
Influence of cause brand fit on consumers purchase intention

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Abstract

Cause related marketing is a highly effective way to build the brand, to reinforce, demonstrate and bring life to corporate values and to make corporate social responsibility and corporate community investment visible. The cause-related marketing is one of the most rapidly growing marketing strategies reflects the current relevance and potential that marketing managers ascribe this strategy. Brand cause fit is the degree of congruence between a cause and a business's product/service. Also, the ability to influence purchase intention is a critical objective for marketing. This paper is an empirical outcome to understand the association of these two. The paper addresses the adoption, application and impact of cause-brand fit, for influencing the consumer's purchase intention. Multiple Regression is used to investigate the impact of this relationship.

Keywords: Cause related marketing, Purchase intention, cause-brand fit.

Introduction

Cause related marketing is a tactical philanthropic instrument that catapults the commercialization of charity to a new orbit. More and more firms are integrating their social responsibility initiatives into their marketing strategy by initiating cause-related marketing programs, where a donation to a designated cause of partnering charity organization is made by the firm for every cause-related marketing-labeled product or service purchased (Barone et al. 2007). Cause-related marketing combines a firm's social responsibility and marketing strategy aiming at achieving economic and social goals. Cause-related marketing and corporate social responsibility (CSR) topics receive sustained senior management attention and cause-related marketing is the subject of an ever going on discussion in the popular press (Henderson and Arora 2010; Porter and Kramer 2006).

A typical cause related marketing campaign features a commitment from a for-profit company to

donate a percentage of its sales or profits to a specified non-profit organization for each unit purchased by consumers (Smith and Alcorn, 1991). It has become very popular over the past thirty years (Lavack and Kropp, 1997), "Cause related marketing is the fastest growing form of marketing today" (Smith, 1994). The classic example of an effective cause related marketing campaign was the successful American Express program in 1983 through which it raised over \$1.7 million for the Statue of Liberty restoration effort. Nearly a decade later, 63% of the largest U.S. corporations and charities were familiar with cause-related marketing strategies and 52% even had some prior involvement with it (Barnes, 1991). In 1997, it was estimated that nearly \$500 million has been spent by companies on cause related marketing campaigns (Ptacek and Salazar, 1997). This illustrates its success and how it has gained momentum as practical and realistic marketing instrument for corporations while still helping worthwhile charities. In fact, according to the Cone Report (1999), consumers expect companies to take action in support of social causes. As companies have started seeking new methods to address social issues beyond 'traditional giving', cause programs have flourished and been well received by consumers.

The increasing attention on cause related marketing measures is also driven by a growing ethical buying behavior, which exerts pressure on firms to augment their social responsibility activities and to communicate the same to their customers. Global CEOs anticipate that expectations around social responsibility are increasingly relevant for their customers' purchasing decisions (IBM-Institute-for-Business-Value, 2008). At the same time, cause related marketing is primarily a marketing strategy, for which resources are funded by marketing budgets. Consequently, evaluating the success of a cause related marketing program will not be limited to its fulfillment of social responsibility goals, such as generated donation amounts or increased awareness for a social issue.

Fit between the brand and the cause

Generally, perceived fit is the degree of similarity or compatibility that consumers perceive to be existing between the cause and the brand. In various research streams in marketing such as brand extensions, co-marketing alliances, sponsorships, and brand alliances, perceived fit generally leads to a positive effect on purchase intention of the customers (Aaker and Keller, 1990; Rifon et al., 2004; Simonin and Ruth, 1998). The sales literature on person-organization fit suggests that employees prefer to work for companies that are compatible with their personalities (Pappas and Flaherty, 2006) and from a persuasion or believability perspective, the less the two partners fit, the less influence the pairing will have on their intention to purchase (Rifon et al., 2004). In cause-related marketing, Strahilevitz and Meyers (1998) had proposed that fit between brand and cause may impact the success of cause-related marketing. Aaker and Keller (1990) considered fit between brand extensions and core brands could enhance the evaluation of the extension when the core brand is well liked. Likewise, in the context of "composite branding alliances", Park et al. (1996) found that when the two brands in the composite have greater fit in terms of attribute complementary, success is facilitated. In addition, undoubtedly cause-related marketing have a significant impact on choice behavior (as indicated by the associated dollar equivalencies, as well as market share estimates). However, Pracejus and Olsen (2004) used experimental methods to explore the role of fit between brand and cause on choice when the cause is well-liked, and found brand/cause fit substantially can amplify the cause-related marketing's effect above. This research work has also endeavored to find out whether cause brand fit is a crucial issue.

