

***The impact of cause-related marketing on the consumer's attitudes :
the example of Mobilis' breast cancer campaign***

Hannache Ahlam University Of Setif

Dr Berkane Youcef University Of Bordj Bouariridj

الملخص :

التسويق المرتبط بالقضية كجزء من المسؤولية الاجتماعية للمؤسسات أصبح الأداة الأكثر استخداما من طرف العديد من المؤسسات. التسويق المرتبط بالقضية هو عبارة عن عملية ربحية لكل الأطراف الفاعلة في المجتمع، بما فيها الجمعيات الخيرية والقضايا الاجتماعية، المستهلكين والمؤسسات. لقد تم التركيز في هذه الدراسة على تأثير التسويق المرتبط بالقضية على اتجاهات المستهلكين، وهذا من خلال جمع المعلومات باستخدام الاستبيان الذي يتكون من 5 أسئلة تخص رأي المستهلكين حول دعم القضايا بشكل عام، وباقي الأسئلة التي تخص رأي المستهلكين حول القضية محل الدراسة بشكل خاص، وهذا باستعمال سلم ليكرت. وقد تم الاعتماد على نموذج المعادلة البنائية لاختبار الفرضية الرئيسية كما تم الاعتماد على اختبار T student لاختبار الفرضية الثانوية. توصلت الدراسة إلى أن هناك تأثير إيجابي للتسويق المرتبط بالقضية على اتجاهات المستهلكين نحو حملة مؤسسة موبيليس لمكافحة لسرطان الثدي، كما تم التوصل إلى عدم وجود أي اختلاف بين اتجاهات النساء والرجال نحو حملة التسويق المرتبط بالقضية محل الدراسة.

الكلمات المفتاحية: المسؤولية الاجتماعية للمؤسسات، التسويق المرتبط بالقضية، اتجاهات المستهلكين.

Abstract:

Cause-related marketing as part of corporate social responsibility becomes an increasingly used tool by companies operating in the market. CRM is a win-win-win situation (Adkins, 2000, p11), providing a win for the charity or the cause, a win for the consumer and a win for the business. This study examines the impact of cause-related marketing on consumers' attitudes. The data were collected through a structured questionnaire. A part of it consists in five items associated with cause related marketing in its globality and the other part are questions of five points Likert. structural equation modeling technique is used to test the hypothesis. The study demonstrated that CRM has a significant positive impact on the consumers' attitudes. Indeed, the Mobilis' breast cancer campaign increased the purchase intention of the consumers towards the company. And There is, no significant difference on the consumer's attitude based on gender. Key words: corporate social responsibility, cause-related marketing, consumers' attitudes.

Introduction:

Since the latest decade, companies are under mounting pressure to take responsibility for the effects of their corporate conduct on society, especially when effects go beyond the firms' direct commercial interests. As a result, an increasing number of companies small and big alike have developed corporate social responsibility (CSR) programs.

Aligned with the socioeconomic approach, Mohr et al 2001, define CSR as the organization's commitment to minimize or eliminate the negative effects of its actions and to maximize the long term benefits to society¹.

Following the development of Kotler and Lee 2005, the CSR is composed of six initiatives that reflect its association with marketing (cause promotions, corporate social marketing, corporate philanthropy, community volunteering, social responsible business practice, cause related marketing).

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As a type of CSR, cause related marketing (CRM) has received particular corporate interest. This is due to the fact that especially CRM might have positive effects on consumer behavior².

Cause-related marketing becomes important not just for the corporate social responsibility, but for business ethics in general.

This article explores how the activities of cause-related marketing impact the consumer's attitudes.

I. Literature Review: cause-related marketing and consumers' attitudes:

1. The concept of cause-related marketing :

Today the concept of CRM as part of corporate social responsibility is spreading to a large extent, although the idea became popular recently as a phenomenon of communication and marketing campaigns.

The CRM definition, firstly coined to describe the restoration project of the Statue of Liberty, initiated by American Express in 1983, that consequently trademarked the term "cause-related marketing"³. For every purchase through credit card and new application for a new credit card, a percentage of the value went to the restoration project⁴. These propositions gave great results within three months of the launch of the project by raising Restoration Fund over 1.7\$ million, and everyone involved had benefits; the NPO received funds and American Express increased their product sales and reputation, CRM may become a primary way that business express their social responsibility⁵.

Cause-related marketing was first define by Varadarajan and Menon as: "the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives"⁶, cause-related marketing can defined also by Sue Adkins 1999 as: "a commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit"⁷.

