A note on the role of cause type in cause-related marketing

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A B S T R A C T

This note examines an unexplored area of cause-related marketing: the influence of the cause category on consumer perceptions. The experiment shows that the four cause categories which represent the domain of charitable causes can have a differential effect on attitudes and purchase intention. The health cause category and human services cause category have a greater effect on attitude toward the cause than the animal or environmental cause categories when brand familiarity and cause importance were high. Only the human services category has a greater effect on attitude toward the alliance when brand familiarity and cause importance were high as well as when both were low. For attitude toward the brand and purchase intentions, there were no differences among the cause categories.

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1. Introduction

According to the Chronicle of Philanthropy, 2011, there are 1.2 million charitable organizations registered as 501(c)3 with the Internal Revenue Service. Of this number, there are over 500,000 public charities in the US ranging from small local charities to large national organizations according to the National Center for Charitable Statistics (NCCS), 2011.

In evaluating the charitable causes from the NCCS and The American Institute of Philanthropy, 2011, those causes most likely to be part of a cause-related marketing campaign fall into four broad categories: health, human services, animal, and environmental. The health cause category represents all causes that deal with human health issues such as research on cancer, diabetes, AIDS, and preventing birth defects, to name a few. Causes such as The American Diabetes Association or The March of Dimes are representative of this category. The human services cause category represents all the causes that deal with other human issues such as assistance during disasters, helping the homeless, or victims of crimes or drunk drivers. Causes such as The American Red Cross, Habitat for Humanity, or Mothers Against Drunk Driving are examples. The animal cause category represents all the causes that deal with any issue pertaining to animals such as animal protection, animal rights or cruelty issues. The Humane Society and The World Wildlife Fund are typical causes in this category. The environmental cause category represents all causes that deal with environmental issues such as saving the rainforest, protecting the oceans, rivers, and lakes, or saving habitat for animals. Causes such as The Environmental Defense Fund or The Ocean Conservancy are representative of this category.

Generally when people donate to a specific cause that is not part of a cause–brand alliance, it is because the cause is personally relevant to them or is self-congruent (e.g., Bendapudi, Singh, & Bendapudi, 1996; Chowdhury & Khare, 2011). Typically, this implies that the issue affects the person directly in some way, i.e., is human related, such as donating to The American Diabetes Association because there is a family history of this illness or the person has this condition (see Eagly & Chaiken, 1993). But personal relevance is often not the reason why people donate to worthy causes. Seeing a photo of a dog or cat that has suffered at the hands of someone may move that person to make a donation to The Humane Society or prompt a consumer to buy a brand that is donating to that cause. In cause-related marketing, the main interest for the consumer is still the product. The cause may entice the consumer to buy that brand over another, if they think the cause is a worthy or important one, but often the cause is not personally relevant to them. When a cause is not partnered with a brand, the personal relevance of that cause to the consumer takes on a much more important role in determining which cause will receive a donation.

If personal relevance can be less of an issue in cause-related marketing and cause–brand alliances, is there a cause category that would entice consumers more to buy the partnering brand? Is there a cause category that consumers feel is more important overall? To date, no empirical studies exist that evaluate the effect that specific cause categories can have on the overall effectiveness of a cause-related marketing campaign. This study addresses this gap in the literature.

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Therefore, the purpose of this article is to explore whether the type of cause will have a greater or lesser effect on consumer perceptions of each partner and the alliance as well as their intentions to purchase the brand. In particular, this study investigates whether the better choice for a brand partner is a cause where humans are the principal beneficiaries.

These questions will be tested in an experimental design. Discussion of the results and implications for both the brand and the cause managers follow.

2. Research question development

When examining the four types of cause categories (human, health, environmental, and animal), it is apparent that two of the categories relate directly to human beings. Self-categorization theory suggests that consumers may be more inclined to choose causes from a domain with which they most closely associate. It proposes that at a superordinate level of the self, human beings self-categorize on their identity as a human being as opposed to alternate life forms or non-life forms (Turner, Hogg, Oakes, Reicher, & Wetherell, 1987; Turner, Oakes, Haslam, & McGarty, 1994). In other words, humans most closely identify and share a common bond with other humans because of their shared common attributes. Thus, it would seem that consumers would identify more with a human cause and feel more positively toward an alliance that benefits other humans relative to animals or the environment when given a choice. In addition, consumers would be more inclined to buy a product that is affiliated with a cause whose beneficiaries are other people. This is especially true when other people are in danger. In 2004, when the catastrophic tsunami struck Sumatra, many brands used cause-related marketing to donate to human benefiting causes that provided services to the victims. Many consumers saw cause-related marketing as a way to help even though they were not personally affected by the event but their fellow humans were. This leads to the following research question:

RQ #1. Do the health and human services cause categories have more effect on (a) attitude toward the brand, (b) attitude toward the cause, (c) attitude toward the alliance, and (d) purchase intentions than the animal and environmental cause categories?

