Navigating the CSR Landscape: A Comparative Study of Amazon's Strategies in Developed and Emerging Markets

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Bachelor of Arts in International Business

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Fall 2024

Abstract

This paper aims to examine the nature and extent of corporate social responsibility (CSR) and reporting practices of companies in developing and developed countries. Based on the findings of our comparative analysis of Amazon's operations in India and the United States, CSR application developed from a purely ethical obligation to a core element of the business' worldwide strategic marketing mix. However, we found a massive difference in the application of CSR in developed and developing countries. Amazon applied a voluntary CSR strategy in developed countries; indeed, in developed countries, CSR focuses more on transparency, diversity, and inclusion. On the other hand, in developing countries, Amazon's CSR practices focus on the compliance with local regulations, and the improvement of education and healthcare. Still, in developed and developing countries, CSR enhances Amazon's consumers' engagement and its reputation. Overall, our study shows that MNEs must balance global CSR strategies with local adaptation, responding to varying stakeholder demands and regulatory frameworks. Integrating CSR practices in corporate strategic decision-making has become a crucial element for MNEs to be competitive.

Acknowledgements

We would like to express our gratitude to Professor Maria Jell Ojobor who guided us during the last step of our experience at John Cabot University. Thank you, professor, for your patience, support and remarkable help during the Fall 2024 International Business Capstone.

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List of Abbreviations

CSR	Corporate Social Responsibility
COSH	Control of Substances Hazardous to Health
EDMs	Emerging Developing Markets
EEOC	Equal Employment Opportunity Commission
EPA	Environmental Protection Agency
ESG	Environmental, Social and Governance
GRI	Global Reporting Initiative
ICA	Indian Companies Act
ILO	International Labour Organization
ISO	International Organization for Standardization
MNE	Multinational Enterprises
NGO	Non-Governmental Organization
OECD	Organization for Economic Co-Operation and Development
OSH	Occupational Safety and Health Administration
PPA	Pollution Prevention Act
SDG	Sustainable Development Goals
WFO	World Food Organization

1 Introduction

Corporate Social Responsibility (CSR) has transitioned from being a peripheral business consideration to a central strategic imperative in today's corporate landscape. As societies worldwide grapple with challenges such as climate change, economic disparities, and human rights concerns, businesses are increasingly held accountable for their contributions to these pressing issues. CSR offers a pathway for companies not only to fulfill their ethical obligations but also to align their operations with broader societal and environmental goals. CSR practices in the logistics sector face unique challenges, especially about environmental sustainability and employee welfare. Sustainability reporting within logistics varies significantly, with larger companies more likely to adopt frameworks like the Global Reporting Initiative (GRI) (Piecyk and Björklund, 2015). Logistics CSR in developed countries often emphasizes carbon reduction and transparent reporting, while in developing markets, the focus may shift toward addressing basic environmental issues and improving local labor conditions. For multinational enterprises (MNEs) like Amazon, CSR is particularly significant as they operate across diverse cultural, regulatory, and socio-economic contexts (Jamali, 2010). Our study seeks to explore the motivations behind Amazon's CSR strategies and their operationalization in both developed and developing markets, focusing specifically on the United States and India.

The motivation for this research stems from the growing recognition of CSR as a competitive advantage in the global business arena. By integrating sustainable practices, businesses like Amazon can enhance their brand reputation, attract and retain stakeholders, and ensure long-term financial performance (Vuong and Bui, 2023). Moreover, regulatory

frameworks, such as India's Companies Act of 2013, compel corporations to adopt CSR as a legal obligation, creating a compelling case for studying how these mandates influence corporate strategies (Jain et al., 2023). The contrast between voluntary CSR in the United States and mandatory CSR in India provides a unique lens to analyze how regulatory and cultural differences shape corporate behavior.

Amazon presents an intriguing case study due to its extensive global presence, diverse CSR initiatives, and its pivotal role in industries such as e-commerce and logistics. The company's commitment to environmental sustainability is evident through programs like The Climate Pledge, while its social initiatives, such as the Amazon Future Engineer Program and Housing Equity Fund, showcase efforts to address pressing societal needs (Hurst, 2022). However, these efforts are often adapted to align with local market expectations and regulatory demands, highlighting the balance between standardization and localization in global CSR strategies (Jamali, 2010).

Our study aims to contribute to the broader discourse on CSR by examining the implications of differing regulatory and cultural contexts on the CSR strategies of MNEs. By focusing on Amazon's operations in the United States and India, this research will shed light on the challenges and opportunities of implementing CSR across varied landscapes, offering insights into how businesses can navigate these complexities to achieve both ethical and economic objectives.

2 Literature Review

2.1 CSR and Strategy

CSR refers to the commitment by businesses to contribute to societal goals, compassing ethical, environmental, and economic responsibilities beyond mere profit generation. Emerging from early philanthropic practices in the mid-20th century, CSR has evolved significantly to address comprehensive global challenges. Today, CSR embodies a strategic approach whereby corporations integrate sustainable practices to mitigate environmental impact, foster social welfare, and enhance corporate governance. This evolution reflects shifting public expectations and regulatory developments worldwide, with stakeholders increasingly valuing ethical corporate behavior as integral to business success. In today's global landscape, CSR has become a competitive advantage, driving brand loyalty, attracting investment, and assuring long-term sustainability.

CSR went from a moral obligation to a core tool business use as a strategic marketing mix worldwide. CSR today has become an integral part of the business model, playing a crucial role in both social and economic dimensions (Vuong, 2023). CSR emphasizes a company's commitment to ethical practices and social and environmental impact, resulting in a growing awareness of sustainability and the economy, environment, and society. In recent years, the adoption of CSR has proven that responsible business practices yield tangible economic benefits. Companies committed to CSR can enhance customer loyalty, attract and keep talent, and reduce operational costs through sustainable practices. Furthermore, stakeholders, including investors, increasingly prioritize companies more committed to CSR, recognizing that such companies are well suited for

resilience and growth in a rapidly changing world. This dual impact -benefiting society and the economy- highlights the significance of CSR in modern business, making it an indispensable element for companies seeking to thrive responsibly in today's global marketplace.

Consumer engagement is the core element for a business's success. For this reason, firms try daily to implement all the necessary elements to attract consumers and make them loyal to the brand. For this reason, companies use various marketing mix elements to signal their product, services, and other information. These findings suggested that consumers find a company's identity more attractive and trustworthy when similar to their beliefs and preferences (Priyadarshini, 2020: p.206). Recent investigations show that consumers are more attracted to businesses that are more attentive to the impact that their activity can have on society and the environment. Consequently, managers recognized the importance of CSR implementation by highlighting that CSR implantation is not only a social aspect but also a core element of a business's economic performance. For instance, with the evolution of society, CSR is used as a competitive method on the market since consumers and stakeholders prefer dealing with more socially responsible companies rather than companies with low social impact: Consumers perception of CSR positively influences consumer approval of firms, and CSR turn positively and significantly affect consumers purchase intention (Chen et al., 2016: p.237).

Also, consumers base their purchasing decisions on the brand perception that the consumer has. Brand image is the audience's perception of a business based on its identity, values, products, services, and communication. CSR can positively influence a brand image by increasing credibility and trustworthiness, demonstrating that the company cares more than just the profit. To improve their brand perception, many companies use CSR practices as a strategic tactic to gain public support and differentiate themselves from their competitors. For instance, a consumer would

instead buy a product from a company that donates a percentage of its profit to charities that help children find a house than buy a product that does nothing socially impactful. Consumers make these kinds of decisions based on the fact that purchasing a product that can help society, in general, would make the consumer feel a sense of belonging (Sons, 2022).

