

Classroom Companion: Business

M. Mercedes Galan-Ladero
Clementina Galera-Casquet
Helena M. Alves *Editors*

Cause-Related Marketing

Case Studies From a Global Perspective

 Springer

Classroom Companion: Business

The Classroom Companion series in Business features foundational and introductory books aimed at students to learn the core concepts, fundamental methods, theories and tools of the subject. The books offer a firm foundation for students preparing to move towards advanced learning. Each book follows a clear didactic structure and presents easy adoption opportunities for lecturers. More information about this series at <http://www.springer.com/series/16374>

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ISSN 2662-2866

ISSN 2662-2874 (electronic)

Classroom Companion: Business

ISBN 978-3-030-65454-2

ISBN 978-3-030-65455-9 (eBook)

<https://doi.org/10.1007/978-3-030-65455-9>

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This Springer imprint is published by the registered company Springer Nature Switzerland AG
The registered company address is: Gewerbstrasse 11, 6330 Cham, Switzerland

To all the people and organizations who work to make a better world, to help other people to improve their living conditions.

About this Book

Collaborations and alliances among different types of organizations (public and private organizations, profit and nonprofit organizations) are very common nowadays. In this book, we are going to focus on one of these types, which is called “cause-related marketing” (CRM). CRM refers to an agreement between a company and a nonprofit organization to collaborate in a social cause, and where the donation depends on sales (i.e., it depends on consumer behavior).

Thereby, all types of causes can be found: fight against different diseases (cancer, tetanus, etc.), fight against hunger and poverty, fight against destruction of the environment and global warming (fighting against desertification and deforestation), educational issues (fight against illiteracy), and social issues (encouragement of full inclusion of disabled people in the labor market and in the society, fight against child labor, fight against gender violence).

CRM has become one of the main corporate social responsibility (CSR) initiatives, and its importance is currently unquestionable. Since 1983, when the first campaign called in that way was developed by American Express in the USA, CRM has evolved and has grown in popularity, and CRM examples can be found around the world.

In this book, there is an introductory theoretical chapter, where some definitions and core concepts are considered, and types of CRM are analyzed. The other chapters of this book are practical cases related to CRM campaigns.

Thus, the aims of this book are:

1. To summarize the theoretical background about cause-related marketing.
2. To describe several cases about various CRM campaigns developed in different sectors (with diverse products and varied causes), in different countries, and by different organizations. There are also some cases that show fictitious situations or explain why CRM initiatives were discarded.

Consequently, this book includes CRM campaigns developed:

- By public, nonprofit, and/or profit organizations
- In countries such as (by alphabetical order) Argentina, Canada, Colombia, Cuba, Germany, Guatemala, Mexico, New Zealand, Pakistan, Portugal, Romania, Slovakia, Spain, Tanzania, Uruguay, and the USA, or in several countries simultaneously (internationally)
- On causes such as fight against diseases (such as cancer), hunger and poverty, as well as domestic and gender violence; rehabilitation and inclusion of children and teenagers with disability; environment protection, forest regeneration, animal welfare, saving natural resources, and sustainable lighting; education; offering basic services such as electricity or drinking water; and sustainable universities

Therefore, this book has been structured as follows:

- A theoretical initial chapter, to introduce the CRM concepts.
- Twenty-four brief case studies, but sufficiently complete so that readers can understand the initial starting situations and see how the CRM campaigns were developed. These cases have been grouped into four parts, according to the type of cause adopted: (1) environmental causes, (2) social causes, (3) health causes, and (4) considerations and decisions by firms.

A separate teaching note will be available for this book. This part contains answers and orientations to solve the discussion questions in the cases.

This book focuses on contributing to CRM literature from an international practical perspective. Our objective is to offer a useful book for undergraduate and graduate students in marketing and/or CSR courses, or in specific seminars about CRM, and for marketers, researchers, professionals, practitioners, or volunteers that need examples of CRM campaigns developed around the world to improve their ability to design and implement CRM programs and strategies in their organizations.

As editors, we would like to especially thank the work of all the authors, who have made this book possible with their cases. Their availability and collaboration in these difficult months of lockdown in practically all countries due to the global COVID-19 pandemic have been key to successfully completing this project.

Finally, we would also like to thank the International Association of Public and Non-Profit Marketing (AIMPN - IAPNM), its members and participants in its conferences, for the support they have given us, collaborating as authors in many of the cases and/or helping to spread the call for chapters of this book.

We hope this book is useful and enjoyable for readers and helps to highlight the importance of CRM around the world. And we also hope it encourages to research more and work in this field, to spread the benefits that CRM can provide.

Badajoz, Spain

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Contents

1	Theoretical Background: Introduction to Cause-Related Marketing	1
	<i>M. Mercedes Galan-Ladero, Clementina Galera-Casquet, and Helena M. Alves</i>	
1.1	Introduction	3
1.2	Definition and Main Characteristics	4
1.3	Types of Cause-Related Marketing Programs	5
1.4	Advantages and Disadvantages	6
1.5	Key Aspects in Cause-Related Marketing Success	7
1.6	Implementation of a Cause-Related Marketing Program	9
1.7	Ethical Considerations	10
1.8	Broadening Cause-Related Marketing?	11
1.9	Questions and Answers/Quiz/Review Questions/Discussion Questions	14
	References	15
I	Environmental Causes	
2	Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability	19
	<i>Reynaldo G. Rivera</i>	
2.1	Introduction	21
2.2	Case Development	22
2.2.1	CRM and Innovation for Green Businesses in Developing Countries	22
2.2.2	Methodology: Analyzing Qualia-ReforestArg's CRM Strategy	23
2.2.3	CRM Design and Implementation Model for Green Businesses	24
2.2.4	CRM Design and Consumers' Preference Toward Products Made with Recycled Plastics	27
	References	29
3	Villavicencio–Banco de Bosques: “Leave your Mark, a Reserve for More Reserves” – Marketing Campaign to Recover Forests from Argentine Chaco	31
	<i>Enrique Bianchi, Carolina Sanchez, and Juan Manuel Bruno</i>	
3.1	Introduction	32
3.1.1	Climatic Change and the Contribution of Native Forests	33
3.2	Case Development	33
3.2.1	The Main Partnership: Banco de Bosques y Villavicencio	34
3.2.2	Marketing Mix	37
3.2.3	Results of the First Campaign	42
	References	43