In addition, prior research has shown that the brand familiarity and the perceived importance of the cause can play pivotal roles in the perceptions of cause-related marketing and cause–brand alliances and influence the likelihood of purchasing the brand (Lafferty, 2009; Lafferty & Edmondson, 2009; Lafferty & Goldsmith, 2005). Typically, more familiar brands partner with causes perceived to be highly important to take advantage of the positive pre-existing attitudes formed toward those causes (Eagly & Chaiken, 1993; Lafferty, Goldsmith, & Hult, 2004). Brands that are well known have an easier time partnering with causes perceived as high importance such as Susan G. Koman For the Cure or The American Red Cross just as high importance causes have an easier time partnering with highly familiar brands.

Given the popularity of cause-related marketing and the difficult economic climate, most causes would like to be part of a cause-related marketing campaign for the visibility and the donations. However, causes are perceived to be less important either because of a lack of awareness or the type of cause they represent will likely have a more difficult time finding a partner with a highly familiar brand just as an unfamiliar brand will have a more difficult time partnering with a high importance cause. Therefore, the pairing of a high familiar brand/low importance cause or a low familiar brand/high importance cause is less common and is not considered in this study. For example, The March of Dimes, a long established cause perceived to be highly important that conducts research on infant health issues and birth defects, has minimum requirements for how long the firm/brand has been in business and the minimum amount of donations that they expect to receive

as a partner. Given these requirements, there are brands that would not be able to partner with this cause. Yet low familiar/low importance partnerships can exist, often because they are unable to partner with the more well-known brands and more important causes, and the cause category may affect even these alliances. This leads to the second research question:

RQ #2. Will there be a difference in the cause categories for the high brand familiarity/high cause importance partners compared to the low brand familiarity/low cause importance partners?

3. Method

3.1. Design and subjects

Based on the focus of this paper, only the high brand familiarity/high cause importance and the low brand familiarity/low cause importance conditions were assessed for each of the four cause categories. Therefore, a 2 (high brand familiarity/cause importance versus low brand familiarity/cause importance) × 4 (cause category: health, human services, animal, environmental) mixed factorial between subjects design was utilized in this experiment. For better readability, the brand familiarity/cause importance condition will be referred to as cognizance for the remainder of this paper. Therefore, high cognizance will reflect the high condition and low cognizance will reflect the low condition.

Student volunteers from two large US universities were asked to send an email containing a link to the study to non-student adults in exchange for extra credit. Students were given specific instructions on who qualified for the study. At the end of the study, the non-student adults were required to give their names and telephone numbers. They were assured this was for verification only and would not be linked with their responses. Students were informed that a random sample of these respondents could be contacted to ensure that they completed the study and the directions were followed. The sample was mainly parents, other adult relatives, or co-workers of the students.

Seven hundred sixty-seven individuals were randomly assigned to one of eight conditions, which were run simultaneously. Three hundred forty of the respondents were male (44.5%). The ages of the respondents ranged from 19 to 76 with an average age of 37.3 years. Thirty-four percent of the respondents had a total annual household income between $20,000 and $49,999, followed by 33.4% earning between $50,000 and $99,999, 14.5% earning between $100,000 and $149,999, 18.8% earning over $150,000 and 1.7% earning less than $20,000.

3.2. Procedure

Prior to conducting the actual experiment, a pretest was completed in order to select the brands and causes that were to be used in the final study. Four hundred forty-two non-student adults were surveyed regarding their familiarity with a variety of cereal brands and their perception of the importance of a variety of causes that were representative of the four cause categories. Cereal was chosen as the product for the cause–brand alliance given its common usage among the respondents in the study. To assess brand familiarity 15 cereal brands were measured using a 5-point scale. To determine cause importance, fifty-two causes (13 for each of the four categories) were each measured on a 7-point scale. To ensure that the results did not depend on the particular brand used, it was decided to use two high familiar brands and three low familiar brands along with the eight causes.

The ANOVA results show that there are significant differences in brand familiarity between two high familiar brands [Rice Krispies (M = 4.84) and Total (M = 4.55)] and three low familiar brands [Amazon Frosted Flakes (M = 1.34), Gorilla Munch (M = 1.4), and Spelt Flakes (M = 1.35)] [F = 3367.94, p = .000]. Significant differences were also found between the four high importance causes [Ocean Conservancy (M = 5.36), Big Brothers and Big Sisters (M = 6.72), American Cancer Society