

CAUSE RELATED MARKETING CAMPAIGN ON CONSUMER PURCHASE INTENTION - A STUDY

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ABSTRACT

Cause Related Marketing (CRM) is a marketing strategy that involves working with a nonprofit organization in order to advance a social cause and make money for the business at the same time. CRM campaigns can result in favorable press for a company, boosting its reputation and brand recognition. Sales and market share may improve as a result of consumers being more inclined to choose a brand they believe to be socially responsible. In order to increase consumer purchase intention and prevent any negative outcomes, businesses must take care to create and implement CRM campaigns in a transparent, genuine, and efficient manner. The present study would have explored the effectiveness of cause-related marketing campaigns in generating consumer purchase intention and has identified the key factors that impact the success of these campaigns. 200 respondents using convenient sampling method are selected for the study to collect the primary data. The study offered valuable insights into how cause-related marketing served as an effective means for companies to promote social and environmental causes while simultaneously bolstering their reputation and brand image. Nevertheless, it's crucial for companies to ensure that their marketing campaigns are characterized by transparency, relevance, and clear communication to consumers in order to maximize their impact.

Key Words: Cause Related Marketing, Consumers, Purchase Intention

INTRODUCTION

Cause Related Marketing (CRM) is a marketing strategy that involves working with a nonprofit organization in order to advance a social cause and make money for the business at the same time. In a CRM campaign, a percentage of the sales revenue from a good or service is given to a certain charity or cause. The launch of a cause-related marketing initiative might significantly affect consumers' intentions to make purchases. A CRM campaign can assist in building a favorable brand image that appeals to consumers who are increasingly seeking for companies that share their values and interests. It has been demonstrated that customers are more inclined to buy goods or services from businesses that support a cause or charity. A CRM campaign can also boost customer loyalty and repeat sales since people like to support companies that do good deeds in the world. CRM campaigns can result in favorable press for a company, boosting its reputation and brand recognition. Sales and market share may improve as a result of consumers being more inclined to choose a brand they believe to be socially responsible.

STATEMENT OF THE PROBLEM

The problem with cause-related marketing campaigns is that they may not reflect the values or interests of the target market. Consumers may not be inspired to make a purchase or support the campaign if the cause is not pertinent to them or significant to them. This can be especially difficult if the issue at hand is divisive or has negative connotations for some customers, as this could trigger a backlash against the campaign and have a detrimental effect on consumer purchase intent. Also, businesses could have a hard time explaining to customers how the campaign would affect them and how their purchases will help the cause, which might leave them skeptical and discourage them from participating. Campaigns for cause-related marketing (CRM) have grown in popularity in recent years as businesses try to link their brands with charitable causes in an effort to boost brand recognition and revenue. In order to increase consumer purchase intention and prevent any negative outcomes, businesses must take care to create and implement CRM campaigns in a transparent, genuine, and efficient manner. Hence, a study has been carried out to find out the impact of cause related marketing on customer purchase intention.

OBJECTIVES:

1. To find out the perception of consumer about cause related marketing.
2. To identify the impact of cause related marketing on consumer purchase intention.

SCOPE OF THE STUDY:

The present study would be to explore the effectiveness of cause-related marketing campaigns in generating consumer purchase intention and to identify the key factors that impact the success of these campaigns. The aim is to provide a comprehensive understanding of the effectiveness, challenges, and opportunities of cause-related marketing campaigns in generating consumer purchase intention and promoting social and environmental causes. The goal of the study is to determine the effects of cause-related marketing campaigns on customer purchase intentions as well as the variables that affect these effects. The complex relationship between businesses, consumers, and social causes may be examined in the study on the impact of cause-related marketing campaigns on consumer purchase intention with the aim of offering

insights that can help businesses create successful campaigns that benefit society and their business.

RESEARCH METHODOLOGY:

SOURCE OF DATA

The present study is based on primary data. The data has been collected from the consumer through a structured questionnaire.

SAMPLE SIZE

200 respondents are selected for the study to collect the primary data.

SAMPLE DESIGN:

Convenient sampling method has been used for selecting the sample.

AREA OF THE STUDY:

Area of study is Coimbatore City.