On the other hand, many businesses imply CSR practices to comply with legal regulations. For instance, many countries follow the United Nations Sustainability Development Goals (SDGs). The United Nations established these goals and reckon on rules such as Goal 8: inclusive and sustainable economic growth, employment and decent work for all, Goal 12: sustainable consumption and production patterns, Goal 13: Urgent action to combat climate change and its impact (Amoaka et al., 2020). For this reason, businesses are more prone to adopt CSR practices to attract consumers, imply regulation, and attract more shareholders. Indeed, shareholders are more prone to invest in profit-making companies while implementing CSR practices. Also, by following these legal requirements, companies can solve some societal issues that might be green-oriented (Amoka et al., 2020). While businesses try to achieve loyalty through the implantation of CSR practices, they also conduct their activity ethically to produce goods and services that are not harmful to the environment. For these reasons, firms are seen as partners and stakeholders in achieving these societal aspirations (Amoako et al., 2021). Implementing CSR might increase a company's sales: for instance, brands like Unilever made massive progress in adopting sustainable packaging – they aim to make 100% of their plastic packaging recyclable by 2025-they not only enhanced the brand value, consumer loyalty, and public image, but they also increased their sales: their sales went from €53.8 billion (2015) to €58.2 billion (2017) after they introduced eco-friendly packaging (Unilever Financial Statement, 2015, 2017).

However, the implementation of CSR in business activities dates back to when CSR was a tool used as a "corrective system" - the collapse of the Lassez-Faire system-. CSR practices were considered a corrective system in the face of governmental social failure. The term was later evolved and was not only used as a corrective governmental system: CSR practices extended to economic (e.g., wages, services), legal (e.g., legal compliance), ethical (e.g., being moral and doing the right and fair thing) and discretionary (e.g., contribution to alleviate poverty and illiteracy and improve social welfare and quality of life) aspects(Amoaka et al., 2020). Later, in 1990, CSR practices were seen as a strategic management tool. When corporate social irresponsibility became an issue on the market, CSR practices were used as a competitive tool to distinguish one company from the others (Priyadarshini, 2020). Today, implementing CSR practices is fundamental for global expansion, as it meets consumers' expectations, enhances brand loyalty, and complies with regulations.

CSR is increasingly recognized as a tool for achieving competitive advantage. Integrating CSR into core business practices not only strengthens brand reputation but also contributes to sustainable competitive advantage, particularly when combined with innovation (Fatima and Elbanna, 2023). CSR can serve both ethical and strategic purposes, enhancing customer loyalty and aligning with the company’s long-term profitability goals. Such strategic CSR initiatives underscore the potential for MNEs to leverage CSR as a competitive advantage in diverse markets.

The evolution and strategic integration of CSR highlight its importance in modern business operations. Rodriguez-Gomez et al. (2020) trace CSR’s transformation from a voluntary practice to a critical corporate strategy, emphasizing its role in supporting corporate legitimacy and aligning business practices with global standards like Agenda 2030. Velte’s (2021) meta-analysis complements this by linking CSR with corporate governance, showing how mechanisms like board

diversity enhance CSR's impact on both environmental and financial performance. Sánchez-Teba et al. (2021) add to this by identifying a shift toward sustainability and stakeholder-focused initiatives in CSR research, positioning CSR as a foundational element for sustainable business practices. In the logistics sector, Carter and Jennings (2002) demonstrate that logistics social responsibility can enhance competitive advantage through ethical practices in areas like reverse logistics and environmental supply chain management. Together, these studies illustrate CSR's multifaceted role, not only as a strategy for meeting societal expectations but also as a driver of operational efficiency and long-term value creation.

2.2 Global versus localization strategy in CSR – The context of developed and emerging countries

The literature highlights distinct CSR practices in developed versus developing economies, influenced by varying institutional, regulatory, and socio-economic factors. CSR disclosure is generally more rigorous in developed nations due to stronger regulatory frameworks and higher stakeholder expectations (Bhatia and Makkar, 2020). In contrast, companies in emerging markets face unique challenges, such as limited governance structures and greater socio-economic needs, which shape their CSR practices. These differences in CSR disclosure and prioritization emphasize how MNEs might adapt their strategies to meet local demands and expectations in developing countries as opposed to the more structured frameworks in the developed countries.

Multinational corporations often struggle between standardizing their CSR strategies globally and adapting them locally to better fit regional needs and expectations. MNE subsidiaries in developing countries often localize their CSR practices to respond to local community pressures and political landscapes, especially in areas where institutional voids are present (Jamali, 2010).

However, this localization is often limited, as subsidiaries are typically guided by their parent companies' global directives. Such standardized yet “diluted” CSR approaches are mainly aimed at gaining legitimacy rather than addressing local issues deeply.

The introduction of mandatory CSR requirements, as seen in India's 2013 Companies Act, has substantially influenced corporate CSR practices in developing countries. The law, which became effective on April 1, 2014, mandates that both publicly listed and privately held firms which reach a specific threshold in terms of net worth, turnover or net profit, must spend a minimum of 2% of their average profit-after-tax on CSR activities (Jain et al., 2023). The Indian Companies Act also defines a set of appropriate investments, among which we find the promotion of education and gender equity, the eradication of hunger and poverty, the reduction of child mortality, or the environmental sustainability (Jain et al., 2023). Bihari and Shajahan (2023) see that this legislative change led to increased CSR spending and improved planning among corporations running in India. This regulatory shift contrasts sharply with the voluntary CSR framework in the United States, showing that MNEs may approach CSR differently based on the regulatory environment. In countries with mandated CSR, MNEs may implement more structured and consistent CSR efforts compared to nations where CSR stays a voluntary activity.

A key aspect of CSR revolves around the welfare of employees and the ethical frameworks guiding employer-employee relationships. Karnes (2009) discusses the shift in employer-employee dynamics, from trust-based relationships to interactions governed by regulatory compliance. This evolution underscores the role of ethical leadership and emotional intelligence in fostering positive workplace cultures, which are integral to MNE’s global CSR strategy. Moreover, in developing contexts like India, employee welfare initiatives may focus more on

fundamental labour rights and safety standards, contrasting with the broader focus on work-life balance and diversity often emphasized in developed countries like the US.

The cultural and socio-economic context within each country also plays a crucial role in deciding the focus of CSR activities. Ethical and cultural practices significantly enhance CSR outcomes, particularly in emerging markets (Waheed and Zhang, 2023). In the United States, CSR initiatives may prioritize governance and environmental concerns, while in India, social issues like poverty alleviation, education, and women's empowerment may take precedence. This difference in priorities suggests that companies might tailor their CSR activities to resonate with local cultural expectations and socio-economic needs.

3 Methodology

Our study aims to investigate whether MNEs implement different CSR strategies towards employees and institutions in the context of developing and developed countries. We apply an exploratory research approach which allows us to obtain an in-depth understanding of how MNEs implement CSR activities in different cultural contexts. Therefore, we use a qualitative research design to gather insights on the different CSR initiatives adopted by MNEs in developing and developed countries. A qualitative approach supports us in identifying the socio-economic and regulatory factors that influence the CSR practices of MNEs which would be difficult to achieve through quantitative methods (Creswell and Creswell, 2017; Yin, 2009).

3.1 Sample

To investigate our research question, we selected Amazon as our case study. Furthermore, we focus on two countries where Amazon operates, i.e., India and the US. Amazon is at the fourth place between the leading brands worldwide (Statista, 2024) and is amongst the most known and used global e-commerce platforms. The company offers a wide range of products and services, such as retail, logistics, streaming, AI and cloud computing. Between the offerings we find Amazon Prime which offers subscriptions for digital streaming and fast-delivery, Amazon Music, Amazon Photos, and multiple brand products such as Echo, Alexa and Fire TV (Amazon, 2024). The company also founded Amazon Web Services, which is one of the most prominent companies in cloud infrastructure and services (Amazon Web Services, 2024). Moreover, Amazon offers a delivery service, called Amazon Logistics (AMZL), whose goal is to offer an “unparalleled order delivery experience” (Amazon, 2024). Headquartered in Seattle, Washington, the company

conducts operations across 5 continents, including North America, Europe and Asia-Pacific (Amazon, 2024).

