

A LITERATURE REVIEW ON CAUSE-RELATED MARKETING STRATEGIC ORIENTATION IN BUSINESS RESEARCH

Marcela Sefora Sana

Babeş Bolyai University

Facultatea de Ştiinţe Economice şi Gestiunea Afacerilor, Department de Marketing

e-mail: seforasana@gmail.com

Teodora Mihaela Tarcza

Universitatea Oradea

Facultatea de Ştiinţe Economice, Departament Management Marketing

e-mail: ttarcza@uoradea.ro

Abstract: *A long time economic and social objectives have been seen as competing, but academic researchers underline that this two directions may converge in certain situations. Companies belong to communities where they develop their activities. When the social goals of the communities are related to the main objectives of the company, sustaining a social cause could produce economic benefits, in this case corporate philanthropy and shareholders interest take the same direction. Cause-related marketing is a marketing concept that gained more interest in the last three decades and exemplifies how social and economic objectives are achieved in a strategic manner in promoting campaigns. Researches in business and non-profit organizations reveal that cause-related marketing campaigns sustain the growth of market share and sales, and help at improving brands image. More and more companies and non-profit organizations find cause-related marketing as a strategic tool suitable for building long term relations to the customers, for increasing brand awareness, for gaining a social responsible corporative image, for supporting local community or for producing transformation in sustaining causes at global or international level. The study analyses the definitions of cause-related marketing the presence and evolution of the concept in the academic literature, and marketing terms that are connected more often to this concept. Comparative to non-profit marketing concept, cause-related marketing gained a larger interest in literature. On the other side, corporate philanthropy is still a concept that gains more interest than cause-related marketing in academic literature, being a more commune way used by companies in collaboration to non-profit organizations. Tided to cause-related marketing concept literature review reveals concepts as: consumer behaviour, brand image and corporate social responsibility being more often analysed. The salience of the consumer perspective, in academic research underlines the strategic and tactic role of cause-related marketing that has to be considered in building relations to the customers for companies.*

JEL classification: M13, L31, L33

Keywords: cause-related marketing, companies, non-profit organizations

Introduction

Literature review reveals that cause-related marketing has gained increasingly interest in the last years as a form of corporate philanthropy based on increasing profits and sustaining a cause through giving (Varadarajan and Menon, 1988). Cause-related marketing started in 1983 with the campaign of American Airlines in renovating Liberty Statue to an estimated \$922 million in 2003. Companies invested approximately \$991 million in cause campaigns in 2004, a rise of 57% since 1999 (Gard, 2004 cited by Golkar and Sina, 2013).

The practice of cause-related marketing gained increasingly interest, but the definitions of the concept still vary. Cause marketing is defined as an action between a non-profit organization and a company, of marketing an image, a message, or delivering a service for mutual benefit (Marconi, 2002). Other authors consider it is a marketing activity in which company donations to a cause are based on the sales of specified goods or services (Larson et al. 2008)

Adkins (2003) presents a definition of cause-related marketing as being "a commercial activity by which businesses and charities or good causes form a partnership with each other to market an image, product or service for mutual benefit" (p. 670). The main concepts used in this definition are commercial, partnership, marketing and mutual benefit. Cause-related marketing is also seen as a promotional strategy (Tangari et al. 2010). Adkins (2003) considers that cause-related marketing is a marketing-driven activity, that businesses, charities or good causes, develop cause-related marketing programs for achieving their objectives. Organizations and companies are also interested to receive a return on their investment, even if that investment is cash, time or other resources.

In a cause-related marketing campaign, part of the revenue of every purchase can be donated to a certain cause by company to a non-profit organization. Cause-related marketing campaigns may differ from a company to another, regarding the cause type, non-profit organization profile or other aspects. Not all companies choose to donate money in cause-related marketing program, some choose to use corporate philanthropy and employers volunteerism as activities to improve their social responsible image. Researches in business and non-profit organizations reveal that cause-related marketing campaigns sustain the growth of market share and sales, and help at improving brands image (Marconi, 2002).

A long time economic and social objectives have been seen as competing, but academic researchers underline that they are not. Every company belongs to the community where it develops its activity, and they are not isolated. When a social goal related to the main objectives of the company, sustaining a social cause could produce economic benefits, in this case corporate philanthropy and shareholders interest take the same direction (Porter and Kramer, 2004). According to Marconi (2002) companies choose to engage in partnerships with non-profit organizations for sustaining different causes may choose one of the following strategies or directions: strategic philanthropy, sponsorship social investment and value partnerships. All these directions assume a strategic orientation of the companies.

2. Cause-related marketing concept evolution in the literature. An analyse using Google Ngram application

The concepts of "cause-related marketing" and "cause marketing" gained larger interest more after 1980 having an increasing evolution regarding its presence in the content of the books indexed by Google Books, shows Google Ngram application as it can be observed in figure 1. A visible interest in the analysed literature is obvious after 1990 since the presence of the concepts exponentially grew.

