

# **Cause-Brand Association – *An Emerging Trend in India***

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## **Abstract:**

With the intense competition and brand proliferation; creating unique positioning in minds of consumers is a marketing challenge. Today's new-age consumers are educated, techno-savvy and are socially responsible. Therefore the brand managers are looking for innovative ways to influence consumers' attitudes and purchase decisions. In this context, linking a brand to a social cause could be an effective marketing strategy. Several researches propose that cause inclusion has significant impact on consumers' attitudes towards the brand and therefore buying decisions.

Although it is an emerging trend in India, there seems to be an overlap and confusion over various alternative terms used for Cause-brand association like Cause Branding, Cause Related Marketing etc. and whether Cause Related Marketing is part of Corporate Social Responsibility or an extension of the same etc. Therefore the current paper is an attempt to provide a conceptual framework of an emerging trend of Cause and Brand Association in an Indian perspective.

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## **Introduction**

For many years, contributions to society and community development were philanthropic in nature involving charity/ donations, setting up trusts, schools, hospitals etc. Such Corporate Social Responsibility (CSR) has evolved from a stage of 'contributing voluntarily towards social cause' to a phase of 'compulsory/obligatory contributions' to a phase wherein 'CSR is considered as an investment and as a part of corporate goals' (Varadraj and Menon, 1988).

In the current era of media fragmentation, clutter and fierce competition, grabbing consumers' attention is a challenge. Therefore many brands are looking for innovative ways to influence consumers' buying decisions. One such emerging approach is linking a brand with a social cause which targets consumers' rational minds and hearts and thus ultimately influence them to buy a brand. Linking a brand with CSR, have a range of benefits like increased sales, strengthened brand positioning, improved corporate image etc. (Kotler et.al, 2012; Bhattacharya and Sen, 2004, Mohr et.al, 2001). According to Cone Communications/ Echo Global Study (2013); 96% of global citizens will have a more positive image of the company that support social or environmental issue and 91% of global consumers are likely to switch brands to one that supports a good cause, given similar price and quality. As per a survey conducted by Lowe Lintas with MSN India and Cross Tab points (2011), 57% of the Indian respondents trust brands that do CSR more than brands that do not and 69 % of the respondents would prefer buying a brand that does CSR compared to a brand that does not, if rest all things being equal.

When such corporate philanthropy initiatives become crucial component of a brand's marketing strategy is can be termed as Cause Related Marketing (CRM). CRM is essentially a marketing strategy which is a perfect amalgamation of social and marketing objectives of the brand. CRM is distinct from sales promotion, Public Relations or Corporate Philanthropy (Varadrajana and Menon, 1988).

Also various researchers have used alternative terms for cause-brand association like Cause Related Marketing (CRM), Cause Marketing, and Cause Branding etc. Even there are varied opinions about whether CRM is a part of CSR. Although the definition of CRM highlight commercial linkage between sales and contribution to the cause, Tata Tea's 'Jaago Re!' which is widely acknowledged CRM campaign in India does not have such commercial linkage. The purpose of this paper is to provide a conceptual understanding of varied concepts like Corporate Social Responsibility, Cause Related Marketing, Cause Brand Association etc. and their inter-relationship. Also Indian Cause-brand campaigns are diverse and different in approaches, therefore there is a need to classify them in different categories using well-established model. Thus the current paper is an attempt to overview this emerging trend and provide an introductory analysis of the Indian campaigns.

## **Objectives of the Research Paper**

- To provide a conceptual framework for a future study in the field of Cause-brand association
- To overview Indian Cause-brand campaigns
- To classify various Indian campaigns using suitable approach.

## **Literature Review**

Over last few decades, Corporate Social Responsibility has gained importance and has been area of interest for academicians as well as practitioners. The new Companies Bill (2011) also mandates companies to contribute minimum 2% of net profit towards corporate social responsibility for the companies whose profit is over Rs. 5 Cr. or turnover of Rs. 1000 Cr. or net worth of Rs. 500 Cr. The concept of CSR has come a long way wherein it is no longer considered as mandatory or legal but companies are now looking at integration of social objectives and corporate objectives. (Varadrajana and Menon; 1988).

### **1.1 Defining CSR and Effect of CSR**

Corporate Social Responsibility can be defined as *“a commitment to improve community well-being through discretionary business practices and contributions of corporate resources”* (Good Works! Kotler et.al, 2012) wherein the initiatives which are undertaken as voluntarily and not as mandatory by law are taken into consideration.

Several researchers have studied the effect of CSR on consumers’ attitude towards brands (Bhattacharya and Sen, 2004) and on brand equity (Hoeffler and Keller, 2002). Consumers also expect companies to be socially responsible (Mohr et.al 2001, Lowe Lintas CSR survey 2010, Cone Study 2010). As per The Nielsen Global Survey on Corporate Social Responsibility (2012); two thirds (66%) of consumers around the world prefer to buy products and services of the companies who have implemented programs to give back to society and nearly half (46%) are willing to pay extra for products and services from these companies.