Several key factors were taken into consideration in the choice of Amazon. The company is not only recognized for being the world's largest e-commerce, but also for its continuous investments in CSR activities. Founded in 1994 Amazon has evolved from a simple online retail platform to the world's largest e-commerce, with a particular focus on sustainability. In fact, in 2019, Amazon and Global Optimism – a company which focuses on climate crisis solutions (Global Optimism, 2024) – co-founded "The Climate Pledge", which is a commitment to reach zero carbon emissions by 2040, and 100% renewable energy usage in operations by 2030 (About Amazon, 2024). In 2023, Amazon already matched 100% of its electricity with renewable energy, reaching its goal seven years earlier (About Amazon, 2024). The company continuously invests in sustainable solutions in the following areas of focus: Climate Solutions, Reducing Waste and Packaging, Protecting Natural Resources, Human Rights, Products and Services Innovation (Amazon Sustainability, 2024). As a matter of facts, Amazon has decided in 2024 to engage in disaster relief as a part of its CSR efforts in India, ensuring the distribution of supplies withing 72 hours of a crisis (The Hindu Business Line, 2024). Moreover, the company has pledged to invest by 2030 at least $26 billion in India, with the objective of empowering and supporting the local community offering jobs, and fostering economic growth (Amazon, 2023). Analyzing Amazon's CSR strategy – with a specific focus on the logistic industry, which is one of the most important yet polluting industries worldwide – will provide us with a valuable insight on how Multinational Enterprises navigate the complexities of the socio-economic landscape and the political regulatory frameworks of countries when deciding the appropriate strategies to implement.

3.2 Data collection and analysis

Our research was mainly based on secondary qualitative data that we collected in the Fall of 2024. The data collected is an ensemble of academic papers, industry reports, rated journal articles, statistics and forecasts, and company reports. To ensure the credibility and accuracy of our sources we only selected peer-reviewed academic papers and industry reports coming from reputable consulting companies, or government-based reports. For the journal articles, we selected only articles which have been published in journals with a rating of either 3 or 4 on the ABS list (maximum rating is 4*). As it concerns the statistics and forecasts, they were gathered between the most credible databases (e.g., Statista, The World Bank, Trading Economics). Lastly, information and reports relating to Amazon were taken from the official Amazon website.

We analyzed our data by categorizing it according to main themes and sub themes which we derived from our literature analysis. *Table 1* includes our coding scheme.

Code Group	Code	Sub Code
Amazon's CSR Strategy	Definition and scope of CSR	
	Role in enhancing corporate reputation	
	Ethical Obligations	
Opportunities for Amazon in India's Emerging Market	Macroeconomic Indicators	GDP
		FDI
		Inflation Rates
	Indicators Related to Consumers	Consumer Confidence Index
		Disposable Income
		Consumer Spending
	Other Beneficial Factors	Stock Market Performance
		Infrastructure Development
		Digital Adoption and Internet Penetration
The Logistic Sector and Amazon's Environmental Impact	Pollution Concerns	Emission Statistics
		Contribution to climate change
	Sustainability Challenges	Barriers to Sustainable Practices
		Innovations to Reduce Environmental Impact
Amazon's Regulatory Environment	Political Frameworks	Internal Regulatory Framework
		Regulatory Framework in the US
		Regulatory Framework in India
Standardization vs Localization of Amazon's CSR Strategies	Differences in CSR strategy towards institutions	USA
		INDIA
	Differences in CSR strategy towards employees	USA
		INDIA

Table 1: Coding Scheme

4 Findings

4.1 Amazon's CSR Strategy

4.1.1 Definition and Scope

Amazon's CSR strategy is organized around three main pillars: environmental sustainability, social responsibility, and governance (ESG), designed to integrate ethical practices across all aspects of its operations. Within environmental sustainability, Amazon has committed to significant initiatives, including The Climate Pledge, a goal to achieve net-zero carbon emissions by 2040. As part of this commitment, Amazon has become the world's largest corporate buyer of renewable energy, sourcing power from over 400 solar and wind projects globally, which together generate more than 20 gigawatts of clean energy (Ferguson, 2024). Additionally, Amazon aims to transition its delivery fleet to 100,000 electric vehicles by 2030 and has implemented Shipment Zero, which aims to make 50% of all shipments net-zero carbon by 2030 (Hurst, 2022). Through its Frustration-Free Packaging program, Amazon has also reduced packaging weight per shipment by 43%, eliminating millions of tons of waste materials (Amazon).

In terms of social responsibility, Amazon's CSR initiatives prioritize support for communities, employee welfare, and educational advancement. Programs like Amazon Future Engineer aim to increase access to STEM education for underserved communities, with a commitment to reaching millions of students globally. Amazon has also established a $2 billion Housing Equity Fund to preserve affordable housing in high-demand urban areas where the company operates, helping address housing shortages and supporting economic stability in these regions (Amazon Sustainability). Additionally, Amazon provides significant support for

workforce development through upskilling programs that prepare employees for high-demand roles in technology and operations.

Amazon's governance approach within CSR is characterized by strict adherence to ethical standards and transparency across its supply chains. Through its Supplier Code of Conduct, Amazon mandates compliance with labour rights, environmental regulations, and safety standards. Regular supplier audits ensure alignment with Amazon's values, promoting accountability and ethical conduct throughout its vast global supply chain (Amazon Sustainability). This governance framework also includes initiatives like the Climate Pledge Friendly program, which labels sustainable products to guide consumer choices towards more environmentally friendly purchases.

By integrating these pillars into its overall business strategy, Amazon's CSR framework reflects a holistic approach to addressing both direct and indirect impacts of its operations. The company's commitment to environmental goals, community-focused programs, and strong governance practices positions Amazon as a proactive leader in corporate responsibility. This multi-faceted CSR approach underscores Amazon's dedication to sustainable growth, social impact, and ethical business practices that support both its stakeholders and the global community.

4.1.2 CSR's Role in Enhancing Corporate Reputation

CSR plays a pivotal role in enhancing Amazon's corporate reputation, particularly as a global multinational enterprise (MNE) operating in diverse and frequently scrutinized markets. CSR initiatives align Amazon's goals with the values of socially and environmentally conscious consumers, allowing the company to manage its public image and mitigate reputational risks effectively. For instance, The Climate Pledge not only underscores Amazon's commitment to achieving net-zero carbon emissions by 2040 but also strengthens Amazon's reputation as a leader in corporate sustainability. This initiative has been widely recognized and now includes over 200

companies committed to similar climate goals, boosting Amazon's credibility as an environmental advocate (Jkaybay, 2023).

Further contributing to Amazon's positive image is the Climate Pledge Friendly label, which identifies products meeting specific environmental standards, making sustainable shopping easier for consumers. This labelling program aligns Amazon's marketplace with rising consumer expectations for ethical and responsible product sourcing, thereby enhancing the company's appeal among environmentally aware customers (Ferguson, 2024). Additionally, by publicizing efforts in sustainable packaging and renewable energy, Amazon demonstrates proactive responses to public concerns about its environmental footprint. These initiatives not only support brand loyalty but also position Amazon as a forward-thinking company in the global business landscape (Amazon).

By aligning its corporate reputation with environmental and social values, Amazon effectively uses CSR as a tool for managing potential criticism, especially in areas like environmental impact and labour practices. This approach fosters loyalty and builds trust among customers and stakeholders who value ethical business practices, reinforcing Amazon's standing as a socially responsible corporate entity in an increasingly conscientious market.

4.1.3 Ethical Obligations

As a multinational enterprise (MNE), Amazon bears a heightened ethical responsibility to integrate socially responsible practices across its extensive operations. This ethical duty encompasses several key dimensions, including respect for labour rights, environmental stewardship, and active engagement with communities. Amazon's Supply Chain Standards reflect its commitment to fair labour practices, mandating safe working conditions and prohibiting forced and child labour among its suppliers. The company enforces these standards through regular audits and

collaborations with organizations like the Responsible Business Alliance, promoting ethical sourcing and transparency across its supply chains (Amazon Sustainability).

In developed markets such as the United States, Amazon's CSR initiatives often emphasize transparency, diversity, and inclusion—principles that resonate with societal expectations for corporate accountability. Amazon has invested in programs aimed at creating a diverse workplace, where it enforces policies against discrimination and provides equitable career opportunities across all levels. These efforts contribute to Amazon's reputation as an employer that values inclusivity and fair treatment (Mishra, 2020).

Conversely, in emerging markets, Amazon's CSR efforts adapt to address local socio-economic needs, such as improving access to education and healthcare. This dual approach illustrates Amazon's commitment to balancing its business objectives with local community needs, reflecting its ethical responsibility as a corporate citizen. By aligning its practices with the UN Guiding Principles on Business and Human Rights, Amazon seeks to meet both global standards and regional regulations, thereby enhancing its positive impact across diverse markets (Janderheart, 2024).

This multifaceted CSR approach enables Amazon to uphold its ethical obligations as an MNE, addressing stakeholder expectations and ensuring that its expansive global footprint aligns with social, environmental, and governance goals.