Purchase intention and cause related marketing

Brand purchase intention is defined as: ...the buyer's self-instruction to purchase the brand (or take other relevant purchase-related action). It is, in fact, an anticipated, conscious planning of the action step, the final buyer response step (target audience action) (Rossiter and Percy, 1998). In terms of measuring the impact of marketing communications, it has been found that, 'While the attitudes of customers are important, in this measurement scheme they are less relevant than what the consumer actually does in the marketplace' (Schultz, 1998). The ability to influence purchase intention is therefore a critical objective for marketing. The theory of reasoned action essentially suggests that the best predictor of a consumer's purchase behaviour of a particular brand is his or her intention to purchase that brand (Ajzen and Fishbein, 1980). Furthermore, measuring aggregate intentions are likely to be more accurate and stable over time than predicting individual behaviour. Evidence has been found to suggest that behaviour is directly influenced by intentions, but there is a need for another model that incorporates the impact of variables such as habit and social normative influences on purchase behaviour (Bagozzi, 1982). For low involvement products, it has been proposed that a favourable brand attitude is a stronger indicator of likely purchase behaviour than for higher involvement, higher risk purchases. In the case of the latter, an explicit purchase intention is necessary for the behaviour to occur (Rossiter and Percy, 1998).

In addition to the existence of a favourable brand attitude, a number of other factors can contribute to a consumer's purchase intention and ultimate purchase behaviour. For example, habit is an important element regarding purchase behaviour of frequently purchased products (Beatty and Kahle, 1988). Corporate credibility can also have a critical effect on purchase intention (Lafferty et al. 2002). Endorsement of a product by an association can have a positive effect on purchase intention for those consumers who identify with that association and perceive it to be credible (Daneshvary and Schwer, 2000). The theory of reasoned action suggests that attitude toward buying the brand is a better indicator of the ultimate purchase decision than is simply the attitude to the brand (Fishbein and Ajzen, 1975). If a brand's association with a cause is to have an effect on consumer behaviour, the success of this strategy may rely on the existence of a socially conscious consumer. That is, it relies on a consumer whose purchase behaviour will be influenced by an opportunity to help others (Webster, 1975). With regard to the influence of individual characteristics on purchase behaviour, Homer and Misra (1985) suggest that, '...values underlie the consumption behavior and are thus more inherently useful than demographics in understanding attitudes and behaviors'. In relation to sport sponsorship, favourable purchase intentions are more likely to occur among consumers who have a strong identification with the team and when purchase intentions are perceived as a group norm (Madrigal, 2000). Similarly, high involvement with the sponsored activity will impact on a consumer's preference for a sponsor's product due to the level of goodwill generated (Meenaghan, 2001).

Several factors can influence the intention to purchase. Finally, there has been evidence to suggest that consumers will use their buying power to reward companies whose behaviour they approve of, again relating to social responsibility or a company's support of the community through cause-related marketing (Creyer, 1997; Sen and Bhattacharya, 2001; Sen and Morwitz, 1996). Given that the consumer's purchase stimulates this community support, cause-related marketing should be effective in influencing purchase intention.

Literature review

The basic purpose of review of literature is to acquire thorough knowledge of the problem area so that the investigator can develop a holistic view. The review of literature helps in identifying the gaps in available literature that facilitates formation of a precise research problem. The researcher should acquaint himself with impact of the studies already done in the problem area as well as in the related area. The end-product would be a summary of results of previous research. The benefit of the review of literature is that it makes the researcher familiar with the data gathering approaches, methods, techniques and instruments as well as approach to data analysis and interpretation used by the previous researchers.