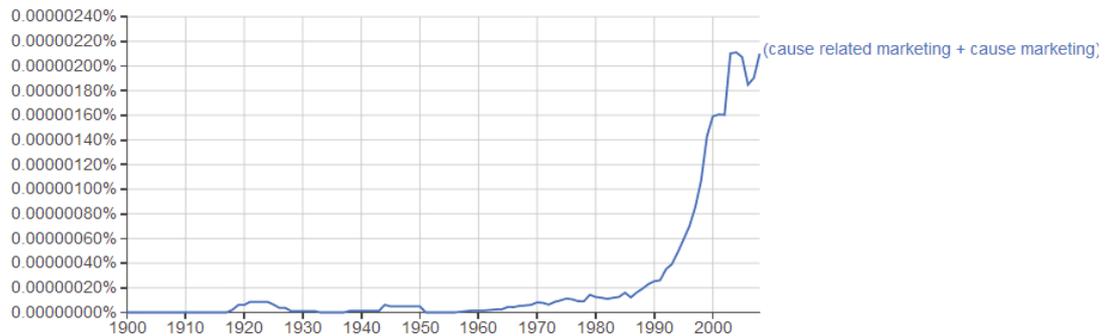


Figure 1. “Cause related marketing” and “cause marketing” terms in Google indexed books between 1900-2008 Source: <https://books.google.com/ngrams>, Quantitative analysis of culture using millions of digitized books. science (published online ahead of print: 12/16/2010). Science, 331, Michel et al. 2010.

Google Ngram application offers the possibility of analysing concepts evolution related through calculating the differences between the occurrences of the concepts in the literature in the mentioned period (Michel et al. 2010). A related analysis of the concepts “cause-related marketing”, “cause marketing” and “non-profit marketing” as it can be seen in figure 2, shows that between 1970 till 1997 “non-profit marketing” concept experienced an increasing interest, “cause-related marketing” and “cause marketing” summed gaining more interest after 1997, eclipsing “non-profit marketing” concept presence in the literature.

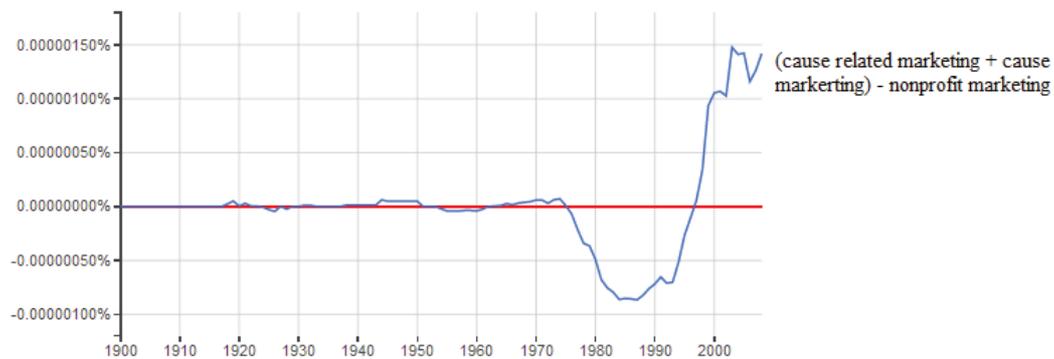


Figure 2. “Cause related marketing” and “cause marketing” terms trend related to “non-profit marketing” term trend in Google indexed books between 1900-2008. Source: <https://books.google.com/ngrams>, Quantitative analysis of culture using millions of digitized books. science (published online ahead of print: 12/16/2010). Science, 331, Michel et al. 2010.

On the other side “corporate philanthropy” is still a concept of increasing interest in literature comparative to “cause-related marketing” and “cause marketing”, having a much larger frequency in the analysed literature as it can be seen in figure 3.

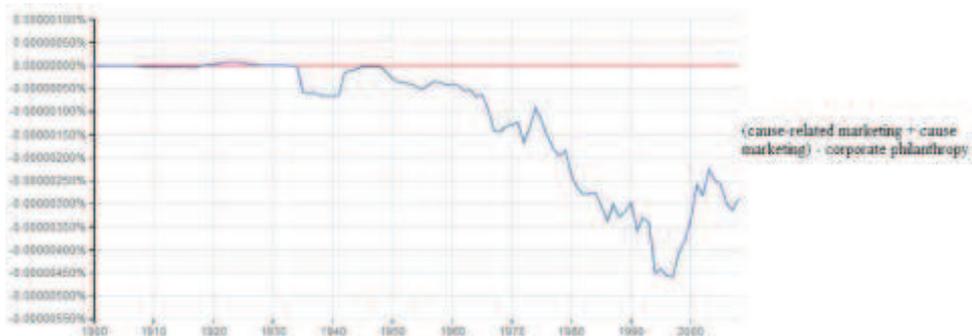


Figure 3.“Cause related marketing” and “cause marketing” terms trend related to “corporate philanthropy” term trend in Google indexed books between 1900-2008.