Table 2 summarizes our findings on Amazon's CSR Strategy.

Code Group	Code	Sub Code	Findings
Amazon's CSR Strategy	Definition and scope of CSR		Amazon's CSR framework based on three pillars: environmental sustainability, social responsibility and governance
			Environmental sustainability is implemented through net-zero carbon emissions programs (The Climate Pledge) and packaging waste reduction
			Programs such as Amazon Future Engineer and Housing Equity Fund help with the implementation of social responsibility
			Strong governance practices are guaranteed through the Supplier Code of Conduct
	Role in enhancing corporate reputation		CSR as a tool for Amazon to enhance reputation as a socially responsible company by aligning its initiatives with the customers' needs
			Proactive nature of Amazon's initiatives such as The Climate Pledge Friendly label and efforts in renewable energy shift, which enhances loyalty and trust of eco-conscious customers
	Ethical obligations		Because of its role as an MNE Amazon must ensure ethical practices with a particular focus on labor rights, environmental stewardship, and community engagement
			In developed market Amazon focuses mainly on Diversity and Inclusion initiatives
			In developing markets Amazon's focus is on improving access to education and healthcare

Table 2: Findings on Amazon's CSR Strategy

4.2 The Logistics Sector and Amazon's Environmental Impact

4.2.1 Pollution Concerns

Amazon's logistics network significantly impacts the environment, primarily through emissions related to transportation and fulfilment centers.

- **Emissions Statistics**: The global transportation sector contributes approximately 21% of carbon dioxide emissions, and Amazon's vast logistics operations are a substantial part of this figure due to its extensive shipping, air freight, and last-mile delivery networks. In response to these emissions, Amazon has reported progress in decreasing its carbon intensity by 7% in 2022, indicating some success in reducing emissions per dollar of revenue even as total emissions increase with business growth (Taft, 2024). As of 2023, Amazon matched 100% of its global electricity consumption with renewable energy, a significant milestone aimed at lowering overall emissions from energy use across facilities like data centres and warehouses (Amazon Sustainability).
- **Contribution to Climate Change**: Amazon's logistics practices, particularly air freight and rapid delivery options, remain a major source of greenhouse gas emissions, exacerbating climate change. Despite efforts to reduce its carbon footprint, including investments in electric vehicles and sustainable aviation fuel, the demand for rapid delivery often conflicts with sustainability goals. The company has acknowledged that achieving net-zero carbon emissions by 2040 will require continuous innovations and large-scale operational changes (Amazon Staff, 2024). Through initiatives like The Climate Pledge,

Amazon aims to mitigate its environmental impact, though challenges remain in balancing growth with sustainable practices.

4.2.2 Sustainability Challenges

Amazon faces numerous barriers in implementing sustainable practices across its logistics operations, compounded by the scale and complexity of its supply chain.

- **Barriers to Sustainable Practices**: One of the biggest obstacles Amazon encounters is the high upfront cost of transitioning to sustainable technologies, such as electric vehicles and renewable energy infrastructure. Additionally, the supply chain's reliance on fossil-fuel-based transportation modes, like air and long-haul trucking, presents significant challenges. The logistics industry's existing dependence on conventional fuels and the limited availability of affordable electric or hydrogen-powered alternatives create substantial barriers to achieving full sustainability (Hurst, 2022). Furthermore, pressure to maintain Amazon's fast delivery promises can result in increased emissions, particularly when using air freight to meet expedited delivery deadlines (Taft, 2024).
- **Innovations to Reduce Environmental Impact**: Despite these barriers, Amazon has implemented several innovative solutions to minimize its environmental footprint. It has deployed over 24,000 electric delivery vehicles globally and established the largest private EV charging infrastructure in the United States. Amazon's Climate Pledge Fund, a $2 billion initiative, supports advancements in green technology, including sustainable transportation, energy storage, and decarbonizing building materials (Hurst, 2022). The company also utilizes electric cargo bikes and micro-mobility solutions in dense urban areas, which help to reduce emissions associated with last mile delivery (Amazon Sustainability). Moreover, Amazon has actively reduced packaging waste by using

machine learning to optimize packaging sizes and materials, leading to a 41% reduction in packaging weight per shipment since 2015.

Table 3 below shows the summary of our findings on the logistic sector and Amazon's environmental impact.

Code Group	Code	Sub Code	Findings
The Logistic Sector and Amazon's Environmental Impact	Pollution Concerns	Emission Statistics	Multiple initiatives are undertaken by Amazon to reduce its global environmental impact (e.g. The Climate Pledge)
		Contribution to climate change	The logistic sector contributes to 21% of C02 emissions, which Amazon tries to offset with the employment of renewable energy
	Sustainability Challenges	Barriers to sustainable practices	• High costs of transitioning to sustainable technologies (e.g., electric vehicles, renewable energy infrastructure) • Limited availability of affordable electric alternatives
		Innovations to reduce environmental impact	• Deployment of 24,000 electric delivery vehicles • 41% reduction in packaging weight per shipment since 2015

Table 3: Findings on the Logistic Sector and Amazon's Environmental Impact

4.3 Opportunities for Amazon in Emerging Markets: A Macroeconomic Approach for India

With one of the largest global populations of approximately 1.45 billion, India is one of the fastest growing economies in the world (World Bank, 2024), and the country with the third-largest online customer base (India Brand Equity Foundation). In fact, in 2021 India's online shopper base was of 150 million people, and is expected to reach 350 million by 2026 (India Brand Equity Foundation, 2024). Since the liberalization of the country in the 1990s, the Indian economy grew exponentially and India itself became part of the BRICS bloc (Brazil, Russia, India, China, South Africa), which is the ensemble of the most prominent and influential developing economies in the world (Statista, 2024). The International Monetary Fund (IMF) in an article has highlighted the position of India as one of the developing markets with the fastest growth rate (The Economic Times, 2023), position which is confirmed by its contribution to the global growth (16% exactly), and its growth in domestic GDP, which was greater than the other countries part of the G20 (World Economic Forum, 2024). Thanks to the large consumer base, the growth in disposable income, the continuous investments in inclusive growth and in technological and infrastructural development, together with efforts in maintaining economic stability, India will most probably become the world's largest economy in 5 years' time (World Economic Forum, 2024).

4.3.1 Macroeconomic Indicators for India

- **GDP**

Since 1990 India was able to annually increase its GDP. In 2023 the country registered a GDP of 3.57 trillion US dollars, and this value is only expected to rise, reaching 6 trillion US dollars by the end of the decade (Statista, 2024). As mentioned previously, the positive effect of the Indian's

GDP growth is not limited to the country itself but has a positive impact on the global wealth as well. In fact, according to the World's Economic Forum, India was the largest contributor to global wealth after U.S. and China (World Economic Forum, 2024). The growing influence of the country in the global economic landscape was also confirmed by the infamous rating agency S&P (S&P Global, 2024). From the National Income macroeconomic identity (Y = C + I + G + NX), we can see that an increase in GDP (Y) is achievable through either an increase in consumer spending (C), an increase in Investments (I), an increase in Net Exports (NX), or through an increase in all factors simultaneously. As the growth projections for the Indian economy are positive, we will take an in-depth look at other macroeconomic indicators to understand what the key economic growth drivers are and how they create opportunities for Amazon.

- **FDI (foreign direct investments)**

Referring once again to the National Income Identity, we can see how investments (I) are part of the output function (Y) and directly have an impact on the economic development of emerging markets, such as India. In this case, we will mainly consider Foreign Direct Investments as they are long-term commitments aimed at positively contributing to a country's economic development and growth, while also enhancing a country's infrastructure and technology. As FDI often lead to the establishment of new businesses in the foreign country – such as Amazon in India – this will consequently result in job creation, lower unemployment rate and more disposable income available. Since the Indian liberalization, which started in July 1991 (Bhattacheryay, 2019), the country's economy has undergone different phases which have led India to attract FDI thanks to lower interest rates, stronger currency, and reforms aimed at easing operations in many sectors, including e-commerce (Bhattacheryay, 2019). As a matter of facts, in February 2019, the Indian government created the "national e-commerce policy", which was useful to encourage FDI from

companies with a presence in the e-commerce industry – such as Amazon –. Apart from leveraging on the easiness of business operations, Amazon can also leverage on the skilled human resources and strong market conditions that the country has to offer, and which make India the "[…] proper destination for Multinational Enterprises investments" (Bhattacheryay, 2019). The country has seen FDI growth almost every year since 1990 (World Bank, 2024), and according to the Reserve Bank of India, inflows of FDI will only continue to grow (Reserve Bank of India, 2024). Given that a rise in FDI may result in a rise in GDP, Amazon may decide to capitalize on improved overall economic conditions. Lastly, as more FDI indicates consumer trust in the market, India's economy may grow sustainably as a result, which would improve Amazon's revenue-generating potential.