The critical words within the definitions are commercial, partnership and mutual benefit. Whatever cause-related marketing is, it is certainly not philanthropy nor is it altruism. Parties, be they businesses, charities or good causes, enter a cause-related marketing relationship in order to meet their objectives and to receive a return on their investment, where that investment may be in cash, time or other resource or combination of all three.

2. The benefits of cause-related marketing:

CRM is a win-win-win situation⁸, providing a win for the charity or the cause, a win for the consumer and a win for the business. The benefits for companies is being able to attract new customers. Their attitude is more favorable towards charitable companies and brands⁹, indeed, these affiliations help increase purchase intentions. It leads to increased loyalty and developed relationships with consumers¹⁰. CRM allows companies to be different and unique in terms of their brand advertising while generating incomes and resources.

CRM can attract and retain quality employees and reaching new market segment¹¹.

The single most important benefit that non-profits companies receive from a CRM program comes in the form of financial resources. It generates free publicity and public awareness for both the cause and non-profit organization. As a consequence, it can increase an organization's volunteer numbers in the short term¹².

Finally, customers also gain from CRM, as purchasing a product or service benefits a charity or cause. Thus, the consumer is helping society, giving him/ her a feeling of satisfaction

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for doing some good. Consumers can either contribute to the society in which they live and work or be the direct beneficiary of the cause¹³.

3. Key Factors in cause-related marketing research:

There are many factors that influence the consumer's perceptions of CRM, among these, are stimulus factors related to the donation and others related to the cause that the organization will support.

But this study will focus on the description of the preciseness of donation amount, cause type, cause proximity and gender.

3.1. Preciseness of donation amount: the donation description can differ in terms of preciseness. From vague to precise descriptions. A vague description example is the statement that a portion of the sales will be donated. In this case, consumers tend to overestimate the amount donated¹⁴. A more precise, but still vague description is to state that a specific percentage of the profit is donated¹⁵.

Overall, the donation description is clearly linked to contribution transparency vis-à-vis the consumer. Consumers especially those that are well educated, have a high need for transparency¹⁶. They request tangible information that allows them to process the exact donation that is contributed to the cause.

3.2. Cause type: a cause might support primary needs (life necessities) or secondary needs (quality of life). Primary causes include community health, safety, and other basic human needs and desires. Secondary causes include employment, the environment, community services and economic development¹⁷. Organizationally sponsored campaigns that serve primary needs, such as relieving poverty, ignorance and hunger, generally tend to produce higher levels of identification and present a more favorable image of the organization to consumers.

3.3. Cause proximity (cause scope): Geographic scope, which in this case refers to the location of the cause supported by the cause-related marketing campaign, cause proximity relates to the physical distance between the supported cause and consumer¹⁸. It is differentiated between local/national and international/ global causes¹⁹. While authors agree that the support of a local/ national cause leads to higher purchase intent, others disagree on the effect of the cause proximity on consumer's attitudes towards the respective CM campaign.

3.4. Gender:

Gender's influences have been largely discussed in consumer response to socially relevant marketing activities in general and to CRM campaigns in particular²⁰.

Studies with regard to gender in CRM, found that women are more receptive for CRM activities than men. They hold more favorable attitudes towards the campaign and also indicate higher purchase intentions²¹.

4. Consumer Attitudes towards cause-related marketing:

Attitudes have become a key construct in the explanation of consumer behavior and specifically, in the analysis of socially responsible behavior.

Attitudes are a way of summarizing consumer evaluation, so they can provide important information for marketing managers because of their direct impact on the purchase decision.

Fishbein and Ajzen (1975) believed that attitude is a learning tendency. Accordingly consumer may have tendency to like or unlike the specific object²².

Schiffman and Kanuk define attitude as a learned predisposition to act in a rationally favorable way toward the object²³, while Page and Luding describe them as a psychological

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personal drift to a rationally positive or negative response and behavior due to stimulants and as a result of an attitude toward it²⁴.

Nowadays, attitudes are considered multidimensional, with three components (cognitive component, affective component, behavior component).

- The cognitive component (beliefs): this refers to Knowledge, according to the object of attitude (if a thing or action is right or wrong). That is, it reflects the individual's information, beliefs and knowledge to a particular product or object²⁵. In our case, it would be information, beliefs and knowledge about CRM.
- The Affective Component (feeling): This reflects feelings and emotions regarding the object of attitude²⁶. In our case, it refers to the feeling expressed by individuals when facing a CRM campaign.
- The behavior component (actions, tendencies to respond and act): This reflects the purpose shown by individuals to act in a certain way (e.g. buying the product); fundamentally, it is the purchase intention. In our case, it would be the tendency to buy (or not buy) products linked to CRM campaigns. This last component is the most directly related to behavior, although it can interfere with the ability to carry out the intention²⁷ (e.g. lack of purchase feasibility, quality, consumer lifestyle, or interpersonal influence).