4	The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment	45
	<i>Antonio Chamorro-Mera and M. Manuela Palacios-González</i>	
4.1	Introduction: The Power of Money	46
4.2	Triodos Bank: A Benchmark of Ethical and Solidarity-Based Banking	48
4.3	The Triodos Foundation's Donation System	49
4.4	Triodos Bank's Solidarity-Based Pension Plan	50
	References	53
5	WWF Spain: Illustrating Factors at Play, Impacts, and Tensions in Cause-Related Marketing for Global Sustainability	55
	<i>Sergio Belda-Miquel, M. Eugenia Ruiz-Molina, and Irene Gil-Saura</i>	
5.1	Introduction: Global Sustainability Challenges, Agenda 2030, and the Role of CRM	57
5.2	Case Development	58
5.2.1	WWF, WWF Spain, and Marketing Strategies	58
5.2.2	WWF Spain and CRM Campaigns	61
5.2.3	Impact of CRM Campaigns	61
5.2.4	Key Drivers of Impact	61
5.2.5	Critical Analysis	64
	References	66
II	Social Causes (I): Covering Basic Needs	
6	"Lighting Up Lives": A Cause-Related Marketing Case to Solve Energy Poverty and Improve Quality of Life in Pakistan	71
	<i>Hina Y. Bhatti, M. Mercedes Galan-Ladero, and Clementina Galera-Casquet</i>	
6.1	Introduction	72
6.2	Case Development	73
6.2.1	Pepsi Company Pakistan	73
6.2.2	Active Citizen Engagement (ACE) Welfare Foundation	74
6.2.3	"Lighting Up Lives" Campaign	76
	References	87
7	Value Co-creation in Cause-Related Marketing: The Case of "El Turrón Solidario" (The Solidarity Nougat) Campaign by Lidl and Ayuda en Acción Foundation	89
	<i>Yolanda Díaz-Perdomo, Luis Ignacio Álvarez-González, and M. José Sanzo-Pérez</i>	
7.1	Introduction	91
7.2	Case Development	92
7.2.1	Strategic Marketing	94
7.2.2	"Product" Variable	95
7.2.3	"Price" Variable	96

7.2.4	"Place" Variable	98
7.2.5	"Promotion" Variable.....	99
7.2.6	Campaign Outcomes	100
	References	102
8	Application of Cause-Related Marketing in the Fight Against Hunger: Case "Good Restaurants"	103
	<i>Azucena Penelas-Leguía, José María López-Sanz, Pablo Gutiérrez-Rodríguez, and Pedro Cuesta-Valiño</i>	
8.1	Introduction	104
8.2	The NPO "Action Against Hunger"	106
8.3	Case Development: Restaurants Against Hunger, <i>Good Restaurants</i>	107
8.4	Initiative Development "Good Restaurants"	108
8.5	Restaurants Against Hunger in the World	111
	References	115
9	Project "Soup of Aid" as a Cause-Related Marketing Campaign	117
	<i>Katarína Vitálišová, Kamila Borseková, Anna Vaňová, and Darina Rojíková</i>	
9.1	Introduction	118
9.2	Case Development: Cause-Related Marketing Campaign of the Restaurant Rak Based on the Participatory Approach	119
9.2.1	Soup of Aid.....	120
	References	125
10	The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua	127
	<i>Answin Vilmar</i>	
10.1	Introduction	129
10.1.1	Drinking Water: For Various Reasons, a Hard-Fought Commodity	129
10.2	Case Development	130
10.2.1	Viva con Agua: A German Mineral Water That Supports Water Projects Worldwide ...	130
10.2.2	Hip Brand Strategy for Hip Target Groups: Implemented in Off- and Online CRM Activities	132
10.2.3	An Organization That Does Not Stand Still: Further Product Diversification and Brand Stretching	136
	References	137
11	TOMS: "We Are in Business to Improve Lives"	139
	<i>M. Victoria Carrillo-Duran and Ana Castillo-Díaz</i>	
11.1	Introduction	140
11.1.1	The "Buy One Give One" Model.....	141
11.2	Case Development: Evolution of the Model in the TOMS Firm	142
11.2.1	Stages of the "Buy One Give One" Model	143

11.3 **Results** 147
Annex 1 Impact Grant Partners (2018) 151
References 152

III Social Causes (II): Education

12 **Cause-Related Marketing Applied to Support Education in Tanzania: The Case of TCHIBO** 155

Answin Vilmar

12.1 **Introduction** 156
12.1.1 Give and Take: Coffee from Tanzania, Educational Support for Tanzania 156
12.2 **Case Development** 159
12.2.1 Cause-Related Marketing for Better Education and Training Prospects in Tanzania 159
References 165

13 **“Buy a Pen, Donate a Pen”: A Case Study About the Power of Congruence and Simplicity in Online Cause-Related Marketing** 167

Daniel Belanche

13.1 **Introduction** 169
13.2 **Case Development: “Buy a Pen, Donate a Pen”** 170
13.3 **CRM and BIC’s Corporate Social Responsibility** 171
13.4 **Brand-Cause Congruence** 173
13.5 **Slogan Simplicity** 173
13.6 **Big Allies** 174
13.7 **Helping Children from the Customer Community** 174
13.8 **Increasing Control by Focusing Exclusively on the Online Selling Channel** 175
References 176

14 **Bank Positioning and Cause-Related Marketing: The Case of Contactmore by ING** 179

Belén Ruiz and Juan A. García

14.1 **Introduction** 180
14.2 **Case Development: Contactmore Campaign by ING** 182
14.2.1 **Microsite** 183
14.2.2 **Video** 184
14.2.3 **Social Networks** 184
14.2.4 **Blog and Publicity** 185
14.2.5 **Permission Marketing** 185
References 186