- **Inflation Rates**

As it concerns inflation rates, they have slightly decreased almost every year since 2010 (Statista, 2024). If we look at more recent results, inflation has decreased from 6.65% in 2022 to 4.38% in 2024 (Statista, 2024). According to the future projections of Statista for the years 2025-2029, inflation rates are expected to further decrease, stabilizing in the years 2026-2029 at 4% (Statista, 2024). The decrease in inflation suggests that there will be a further improvement in the health of the Indian economy. The better economic landscape will probably lead to an increase in consumers' purchasing power, which will consequently result in consumers spending more on goods and services. Hence, this represents an opportunity for Amazon to increase its sales, but not only. In fact, lower inflation and stable prices are fundamental factors in managing operational costs, as the budgeting risks related to price uncertainty are reduced. Ultimately, this will lead to an increase in profit margins for Amazon.

4.3.2 Macroeconomic Indicators Relating to Indian Consumers

- **Consumer Confidence Index**

The consumer confidence index, which measures how optimistic are customers about the overall health of the economy and of their personal wealth, has increased from 55.5 points in 2021 to 94.7 points in September 2024 (Trading Economics, 2024), and is expected to further increase in the next year (Trading Economics, 2024). An increase in the consumer confidence index is a positive sign, as it means that consumers are more confident in the economy and will more likely increase their spending. Again, this is a positive sign for Amazon, which will probably see a growth in its revenue.

- **Disposable Income**

The disposable personal income of Indian people, which is the amount of money left for households or individuals to spend or invest, has grown from 192m INR in 2018 to 296m INR in 2023 (Trading Economics, 2024). The increase in disposable income usually enhances the consumers' purchasing power, allowing them to increase their spending on goods and services, which will in turn increase Amazon's sales volume.

- **Consumer spending**

Consumer spending refers to the money spent by individuals and households on final goods and services, and directly impacts the GDP of a country as also seen previously in the National Income Identity. The Indian's consumer base has steadily increased since 2014, with a drawback in 2021 because of the Covid-19 pandemic. Then has continued to increase since 2021 (Trading Economics, 2024). This has resulted in consumer spending increasing from 1.07 in 2013 to 2.14 in 2023 (Statista, 2024). This growth in consumer spending translates into increased opportunities for Amazon to increase its sales, and therefore its revenues.

4.3.3 Other Beneficial Factors

- **Stock market performance**

Since the beginning of 2024, the main stock market in India (SENSEX) increased by 9.91%, reaching an all-time high of 85978.25 INR (Indian Rupees) in September 2024 (Trading Economics, 2024). The very good performance of the Indian Stock Exchange indicates that there are positive expectations about the Indian economy as well as a favourable economic climate which stipulates investments (Trading Economics, 2024). Moreover, a robust stock market could be fundamental for Amazon, to raise money to be used to invest in projects that will help the company capture the fast-growing Indian customer base.

- **Infrastructure Development**

Government spending is also an essential factor which positively contributes to economic growth. The Indian government is continuously spending, specifically on its Infrastructure development. In fact, the government for the years 2024/2025 has allocated a record of 31.67 billion US dollars for railways, together with an investment of 14.36 billion US dollars destined to the construction of 5,005 km to be added to the national highways (India Brand Equity Foundation, 2024). In the last years the number of airports has doubled to 149, with Indian airlines taking the initiative to order more than a thousand new aircrafts (India Brand Equity Foundation, 2024). For Amazon, this continuous effort in infrastructure development would translate into facilitated and faster delivery, which will increase customer satisfaction and would ultimately lead to an increase in sales.

- **Digital Adoption and Internet Penetration**

In the last 10 years the internet penetration rate in India has risen from 13.5% to 52.4% (Statista, 2024), number which is only expected to increase in the future years. Moreover, the number of

internet users will rise from 1,412.89 billion in 2024 to 1,473.4 billion in 2029 (Statista, 2024). Hence, with more and more of the Indian population being able to access the internet, and therefore the Amazon e-commerce, there is a high potential of increase in Amazon's customer base.

Table 4 summarizes our findings on Amazon's opportunities of conducting operations is India's Emerging Market.

Code Group	Code	Sub Code	Findings
Opportunities for Amazon in India's Emerging Market	Macroeconomic Indicators	GDP	Since 1990 India's economy has consistently grown, and will continue to grow in the future
		FDI	Increasing FDI generate opportunities for Amazon' s revenue generating potential
		Inflation Rates	Lower inflation rates and stable will decrease budgeting risk and price uncertainty
	Indicators Related to Consumers	Consumer Confidence Index	As consumer confidence will increase in the future, Amazon will most likely see an increase in consumer spending
		Disposable Income	Disposable income is expected to increase, which will in turn enhance consumer spending and Amazon sales volume
		Consumer Spending	Consumer spending will also increase translating into increased opportunities for Amazon
	Other Beneficial Factors	Stock market Performance	Positive stock market performance which translates into higher opportunities for Amazon of raising money in the Indian Stock Exchange

		Infrastructure Development	Continuous investments by the government in the infrastructure development which will translate into facilitated and faster delivery
		Digital Adoption and Internet Penetration	Internet penetration is expected to increase, thus increasing Amazon's customer base

Table 4: Findings on Opportunities for Amazon in Emerging Markets: A Macroeconomic Approach for India

4.4 Comparative Analysis of CSR strategy

4.4.1 The importance of obtaining local legitimacy

Obtaining local legitimacy is of fundamental importance for MNEs. One way to obtain legitimacy in a foreign country – especially in Emerging Developing Markets (EDMs) – is to implement sustainable practices, which are perceived as essential for corporate survival and success in foreign contexts. Hence, by implementing CSR strategies in EDMs, multinational enterprises can improve their reputation and mitigate social and political risks in the foreign country (Garri, 2021). To gain a better understanding of the EDMs, and therefore to develop strategies to achieve legitimacy and competitive advantage, MNEs usually work hand in hand with the foreign country's government and local NGOs (Garri, 2021).

4.4.2 International regulatory framework

Every corporation, independently from where the headquarters are situated or the place of operations, should look at international frameworks. International Law has the role to formulate the guidelines for corporations' self-regulation and reporting. Usually, countries request companies within their borders to comply with international standards, especially in terms of

human rights and labour law (Halkos and Nomikos, 2021). Within the most important organizations which establish global guidelines for sustainable practices we have the Organization for Economic Co-operation and Development (OECD). The OECD was founded in 1961 to stimulate world trade and economic progress, and nowadays counts 38 member countries. The organization aims to shape policies which have as objectives the promotion of economic prosperity and finding solutions to social, economic and environmental issues. They encourage corporations worldwide to abide by sustainable business practices and policies which support human rights, health, and safety on labour (OECD, 2024). Among the most important organizations we find the United Nations, which has established global sustainable guidelines for corporations in the UN Global Compact. The latest is a pact which contains sustainable and socially responsible practices by which corporations that decide to abide to must follow 10 principles. These principles cover topics such as environmental protection, labour rights and corruption. In the last years, the UN global compact has aligned with the 17 Sustainable Development Goals of the UN (UN Global Compact, 2024). The International Labour Organization (ILO) is also at the forefront of the organizations whose guidelines have been widely followed. The ILO has set globally accepted standards for labour rights and offers guidelines for corporations in matters of labour right, employment security and promotion, work conditions and abolition of child labour (International Labour Organization, 2024). The last organization worth mentioning is the International Organization for Standardization (ISO), which has developed the ISO 2600, an international set of standards which provides guidance for companies on matters of social responsibility. Inside the ISO 2600 are contained a set of guidelines divided into 7 subjects which are: organizational governance, human rights, labour practices, consumer issues, community involvement and development (ISO, 2024).