Many studies show that consumers, when they are asked to evaluate cause-related marketing, their attitudes are usually positive ~~and~~. It is possible to change attitudes towards products, services or brands by highlighting their links with social groups, events or occasions²⁸. Especially the events related with religious causes "Islamic religious", for example in Ramadan, companies that link their products to poverty cause and engaging consumers in, it will lead to more positive attitudes. It is observable with Eid al-Fitr and Eid al-Adha which creates an opportunity to make a good impression for these companies that will improve their image and reputation.

The Following hypothesis can be drawn based on the literature review:

First hypothesis: the rate of attitudes towards CRM is not the same for male and female consumers.

Second hypothesis: there is a positive impact of cause-related marketing on consumers' attitudes.

II. Research Methods:

1. Sample and sampling:

The primary data has been collected through structured questionnaire survey which was personally administered. A total of 200 questionnaire were distributed to the respondent, out of which 160 were retrieved.

The study used purposive sampling technique, because the idea of the research was not to find the general attitudes of an average consumer. It was targeting Mobilis consumers owning a Mobilis SIM card that participated in Mobilis' breast cancer campaign.

2. Data Collection:

The data were collected through a structured questionnaire. Demographic data apart, the questionnaire consisted of five items associated to cause-related marketing in general. The rest of the questions consisted in a five points Likert scale with four items associated to cause type, four items associated to cause proximity, four items related to cause fit, four items associated to donation description and finally five more related to consumer's attitudes and purchase intentions. The respondents were asked to score their level of agreement related to each item. On a scale from 1 to 5, where "1" stands for "I strongly agree", "2" stands for "I agree", "3" stands for "neutral", "4" stands for "I disagree" and "5" stands for "I strongly disagree". The respondents were guaranteed anonymity; therefore they were prompt to giving authentic answers.

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3. Data analysis and Results:

The data was analyzed through software Statistical Package for Social Sciences (SPSS) and Amos. Reliability and descriptive statistics were performed through SPSS, and structural model was conducted through AMOS. Structural equation modeling technique is considered good to the development of theoretical model, testing the hypotheses and also good to the model fit.

- Tools used for Data Analysis:

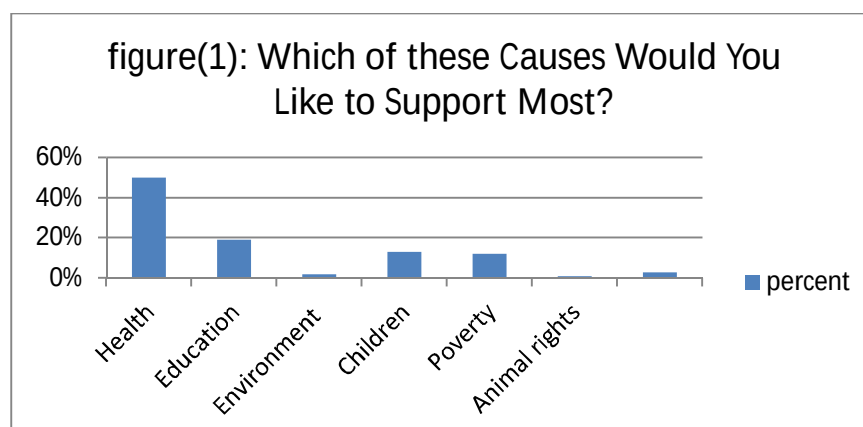
To be able to evaluate the reliability of the questionnaires, Cronbach's alpha reliability coefficient was calculated based on responses received from the respondents on each questionnaire separately.

Table (1): Reliability Statistics

Variable	Number of items	Reliability (Cronbach's Alpha)
Overall instrument	29	0.80

Source: SPSS V19.

