Cause-Related Marketing on Consumer Purchase

Cause-related marketing (CRM) is the process of formulating and implementing marketing activities in which one firm commits to donate a specific amount to a non-profit organization (NPO) or social cause when customers purchase their products . The key to successful CRM is the consumer purchasing the cause-related product, and experimental methodology was adopted mostly during this process. Therefore, this entry systematically reviewed the CRM literature that measured consumers' purchase intentions using the experimental methodology. A systematic literature research was undertaken examining five databases and 68 qualified articles were identified. The results showed that CRM in most qualified studies is manipulated as a tactical marketing program and the products are mainly low-cost and low involvement. Moreover, the CRM is more effective than the ordinary marketing or sales promotion strategy, such as discount and coupons. Furthermore, the specific characteristics of the CRM program (e.g., donation amount, cause type, message framing) have shown positive outcomes but mixed effects are persistent. Recommendations for implementing CRM programs and for future research were discussed.

1. Introduction

Both corporate social responsibility (CSR) and corporate citizenship theories require the company not only to achieve economic goals but also to contribute to the sustainable development of society [1][2]. Further, consumers in the 21st century are increasingly aware of socially responsibility, have higher CSR expectation and hope to participate in CSR activities [3]. In this context, it is critical for the companies to attract socially responsible consumers and meet their needs while keeping their business profitable and sustainable.

Cause-related marketing (CRM) is a marketing approach that has been proven to be capable of benefitting the company, the consumers, and the society simultaneously. It refers to the process of formulating and implementing marketing activities in which one firm commits to donate a specific amount to a non-profit organization (NPO) or social cause when customers purchase their products [4]. CRM provides multiple benefits to the company, the consumers, NPOs, and society. Benefits for the company include positioning the company and branding differentially [5], increasing sales and market share [6], establishing long-term customer relationships (e.g., customer satisfaction, loyalty and repurchase) [7], and enhancing image and reputation [8][9]. Consumers fulfil their needs not only for product/service but also for goodwill and prestige [10]. NPOs receive more funding, thus helping more people, more often [11]. Causes are also improved or developed [12]. Therefore, the CRM strategy has been widely adopted by companies all over the world. According to the IEG (Innovation Excellence Growth) Sponsorship Spending Report (2019) [13], CRM generated sponsorship has increased from USD 630 million [14] to USD 2.23 billion in the last two decades [13].

The key to successful CRM is the consumer purchasing the cause-related product, which is the prerequisite for corporate donation to the cause [15][16]. Therefore, over the past decades, managers and scholars paid much attention to how to elicit consumer positive reaction to CRM. Companies have operationalized CRM's formulation and communication in diversified ways. For example, CRM initiatives could take different forms of donation frame (product, USD 1 per sale, 5% of price) [17], cause category (educational, environmental, health, etc.) [18], and brand dominance disparity (cause-focused, product-focused) [19]. Research developed understanding of the mechanism of consumer reaction to CRM, including what factors and how would they influence consumer perception and behavioral intention [20]. Hassan and AbouAish (2018) [21] classified tactical and strategic CRM according to four CRM dimensions: duration, cause–brand fit, invested resources and top management involvement.

Academic research on CRM has begun to grow since early 2000 and the research questions also deepen gradually. In 2006, Gupta and Pirsh [22] reviewed the available CRM literature and summarized its definition, benefits and potential risks. Since then, more and more articles have explored how CRM works from all the perspectives of firm, consumers and NPOs. In the last 10 years, there were three review articles about CRM [20][23][24]. They focused on the cause used, the

interactive process (e.g., response, feedback) among the three stakeholders and the theoretical foundations separately. The results showed that numerous articles explored consumer response such as attributed motives, attitude, and purchase intention (PI), and experimental methodology was adopted mostly during this process [23]. Despite the ample research on the topic of CRM and the existence of the three review articles, to date evidence about CRM influencing consumer purchase intention has not been synthesized. This article responds to this gap and seeks to contribute to the literature by synthesizing the determinants of what factors can impact the effect of CRM on the experimental CRM studies, which are the most common research method in this field and represent the highest level of evidence generated [25] but lack systematic scrutiny in the field.