4.4.3 Regulatory framework in the US

In the United States the implementation of CSR activities remains still on a voluntary basis, and continues to be less regulated than other countries, including India and European countries (Halkos and Nomikos, 2021). The reason behind the absence of mandatory CSR regulations is the increasing concern of shareholders which are being directly impacted by unsustainable business operations of corporations which are highly contributing to the increase in pollution and waste levels (Halkos and Nomikos, 2021). As a response to shareholders' needs, companies voluntarily decide to adopt sustainable practices and pursue ethical behaviours. While in the US there is no specific regulation in terms of CSR, Amazon still must pay attention to environmental pollution laws and labour and employment laws. One of the main regulations that Amazon must pay attention to is the EPA's Pollution Prevention Act. First enacted in 1990, the PPA establishes practices which aim to reduce pollution through changes in the consumption patterns of companies' operations in terms of energy, water or natural resources (EPA, 2024). According to the EPA, resource reduction is way more efficient than waste management or pollution control (EPA, 2024). The Fair Labour Standards Act is another set of provisions that Amazon must pay attention at in the context of the United States. Enacted by the US department of labour, it covers many provisions which relate to the labour market, such as minimum wage, overtime pay, recordkeeping and child labour (US Department of Labour, 2024). The Occupational Safety and Health Administration created the OSH Act back in 1970, which is still valid nowadays. The Act contains a set of standards that Amazon must enforce in terms of working safety and healthy working conditions for everyone. Moreover, it provides training, information, and education relating to labour topics (OSHA, 2024). Lastly, Amazon must follow the anti-discrimination laws and guidelines on the workplace elaborated by the Equal Employment Opportunity Commission

which is the federal US agency which elaborates and enforces laws against workplace discrimination, including harassment (EEOC, 2024).

4.4.4 Regulatory Framework in India

The Indian CSR regulatory framework is completely different from the United States. After the liberalization policies of 1990s in India, national and international corporations started to exploit Indian resource to make profit, thus aggravating the already poor socioeconomic conditions of the country (Bihari and Shajahan, 2022), as well as the environmental deterioration due to pollution and the depletion of natural resources (Satapathy and Paltasingh, 2020). Differently from the US, India lacked voluntary CSR. The implementation of sustainable strategies was weak and without transparency in terms of budgeting and planning (Bihari and Shajahan, 2022). Because of the failure of voluntary frameworks, the Indian Government implemented the Indian Companies Act (ICA) in 2013 (Halkos and Nomikos, 2021), which became effective on April 1, 2014 (Jain, Desai et al., 2023) and made India the first one of its kind to introduce both voluntary aspects and mandatory requirements in terms of CSR practices (Halkos and Nomikos, 2021). In fact, with the introduction of the ICA, India was the first and only country to require companies to spend a minimum on CSR, and to mandatorily report on the sustainable strategies implemented. The ICA is also referred to as the 2% law, and the reason stands in the fact that all companies which achieve a determinate net worth or turnover net profit specified in the act, must spend at least 2% on their profit on mandatory CSR (Jain, Desai et al., 2023). According to the 2% law, both publicly owned and privately held firms whose net worth is equal or greater than 75 million US dollars, and which reach a turnover of 150 million US dollars or a net profit of 750 million US dollars, must spend 2% of their three-year average profit on CSR (Jain, Desain et al., 2023). A list of interventions in which corporations might invest in is also defined in the ICA, and they could be investments in

education, gender equality, improvement of health, reduction of hunger and poverty, as well actions aimed towards female empowerment and environmental sustainability (Jain, Desai et al., 2023). The ICA has been renamed as Companies Act in 2019, with a new amendment in 2020 which introduced the civil offense for those companies which do not comply to CSR regulations (Jain, Desai, et al., 2023). According to the same amendment, if a company fails to provide annual reports on CSR as established, it needs to explain why that occurred and why CSR requirements were not achieved in that particular year (Jain, Desai, et al., 2023). Moreover, the Companies Act is also strictly linked to the United Nations SDGs. In fact, Schedule VII of the Companies Act adheres to 16 of the 17 goals defined by the UN (Satapathy and Paltasingh, 2020). The effect of the introduction of the Indian Companies Act was an immediate increase in CSR budget – both regional and national – and compliance (Bihari and Shajahan, 2022). As a matter of facts, CSR spending in India has increased from 5,563 million Indian Rupees to 12,891 Indian Rupees in 2023, according to a study conducted by the Indian Consultancy Firm CSRBOX (CSRBOX).

Table 5 summarizes our findings on the regulatory environment that Amazon must pay attention to.

Code Group	Code	Sub Code	Findings
Amazon's Regulatory Environment	Political Frameworks	International Regulatory Framework	Countries might require companies to follow international law guidelines in terms of sustainability practices (e.g., UN Global Compact, ISO 2600)
		Regulatory Framework in the US	CSR activities remain still on a voluntary basis
		Regulatory framework in India	Companies must follow mandatory CSR regulations, spending at least 2% on CSR (The Indian Companies Act)

Table 5: Findings on Amazon's Regulatory Environment

4.5 Standardization versus Localization of Amazon's CSR Strategy

4.5.1 Differences in CSR Strategy Towards Institutions

Amazon's CSR approach varies significantly between developed and developing regions, shaped by differences in regulatory frameworks and institutional expectations. In the United States, where CSR practices remain largely voluntary, Amazon can focus on consumer-driven initiatives that emphasize environmental sustainability and customer engagement. These voluntary CSR activities allow Amazon to align with global sustainability trends, such as The Climate Pledge, without strict regulatory constraints (Jumde, 2020). However, in India, CSR has been a legal requirement since the enactment of Section 135 of the Companies Act, 2013, which mandates that companies meeting certain financial thresholds allocate at least 2% of their net profits to CSR activities. This legal framework compels Amazon to prioritize social development projects addressing critical local needs, including education, healthcare, and economic support for small businesses.

These regulatory distinctions significantly impact Amazon's overall CSR strategy, necessitating a balance between its global environmental goals and localized social initiatives. For example, while Amazon may choose to prioritize sustainable packaging and renewable energy in markets with voluntary CSR standards, in India, its programs often focus on community-specific socio-economic challenges. This dual approach helps Amazon fulfill its regulatory obligations in India while fostering goodwill and enhancing its reputation as a socially responsible corporate entity in diverse markets (Kaif, 2023). By adapting its CSR initiatives to meet both regional mandates and global sustainability goals, Amazon illustrates the flexibility required of MNEs to operate responsibly across varying institutional landscapes.

4.5.2 Differences in CSR Strategy Towards Employees

One aspect that many businesses are working on to improve long-term employee retention is the implementation of ESG (environmental, social, and governance) principles. Behind this statement is the social identity theory, which states that individuals sense pride and self-esteem from their membership in various groups, such as social class and family. With the application of this theory in an organization, an individual feels included based on the degree of EGS principles that the company follows. Consequently, ESG principles influence employees' interpretation of an organization's culture, which will ultimately affect employees' attitudes and behavior. (Lee, Luppi, Simmons, Tran, Zhang, 2023) The previous statement explains why employees work more for companies that align with their values. Moreover, ESG affects the company's relationship with its stakeholders (employees, supply chains, and consumers) and communities. However, the degree to which EGS principles are applied changes based on the geographical positioning of the company.

The number of Amazon employees increased significantly after COVID-19; now, it employs over one million workers not only in the United States and Europe but also in emerging economies such as India and Brazil. Amazon employment follows the dual model, so they hire the majority of the workforce in autumn, and they lay them off in January. During this employment, the company lures temporary Amazonians into performing an excessive output rate by offering potential permanent contracts (Valentic, 2018). For this reason, in the United States, during this peak of employment, it is not unusual to see campers outside warehouses. Employees in developed and developing countries are subject to different productivity pressures, health and safety hazards, and inclusion levels (Valentic, 2018). Amazon warehouse extension from developed to developing countries permits Amazon to exploit the local economies, including low-wage economies. For example, Polish fulfillment centers may make as little as 3 euros per hour, whereas in Germany, for the same job, workers would make 11 euros per hour (Valentic, 2018). This scenario is the result of Amazon's monopolist position on the market, where it is either Amazon or nothing. In the United States, workers say they feel like robots and not human beings anymore because the company only cares about the final number -output-. Sharon Bleach, a worker at an Amazon warehouse, said, "Every day they are changing the goal—the finish line is changed every day" (Eidelson, 2018: p.2). Even though public authorities know this issue, federal labour law constrains their intervention power. In the US, "federal labour law restricts city and state government's ability to directly regulate union organizing and anti-union activities in the private sector" (Eidelson, 2018: p.1). However, the law allows local governments to mandate other employment rules related to pay regulation or leeway on "labour peace" when government funds are involved (Eidelson, 2018). After continuous pressure that Amazon was receiving indirectly from public authorities,

such as Senator Bernie Sanders, Amazon announced that it would increase its worker's salaries to 15$ per hour (however, this increase eliminated stock awards and bonuses).

