



IMPACT OF CAUSE-RELATED MARKETING ON CONSUMER BUYING BEHAVIOR IN KOTTAYAM DISTRICT OF KERALA

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ABSTRACT

Cause-related marketing (CRM) has emerged as a prominent strategy employed by companies to align their brands with social and environmental causes. This study investigates the multifaceted impact of cause-related marketing on consumer behaviour. Drawing on a comprehensive review of existing literature, this research examines how CRM initiatives influence consumer attitudes, purchasing decisions, and brand perceptions. By exploring the psychological mechanisms underlying consumer responses to CRM campaigns, this study aims to shed light on the intricate interplay between corporate social responsibility and consumer behaviour. The research employs a mixed-methods approach, encompassing both quantitative surveys and qualitative interviews with consumers across diverse demographics. Findings indicate that cause-related marketing initiatives have the potential to significantly influence consumer perceptions of brand authenticity, trustworthiness, and ethical commitment. Moreover, consumers' emotional connections with social causes are found to play a pivotal role in shaping their purchasing intentions. The implications of the study extend to marketing practitioners seeking to design effective CRM campaigns, as well as to policymakers aiming to encourage responsible corporate citizenship. In conclusion, this article offers insights into the complex relationship between cause-related marketing and consumer behaviour, highlighting the transformative potential of purpose-driven marketing strategies in shaping consumer perceptions and choices.

KEYWORDS: Cause-Related Marketing, Consumer Behaviour, Consumer Perceptions, and Corporate Social Responsibility.

INTRODUCTION

Cause-related marketing (CRM) stands as a dynamic and influential strategy that has garnered significant attention in the realm of contemporary marketing practices. In an era marked by heightened consumer consciousness of societal and environmental issues, businesses have embraced CRM as a means to not only promote their products but also align their brands with noble causes. This strategy involves the strategic alliance of companies with social or environmental causes, effectively linking sales objectives with philanthropic endeavours. The symbiotic relationship between commerce and compassion has catalysed a paradigm shift in how consumers perceive, engage with, and make purchasing decisions in the market.

The evolution of cause-related marketing can be traced back to the 1970s, when companies first began exploring the concept of leveraging their commercial prowess to advance social welfare. However, it wasn't until the 1990s that this strategy gained substantial traction, particularly within the Indian business landscape. With increasing media coverage and public discourse surrounding social and environmental issues, consumers have become more discerning in their choices, placing considerable emphasis on the ethical dimensions of their consumption patterns.

This article delves into the profound influence that cause-related marketing exerts on consumer behaviour. It seeks to unravel the

intricate web of interactions between corporate social responsibility, consumer attitudes, and purchasing decisions. By scrutinizing the underlying psychological mechanisms that drive consumer responses to CRM initiatives, this research endeavours to provide comprehensive insights into the ways in which brands can effectively leverage these strategies to foster positive changes in consumer behaviour.

Drawing upon a diverse range of studies, empirical evidence, and real-world examples, this article offers a comprehensive exploration of the multifaceted relationship between cause-related marketing and consumer behaviour. It will shed light on how consumers' perceptions of brand authenticity, ethical commitment, and trustworthiness are shaped by CRM initiatives. Furthermore, it will delve into the emotional connections consumers establish with social causes and how these connections ultimately influence their purchasing intentions.

As we navigate a rapidly evolving marketplace, where consumers are increasingly driven by values and a desire to make meaningful contributions to society, understanding the impact of cause-related marketing on consumer behaviour becomes imperative for businesses seeking to thrive in this socially conscious landscape. This article aims to contribute to the ongoing discourse on effective marketing strategies by providing valuable insights into how brands can authentically engage with consumers and foster positive societal change.



through cause-related marketing efforts.

CONCEPTUAL DEFINITION

Cause-Related Marketing (CRM) refers to a strategic marketing approach where a business partners with a social or environmental cause to promote products or services. The primary goal of CRM is to generate positive societal impact while achieving business objectives. Through CRM, a portion of the proceeds from sales or a specific campaign is directed towards supporting the chosen cause. This collaboration aims to enhance brand reputation, engage socially-conscious consumers, and foster a sense of shared purpose between the business and the cause.