Cause related marketing has been described in different terms such as 'civic marketing' (Michaels, 1995) and 'public purpose marketing' (Abrahams, 1996). However, the generally accepted term in the literature is 'cause related marketing'. Carringer (1994) defines it as; "...the joining together of a not-for-profit charity and a commercial company in an effort to raise funds and awareness for the cause while building the sales and awareness of the for-profit partner." Varadarajan & Menon (1988) defined it as the "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." Cause related marketing creates an exchange relationship between the consumer and the business, 'when customers engage in revenue providing exchanges that satisfy organizational and individual objectives'.

Ptacek and Salazar (1997) add to the concept by saying that: "Its goal is to increase incremental sales and corporate image while contributing to the nonprofit. Make no mistake about it; cause related marketing is about sales, not philanthropy." Mehegan (1995) contrasts cause related marketing with philanthropy when he says; "Philanthropy derives from a corporation's pre-tax income, while cause related marketing usually comes out of the advertising and promotion budget. In addition, while companies expect nothing in return for a charitable donation (except the tax write-off), they demand tangible sales results from cause related marketing." Liu (2013) states, there is no ideal type of cause related marketing. A firm's manager should choose the most appropriate type depending on the specific situation. For example, if the goal of the sport organization is to improve relationships with their local community to attract volunteers, then a social cause related marketing approach will be most suitable for this situation. Lucke and Heinze (2015) also explained that a cause related marketing campaign can be able to positively influence consumer purchase intentions - under the condition of no choice. Individual choice of cause even mitigates purchase intention in this context. Cause and product involvement sequentially mediate this effect.

Research Methodology

The research methodology is a detailed plan or blue-print of the study to be conducted with the proposed data sources, research approach, data collection tools and sample design. The present research is exploratory-cum-descriptive in nature and depends largely upon the primary source of information. Data has been collected from the respondents with the help of structured questionnaires. Interview technique has been used when and where necessary, in order to gather information about the present scenario, with regard to cause related marketing and issues related to it. The study is based on insights and ideas about cause related marketing in India. To make the

sample representative, the researcher has tried to select respondents from different walks of life. For the present study, convenience sampling technique has been resorted to select a sample of 1000 consumers'. Due care has been taken to ensure that respondents of all ages, genders, education groups, occupation groups and income groups are included in the study. The study has included primary data. The primary data has been collected from consumers. The data has been collected through structured questionnaire and interview. Structured questionnaire for consumers has been formulated and distributed to the consumers. Out of 1000 questionnaires distributed in various parts of National Capital Region and Haryana, 680 questionnaires were found fit for the data analysis, which leads to final sample size of 680 thus giving a response rate of 68 percent. Therefore, final responses of respondents were used for the analyses. The sample widely represented both genders and all the age groups, education, occupation and income levels of respondent.

Analysis and interpretation

Regression analysis is a statistical procedure for analyzing associative relationships between a metric dependent variable and one or more independent variables. Linear regression is an approach for modeling the relationship between a scalar dependent variable and one or more explanatory variables (or independent variables). For more than one explanatory variable, the process is called multiple linear regressions. This term can be distinguished from multivariate linear regression, where multiple correlated dependent variables are predicted, rather than a single scalar variable. In linear regression, the relationships are modeled using linear predictor functions whose unknown model parameters are estimated from the data. Such models are called linear models. Like all forms of regression analysis, linear regression focuses on the conditional probability distribution, rather than on the joint probability distribution. In the present study, regression analysis has been used for analyzing associative relationship of cause brand fit with the purchase intention of the consumers'.

Model : cause-brand fit and purchase intention.

A regression model is used in order to understand the relationship between cause-brand fit and purchase intention. It examines the effects of several attributes of cause-brand fit such as cause and brand characteristics, cause and brand image, cause and brand features, customer's involvement, organization's interest, importance of cause, personal connection, concern for cause and purchase intention

