

# CAUSE RELATED MARKETING

# **CAUSE RELATED MARKETING**

Cause related marketing involves the co-operative efforts of a for 'profit' business and a 'non-profit' organization for mutual benefits.

**It aims to link a product or services of a company to some social cause.**

# HISTORY

- The term cause related marketing was actually coined during a campaign by **American express** in 1983. In that campaign, every time an American Express Card was used anywhere by anyone , the company donated 1% to the Statue of liberty Restoration Project.
- The results showed that American Express saw a 17% increase in card use. The creation of the term is credited to American Express ,who helped to raise close to \$2 million over a four month period.

# TYPES OF CAUSE RELATED CAMPAIGNS

- **PROUD SUPPORTER:** Business commits to donate a flat portion of amount to a social cause. For example:- Mercedes Benz is donating a percentage of its profits to find the cure for cancer.

The logo for the Bill & Melinda Gates Foundation is centered on a dark red rectangular background. The text is white and consists of two lines: "BILL & MELINDA" in a serif font, and "GATES foundation" in a smaller, italicized serif font below it.

BILL & MELINDA  
GATES *foundation*

- **BUY ONE, GIVE ONE:** When a donation by a company is communicated in terms of comparable social impacts.

For example: One pack = one dollar = one tree planted/one pair of shoes bought or donated.

This model was pioneered by Tom's shoes where they donated shoes to the poor and needy people.



- **MESSAGE FOCUSED CAMPAIGN:** Business resources are used to share a cause focused message through advertisement.

For example :- TATA TEA



- **PORTION OF PURCHASE:** In this, a business commits to donate a portion of the purchase of the product by the consumer to a particular cause.

For example: Procter and gambler



- **DIGITAL ENGAGEMENT:** A business works with software engineers or a software platform to create a digital experience with the goal of raising awareness and donation for a cause.

Usually Hashtag campaigns are followed in digital engagement.



- **EVENT SPONSORSHIP:** In this a business sponsors a walk, run, celebration or volunteer event.

For example- Avon 39 walk event is held every year. In this event a walk of 39 miles is held annually to raise awareness and funding for breast cancer.





- **LICENSE AGREEMENT:** In this a non profit business allows a business house to use its logo on its products or services for some payment.

For example :- Subway was the first fast food restaurant to meet American heart association heart check meal certification program. They reserved the right to bear ‘Heart healthy meal seal’



- **POINT OF SALE:** In this, a consumer is asked to donate some rupees at the point of checkout. Some campaigns encourage shoppers to round to the nearest rupees.



For example. Some e-retailers like eBay and Amazon are joining such kinds of campaigns.

- **EMPLOYEE ENGAGEMENT:** When a company uses employee volunteers for social good.



# STRATEGIES FOR CAUSE RELATED MARKETING

- Choose something you believe
- Find the related cause
- Don't just contribute money
- Collaborate with non profit business
- Strong emphasis on social and mass media

# **BENEFITS OF CAUSE RELATED MARKETING**

- Directly enhance the sponsored sales
- Heighten the customer loyalty
- Boost the company's public image
- Improves social welfare
- Creates differentiated brand positioning
- Building stronger customer bonds
- Creating a reservoir of goodwill
- Customer gets positive effect on their purchase

# DISADVANTAGES OF CAUSE RELATED MARKETING

- Sometime the social goals are negatively perceived.
- Negative publicity on the part of the business.
- Increased cost.
- Choosing an ineffective cause.
- NPOs also suffer the loss of damage of reputation if not properly associated.

# CONCLUSION

Thus, cause related marketing provides rational and emotional benefits to the society but choosing a cause to support is an important task for the organization.