Cause Related Marketing CRM: a win-win arrangement - (for both Non profit making organizations and profit making organizations)

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Abstract - CRM appears to be a win-win situation for businesses and non-profits alike. Charities get needed funds, while businesses get to bask in the glory of having performed good deeds. Judging from its popularity, business has clearly embraced the concept and few non-profit organizations are turning the private sector away. In this paper attempt has been made to study concept of Cause Related Marketing, a win-win arrangement? Corporate Brand Image & Sales and popularity of Nonprofit organizations through questionnaire cum interview schedules & from secondary data sources like website, Journals & Magazines. The paper reveals that factors that influence the customers were found to be brand name, availability, price, quality & cause related marketing concept. Results obtained show that cause related marketing results in increased sales, visibility, consumer focus, consumer loyalty & enhanced company imaged along with positive media coverage and popularity of Nonprofit organizations.

I. CONCEPT OF CAUSE RELATED MARKETING

Since the 1980s, consumers have witnessed the rapid proliferation of a new form of marketing: a hybrid between product advertising and corporate public relations. Cause Related Marketing (CRM) aims to link corporate identities with nonprofit organizations, good causes, and significant social issues through cooperative marketing and fund-raising programs. As a tax-deductible expense for business, this form of brand leveraging is an attempt at connecting with the consuming public beyond the traditional point of purchase and to form long lasting and emotional ties with consumer constituencies. However, what might seem like a fair exchange between corporation in search of goodwill and non-profits in search of funds also raises a range of troubling social, political and ethical questions.

Cause related marketing can be understood as a strategic positioning and marketing tool which links a company or a brand to a relevant social cause or issue for mutual benefit. It is the initiation and funding of deserving causes. Nothing builds brand loyalty among todays increasingly hard to please consumers like a company's proven commitment to a worthy cause.

II. INDIAN SCENARIO

Cause related marketing and its impact on Corporate Brand Image & Sales with brand loyalty and popularity of nonprofit organizations.

- 1. After all, celebs like actress Asha Parekh who built a hospital for everyone's benefit, or like Salman Khan who built an old age home. This is where celebs usually donate time.
- 2. So we have Pamela Andersen, Aditi Gowtrikar, Celina Jaitley etc taking up a stance for PETA. We have Gwyneth Paltrow talking about veganism. A whole lot of them will sport red ribbons for World AIDS Day and pink ribbons to raise breast cancer awareness.
- 3. The irony is that whether Aamir Khan promotes tourism in India for the Tourism Board .
- 4. Amitabh Bachchan does it for Gujarat, the fact is that they are urging and cajoling us to spend our hardearned money.and we are ready so.
- 5. Salman Khan has started a 'Being Human' social cause. While some actors like Sushmita Sen, Bipasha Basu, Priyanka Chopra, Katrina Kaif, Kareena Kapoor, Preity Zinta, Rani Mukherjee and Karisma Kapoor

- walked the ramp to raise funds for the 'Being Human' cause. But on their own, by which they raised a huge amount of funds.

- 6. Shilpa Shetty, who did an AIDS awareness campaign with Richard Gere and helped raise £63,000 for a London charity.
- 7. Popular Oriya film actress Archita Sahoo was declared as the celebrity ambassador of Unicef in Orissa recently. Vowing to do her best to participate in awareness initiatives of the United Nations body for development of children, the actress announced her support to the cause of Unicef in the state. Chief of Unicef Orissa, Shairose Mawji, said: "Unicef is proud to welcome Archita Sahoo as a celebrity supporter. She is an icon for the youth and enjoys tremendous recognition across the state. Her support to the cause of Unicef is certain to bring greater visibility and action on issues pertaining to the children and young people in Orissa."
- 8. It has just been a month that we-the Indians have woken up to this national cause SAVE TIGERS. This campaign was supported by almost all the young bolly wood stars. It was a spontaneous effort by thoughtful and caring Indians to save the existing national animal in India. The government has been attached to this cause from the past four decades but now that Indian celebrities and corporate are taking super efforts to publicize the campaign in an explicit way is helping in the advertising and awareness of the campaign.
- 9. Mukti an NGO has been able to bring together large numbers of the top stars to support its causes, including Amitabh Bachchan, Shahrukh Khan, Hrithik Roshan, Miss World Aishwarya Rai, and international cricket celebrities like Sachin Tendulkar and Kapil Dev. Mukti takes a special interest in AIDS and has trained professionals to provide counseling guidance and assistance to victims of AIDS and drug abuse. Its annual AIDS show is the biggest concert organized in India for the cause of AIDS and brings together top film stars and celebrities.
- 10. Priyanka Chopra is riding high these days with back-to-back successes and endorsements and inaugurations and everything else under the sun. However, the actress makes it a point to keep her feet grounded and do her bit for the society.Earlier this year, she was the brand ambassador of "GREENSTONE" to save the environment from global warming. She also participated in 'SAVE THE CHILDREN' campaign. Speaking about her involvement with the campaign.
- 11. OBEROI Hotels had specially designed and printed envelopes placed in all Oberoi properties where in the guest could contribute to CRY, a non government organization and collected more than Rs. 6.50 lakhs in 18 months. CRY is a NGO whose role is that of an enabler a catalyst between two groups of people (a) development organization and individuals working at grass root level with marginalized children, their families and communities and people from all walks of life who believe in the rights of children.
- 12. The HLL announced a Rs. 5/- contribution to SOS children's village, a social service organization working for educating every little heart by inserting coupons in its Brook bond Taj Mahal tea powder packs. The customer has to tell the coupon number to the company through a toll free telephone number.