15	Cause-Related Marketing in Retail e-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia)	189
	<i>Anibal E. Toscano-Hernandez, Luis I. Alvarez-Gonzalez, and M. Jose Sanzo-Perez</i>	
15.1	Introduction	191
15.2	Case Development	192
15.2.1	Building the Future in Amazon	192
15.2.2	Sustainability and Cause-Related Marketing (CRM) in Amazon	193
15.2.3	Cause-Related Marketing (CRM) and University Sustainability	194
15.3	Results	197
	References	199
16	Cause-Related Marketing in Luxury Brands: The Case of Josefinas ...	201
	<i>Diana Pereira, Beatriz Casais, Marisa R. Ferreira, and João F. Proença</i>	
16.1	Introduction	202
16.1.1	Cause-Related Marketing in Luxury Brands	202
16.1.2	Woman Empowerment Against Domestic Violence	202
16.2	Case Development	203
16.2.1	“Fashion Against Domestic Violence”: Cause-Related Marketing	204
16.2.2	Communication and Results of Josefinas CRM Campaign	207
	References	208
17	Disseminating Pet-Friendly Trends in Partnership: The Initiative ‘Marketing Con Causa’ in Mexico	211
	<i>Luis Manuel Cerda-Suarez and Jesús Alberto Valero-Matas</i>	
17.1	Introduction	212
17.2	Case Development	213
17.2.1	Pet-Friendly Trends Influencing Adoptions and Donations	213
17.2.2	What Is the Initiative ‘Marketing con Causa’ in Mexico? A Case Study	214
	References	219
IV	Health Causes	
18	Cause-Related Marketing (CRM) of Ausonia’s Campaigns	223
	<i>Estela Núñez-Barriopedro, Cristina Blanco González-Tejero, and Laura Flores-Lario</i>	
18.1	Introduction	224
18.2	Case Development	225
18.3	Campaign Results	230
	References	232

19	The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania	235
	<i>Ani Matei, Corina-Georgiana Antonovici, and Carmen Săvulescu</i>	
19.1	Introduction	236
19.2	Case Development	237
19.2.1	Methodology	237
19.2.2	Avon Cosmetics Romania: The “Campaign of Promises”	238
19.2.3	The Main Results of the Campaign	241
	Appendix	243
	References	245
20	Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study	247
	<i>Bruno B. Sousa and Daniela B. Soares</i>	
20.1	Introduction	248
20.2	Case Development: Lactogal Case Study	249
20.3	Results	251
	References	253
21	All United Against Breast Cancer: The Solidarity Beauty of Estée Lauder	255
	<i>M. Soledad Janita-Muñoz and M. Manuela Palacios-González</i>	
21.1	Introduction	256
21.2	The Case of the Estée Lauder Companies	258
21.2.1	The Company	258
21.2.2	Estée Lauder and Corporate Social Responsibility (CSR)	259
21.2.3	A Cause-Related Marketing (CRM) Campaign: The Breast Cancer Campaign	259
	References	265
22	Analysis of the CRM Campaigns on Facebook: The Case of Menudos Corazones	267
	<i>Araceli Galiano-Coronil</i>	
22.1	Introduction	268
22.2	Case Development	269
22.2.1	<i>Menudos Corazones</i> Foundation	269
22.2.2	Methodology	270
22.2.3	Results	271
	References	281

V Considerations and Decisions for Firms

23	Organizational Conflicts in CRM Planning and Implementation: City Hotel's Towel Reuse Program	285
	<i>Walter Wymer</i>	
23.1	Introduction	286
23.2	Development of the Case	287
23.2.1	List of Characters	288
23.2.2	The Meeting	288
	References	292
24	Santos Motors	293
	<i>Walter Wymer</i>	
24.1	Introduction	294
24.2	Development of the Case	295
24.2.1	Business Goals	295
24.2.2	Support Single or Multiple Charities?	296
24.2.3	Selection of Community Organization	296
24.2.4	Duration of the CRM Campaign	296
24.2.5	CRM Campaign	297
24.2.6	Promotion	297
	References	299
25	Choosing CRM	301
	<i>Valerie Manna</i>	
25.1	Introduction	302
25.2	CRM: Why Not?	303
25.3	Case Development: Fernglen Farm	305
25.3.1	So How Does One Decide?	307
	References	308

VI Teaching Notes for This Textbook

26	Teaching Notes	313
	<i>M. Mercedes Galan-Ladero, Clementina Galera-Casquet, and Helena M. Alves</i>	
26.1	Chapter 1: Theoretical Background: Introduction to Cause-Related Marketing ..	322
26.1.1	Questions and Answers/Quiz/Review Questions/Discussion Questions	322
26.1.2	Additional Activities	324
26.2	Chapter 2: Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability	324
26.2.1	Synopsis	324
26.2.2	Potential Audience and Instructor's Material	325

26.2.3	Time Frame for Class Discussion.....	325
26.2.4	Analysis.....	326
26.3	Chapter 3: Villavicencio-Banco de Bosques: “Leave Your Mark, A Reserve for More Reserves.” Marketing Campaign to Recover Forests from Argentine Chaco	329
26.3.1	Synopsis.....	329
26.3.2	Potential Audience and Instructor’s Material.....	329
26.3.3	Time Frame for Class Discussion.....	330
26.3.4	Analysis.....	330
26.4	Chapter 4: The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment	337
26.4.1	Synopsis.....	337
26.4.2	Potential Audience and Instructor’s Material.....	338
26.4.3	Time Frame for Class Discussion.....	338
26.4.4	Analysis.....	339
26.5	Chapter 5: WWF Spain: Illustrating Factors at Play, Impacts, and Tensions in Cause-Related Marketing for Global Sustainability	341
26.5.1	Synopsis.....	341
26.5.2	Potential Audience and Instructor’s Material.....	342
26.5.3	Time Frame.....	342
26.5.4	Analysis.....	343
26.6	Chapter 6: “Lighting Up Lives”: A Cause-Related Marketing Case to Solve Energy Poverty and Improve Quality of Life in Pakistan	346
26.6.1	Synopsis.....	346
26.6.2	Potential Audience and Instructor’s Material.....	347
26.6.3	Time Frame for Class Discussion.....	347
26.6.4	Analysis.....	348
26.7	Chapter 7: Value Co-creation in Cause-Related Marketing: The Case of “El Turrón Solidario” (The Solidarity Nougat) Campaign by Lidl and Ayuda en Acción Foundation	349
26.7.1	Synopsis.....	349
26.7.2	Potential Audience and Instructor’s Material.....	350
26.7.3	Time Frame for Class Discussion.....	350
26.7.4	Analysis.....	351
26.8	Chapter 8: Application of the Cause-Related Marketing in the Fight Against Hunger: “Good Restaurants”	355
26.8.1	Synopsis.....	355
26.8.2	Potential Audience and Instructor’s Material.....	355
26.8.3	Time Frame for Class Discussion.....	356
26.8.4	Analysis.....	357
26.8.5	Postscript.....	360
26.9	Chapter 9: Project “Soup of Aid” as a Cause-Related Marketing Campaign	361
26.9.1	Synopsis.....	361
26.9.2	Potential Audience.....	362
26.9.3	Time Frame for Class Discussions.....	362
26.9.4	Analysis.....	362