On the other hand, in India, employees' situations are different. In India, 115 million people work in the factory, but the government registers only one-tenth of them (Suri and Das, 2016). Like many other developing countries, India experiences high informality rates and low compliance with the minimum wage. Despite this, Amazon India set a minimum wage for India: an average salary for Amazon warehouse associates is 2.3 Lakhs Rupees per year, with less than 1 year of experience to 6 (Ambitionbox, 2024).

Another crucial aspect of ESG is the health and safety of employees within a company. When it comes to Amazon, this issue arises both in developed and developing countries. On the one hand, in the United States, Amazon has been accused by warehouse workers of complex, physical, and repetitive labour, which is why workers often cannot keep up with the pace of work. Because of this worker's conditions, it is hard for them to keep up with the pace of work. For instance, between 2016 and 2019, Amazon reported 14,000 severe injuries in the US alone, many of them leading to chronic pain and long-term disability. The situation is highlighted by a statement released by workers saying that some Amazon vending machines sell ibuprofen pills (Valentic, 2018). According to COSH – Control of Substances Hazardous to Health- "Safety is our number one priority, and as we do with any incident, we are reviewing our practices and protocols to ensure the well-being of our employees," a company representative said, "Any safety incident that occurs within our operations is one too many" (Valentic, 2018: p.1). In addition, Amazon has been inquired by OSHA -Occupational Safety and Health Administration- multiple times because of their safety violation. "Amazon workers suffer injuries – and sometimes lose their lives- in a work environment with a relentless demand to fill orders and close monitoring of employees' actions"

(Valentic, 2018: p.1), National COSH stated. Now Amazon US, after all these controversies, employs more than 1,000 health and safety professionals as a possible solution to reduce these injuries numbers /prevent injuries.

On the other hand, in India, multiple legislations exist that cover occupational health. However, most of these legislations must be updated and adjusted to reflect the current situation. Also, India presents a workforce shortage and occupational health statistics for this sector's surveillance, prevention, and regulation (Suri and Das, 2016). Even though India has a scarcity of occupational health surveillance, the India Human Rights Commission appealed to the government to investigate the allegation of labor law violation at an Amazon warehouse near New Delhi, where workers worked in harsh conditions during a severe heatwave. For instance, Indian media reported that workers were not allowed to drink water or use toilets as they were under pressure to achieve the packaging target (Chaturvedi, 2024).

The succession of these events influenced Amazon to implement some internal regulations to enhance its employees' health. Amazon stated that they will be offering counselling services that are completely confidential and available 24/7 (Amazon, 2024). Moreover, Amazon employees can access doctor teleconsultation services with general physicians. In addition, employees can have some time off from work: they can choose from various time off options available, including personal time or personal emergencies. However, all these services are offered only to regular full-time employees (Amazon, 2024).

The last aspect that ESG considers is the social aspect. In both developed and developing countries, Amazon offers limited knowledge to their worker. Therefore, most feel left out and need to be more motivated to engage with the work. The whole process – from packaging items to sending them to the customers- is "chaotically" managed by algorithms, which also gather all the

information flowing from this process. In this way, the machine dispenses workers' knowledge (Valentic, 2018).

Another social aspect flags Amazon is the many different cultural backgrounds that characterize the company's workers. For this reason, it is ordinary for Amazon to encounter issues related to different cultural aspects. For instance, "A group of East African workers in Minnesota – backed by the Service Employees International Union and a chapter of the Council on American-Islamic Relations- have raised issues regarding their beliefs and festivities such as Ramadan. In this respect, Amazon is one step ahead of other companies since it is working on developing this issue and finding a possible solution to satisfy Islamic and other workers' cultures" (Salzman, 2018: p.3).

Finally, Amazon in India and the US provides an additional benefit to its employees - not necessarily guaranteed by all the companies- parental leave. For instance, Amazon states that it supports employees throughout all stages of their lives. They celebrate the growth of all their employees' families through numerous benefits. They offer 26 weeks of leave to birth mothers and 12 weeks for mothers who adopt. Additionally, 6 weeks of leave for eligible fathers is policy. Differently from other companies, Amazon offers 6 weeks of leave to a spouse or partner who is not eligible, and they also offer a Ramp Back program that aims their employees to adapt step by step back to the workplace by initially working partial hours until they fit back into, they are routine (Amazon, 2024).

Table 6 summarizes our findings on the Standardization versus the Localization of Amazon's CSR strategies.

Code Group	Code	Sub Code	Findings
Standardization vs Localization of Amazon's CSR Strategies	Differences in CSR strategy towards institutions	USA	In the US, Amazon focuses on consumer-driven initiatives relating to environmental sustainability and customer engagement
		India	In India, Amazon follows the Indian Companies Act, investing in actions which empower and support the local community
	Differences in CSR strategy towards employees	USA	Problems in the US because of low salaries
		India	In both countries Amazon has encountered issues in terms of employee safety, employee satisfaction, and inclusivity in the workplace

Table 6: Findings on Localization vs Standardization of Amazon's CSR Strategy

5 Discussion

In this paper, we have examined how CSR – which could be also defined as the company's commitment towards implementing ethical practices with a positive social and environmental impact – shifted from being a voluntary corrective system towards governmental failure, to being an essential factor in modern business practices. In fact, sustainable strategies are nowadays implemented by companies to enhance their financial performance, enhance brand reputation and customer loyalty and to comply with international standards and regulations. Focusing on Amazon's CSR strategy, we have noticed how it mainly revolves around three different pillars: environmental sustainability, social responsibility and governance. The efforts of the company towards sustainability have been shown by its multiple initiatives, among which we find the Climate Pledge. The latest is an initiative founded by Amazon, whose goal is to achieve a net-zero carbon emission by 2040, a goal which has been reached by the company 7 years ahead of time, in 2023. In terms of social responsibility, Amazon's efforts prioritize support for employee welfare, support for communities, and educational advancement. Programs like the Amazon Future Engineer Program – which aims to increase access to STEM education for undeserved communities – and the Housing Equity Fund – a $2 billion fund to preserve affordable housing where the company operates – show how concrete the efforts of the company are towards maintaining high sustainable standards. Looking at the operation side, Amazon ensures adherence to ethical standards and transparency across the supply chain through its Supplier Code of Conduct, where the company mandates that its suppliers respect certain standards and that comply with regular audits. The implementation of such CSR activities plays an important role in enhancing Amazon's reputation and brand loyalty while mitigating risks in diverse

markets. Being a Global Multinational Enterprise (MNE) with a heavy impact in the countries in which it operates, Amazon has an increasing ethical duty towards labor rights, environmental stewardship and local communities' needs. In particular, the company's commitment towards fair labor practices and inclusivity is shown in the company Supply Chain Standards. While in developed countries – such as the US – Amazon initiatives focus on transparency and diversity, in developing countries the efforts focus on improving access to education and healthcare. Hence, Amazon's CSR efforts are tailored to address socio-economic needs while reaching its business objectives.

To understand the reasons behind Amazon's decision to enter in the Indian market, we conducted exploratory research looking at the country's macroeconomic indicators. The results have highlighted the important role of the country, which not only has one of the largest populations worldwide, but also is one of the fastest growing economies in the world (World Bank, 2024), and the country with the third-largest online customer base (India Brand Equity Foundation, 2024). The opportunities for Amazon lie in the country's rising economic growth, in the ease of business practices – as evidenced by the country's ability to attract foreign direct investment –, in the increased consumer confidence – which in turn leads to a rising consumer spending forecast – and lastly, in the continuous investments in infrastructure development and digitization.