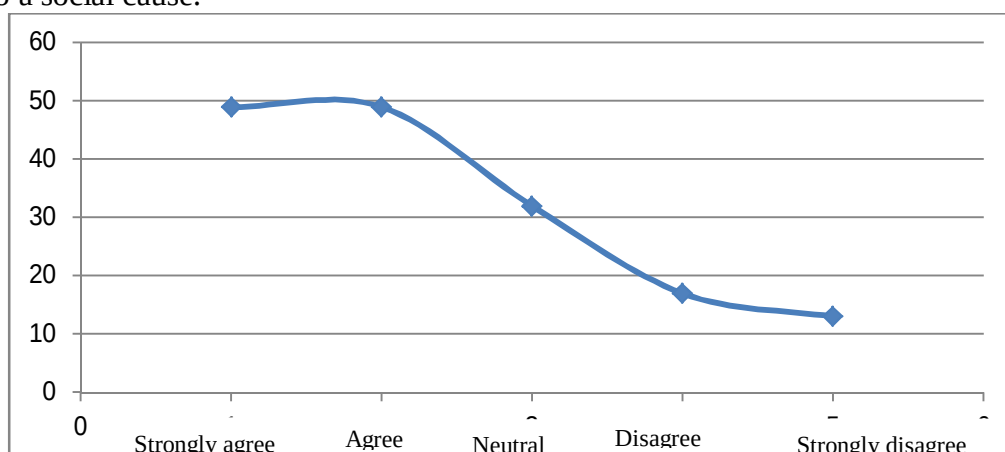
- Descriptive statistics:



Source: Excel 2007

- The priority causes consumers want to support most are health related causes, with 50% of the answers, followed by education, with 19% of them. Figure (1)

Figure (2): The extent to which consumers are willing to pay extra price for a product or service related to a social cause.



Source: Excel 2007.

- More than the half of the respondents, a total of 98 of them, expressed total agreement or an agreement (Figure (2)) when asked if they would be willing to pay an extra amount of money for products or services associated with a social cause. This can be explained by the fact that consumers believe they can make a difference. They can help disadvantaged categories, when acquiring products linked to a cause.

III. Discussions

1. Hypothesis testing:

1.1. Test of the first hypothesis: the rate of attitudes towards CRM is not the same for male and female consumers.

H_0 : the rate of attitudes towards CRM is the same for male and female consumers.

H_1 : the rate of attitudes towards CRM is not the same for male and female consumers.

Leven Test was used to examine the equality of variance and due to a p-value (significance) of 0.806 which is larger than the significant level of $\alpha=0.05$, H_0 is not rejected and as a result the variance of the two groups are said to be equivalent, so parameter one test is applicable.

Comparison of Attitudes toward CRM for male and female consumers is obtained via T-test and because the p-value (significance) equals 0.143 is larger than the significance level of $\alpha=0.05$, so the H_1 is rejected in this level.

Thus, it can be concluded that there is no significant difference between the rate of attitudes between male and female consumers. See Table (2)

Table (2): the impact of gender

Gender	Male			Female			T Statistics	Degrees of freedom	Sig
	N	Mean	SD	Number	Mean	SD			
CRM	73	40.42	0.91	87	38.65	0.78	1.47	158	0.143

Source: SPSS V19.

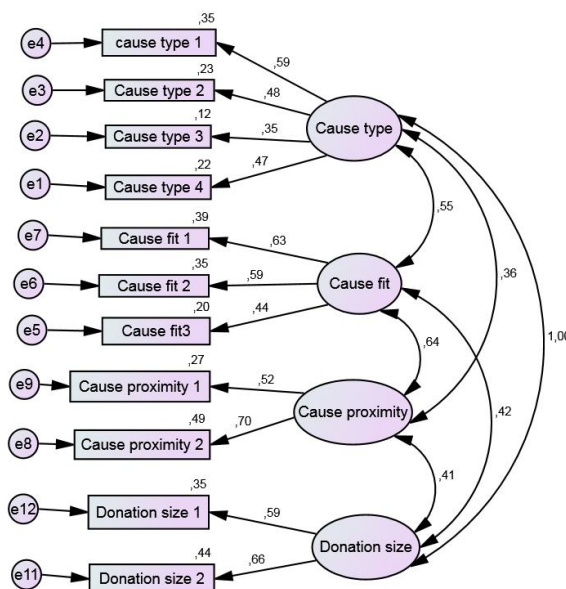
2.1. Test of the second hypothesis:

- Analysis of research model:

- Confirmatory factor analysis of CRM campaign component:

Confirmatory factor analysis (CFA) was used to test the measurement model that set off observed (indicator) variables identified the hypothetical latent construct and confirming the theory generated model. Testing the measurement model also provided an assessment of convergent and discriminate validity.

Figure (3): Measurement model for cause-related marketing component



Source: Amos V.20.

Cause-related marketing campaign construct were measured with four latent variables (cause type, cause fit, cause proximity and donation size) and 11 observed variables.

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Table (3): The measurement model showed best fitted to the data.