26.10 Chapter 10: The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua	363
26.10.1 Synopsis	363
26.10.2 Potential Audience and Instructor's Material	364
26.10.3 Time Frame for Class Discussion	364
26.10.4 Analysis	365
26.10.5 Analysis	366
26.11 Chapter 11: TOMS: "We Are in Business to Improve Lives"	368
26.11.1 Synopsis	368
26.11.2 Potential Audience and Instructor's Material	368
26.11.3 Time Frame for Class Discussion	369
26.11.4 Analysis	369
26.12 Chapter 12: Cause-Related Marketing Applied to Support Education in Tanzania: The Case of Tchibo	375
26.12.1 Synopsis	375
26.12.2 Potential Audience and Instructor's Material	375
26.12.3 Time Frame for Class Discussion	376
26.12.4 Analysis	376
26.12.5 Analysis	377
26.13 Chapter 13: "Buy a Pen, Donate a Pen": A Case Study About the Power of Congruence and Simplicity in Online Cause-Related Marketing	378
26.13.1 Synopsis	378
26.13.2 Potential Audience and Instructor's Material	379
26.13.3 Time Frame for Class Discussion	380
26.13.4 Analysis	380
26.14 Chapter 14: Bank Positioning and Cause-Related Marketing: The Case of Contactmore by ING	383
26.14.1 Synopsis	383
26.14.2 Potential Audience and Instructor's Material	383
26.14.3 Time Frame for Class Discussion	384
26.14.4 Analysis	384
26.15 Chapter 15: Cause-Related Marketing in Retail E-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia)	389
26.15.1 Synopsis	389
26.15.2 Potential Audience and Instructor's Material	390
26.15.3 Time Frame for Class Discussion	390
26.15.4 Analysis	391
26.16 Chapter 16: Cause-Related Marketing in Luxury Brands: The Case of Josefinas	393
26.16.1 Synopsis	393
26.16.2 Potential Audience and Instructor's Material	393
26.16.3 Time Frame for Class Discussion	394
26.16.4 Analysis	394
26.17 Chapter 17: Disseminating Pet-Friendly Trends in Partnership: The Initiative "Marketing con Causa" in Mexico	395
26.17.1 Synopsis	395
26.17.2 Potential Audience and Instructor's Material	396

26.17.3 Time Frame for Class Discussion.....	397
26.17.4 Analysis.....	397
26.18 Chapter 18: Cause-Related Marketing (CRM) of Ausonia's Campaigns.....	401
26.18.1 Synopsis.....	401
26.18.2 Potential Audience and Instructor's Material.....	402
26.18.3 Time Frame for Class Discussion.....	402
26.18.4 Analysis.....	402
26.19 Chapter 19: The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania.....	405
26.19.1 Synopsis.....	405
26.19.2 Potential Audience and Instructor's Material.....	405
26.19.3 Time Frame for Class Discussion.....	406
26.19.4 Analysis.....	406
26.20 Chapter 20: Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study.....	409
26.20.1 Synopsis.....	409
26.20.2 Potential Audience and Instructor's Material.....	410
26.20.3 Time Frame for Class Discussion.....	410
26.20.4 Analysis.....	411
26.21 Chapter 21: All United Against Breast Cancer: The Solidarity Beauty of Estée Lauder.....	412
26.21.1 Synopsis.....	412
26.21.2 Potential Audience and Instructor's Material.....	412
26.21.3 Time Frame for Class Discussion.....	413
26.21.4 Analysis.....	413
26.22 Chapter 22: Analysis of the CRM Campaigns on Facebook: The Case of Menudos Corazones.....	416
26.22.1 Synopsis.....	416
26.22.2 Potential Audience and Instructor's Material.....	416
26.22.3 Time Frame for Class Discussion.....	417
26.22.4 Analysis.....	417
26.23 Chapter 23: Organizational Conflicts in CRM Planning and Implementation: City Hotel's Towel Reuse Program.....	422
26.23.1 Synopsis.....	422
26.23.2 Potential Audience and Instructor's Material.....	422
26.23.3 Time Frame for Class Discussion.....	424
26.23.4 Analysis.....	424
26.24 Chapter 24: Santos Motors.....	426
26.24.1 Synopsis.....	426
26.24.2 Potential Audience and Instructor's Material.....	427
26.24.3 Time Frame for Class Discussion.....	428
26.24.4 Analysis.....	428
26.25 Chapter 25: Choosing CRM.....	431
26.25.1 Synopsis.....	431
26.25.2 Potential Audience and Instructor's Material.....	431
26.25.3 Time Frame for Class Discussion.....	432
26.25.4 Analysis.....	432

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Theoretical Background: Introduction to Cause-Related Marketing

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Contents

- 1.1 Introduction – 3
- 1.2 Definition and Main Characteristics – 4
- 1.3 Types of Cause-Related Marketing Programs – 5
- 1.4 Advantages and Disadvantages – 6
- 1.5 Key Aspects in Cause-Related Marketing Success – 7
- 1.6 Implementation of a Cause-Related Marketing Program – 9

- 1.7 Ethical Considerations – 10**
- 1.8 Broadening Cause-Related Marketing? – 11**
- 1.9 Questions and Answers/Quiz/
Review Questions/Discussion
Questions – 14**
- References – 15**

Learning Objectives

1. To discover the importance of cause-related marketing for companies, non-profit organizations, consumers, and society in general
2. To define cause-related marketing, its main characteristics, and key aspects, distinguishing it from other terms
3. To show different types of CRM
4. To study the main advantages and disadvantages of CRM
5. To define the main steps to follow in an implementation of a CRM campaign
6. To understand ethical dilemmas that can appear in CRM

1.1 Introduction

► Example

“1 package = 1 vaccine” (if you buy a Dodot package, you will donate a vaccine to Unicef to fight against tetanus ...); “1 Danone = 1 life seed” (if you buy a Danone yogurt, you will donate the value of 1 seed to the Red Cross, for food security projects ...); “1 Teddy = 1 Euro donated” (if you buy a teddy, IKEA Foundation will donate 1 Euro for children education ...); “Donate 1 Euro in your invoice and collaborate with the children” (Meliá Hotels & Unicef); etc. ◀

These are only some examples of cause-related marketing (CRM) campaigns, in which companies collaborate with nonprofit organizations (NPOs) donating an amount of money (or goods/services) for a social cause when customers buy the product/s involved in the campaign.