Review of literature

- **Cathy S. Lin (2022)** has found the effects of framing messages and cause-related marketing on backing intentions in reward-based crowdfunding. The main objective to investigate the impact of framing messages and cause related marketing (CRM) on backers intentions to support crowdfunding campaigns. The study uses a quantitative research method and collects data through an online survey of 303 American participants. The survey presents participants with different crowdfunding campaign scenarios and measures their attitudes towards the campaign, perceived fit between the campaign and the cause, and likelihood of backing. The study provides insights into the impact of framing messages and CRM on backers' intentions to support crowdfunding campaigns and suggests that crowdfunding campaigns creators should carefully consider their framing messages and CRM strategies to increase their chances of success. The study also highlights the importance of enhancing the fit between the campaign and the cause to increase backers' positive towards the campaign and likelihood of backing.
- **Molka Triki Ellouze (2022)** has done a study on the topic "Cause-Related Marketing: Towards an Exploration of the Factors Favoring the Purchase Intention of the Tunisian Consumer". The study uses a quantitative research method and collects data through a survey of 308 Tunisian consumers. The survey includes questions related to consumers' awareness and attitudes towards CRM, their perception of the cause and the company's commitment to it, and their purchase intention towards CRM products. The study provides insights into the factors that companies should consider when implementing CRM strategies in Tunisia and suggests that companies should focus on building authentic relationships with their customers and communicating their commitment to the cause to increase consumers' purchase intention towards CRM products.
- **Jacqueline K Eastman (2019)** has analyzed the impact of cause related marketing on millennials product attitudes and purchase intention. The main objective is to investigate how cause-related marketing affects millennials' attitudes towards the brand and their intention to purchase the product. 219 millennial participants were taken as the sample. The data was collected from a university in the United States. The study provides insights into the effectiveness of cause-related marketing on millennials' attitudes towards the brand and their

intention to purchase the product. The study provides insights into effectiveness of cause-related marketing on millennials' attitudes towards the brand and their intention to purchase the product. The study suggests that cause-related marketing can be an effective strategy for companies to appeal to millennials, especially for products that are perceived as socially response.

FINDINGS

PERCENTAGE ANALYSIS

- 64.4 percent of the respondents are female.
- 52.8 percent of the respondents are less than 25 years of age.
- 59.4 percent of the respondents are unmarried.
- 34.2 percent of the respondents are postgraduates.
- 36.6 percent of the respondents are salaried.
- 29.7 percent of the respondents monthly family income is less than Rs.30,000 per month.
- 47 percent of the respondents' family has 3-6 members.
- 54 percent of the respondents have opined that company motive for supporting social cause influence their purchase intention
- 42.1 percent of the respondents willing to pay for cause related product.
- 50.5 percent of the respondents have opined that the cause related marketing campaign are effective in promoting social causes or environmental based on the campaign and the cause made by the company
- 32.2 percent of the respondents have said that the engagement of the company in cause-related marketing is neither important nor not important.
- 35.1 percent of the respondents have opined that the companies engaging in cause-related marketing are somewhat socially responsible.
- 35.1 percent of the respondents have opined that improved reputation and brand image is the main benefit of cause-related marketing to the companies
- 35.6 percent of the respondents are willing to pay up to 10% more for the product to support the social or environmental cause made by the company.
- 30.2 percent of the respondents are more likely to recommend a product that supports a social or environmental cause to a friend or family members.
- 37.1 percent of the respondents are more likely to purchase a product that supports a social or environmental cause even before knowing about the company.
- 29.2 percent of the respondents have opined that social media campaign is the most effective ways to communicate the company's commitment towards the social or environmental cause to the public.
- 56.4 percent of the respondents have opined that the companies can be transparent about their profit donation regarding the social or environmental cause to the public
- 31.2 percent of the respondents have opined that the relevance of the cause to the company product or services and the clarity of the message are the influential factors that bring effectiveness to the company.
- 48 percent of respondents have opined that the level of transparency about its involvement in supporting the social or environmental causes positively affects the company credibility.

ANOVA

- There is no significant difference between opinion on cause related marketing campaign among the age, educational qualification, occupation, monthly income, number of members in the family of the respondents.

T-TEST

- Opinion on cause related marketing campaign differ significantly between male and female respondents.
- Opinion on cause related marketing campaign differ significantly between married and Unmarried respondents

SUGGESTIONS

- Companies can align their efforts with current trending or impactful social issues, as research suggests that a significant portion of the population is attentive to environmental and social concerns.
- Maintaining consistent social engagement and making regular contributions to both the community and their employees is essential for businesses. This not only fosters a positive reputation and trust within society but also serves as a catalyst for increased sales and the advancement of collaborative efforts.
- There's a need for widespread education and awareness campaigns to inform people about the importance of collaboration and social causes.

CONCLUSION

Marketing campaigns associated with social and environmental causes have been receiving positive responses from consumers. Moreover, a considerable number of consumers actively engage with and show interest in the social and environmental initiatives supported by companies through their marketing efforts. Many respondents are even willing to spend extra money to back such causes. The success of these cause-related marketing campaigns hinges on various factors, including the alignment of the cause with the company's products or services, the clarity of the messaging, and the transparency in how the company supports the cause. In summary, this study offers valuable insights into how cause-related marketing can serve as an effective means for companies to promote social and environmental causes while simultaneously bolstering their reputation and brand image. Nevertheless, it's crucial for companies to ensure that their marketing campaigns are characterized by transparency, relevance, and clear communication to consumers in order to maximize their impact.

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