2. Materials and Methods

This study uses the systematic review methodology, which allows researchers to establish the current state of knowledge within a discipline and to identify any potential theoretical gaps and avenues for future research by identifying, evaluating and interpreting all available articles relevant to a particular research question, or topic area or phenomenon of interest [26]. Despite the fact that this methodology was created to review and synthesize studies in the health care domain, it is becoming more and more common in the business and management domain (see for instance [27] on green marketing, and [28] on trade show marketing). The principal concern of a systematic review is to summarize primary empirical evidence on a particular topic area using an unbiased and objective review procedure [29]. In the following sections, the searching process, the article selection criteria, and the data extraction are described in detail.

Following the systematic literature review procedure [30], five databases were searched, namely EBSCO (Elton B. Stephens. Company, Scholarly Journals), Emerald, Ovid, ProQuest (All databases), Web of Science, using the following terms:

*cause-related marketing * or cause-brand alliance * or charity-linked brand * or product charity bundle * AND experiment * or trial * or study * or questionnaire * or survey **

The selected databases were chosen based on their significant relevance to business and marketing disciplines. The use of * allows for singular or plural word forms to be identified. A total of 1053 were retrieved from 5 databases. Records gathered from databases may vary due to different specializations of different databases and their relation to the search terms. See Table 1 for more details.

Table 1. Databases and articles retrieved in initial search.

Database	Number of Articles Retrieved
EBSCO (Scholarly Journals)	292
Emerald	0
Ovid	144
ProQuest (All databases)	372
Web of Science	245
Total	1053

All downloaded records were collated using Endnote 8.0. As multiple databases may include the same journals, duplicate records had to be removed, reducing the number of unique articles to 525. Next, unqualified records including conference papers, dissertations and book sections were removed. Titles and abstracts were then reviewed and irrelevant articles (not mentioning CRM) were excluded, which reduced the number to 364. Records related to CRM, not in English, reviews and conceptual papers, case studies, qualitative studies using interview and quantitative research using questionnaire or survey were excluded, leaving 130 experimental studies. The studies varied widely in the measurement of how consumers react to the CRM campaign, including consumer perception [31], attitude [32], willingness to pay [33], PI and

others. The qualified articles are those that measured PI, which is the immediate determinant of buying behavior [34]. So, the experimental studies not measuring PI were also excluded. A total of 68 qualified articles remained following the exclusion criteria. The review process is summarized in Figure 1.

The following data were extracted and analyzed from the included papers:

1. Study characteristics, including experiment locations, theory used, sample size, etc.
2. Experiment conditions, including product types, whether the company/brand is fictitious, the social causes, and the donation size.
3. Experimental variables, including all kinds of independent variables (the determinants of PI, such as brand awareness, company motivation, message framing, etc.), dependent variables (other than PI), any moderators/mediators (if any), as well as the effects on PI.

All data were extracted from the include studies by the lead author and a random 10% of the papers were again extracted by the second author. The final data were then compared and cross-checked to ensure reliability. Discrepancies were minor and were resolved by discussing with the third author.
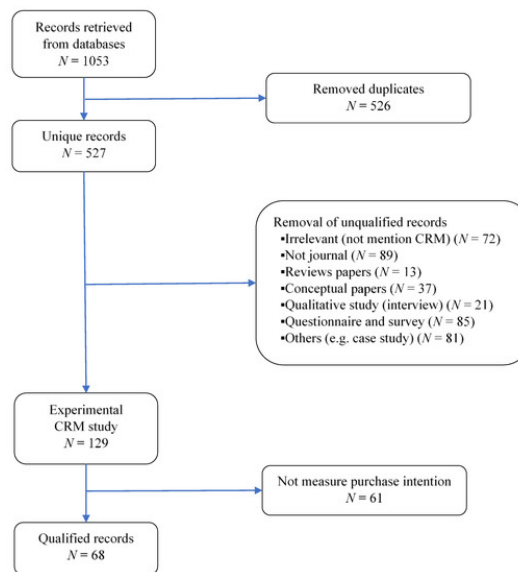

Figure 1. Flowchart of the literature exclusion process.

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