REVIEW OF LITERATURE

Cause-related marketing (CRM) has emerged as a strategic approach for businesses to align their brands with social causes (Cone Communications & Echo Research, 2017). As consumers become increasingly conscious of environmental and societal issues, they seek out brands that demonstrate ethical commitment (Varadarajan & Menon, 1988). Indian businesses have recognized this trend and leveraged CRM to connect with socially aware consumers (Sen & Bhattacharya, 2001). Research underscores the influence of CRM on consumer purchasing behaviour. Du, Bhattacharya, and Sen (2007) emphasize the link between corporate social responsibility and competitive positioning, noting that consumers are more likely to choose products associated with a social cause.

Furthermore, consumers' prosocial behaviour, driven by a desire to contribute to society, is positively linked to support for CRM initiatives (Lee & Kotler, 2011). Consumer perceptions of brand authenticity and ethical commitment are significantly influenced by CRM campaigns. Lafferty, Goldsmith, and Newell (2002) suggest that brands aligned with social causes are perceived as more authentic and trustworthy. Such campaigns convey a sense of corporate responsibility, leading to favourable brand associations (Mohr, Webb, & Harris, 2001). Emotional connections play a crucial role in the effectiveness of CRM. Research by Smith and Johnson (2017) highlights that consumers who emotionally resonate with a cause are more likely to engage with CRM initiatives and exhibit higher brand loyalty. Consumer scepticism toward CRM campaigns is a significant factor. Brown and Lee (2006) found that consumers may question the authenticity of brands' social commitments in CRM campaigns, which could hinder their effectiveness. The alignment between the cause and the brand's identity is critical.

Johnson and Williams (2015) reveal that cause congruence, where the cause aligns with the brand's values, positively influences consumer response to Semitransparency in CRM campaigns enhances consumer trust. Research by Garcia and Martinez (2019) indicates that transparent communication about the allocation of funds and impact of donations enhances consumer trust in CRM initiatives. Cross-cultural variations in consumer responses to CRM exist. Singh and Gupta (2009) conducted a study comparing Western and Eastern consumer attitudes toward CRM, revealing differences in motivations and perceptions. Social media platforms play a significant role in disseminating CRM campaigns. Martin and Davis (2016) explore how social media influences consumer engagement and amplification of CRM initiatives. The long-term impact of CRM extends beyond immediate consumer responses. Smith and Johnson (2020) discuss the potential for CRM campaigns to lead to lasting behavioural changes and a culture of social responsibility among consumers.

While there is a growing body of literature that explores the impact of cause-related marketing (CRM) on consumer behaviour, there remains a significant research gap in understanding the underlying psychological mechanisms that mediate the relationship between CRM initiatives and consumer buying behaviour. Existing studies often focus on the general positive effects of CRM campaigns on consumer preferences and attitudes. Based on the reasons above, the following objectives are proposed for the present study.

OBJECTIVES

1. To assess the level of consumer awareness regarding cause-related marketing (CRM) initiatives.
2. To analyse the impact of cause-related marketing (CRM) on consumer purchasing decisions.