The importance of CRM is unquestionable. CRM has become one of the main initiatives in corporate social responsibility (CSR). Since 1983, when American Express developed the first campaign called in that way,¹ CRM has grown in popularity. Thus, the convergence of social, economic, and political pressures (Austin, 2000: 69) helped the development of CRM in the 1980s (■ Fig. 1.1): (1) consumers

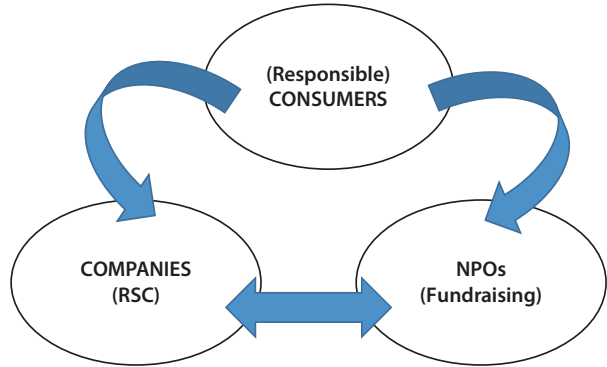
1 American Express copyrighted the term “cause-related marketing” (Varadarajan & Menon, 1988: 58). Anyway, some authors argue that CRM programs already existed in the early twentieth century (e.g., Pringle & Thompson, 1999; Kiger, 2002).

At the beginning of the 1980s, AMEX was trying to introduce its credit card in the market, looking for a higher acceptance by customers and retailers. With a successful local test in San Francisco in 1982, AMEX launched its first national campaign in 1983.

The campaign consisted on donating 1 cent per every payment done with the AMEX credit card and \$1 per every new credit card request, to Ellis Island Foundation, which was restoring the Statue of Liberty. The donation achieved \$1.7 million in only 3 months. And the company spent \$6 million in the campaign advertising.

Consequences were very relevant: AMEX was the most significant company in the bicentennial of the USA; the use of its credit card increased by 28% and the request for new credit cards increased by 45%, in comparison to the previous year; and the company won a large exposition on social media, being considered a patriotic responsible company by the public in general (in Galan - Ladero, 2012).

■ Fig. 1.1 Main actors in CRM. (Source: Own elaboration)



were becoming more conscious about companies “behind” the products they bought, influencing their observation on their purchase behavior, and they were more demanding of corporate ethical behaviors; (2) some companies tried to satisfy these consumers, creating their own philanthropic foundations, to ensure the social welfare and assume their social responsibility (their corporate image was quickly improved and a differentiation based on values was achieved); and (3) the growing number of NPOs and the “cut” in the public aid budget for them increased the “competition” among them to obtain financial resources and to operate.

CRM programs offer numerous advantages for all the main parts implied: companies, nonprofit organizations, and consumers (and, consequently, society in general). For this reason, it was quickly imitated by other companies in the USA but also in other countries. Thus, CRM has become an important strategy for all kinds of organizations from any sector. Currently, CRM examples can be virtually found in every country around the world.

1.2 Definition and Main Characteristics

Cause-related marketing (CRM) is considered as one of the main initiatives of corporate social responsibility (CSR) (Galan – Ladero & Galera – Casquet, 2018; Kotler & Lee, 2005). CRM is defined as:

An agreement between a company and a non-profit organization to collaborate in a social cause and get mutual benefit. The commitment of the company focuses on contributing (financially or in kind) to the cause in terms of sales. Therefore, the donation will depend on consumer behavior.

(Adapted from Santesmases 1999: 1004; Kotler & Lee 2005: 23; in Galan, 2012) Thus, CRM is not social marketing nor nonprofit marketing.

CRM was initially considered a commercial activity, a marketing mix tool (classified as a type of sales promotion or as public relations); later, CRM was

described as an example of corporate philanthropy linked to a marketing strategy; subsequently, some authors started to consider it between the conventional for-profit marketing and the nonprofit marketing (e.g., Alaviitala, 2000); and nowadays it is considered a CSR initiative (Kotler & Lee, 2005; Nelson & Vilela, 2017) belonging to the holistic marketing approach, where sustainability is also considered.

Therefore, its main objective is to positively influence consumer attitudes and buying behavior (Fries et al., 2009). Thus, the most relevant characteristics are (Galan – Ladero & Galera – Casquet, 2018) as follows:

1. There is a link between a for-profit organization (a company) and a nonprofit organization (a NPO), in order to support a social cause and obtaining a mutual benefit (Penelas – Leguia, Galera – Casquet, Galan – Ladero, & Valero – Amaro, 2012).
2. The donation (monetary and/or in kind) is conditioned by sales (CRM ultimately depends on consumer behavior – if he/she buys the product/s or uses the service/s – linked to the CRM campaign).

1.3 Types of Cause-Related Marketing Programs

CRM campaigns have evolved along this time, and many types of CRM programs can be distinguished, according to different criteria (Galan - Ladero, Galera - Casquet, Valero - Amaro, & Barroso - Mendez, 2013), such as:

- *The donation type* (e.g., in some campaigns, a specific amount of money is donated for each product sold; in others, a specific amount of product (good or service) is donated for each application; some other campaigns donate a fixed amount of money or a percentage of sales or a percentage of profits)
- *The product type* (although CRM was initially applied to financial products (credit cards), it has subsequently been extended to practically all types of products – goods and services – in all sectors: FMCG, toys, clothes, mattresses, cigarettes, soft drinks, fast food, luxury products, jewelry, phone calls, hotels, flights, etc.)
- *The number of products linked to the campaign* (e.g., some campaigns are linked to a specific product, but others include some products; and other campaigns are related to all the products of the company)
- *Firms or nonprofit organizations involved* (e.g., in some campaigns, only one firm and one nonprofit organization take part in them; but, in others, there are several ones – profit and nonprofit organizations – and, in other campaigns, other type of organizations are implied: universities, town councils, etc.)
- *Its duration* (e.g., some campaigns are developed for a short period of time – a day, several days, several weeks – but others are extended for a long period of time, several months or years indeed; and some of them can be offered indefinitely)
- *Its geographical scope* (e.g., some campaigns focus on a local scope, while others are for a regional scope; national, international, or global scope can also be found in other campaigns)

- *The supported cause* (e.g., there are a wide variety of possible causes: childhood in need, research about a certain disease, fight against hunger and poverty, environment protection, child welfare and education, etc.)²
- *The media used* (e.g., some campaigns use traditional mass media, such as TV, radio, or press; but many of them are also using social networks, Apps, and other technologies – SMS, websites, emails, banners, blogs, YouTube, etc.)
- *Who pays the donation* (e.g., in some campaigns, only the company pays the cost of the donation; but in others, it is only the consumer who makes the donation to the cause; and there are other campaigns where both, company and consumer, each pay a part of the donation).