Our decision to focus on the logistic industry arises from the fundamental role of the same, which is one of the backbones of international trade and is supposed to exponentially grow during the following years. With its role as an E-Commerce, Amazon heavily relies on logistics as it is the basis of ensuring operational efficiency. Moreover, it helps the company to achieve a competitive advantage through fast delivery. Despite the numerous barriers that Amazon has

faced in implementing sustainable practices across its logistic operations – such as the upfront cost of transitioning to sustainable technologies, and the heavy reliance on fossil-fuel-based transportation modes due to the scarcity of affordable electric powered alternatives –, the company was still able to implement many innovative solutions, by investing in over 24,000 Electric Vehicles worldwide, thus promoting the shift to green technology. Moreover, the company has worked towards the reduction of packaging waste, achieving a 41% reduction in packaging weight per shipment since 2015.

After having analyzed the Indian country context, and industry context in which Amazon operates, we wanted to understand to what degree Amazon's CSR initiatives are standardized or localized and what are the factors influencing that degree of standardization or localization. The role of CSR in multinational enterprises, such as Amazon, extends beyond global objectives to address local nuances in the countries they operate. A comparison of CSR practices in the United States and India reveals contrasting approaches driven by regulatory frameworks and socio-economic needs. In the U.S., where CSR remains voluntary, Amazon exercises significant discretion in allocating resources, focusing primarily on consumer-driven initiatives like sustainable packaging and renewable energy adoption. Conversely, in India, the Companies Act of 2013 mandates a minimum CSR expenditure of 2% of net profits on specified activities. This legal requirement drives Amazon to prioritize projects that cater to local demands, such as disaster relief, education, and healthcare. These distinctions underscore the importance of localized strategies for operational legitimacy in emerging markets. Furthermore, India's logistic sector, a crucial component of Amazon's operational model, plays a pivotal role in advancing the company's sustainability objectives. Despite challenges like reliance on fossil fuels and high costs of green technologies, Amazon has introduced innovations such as a fleet of electric

vehicles and significant reductions in packaging waste. These initiatives not only enhance operational efficiency but also strengthen Amazon's contributions to India's economic growth, infrastructure development, and socio-environmental progress. According to the literature the most important factors to be taken into consideration, especially when looking at strategies adopted by MNEs in developing countries, are the pressure of the community of the developing market (Jamali, 2010) and the political framework of the country in which the company conducts operations (Garri, 2021). Previously, we have already noticed how Amazon's social sustainability strategy differs from developing and developed countries, based on the different needs of the local communities. Analyzing the international political framework, as well as the American and the Indian political frameworks, we gathered a deeper understanding of Amazon's choices in adopting CSR initiatives. As it concerns the company's approach towards institutions, it differs in the two countries. While in the US – where CSR practices are still voluntary – Amazon can focus on consumer-driven initiatives which relate mainly to environmental sustainability and customer engagement (e.g. sustainable packaging, increasing reliance on sustainable energy), in India the company must pay attention to the main mandatory CSR regulation – the Companies Act of 2013 – according to which the company can invest in actions which address local needs, such as education and healthcare. Some of the initiatives implemented by Amazon in India in fact, relate to disaster relief, and to the empowerment and support the local community (Amazon, 2023). While Amazon's CSR strategy towards institutions is a huge success, the same cannot be said for the CSR strategies applied by Amazon towards employees. In the US, Amazon has encountered many problems because of the low salaries offered to employees, which after months of pressures from public authorities, were increased from 11$ per hour to 15$ per hour. In contrast, in India, where the government expects

low minimum wage compliance, Amazon has set a minimum wage. As it concerns the safety of its workers instead, Amazon has encountered issues both in developed and developing countries. In fact, in the US, Amazon has been inquired both by the OSHA, and by the COSH, for multiple safety violations. In India, labor law violations allegations towards Amazon were released by the India Human Rights Commission, regarding harsh conditions during severe heatwave. Even if the company offers some benefits to its employees in both countries – such as counseling services, doctor consultations, time off work, etc. – there still are multiple problems that the company has to face in terms of employees satisfaction, workers' safety, and inclusivity in the workplace.

5.1 Limitations

We experienced many limitations with our research, which should be addressed in future studies. Firstly, when researching for secondary data, we found that there were issues with finding relevant business articles or academic papers exploring the factors that MNEs take into consideration when deciding the CSR strategies to implement in India. Some of the few articles that we found were exploring the issue about the degree of standardization or localization of CSR strategies but generalizing about the market, referring to all the EDMs. Thus, it was difficult to understand whether there were any other factors specific to the Indian context guiding the choice of the sustainable strategies implemented by MNEs. Moreover, in the academic world there is a lack of articles and academic papers which directly compare the American and the Indian CSR landscapes, and which identify the main differences or similarities in the way companies implement sustainable strategies in the two countries. Another issue that we encountered was regarding the lack of academic articles or papers discussing about the regulatory framework influencing the implementation of CSR strategies in the United States. While many articles have been published for the Indian CSR regulatory framework that discuss mandatory CSR regulations (e.g., the Indian Companies Act), for the United States we could not find much information. Lastly, it was difficult to find articles discussing about Amazon, and in particular articles discussing its CSR initiatives in the Indian context. Thus, we had to base our research mainly on the latest company's report and on the main Indian newspapers.

5.2 Conclusions

CSR has become a cornerstone of modern business strategy, reflecting the evolving expectations of stakeholders and the regulatory landscapes within which companies operate. Our study has explored the CSR strategies of Amazon, emphasizing the critical role these initiatives play in addressing global and local challenges while ensuring sustainable business growth. By examining Amazon's CSR activities in the United States and India, we have highlighted the dynamic interplay between global corporate objectives and localized socio-economic and regulatory imperatives.

In the United States, where CSR remains voluntary, Amazon's strategies center on environmental sustainability and consumer engagement. Initiatives such as The Climate Pledge, sustainable packaging programs, and renewable energy investments showcase Amazon's ability to align its operations with global sustainability trends and meet stakeholder expectations. These efforts enhance brand loyalty and foster a reputation as a forward-thinking corporate leader. However, challenges persist, particularly in ensuring worker satisfaction and safety, as evidenced by critiques from regulatory bodies and employees themselves.

Conversely, in India, the mandatory nature of CSR under the Companies Act of 2013 has compelled Amazon to adopt a more localized approach. By prioritizing initiatives such as disaster relief, education, and community development, Amazon addresses critical local needs while meeting regulatory requirements. Additionally, India's logistic sector—a vital component of Amazon's operations—has seen significant investments aimed at promoting sustainability, including the deployment of electric vehicles and the reduction of packaging waste. These efforts

not only support Amazon's operational efficiency but also contribute to India's economic growth and infrastructure development.

The comparison of CSR strategies between the two countries reveals the necessity for multinational enterprises (MNEs) like Amazon to balance standardization and localization in their approaches. While global initiatives such as The Climate Pledge provide a unified framework for sustainability, localized strategies enable the company to address specific market demands and cultural expectations. This dual approach underscores the importance of flexibility and adaptability in global CSR strategies, particularly in navigating diverse political, economic, and regulatory environments.

Despite these successes, challenges remain. In both developed and developing markets, Amazon faces criticisms related to employee welfare, safety, and inclusivity. Addressing these issues is crucial for maintaining its reputation as an ethical and socially responsible corporation. Furthermore, achieving long-term sustainability goals, such as net-zero carbon emissions by 2040, will require continuous innovation and significant investments in green technologies.

This research contributes to the broader understanding of CSR by demonstrating how regulatory frameworks, cultural nuances, and economic contexts influence the design and implementation of CSR strategies. By focusing on Amazon's operations, this thesis highlights the potential for CSR to drive both societal progress and corporate success. As global challenges such as climate change and inequality persist, the role of CSR in shaping ethical and sustainable business practices will only grow in significance.

In conclusion, Amazon's CSR initiatives exemplify the opportunities and complexities faced by MNEs operating in diverse markets. The company's ability to integrate global sustainability goals with localized strategies not only enhances its competitive edge but also

reinforces its commitment to creating positive social and environmental impacts. As the expectations surrounding corporate responsibility continue to evolve, Amazon's journey offers valuable insights into how businesses can navigate this ever-changing landscape while striving to achieve both ethical and economic objectives.

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