### **1.2 Defining Cause Related Marketing**

The first comprehensive definition and widely accepted definition of Cause Related Marketing (CRM) is as “*Cause Related Marketing is 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*”. (Varadrajan and Menon, 1988).

### **1.3 Relationship of CSR and CRM**

Although Cause Related Marketing is considered as a part of larger class of Corporate Social Responsibility (Varadrajan and Menon, 1988; Kotler and Lee, 2004; Webb and Mohr, 1998), CRM is different in terms objectives and approach. Typically, CRM budget comes from marketing budget unlike regular philanthropy foundation budgets (Varadrajan and Menon, 1988) and it is a marketing programs. (Adkins; 2003) mentions that CRM fall under promotion mix of 4Ps of marketing. Cause Marketing is also considered to be a part of strategic philanthropy (Kim et.al 2005) but (Porter and Kramer, 2012) mentioned that CRM is distinct than ‘Strategic Philanthropy’ and it fall short of creating real social impact and it remains at publicity level. Cause Marketing is distinguished from Corporate Philanthropy and Social Marketing (Cause Marketing Forum, DWDG Survey, 2010)

### **1.4 Effect of CRM**

CRM programs influence brand attitudes positively and thereby influence purchase decisions (Varadrajan and Menon, 1988; Barone et.al, 2002; Webb and Mohr, 1998; Cone evolution study 2010, Lowe Lintas Survey 2011).

Researchers have identified antecedents of CRM programs effecting consumers’ brand choice. Cause itself is an important antecedent that has an effect on consumer choice. According to Lowe Lintas survey (2011) in India, ‘education’ is considered as the most important cause, followed by the ‘environment’. It was found that ‘Cause-brand fit’ has a positive influence on consumers’ attitudes and purchase intentions (Barone et.al, 2002; Varadrajan and Menon, 1988). Researchers have studied a role of consumer characteristics towards effectiveness of CRM campaigns. Using qualitative design with in-depth personal interviews, (Webb and Mohr, 1998) developed a consumer typology and classified consumers into four categories – Sceptics, Balancers, Attribute-oriented and socially concerned. Cone Cause Evolution study (2010) illustrated that ‘Moms’ and ‘college aged

Millennial' are most sought after consumer category for the purchase of CRM linked products/ brands.

Cause Related advertising as defined by (Berger et.al, 1999) is 'the one which communicates company's charitable efforts to the market place' and emphasized that cause inclusion in advertising message can act as a peripheral cue that enhance involvement levels and thus has a positive influence on consumer attitude and purchase intentions. (Nan and Heo, 2007) also established that the ad with a CRM message has more favourable consumer attitude than the ad which doesn't has cause. CRM programs are also viewed with scepticism (Varadrajana and Menon, 1988; Webb and Mohr, 1998) and have to be honestly developed and implemented.

### **1.5 Classification for categorising corporate social initiatives**

(Kotler et.al, 2012) have used the term called "marketing and corporate social initiatives" to describe various CSR programme undertaken by various American companies and divided them into two distinct groups viz. Marketing oriented and those who express corporate values and objectives. They further sub-divided 'marketing oriented corporate social initiatives' as "cause promotion, cause related marketing and corporate social marketing". Cause Promotion is where a corporation provides funds, in-kind contribution and other resources for promotions to increase awareness and concern about the cause. Cause Related marketing is seen where a corporation promises to donate a percentage of profit or sales to a noble cause and corporate social marketing is where a corporation supports the development and implementation of behaviour change campaign concerning various social issues. (Kotler and Lee, 2010) also mention that 'Corporate Social marketing' is best as compared to other two approaches for getting marketing edge.

### **Overview of Indian Cause-Brand Campaigns**

The current paper has considered some of the well-acknowledged 'Marketing oriented corporate social initiatives' of various Indian brands and has attempted to classify them into sub-categories using the framework given by (Kotler et.al, 2012).

- **Tata Tea's 'Jaago Re!'** – The campaign began in the year 2007-08; the year of Loksabha election with the tagline '*Har sub ab sirf utho math. Jaago re!*' (Don't just get up every morning. Wake up!) in partnership with Janaagraha, a non-governmental organisation. The campaign undertook a pertinent issue of 'Right to Vote' and drove Indian youth towards voting booths. The advertisements struck a chord with population at large and

gathered more than one lakh registrations on their dedicated website ([www.jaagore.com](http://www.jaagore.com)). The website complemented the main objective of the campaign that is to stimulate people to the need for change and casting vote as a means to bring about the change. Over the years, Tata Tea has integrated its sub-brands like Tata Tea Premium, Tata Tea Gold, Tata Tea Agni and Tata Tea Life under the umbrella brand advertisement and has used various social issues like corruption, bribing, equal women rights in their advertising messages.