1.4 Advantages and Disadvantages

CRM programs offer numerous advantages for all the main parts specially implied: companies, nonprofit organizations, and consumers (Galan - Ladero et al., 2013):

- *For companies*: tax incentives, purchase motivation (new values are added to the product and offered to the consumers); increase on sales and market share; promotion of the product/brand/corporation; customer loyalty and expansion of the customer base; employee motivation, commitment, and loyalty (low turnover); improvement of organizational image, corporate reputation, and positioning; a competitive advantage (differentiation from competitors, based on ethical and social dimensions); access to the media (better conditions or, indeed, free advertising) and visibility; attraction of good investors; improvement of relationships with stakeholders; etc.
- *For nonprofit organizations*: diversification of funding sources; logistical support; an increase of program effectiveness; cause/mission spreading; visibility and better access to the media; enhancement of their image and participation in society; an increase on the number of partners, donors, and volunteers; learning from the company (e.g., management, professionalism, etc.); awareness about a social cause; education on values; improvement of relations with society; etc.
- *For consumers*: new values added to the product; ability to participate in charitable causes; knowledge about the situation of certain groups and populations from other countries; purchase awareness and satisfaction; etc.

2 The chosen causes are usually related to the Sustainable Development Goals (SDGs): SDG 1 (no poverty), SDG 2 (zero hunger), SDG 3 (good health and well-being), and SDG 4 (quality education); also, with those related to the environment, SDG 13 (climate action), SDG 14 (life below water), and SDG 15 (life on land); and, to a lesser extent, SDG 5 (gender equality), SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 10 (reduced inequalities), SDG 11 (sustainable cities and communities), and SDG 16 (peace, justice and strong institutions). And, SDG 17 (partnerships for the goals) would be the essence of the cause-related marketing.

But also some disadvantages:

- *For businesses*: a negative image, if consumers consider the company's strategy as only commercial (to increase sales), a corporate image “washing”, and/or to sell low-quality products; possibility of conflict with the NPO; credibility and reputation losses, if the NPO is controversial (e.g., Oxfam scandal,³ in 2018); results can be non-immediate; or if the cause chosen is not appropriated
- *For nonprofit organizations*: loss of prestige if the campaign is not well designed, or it is only “mercantilist,” or if the company has unethical behavior; loss of its essence and identity, if the company interferes; possibility of conflict with the company (e.g., if the company asks for many restrictions, or exclusivity indeed); a decrease on resources and donors, if they do not accept the program; work overflow, if the campaign has a sweeping success; if the corporate collaboration is only in the short-term; or if the NPO selection is only according to its attraction power
- *For consumers*: it is easy to “clean” consciousness without losing the consumerist habit (especially in Christmas or Ramadan, a special time for religious people where they are more sensitive and donate more); it is not a real solution for social problems; and there is not usually enough information about the final destination of the funds obtained in the campaign; or incitement to consumption: loss of the guilt feeling over the purchase of luxury products

However, a position of excessive intransigence of the NPOs regarding business behaviors, imposing them ethical codes, can easily lead to companies choosing to carry out CRM actions for themselves through institutions created for this purpose (Garcia, 2000), as their own foundations.

1.5 Key Aspects in Cause-Related Marketing Success

There are different key aspects to be considered in CRM campaign to success (Fundación Empresa y Sociedad, 1999):

- *Coherence* (among the cause, the company, the NGO, the product involved, etc.). For example, products should be ethical and in accordance with the values that the NGOs defend.

► Example

At the beginning, campaigns like Fortuna's (1999) or Hasbro's (2000 & 2001) were pointed out in Spain because of their lack of coherence (or negative coherence):

- » Fortuna “For 0.7”: a cigarette brand donated 0.7% to humanitarian projects in the Third World. It was harshly criticized for several reasons: (1) It was a product considered unethical, because it harms health; (2) initially, the bases to

3 In 2018, Oxfam was accused of “covering up an investigation into the hiring of sex workers for orgies by staff working in Haiti after the 2010 earthquake” (Gayle, 2018).



▣ Fig. 1.2 2020 Danone’s campaign. (Source: “Used with kind permission by Danone” (2020) “Danone, a big family for 1 million children,” in English. “By buying a Danone Natural family pack, you are donating healthy food to a child in need”

request the donation funds by interesting NGOs were not available; and (3) the campaign focused on supporting humanitarian projects in the Third World, when precisely that was its new target market, after the restrictions on tobacco consumption that were being imposed in North America and Europe, and laws were not so strict about the proportions of components that each cigarette can have.

- » Hasbro (2000 & 2001): although this campaign was very well planned, paying attention to all the details, it was criticized because this company (which sells a war toy line) was linked to ACNUR Spain, a NGO that helps refugees from war conflicts (although the specific toy linked to the campaign was unarmed – it was an adventurous journalist).

However, over time, the incoherence has been addressed, and, nowadays, organizations take great care that campaigns are consistent. Thus, for example, Danone’s campaign “A Big Family for 1 million children” (▣ Fig. 1.2), launched in Spain in the last quarter of 2020 and developed in collaboration with the Red Cross and FESBAL (Spanish Federation of Food Banks), allocated 20% of the profit of the Danone natural yogurt pack (×8) to these two nonprofit organizations to help feed children in need. Therefore, Danone intensified its commitment to the groups most disadvantaged by the COVID crisis and to the Food Banks. In this case, there is great coherence between the company, the NGOs, and the chosen cause (“healthy, inclusive, and sustainable food”). ◀

- *Commitment* (in the long term, encompassing the entire organization to give credibility to the campaign). For example, preventing CRM campaigns from being only at Christmas (in countries with a Christian tradition) or at Ramadan (in Muslim countries) or when there is a natural catastrophe.

► Example

Avon has been collaborating in the fight against cancer for many years uninterruptedly. However, many companies only wanted to collaborate during 1–2 weeks and especially at Christmas or Ramadan times. ◀

- *Communication* (to achieve transparency and quality information): before the campaign (explaining the main aspects of the program), during the campaign (presenting partial results and explaining its evolution), and after the campaign (showing the final results, detailing the amount given to every project, making available a website to follow the evolution of the projects, etc.).

