBM)

GBM provides financial services to governments, corporations, and institutions by providing tailored and innovative solutions. Services of GBM include financing, research and analysis, security services, sales and trading, transactions, etc. The focus of GBM is to simplify financial strategies through business lines, operations, and technology.

Global Private Banking (GPB)

HSBC partners with high net-worth clients and companies to help them achieve consistent, long-term performance while developing HSBC’s own commercial opportunities in different markets. The main goals of GPB are to help clients with solutions to grow, manage, and preserve their wealth. GPB is focused on retaining its position as the leading private bank for wealthy individuals and their families, and operates under the name of HSBC Private Bank.