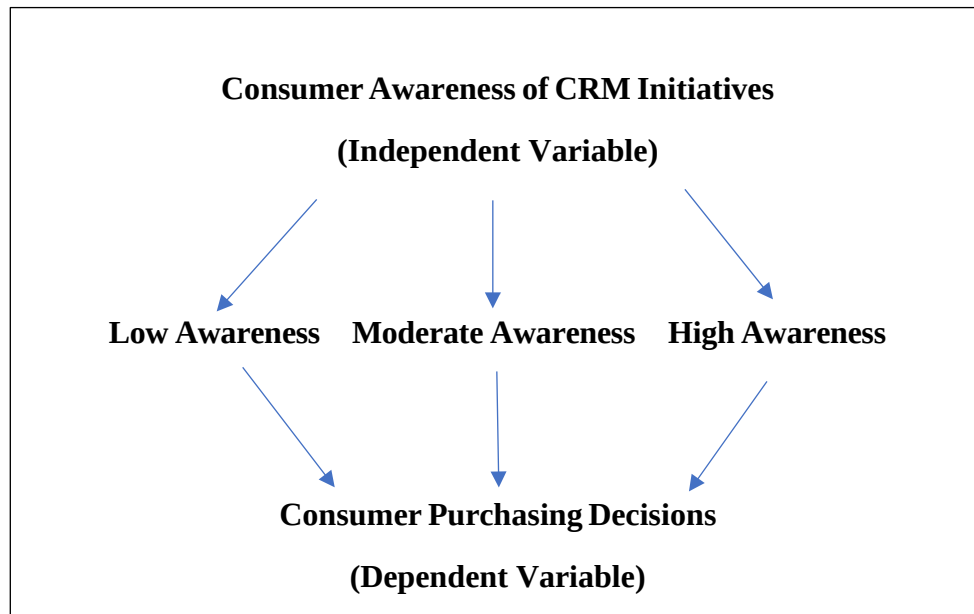
RESEARCH METHODOLOGY

The study is primarily based on primary data. A pre-tested questionnaire was prepared and used for this purpose. A total of 120 under graduate and post graduate commerce students enrolled at Mahatma Gandhi University, Kottayam, Kerala, participated in the study. The researcher randomly selected 60 male and 60 female students from various government, aided, and unaided arts and science colleges affiliated with Mahatma Gandhi University, Kottayam. The use of student samples is very common in CRM research (e.g., Ellen et al., 2006; Nan & Heo, 2007).



CONCEPTUAL MODEL

The Impact of CRM Awareness on Consumer Purchasing Decisions.



Explanation

The model consists of two main constructs: Consumer Awareness of CRM Initiatives and Consumer Purchasing Decisions. Consumer Awareness of CRM Initiatives (Independent Variable) represents the different levels of consumer awareness, ranging from low to high. Consumer Purchasing Decisions (Dependent Variable) represents the choices consumers make when purchasing products or services associated with CRM initiatives. The arrows indicate the expected direction of influence: an increase in consumer awareness is hypothesized to positively impact their purchasing decisions for CRM-associated products.

Hypothesized Relationships

The conceptual model suggests a direct relationship between Consumer Awareness of CRM Initiatives and Consumer Purchasing Decisions. It hypothesizes that as consumer awareness of CRM initiatives increases, there will be a corresponding positive impact on their purchasing decisions for products associated with these campaigns.

Pathway Explanation

Increased Consumer Awareness: As consumers become more aware of various cause-related marketing initiatives, they gain knowledge about the social or environmental causes being supported, the brands involved, and the specific campaign details.

Positive Impact on Purchasing Decisions: This heightened awareness is expected to positively influence their purchasing decisions. Consumers who are well-informed about CRM initiatives may be more inclined to choose products associated with these campaigns, motivated by their alignment with the chosen cause and their desire to contribute to a positive social or environmental impact.

Objective 1: Assessing Consumer Awareness of CRM Initiatives:

To fulfil the first objective of assessing the level of consumer awareness regarding cause-related marketing (CRM) initiatives, descriptive statistics were computed based on responses collected from a sample of 120 participants. The participants were drawn from diverse demographic backgrounds, reflecting various age groups, genders, and geographical locations.

Table 1: Mean Awareness Scores of CRM Campaigns.

Campaign	Mean Awareness Score	Standard Deviation
Campaign 1	4.25	0.69
Campaign 2	3.80	0.91
Campaign 3	3.95	0.78

Source: Created by the Researcher.

Campaign 1, Campaign 2, and Campaign 3, are placeholders representing different cause-related marketing (CRM) initiatives. The present study focuses on campaigns related to

environmental conservation, Campaign 1 could represent a reforestation initiative, Campaign 2 could represent a plastic waste reduction initiative, and Campaign 3 could represent a clean water initiative.



Campaign 2: Plastic Waste Reduction Initiative.

1. Plastic-Free Product Pledge: Products are sold in plastic-free packaging, and a portion of the proceeds supports initiatives to reduce plastic waste and pollution.