Little by little, companies are providing more complete information about the campaigns, especially at the level of results. Anyway, they still have a lot to do and improve.

► Example

It is difficult to find a really good example. Perhaps, the “1 Danone = 1 life seed” campaign (in 2008) could be a case. Danone and Red Cross offered quite complete information (before, during, and after the campaign), especially through its website. ◀

Other additional aspects to be considered are (Fundación Empresa y Sociedad, 1999):

- The *Code of Conduct* (developing the campaign according to ethical aspects, respecting the use of images or the messages used according to the codes of conduct proposed by the NGOs)

► Example

The Spanish Coordinator of the NGOs proposes a code of conduct to be followed in collaboration with companies. ◀

- *Quality in the management of the campaign* (trying to establish a [social] quality management model could be useful) For example, creating a specific quality seal for companies implied in this type of campaigns

► Example

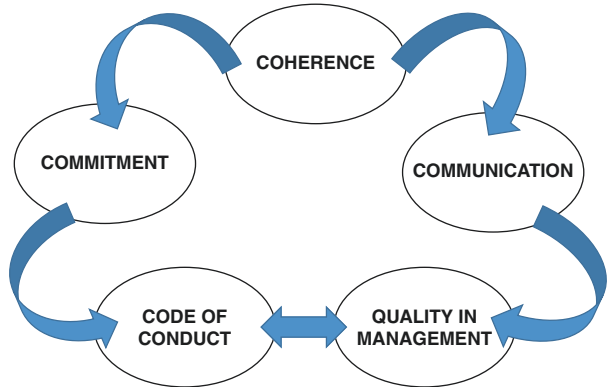
Some organizations, such as Fundación Empresa y Sociedad, tried to create a “solidarity” seal, although it did not have a great impact. ◀

All these aspects are included in ■ Fig. 1.3.

1.6 Implementation of a Cause-Related Marketing Program

To be successful, CRM programs require planning, preparation, commitment, implementation, and monitoring by the parties involved (businesses and NPOs). Thus, the main steps to implement a CRM program are summarized in ■ Fig. 1.4.

■ **Fig. 1.3** Main key aspects in CRM. (Source: own elaboration, based on Fundación Empresa y Sociedad (1999))



1. To identify the most appropriate cause (for coherence).
2. To choose the partner.
3. To establish the objectives (social and corporate ones).
4. To select target audiences.
5. To reflect the agreement in a document (preferably, a written contract).
6. To develop a budget.
7. To weigh the consequences (advantages and disadvantages).
8. To review the legal aspect of the campaign.
9. To communicate the collaboration agreement.
10. To integrate the CRM campaign throughout the entire organization.
11. To carry out the CRM program.
12. To track the results and evaluate the CRM campaign.
13. To celebrate success and communicate the results to all concerned groups of interest.
14. To continue the relationship in the long-term and integrate the concept of social responsibility into the company's mission.

■ **Fig. 1.4** Main steps to implement a CRM program. (Source: Galan - Ladero (2013))

1.7 Ethical Considerations

CRM can sometimes offer ethical dilemmas, especially for these reasons:

- *Type of product*: When the products involved in the campaigns are considered unethical or controversial (e.g., tobacco, alcohol, sex toys, weapons, traffic fines, luxury products, etc.).
- *Behavior sought*: These campaigns need that consumers buy the products involved in the campaign – the donation will depend on sales (“if you buy more, you donate more”). Thus, an excessive consumerism can be encouraged.
- *Design, development, and/or implementation of the CRM campaign*: If there is insufficient information (before, during, and/or after the campaign), or images used in the campaign do not respect the codes of conduct proposed by NGOs (e.g., sad poor children or people dying), or messages used in the campaign (only looking for compassion).

- *Chosen cause*: Cultural differences should be taken into careful consideration in CRM campaigns, especially in an international context. The success (or failure) of a CRM program will depend on the correct analysis of each situation and its adaptation to each society.

► Example

Avon: the company adapts its CRM campaigns according to the different cultures of the countries where it sells its products. It has a common cause (“fight against breast cancer”) in all countries where sells its products, but it has another cause (“domestic violence”) only in a few of them. ◀

Controversial campaigns can question the real aim of businesses in CRM campaigns (*Do they want to use and “exploit” the good image that NGOs have, just to sell more?*). Thus, it is important to remember that “the end does not justify the means” in CRM. Not all products, causes, businesses, NGOs, or other organizations are valid to take part in a CRM campaign. Not everything fits into CRM, because a trivialization of the solidarity could happen.

1.8 Broadening Cause-Related Marketing?

Although, at the beginning, CRM focused only on collaborations between companies and NPOs, over the years, it has tried to develop in organizations that are not properly companies but that also collaborate with NPOs (e.g., universities or public administrations), adapting its format – substituting sales for transactions carried out by these organizations.⁴ This is generating a wide debate in the academic field about whether it is really an extension of CRM or refers to another type of solidarity initiative (and, therefore, it cannot be considered as a CRM strategy, properly).

Thus, for example, since the end of the 1990s, some cases of these adaptations of CRM in universities are found:

- Solidarity enrollments (the university or students donate an amount of money for each enrollment made to an NPO, to collaborate in a solidarity project)
- Solidarity sanctions (some university libraries offer to cancel or reduce the sanction for delays in the repayment of library loans in exchange for the contribution of basic food – for the Food Bank – or toys, for the Red Cross)
- The Solidarity Study Olympics (for each hour of study carried out in the study rooms of the university, the collaborating companies donate 1 Euro to a solidarity cause)
- Others (see, e.g., UNImpulso Challenge, in the University of Extremadura; ■ Figs. 1.5 and 1.6)

⁴ Some town councils allocate a percentage of the fines that they impose on their citizens to humanitarian projects and social causes. That is, the donation they make to the NGO with which they collaborate depends on the behavior of citizens – in this case, the number of infractions they commit (see, e.g., the case of solidarity radar – Galan – Ladero & Galera – Casquet, 2020).



■ **Fig. 1.5** UNImpulso Challenge. (Source: University of Extremadura (2019))

Translation: UNImpulse Social Challenge.

Food Banks in Extremadura need our help!

Confirm your attendance at UNImpulse and we will send baskets of organic food. The more hours of training, the more kilos of food collected!

Collaborate!