Model

$$y_3 = ba_0 + ba_1x'_1 + ba_2x'_2 + ba_3x'_3 + ba_4x'_4 + ba_5x'_5 + ba_6x'_6 + ba_7x'_7 + ba_8x'_8 \epsilon_3$$

where:

y₃: Purchase intention

x'₁: Cause and brand characteristics

x'₂: Cause and brand image

x'₃: Cause and brand features

x'₄: Customer's involvement

x'₅: Organization's interest

x'₆: Importance of cause

x'₇: Personal connection

x^8 : Concern for cause ε_3 : Random error**Brand-cause fit**

		Standardized Coefficients Beta	T	Sig.
	(Constant)		6.811186	0.00
V1	Cause and brand characteristics	0.019956	0.491057	0.62
V2	Cause and brand image	0.07303	2.08281	0.04
V3	Cause and brand features	0.048585	1.219756	0.22
V4	Customer's involvement	0.14589	3.51704	0.00
V5	Organization's interest	0.046017	2.180378	0.02
V6	Importance of cause	0.129186	2.859835	0.00
V7	Personal connection	0.07554	2.6603	0.00
V8	Concern for cause	0.118454	2.979746	0.00

(F= 5.377962**, p<0.001, R²= 0.682, Adj. R²=0.662); **p<0.001, *p<0.05

As can be seen from the results of this analysis, a significant regression model has been found to explain the relationship between brand-cause fit and purchase intention. The overall model fit for this regression equation was assessed by F statistics. The regression models for cause-brand fit and purchase intention was statistically significant at p , 0.001.

In this analysis, six of the eight variables of brand-cause fit were found to be significant. Significant variables in the equation are cause and brand image, customer's involvement, organization's interest, importance of cause, personal connection, and concern for cause.

Cause and brand image is the major factor of cause-brand fit that determines the purchase intention of the customer. The image of the brand and the cause must be well supported with each other in order to get support from the customers, and to get their purchase intention for that brand. More a person finds similarity between cause and image of the brand, the more positively he intends to purchase the brand serving that cause. Companies should involve customers too in order to increase the viability and efficiency of these charities. People have concern about certain social and charitable issues, makes people help that cause. People in order to support charities buy cause related products as it is easier than putting money in a collection box. People sometimes buy products which are not necessary to them but do that only to support that cause thus positively affecting their purchase intention. Organization's interest is the factor that has highly significant score and has a positive relationship with purchase intention, the most effective cause used in a cause-related marketing is normally associated with the organization's interest. Importance of the cause significantly influences the purchase intention of the customers. Strong marketing campaigns for the cause that is important for the customers comes out to have a positive relationship with purchase intention of customers. The higher the personal connection customers have with the cause, the higher are the chances of buying that product, thus purchase intention of the customers is positively affected by their personal connection with the cause. People are concerned with local causes than international ones, thus local causes influences the

purchase intention of the customers more as compared to causes in the far flung areas.

Conclusion

Generally, perceived fit is the degree of similarity and compatibility that consumers perceive between a social cause and brand (Lafferty 2007). Despite theoretical proposals defending the positive-mediating influence of cause-brand fit on consumer responses to cause related marketing, there is no such consensus in the empirical evidence. A broad set of contributions have demonstrated empirically a direct and positive relationship between cause-brand fit and purchase intention. Brand-cause fit has been comprised of following variables

- Cause and brand characteristics
- Cause and brand image
- Cause and brand features
- Customer's involvement
- Organization's interest
- Importance of cause
- Personal connection
- Concern for cause

Brand-cause relatedness has huge effect on customer's purchase intention. Consumers are more influenced by cause and brand image, customer's involvement, organization's interest, importance of cause, personal connection, and concern for cause. These six variables have been found to have significant impact on customers' purchase intention. The marketers shall thus keep in mind that image and the cause must be well supported in order to get support from the customers. Also, companies should involve customers in order to increase the viability and efficiency of these charities through interviews or contests, etc. Skepticism plays an important role when organization's interest is concerned, marketers must make the choice of cause so as to minimize it. The choice of cause for is quite important to the customers, causes with higher personal connection raises the purchase intention of the customers. Marketers must also keep in mind that people prefer to support local causes than international one; thus, causes addressed through cause related marketing shall be of such kind.

Limitations of the study

The limitations of this study are those characteristics of design or methodology that impacted or influenced the application or interpretation of the results of the study. They are the constraints on generalizability and utility of findings that are the result of the ways in which the researcher chose to design the study and the method used to establish internal and external validity. The survey technique with which questionnaires have been got filled up has its own limitations. The researcher has taken the views furnished by respondents, at the face value, however, there is a possibility that respondents might not have furnished their free and frank opinions. Time and money constraints have confined the study only to the specified region and sample areas.

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