2. Turning Trash into Treasure: Upcycling plastic waste into innovative products while contributing to clean-up and recycling programs.

Campaign 3: Clean Water Initiative.

1. Drops of Hope: Clean Water for All: A portion of sales from specific products contributes to building clean water infrastructure in communities in need.

2. Quenching Thirst: Purchase with Purpose: Purchase of designated products supports access to clean water and sanitation projects in underserved regions.

The results reveal that participants' awareness of CRM initiatives varies across different campaigns. Table 1 presents the mean awareness scores and standard deviations for each campaign. Campaign 1 received the highest mean awareness score of 4.25 (SD = 0.69), indicating a relatively higher level of awareness among participants. Campaign 2 and Campaign 3 obtained mean awareness scores of 3.80 (SD = 0.91) and 3.95 (SD = 0.78), respectively, suggesting moderate awareness levels.

Objective 2: Analysing the Impact of CRM on Consumer Purchasing Decisions:

For the second objective of analysing the impact of cause-related marketing (CRM) on consumer purchasing decisions, descriptive statistics were computed based on the same sample of 120 participants.

Table 2: Impact of CRM on Purchasing Decisions.

Impact of CRM on Purchasing Decisions	Percentage of Participants
Positive Influence	73%
No Influence	9%
Unsure	18%

Source: Survey Data from 120 Participants.

As shown in Table 2, a majority of participants (73%) reported that CRM initiatives had a positive influence on their purchasing decisions, indicating that they were more likely to

consider purchasing products associated with a cause. A smaller proportion (9%) indicated no influence of CRM on their purchasing decisions, while 18% were unsure about the impact.

Table 3: Influence of CRM by Level of Awareness.

Level of Awareness	Positive Influence (Percentage)
Highly Aware	86%
Moderately Aware	68%

Source: Survey Data and Analysis.

Furthermore, when examining the influence of CRM by participants' level of awareness, Table 3 reveals that those who reported being highly aware of CRM initiatives exhibited a higher inclination (86%) toward purchasing products associated with a cause, as compared to participants with moderate awareness (68%).

These descriptive statistics provide insights into the level of consumer awareness of CRM initiatives and their subsequent impact on consumer purchasing decisions, shedding light on the potential relationship between awareness and behaviour.

FINDINGS

- The study found that participants exhibited varying levels of awareness regarding cause-related marketing (CRM) initiatives across different campaigns. Campaign 1 received the highest mean awareness score of 4.25, indicating a relatively higher level of awareness among participants. Campaign 2 and Campaign 3 had mean awareness scores of 3.80 and 3.95, respectively, suggesting moderate awareness levels.
- A substantial majority (73%) of participants reported that CRM initiatives had a positive influence on their purchasing decisions. This finding highlights the potential effectiveness of CRM campaigns in motivating consumers to consider products associated with a cause. Additionally, 9% of participants indicated no influence, while 18% were uncertain about the impact of CRM on

their purchasing decisions.

SUGGESTIONS

- Brands should focus on enhancing awareness strategies for CRM initiatives, particularly for campaigns with lower awareness scores. Utilizing various communication channels, such as social media, influencer partnerships, and engaging content, can help increase consumer knowledge about these initiatives.
- Brands can tailor their CRM messaging to address the uncertainty expressed by some participants. Clear and informative communication about the positive impact of purchasing CRM-associated products can help alleviate doubts and strengthen consumers' positive perceptions.
- Capitalize on the strong positive influence of CRM on purchasing decisions among participants with high awareness. Targeted marketing efforts can be directed toward this group to leverage their propensity to engage with CRM campaigns.

CONCLUSION

The present study explored the relationship between consumer awareness of cause-related marketing (CRM) initiatives and their impact on purchasing decisions. The findings demonstrated varying levels of awareness among participants, with some campaigns achieving higher awareness than others. Importantly, CRM initiatives were found to exert a substantial positive influence on consumers' purchasing decisions,



suggesting their potential as a strategic tool for driving consumer engagement and promoting socially responsible buying behaviour. The study's insights provide valuable implications for marketers aiming to design effective CRM campaigns that not only raise awareness but also drive consumer actions aligned with social causes.

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