III. INTERNATIONAL SCENARIO

- 1. One example of cause-marketing would be the partnership of Yoplait's "Save Lids to Save Lives" campaign in support of the Susan G. Komen for the Cure. The company packages specific products with a pink lid that consumers turn in, and in turn Yoplait donates 10 cents for each lid.
- 2. An example of a nonprofit certification of a product (business) includes the American Heart Association's stamp of approval on Cheerios, the popular breakfast cereal. The American Heart food certification program grants use of its "Heart Check" icon and name to dozens of cereals and juices meaning that that product meets the Associations' low-fat, low-cholesterol standards
- 3. In 2007, Singapore Airlines launched a cause marketing campaign attracting over 35 million unique visitors across 23 countries to bring awareness to Doctors without Borders. With the launch of the world's first A380, Singapore Airlines—with the assistance of Vonality Inc—launched an online auction for all seats on the historic first flight all in support of charity.
- 4. Launched in early 2006, Product Red is an example of one the largest cause-related marketing campaigns to date given the number of companies and organizations involved as participants as well as its reach worldwide. It is also an example of a cause marketing campaign that is also a brand on its own. Product Red was created to support The Global Fund to Fight AIDS, Tuberculosis & Malaria (aka "The Global Fund") and includes companies such as Apple Computer, Motorola, Giorgio Armani, and The Gap as participants.

5. Since 1998 the UK-based Aqua Aid Water Coolers has been donating 5.5% of turnover to supply clean drinking water to people in Africa via the two charities Christian Aid and Pump Aid. To date they have donated more than £5,000,000 and their business success has led to a number of their competitors setting up other schemes to bring water to people in the Third World

IV. RESEARCH PROBLEM

Impact of cause related marketing on Nonprofit organizations, their popularity and for companies their sales and brand loyalty.

V. OBJECTIVES OF THE STUDY

The primary objective of the study is to find out the customer attitude towards concept or cause Related marketing .The other objectives are

- 1. Impact of cause related marketing on nonprofit organizations, their popularity.
- 2. Impact of cause related marketing on sales of corporate sector and customer's brand loyalty.

VI. RESEARCH DESIGN

Though the primary objective of the study is to understand the attitude of customer towards concept of cause related marketing and its impact on corporate brand image and sales so, descriptive research design is most suitable. Descriptive research design is applied to the study to portray the characteristics of a group or individual as a situation. It includes surveys and fact finding enquiries of different kinds. The purpose of descriptive research is description of the state of affairs as it exists at present.

A sample design can be an exact plan for obtaining a sample from a given population. It refers to the technique that the researcher would adopt in selecting items from the sample. Since the population size is infinite sample size for the study was taken as 300 respondents in which 100 samples were of the college students from different colleges running three different NGO's. for the study of NPO's popularity and 200 samples were of the college customers and retailers (100 customers and 100 retailers). 70 % of customers were from local residents and retailers from pavement shops, general stores and local shops.

In this study the researcher has adopted convenience sampling for college students and retailers. Population of study includes all the customers and students in Jammu city of Jammu and Kashmir.

VII. SOURCES OF DATA COLLECTION

The research consists of the application of both primary and secondary data. Primary data was Collected with the help of questionnaire cum personal interview schedules to retailers and customers even through telephonic conversation. The secondary data was collected through websites and from various journals and magazines.

VIII. MAJOR FINDINGS/CONCLUSIONS

Based on Retailers

- 1. According to 60% of the retailers assuming prices and quality to be different then customer will prefer products promoting social cause.
- 2. According to 75% of retailers assuming that brands involved in cause related marketing has Improved sales by 18% to 35%.
- 3. The other factors that influence apart from cause related marketing are brand name, availability, price, quality, location of the business, service provided by it .

Based on Customers

- 1. Seven in Ten customers brought product because of its link with good cause like social, ethical or environmental cause.
- 2. When price and quality are equal or some part of high almost One half would likely to switch brands or retailers to one associated with good cause.

Based on college students RUNNING NGO'S.

1. According to 70% of the students accepted that if a cause is endorsed through a celebrity it proves to be more effective.

- 2. According to 90% of students it is almost proved that it is quite easier to raise fund for them for any type of cause through cause related marketing.
- 3. Approximately 93% students feel that marketing through a cause puts more awareness among the society as compare to a marketing campaign with any cause.

IX. SUGGESTIONS

- 1. Cause related marketing used for raising maximum funds for NGO.s should be endorsed by a celebrity.
- 2. More awareness programs must be organized to make cause more effective.
- 3. More advertisement must be given on television, internet and on other media to generate awareness about firm's contribution to designated cause as it is most effective.
- 4. Cause related marketing can be used for increase in sales and enhancing brand loyalty.

X. CONCLUSION

The study was conducted to find out the customer's attitude and their perception towards the concept of cause related marketing and its impact on corporate brand image and sales and popularity of NGO'S in Jammu . The different factors that influence the customers were found to be Brand Name, availability, advertisement, price, quality, location of the business, service provided by it and cause related marketing concept. The company must generate more awareness regarding its contribution to various causes through TV & internet, advertising ,media as it is directly related to increase in sales and brand loyalty. The possible benefits of cause marketing for nonprofit organizations include an increased ability to promote the nonprofit organization's cause via the greater financial resources of a business, and an increased ability to reach possible supporters through a company's customer base. The possible benefits of cause marketing for business include positive public relations, improved customer relations, additional marketing opportunities, and making more money.

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