Source: <https://books.google.com/ngrams>, Quantitative analysis of culture using millions of digitized books. science (published online ahead of print: 12/16/2010). Science, 331, Michel et al. 2010.

3. Cause Related Concept in Academic Research. A Content Analysis of Scholarly Literature

For observing the main subjects associated to cause-related marketing in recent academic research, a study of 109 abstracts of scholarly published articles, from ProQuest Central database was conducted. The analysed articles were published between 2007 and 2014. The research methodology was content analysis using Textalyser, an online text analysis tool that reveals details statistics of the text. The method used analyses the features of words groups, finding out the keyword density, analyse the prominence of word or expressions (www.textalyser.net, 2004). The analysis revealed the most often related concepts related to cause-related marketing in abstract content of the analysed articles.

Table 1.Occurrences and frequencies of the most quoted words in the analysed articles

Word	Occurrences	Frequencies
Cause	336	2.8%
CRM	291	2.4%
Consumers/ consumer	290	1.2%
Brand	151	1.2%
Product	105	0.9%
Social	99	0.8%

Source: Author’s results using Textalyser application.

Researches in business and non-profit organizations reveal that cause-related marketing campaigns sustain the growth of market share and sales, and help at improving brands image (Marconi, 2002). As it can be observed in the table 1, the most used words after the cause related marketing are consumer/consumers. The academic research regarding cause-related marketing orients firstly on the consumer satisfaction (Iadero and Mercedes, 2013), attitudes (Lafferty and Edmonson, 2014), behaviour (Bigné-Alcañiz, [Currás-Pérez](#), [Ruiz-Mafé](#) and [Sanz-Blas](#), 2012) and scepticism (Kim and Lee 2009) towards the cause or towards the company and the products. The other subject that is studied in academic research is brand: brand image (Sheetal and Abhishek, 2013), brand equity (Harben and Forsythe, 2011), brand fit to the cause (Cheron, Kohlbacher and Kusuma, 2012).

Product is another element studied in the academic research regarding cause-related marketing approach. Issues as: product type and donation magnitude (Chang, 2011), the product cause fit (Chang, 2012b), the influence on a purchase of a product (Oloko and Balderjahn, 2009) are raised regarding in cause-related marketing campaigns.

The social aspect regarding company involvement is also raised in academic research related to cause-related marketing. Welfare, public goods, corporate social responsibility (Blomgren, 2011) are subjects of recent interest in academic literature.

Table 2. Frequencies and counts of the marketing concepts included in expressions used in the analysed articles

Expressions including:	Count	Frequencies
Cause related marketing	534	3.59%
Consumer	118	0.79
Brand	108	0.72
Social responsibility	85	0.43%
Purchase intention	48	0.32%
Product	45	0.30%
Donation	44	0.29%
Non-profit	20	0.13%

Source: Author's results using Textalyser application.

In table 2, are presented the counts for the expression that include marketing concepts, that are most used, related to cause-related marketing in the analysed articles. It can be observed the salience of the consumer focus in the research conducted (with 118 counts). Research regarding brand in cause-related marketing research occupy an important part too (with 108 counts). Purchase intention is another subject analysed in cause-related marketing research. Issues as: purchasing power of the customers, consumption (Hawkins, 2012) purchase intention regarding familiar and cause-related brands (Harben and Forsythe, 2011).

Partnership to non-profit sector is an important issue analysed in academic research. Donations have been analysed from different perspectives. From a negative perspective of the appeal to guilt of purchasing different products in cause-related marketing campaigns (Chang, 2011a) till to the altruistic motivation analysis of the consumer involvement in the cause-related campaigns (Bigné-Alcañiz, Curras-Perez and [Sánchez-García](#), 2009).

A conclusion to the conducted study is that academic research underlines the strategic orientation of the cause-related marketing tool is firstly focused on consumers, then on branding strategies and corporative image of the firms. Cause-related marketing is more and more recognised as a reliable instrument of developing long term relations to the costumers and to influence consumer behaviour. As Kotler, Kartajaya and Setiawan (2010) emphasize in their book, companies' strategic orientation must have in the view the needs that are in the top of the Maslow's hierarchy of needs, to address customers. Getting involved in sustaining social causes and being part of the social change, individuals meet their need of self-actualization, the need from the top of Maslow's pyramid. Companies are able to get involve the customers in producing social change, through selling them their products in the same time using cause-related campaigns.

4. Conclusions

The concept of cause-related marketing grew exponentially after 1990 being more frequently used in the last decade comparative to non-profit marketing concept in the last decade but still less used that corporate philanthropy a term that still gains lots a popularity in business research.

Literature review reveals that cause-related marketing is considered to be a reliable strategic tool for improving company's brand for increasing customer participation and for gaining good partnerships in the community.

Consumer behaviour, attitude, perceptions are the main subject analysed in cause-related marketing research, followed by brand enhancing and corporate social responsibility. The salience of the consumer perspective in academic research underlines the strategic and tactic role of cause-related marketing that has to be considered in building relations to the customers.

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