Although volume and sales growth is joint effort of many factors, Tata Tea has recognised the role of 'Jaago Re!' campaign in their growth. The campaign has been widely recognised and has won many awards as well.

- **P & G's 'Shiksha'** – P & G India started project 'Shiksha' in partnership with CRY (Child Relief and You) and Sony Entertainment Television on 5th April, 2005 which is a part of their global philanthropy program –“P&G Live, Learn and Thrive”. The program has been undertaken to educate underprivileged children by the way of building schools and thereby providing access to education. The tagline for the campaign is “*Padhega India toh Badhega India*”. The program fits perfectly under definition of Cause Related Marketing wherein every time a person buys a bigger pack of P & G product, one rupee is donated towards Shiksha. Irrespective of the sale of its brands from Shiksha, P&G has also committed a minimum of Rs. 1 crore to CRY. Till now Shiksha has impacted 385,000 children and has supported over 2000 schools from Ladakh to Tamil Nadu to West Bengal to Gujrat. The campaign also received huge support from celebrities and leaders.
- **Times of India's 'Teach India'** – The Times Group, leading publishing group launched the Cause-brand campaign 'Teach India' in 2010 focusing on teaching or skilling the underprivileged youth for spoken English to enhance their employability. The program is termed as a CSR initiative of Times Group which has British Council as its knowledge partner to design curriculum for the program and has been implemented through NGOs and volunteers. The program invites people to join as volunteers and contribute actively towards the social goal of Times Group. The program has changed more than 25000 lives by providing them spoken English skills and helping them to start their career

confidently. It has also seen high level of enthusiasm and support from volunteers. More than 1500 volunteers have participated in this initiative.

### **Discussions & Implications**

All three campaigns are widely known, highly promoted through various media like TV and print ads and through social media and also have high level of recall in consumers' minds (Lowe Lintas Survey, 2011). Although Tata Tea's 'Jaago Re!' is considered to be one the successful CRM campaigns in India, it typically does not fit into the CRM definition. As there is no direct linkage to sales/ profits or the brand is not promising to donate any amount towards a cause, it is not CRM as per definition. Thus it would be proper to categorise Tata Tea's 'Jaago Re!' under Corporate Social Marketing (CSM) as given by (Kotler et.al, 2012) because the campaign is aiming at making behavioural change. Another campaign which can fit under CSM category is that of Lifebuoy 'Swasthya Chetna' which is aimed at developing healthy habit of washing hands with soap/ hand-wash before eating.

While P & G's 'Shiksha' is the perfect example of CRM (as per definition) in India but P & G considers it to be part of their CSR initiatives. Another such campaign is of Nihar natural's "Chhotte Kadam Pragati ki Aur" wherein percentage of sales proceeds will be donated towards education of underprivileged children. Both these campaigns can be termed under Cause Related Marketing which is sub-category of Marketing Oriented Corporate Social Initiatives as defined by (Kotler et.al, 2012)

Times of India's 'Teach India' is altogether different format of cause-brand association wherein the company invites active participation from people at large to raise awareness about the cause and work towards it. Therefore it would be apt to classify Teach India under 'Cause Promotion'. Similarly Johnson and Johnson had undertaken a short-term activity 'Share the language of love' in partnership with Goonj wherein people can donate their kids' used clothes, toys etc. to underprivileged children. Such initiatives engage consumers and thereby influence their attitudes towards the brand.

Thus the classification of select few Indian cause-brand campaigns could be as under



Figure 1: Classification of Indian Marketing Oriented Corporate Social Initiative Campaigns based on categorisation given by (Kotler et.al, 2012)

### **Conclusion & Scope for further study**

The study highlights the upcoming innovative trend in the field of marketing. Apart from the cases mentioned above there are more brands who have added social cause into their branding strategies. The research paper provides an outline of the various facets of the concept and briefly mentions about the effect of cause-brand association. The paper has explored the concept of Corporate Social Responsibility, Cause Related marketing and many alternative terms used with the same meaning like Cause Branding, Cause Advertising and Cause-brand association etc. It has attempted to provide a base to classify Indian cause-brand campaigns. This classification will further help researchers to build on hypotheses and test so to find out which approach has more impact on consumers’ attitudes and buying decisions. The study would be useful to practising managers to devise appropriate strategies to build their brand image and thus influence consumers’ buying behaviour.

The study is limited to select few campaigns of India and has not considered global scenario. Another limitation is in terms of data sources wherein the paper is based on secondary sources.

The conceptual framework of the paper can be used for additional researches. A further study can be undertaken to find out impact of various intervening variables such as demographic



factors, psychographics, cause-brand fit and their influence on brand attitude and purchase intentions.

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