Good of fit index	Cut-off value	Model result	Explanation
X ² -Chi- Square		45.743	
X ² - Significance prob	≥ 0.05	0.182	Good
RMSEA	0 - 0.08	0.036	Good
GFI	0.9 - 1	0.953	Good
AGFI	0.9 - 1	0.918	Good
TLI	0.9 - 1	0.951	Good
CFI	0.9 - 1	0.966	Good
CMIN/DF	≤ 3.00	1.204	Good

Source: Amos Primary Data Processed

Table results show that the research model of CRM is accepted. It means suitability of research model is good.

T testing of hypothesis 2 was performed with Path Analysis using the software AMOS version 20. Limit of significance (p) which is used in decision making admissibility hypothesis that is equal to 0.05 or 5%. In other words, hypothesis will be accepted if the significance value (p) obtained is less or equal to 0.05²⁹.

The second hypothesis examination describes the positive impact of cause-related marketing on attitudes towards Mobilis' breast cancer campaign.

Based on the result of path analysis, it is known that hypothesis 2 can be accepted because the value that significance (P-value) generated is smaller than the limit that is equal to 0.05 or 5%. Estimate value is standardized regression weight and the p-value is a significant value, as seen in table 4

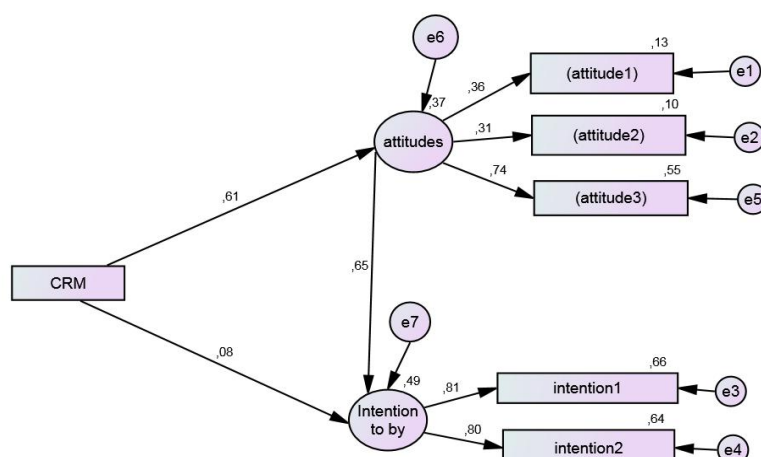
Table (4): Regression Weights

Hypothesis	Estimate	S.E	C.R	P	Decision
CRM-Attitudes	0.023	0.007	3.455	0.00	Accept

Source: Amos V.20.

The result of path analysis shows that CRM variable has a value of standardized regression weight of 0.023 in predicting attitudes. The significance of this can be seen in the P-value which is smaller than 0.001 (in AMOS marked ***) and smaller than the Limit that has been required, which is 0.05. So hypothesis 2 (H2) is accepted. Thus, it can be said that the attitudes are positively affected by cause-related Marketing campaign.

Figure (4): Structural Equation Model



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Source: Amos v.20.

A structural equations modeling was valid and fitted the empirical data due to the indicators comprised; Chi-square=13.728, df=7, CFI=0.966, TLI= 0.927, GFI=0.972, AGFI=0.915, RMSEA=0.078.

Figure (4) is depicting the results for the structural equation model. It shows the nature of relationships between variables. All three variables in this figure are having positive relationships, which is very logical in this case. The structural equation is also having error term on the dependent variables.

Conclusion:

Cause-related marketing programs connect profit and nonprofit organizations, simultaneously responding to the changing marketing conditions and fulfilling business goals. It is a great opportunity for companies to demonstrate their social responsibility, as well as helping the realization of a worthy cause. Cause-related marketing activities also serve as a marketing communication tool, thus influencing consumer's attitude and intention to buy a certain product or a brand. They rely on socially conscious consumers that strive to contribute to the common good.

The results of the research show that the priority causes that consumers want to support most are health related causes, chosen by 50% of the respondents, followed by Education, chosen by 19% of them. There is more than the half of the respondents that expressed a total agreement or an agreement when asked if they would be willing to pay an extra amount of money for the products or services associated with a social cause. This rate or number can be explained by the fact that consumers believe they can make a difference. They can help disadvantaged categories when acquiring products linked to a cause.

The study concluded that cause-related marketing is having significantly positive impact on consumers' attitudes towards Mobilis' breast cancer campaign. It also helped concluding that there is no significant difference between the rate of attitudes between male and female consumers towards CRM campaign. The study recommends that corporations engage in corporate social responsibility initiatives, especially cause-related marketing to develop good corporate reputation and ensure successful corporate performance in competitive environments. Future researcher can also address the other potential benefits of corporate social responsibility and cause-related marketing in consumer's behavior perspectives.

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