In 2019, the University of Extremadura (UEX) promoted the UNImpulso Challenge. This initiative consisted in that, for each student who enrolled and confirmed their attendance at the UNImpulso Race workshops and/or the UNImpulsoCongress (linked to the Employment and Entrepreneurship Fair, organized by the UEX)⁵, the Ecoánime Foundation, in collaboration with the Báilamo Laboral & Fiscal Consultancy, would send baskets of organic food to the Food Banks of Extremadura.

The donations would be:

- For each student enrolled (and who attended) up to a maximum of 3 workshops, the Fundación Ecoánime would donate 1 kilo of organic products.
- For each student enrolled (and who attended) more than 3 workshops, the Foundation would donate 2 kilos of organic products.
- For each student registered (and who attended) the Congress: the Foundation would donate 3 kilos of organic products.

Thus, "the more hours of training, the more kilos of food collected".

Note: it should be noted that, in this campaign, the entire cost of the donation was assumed by the Fundación Ecoánime (the students did not pay anything for registration and attendance, both were free; neither was the UEX).

■ **Fig. 1.6** UNImpulso Challenge at the University of Extremadura (2019). Explanation of the campaign. (Source: own elaboration, based on UEX (2019))

This attempt to adapt and apply CRM to the university environment is being successful, and there are more and more campaigns, and in more universities. It allows integrating the social interests of students (“clients”), lecturers, and administrative and service staff and also benefits society as a whole. It also allows the university to collaborate with for-profit organizations (companies) and non-profit organizations (foundations, NGOs).

The growing importance that social responsibility is acquiring in the university environment allows foreseeing for a greater number of socially responsible initiatives in general and of CRM in particular.

Conclusions

Among the main conclusions, the following ones stand out:

- CRM has become a successful initiative for all types of organizations. It has experienced a fast growth and a great level of diversification (almost to all sectors), incorporating new technologies, too. It is used in all countries around the world.
- CRM can be considered a current example of holistic marketing approach, where organizations assume CSR and sustainability principles (SDGs). CRM seeks benefits for all the parties involved: a better corporate image and increasing sales and profits but also being socially responsible and integrating CSR policy in the corporate mission (for the company); increased funding and resources (for the NGO); sharing values (for consumers); and awareness about social causes and welfare (for society, in general).
- CRM can become a key tool for businesses because it affects consumer perceptions and purchasing behavior. It can favor positive attitudes toward a brand, product, or company, so it should be seriously considered as a possible source of competitive advantage based on differentiation (according to values; that is, based on psychographic aspects). However, aspects such as coherence, long-term commitment, and communication, following ethical codes, and quality aspects in management are critical. External control, through independent organizations or governmental agencies, can guarantee its correct implementation.
- The consumer sensitivity to CRM campaigns will depend on who pays the cost of the action (the more cost to the customer, the more information will have to be provided) and also the donation amount or cause.
- Examples of CRM campaigns can be found in all sectors, using conventional mass media (TV, radio, press) or incorporating digital technologies (social networks – e.g., Facebook, Twitter, or Instagram – emails, blogs, videos in YouTube, official websites, Apps, etc.).

Consequently, CRM can become a key activity for all kinds of organizations, if it can actually influence on consumer behaviors.

1.9 Questions and Answers/Quiz/Review Questions/Discussion Questions

? Questions and Answers

1. What is CRM?
2. What are the key aspects to be considered in CRM?
3. Which are the two most relevant characteristics in CRM?

? Quiz/Multiple-Choice Questions

1. What was the first company to develop a CRM campaign, named in this way?
 - (a) American Express
 - (b) Coca-Cola
 - (c) IBM
 - (d) McDonald's
2. Currently, CRM campaign is considered:
 - (a) A case of corporate philanthropy
 - (b) A CSR initiative
 - (c) An example of sales promotion
 - (d) A public relations activity
3. Indicate the correct option:
 - (a) The duration of a CRM campaign should not exceed 2 weeks, to avoid tiring potential customers.
 - (b) Communication of the CRM campaign is not important. It is only necessary to explain it well at the beginning.
 - (c) It is not advisable to use a code of conduct in CRM campaigns, because it would affect the freedom of the company to create and launch the advertising CRM campaign.
 - (d) The coherence between the company, the NGO, the cause, and the product is fundamental to the success of the CRM campaign.

? Review Questions

1. Search for a CRM campaign and analyze it.
 - How would you classify it?
 - What are the main advantages and disadvantages for the parties involved?
 - How are the key aspects of CRM developed in this campaign?
 - What steps were taken to implement this CRM program?
 - Do you think there are any ethical implications in that campaign?

? Discussion Questions

1. Look for a CRM campaign with some controversial aspect (e.g., because it is linked to a problematic company, the NGO has been involved in a scandal, the product is considered unethical, or the cause is not actually adequate).

Should these types of campaigns be avoided, or not – is raising funds for a solidarity project the most important thing?

2. Have you ever bought a product linked to a CRM campaign? If the answer is affirmative, can you describe it? What about your experience?

Acknowledgments The authors are very grateful to Danone and Roman (Danone's Communication Agency) and the University of Extremadura for all the information and photos they have provided for this chapter.

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Environmental Causes

Contents

- Chapter 2** **Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability – 19**
Reynaldo G. Rivera
- Chapter 3** **Villavicencio–Banco de Bosques: “Leave your Mark, a Reserve for More Reserves” – Marketing Campaign to Recover Forests from Argentine Chaco – 31**
*Enrique Bianchi,
Carolina Sanchez,
and Juan Manuel Bruno*
- Chapter 4** **The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment – 45**
*Antonio Chamorro-Mera
and M. Manuela Palacios-González*

Chapter 5 **WWF Spain: Illustrating
Factors at Play, Impacts,
and Tensions in Cause-
Related Marketing for
Global Sustainability – 55**
*Sergio Belda-Miquel,
M. Eugenia Ruiz-Molina,
and Irene Gil-Saura*



Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability

Reynaldo G. Rivera

Contents

- 2.1 Introduction – 21**
- 2.2 Case Development – 22**
 - 2.2.1 CRM and Innovation for Green Businesses in Developing Countries – 22
 - 2.2.2 Methodology: Analyzing Qualia-ReforestArg’s CRM Strategy – 23
 - 2.2.3 CRM Design and Implementation Model for Green Businesses – 24

2.2.4 CRM Design and Consumers' Preference Toward Products Made with Recycled Plastics – 27

References – 29

Learning Objectives

1. To understand CRM as a management tool to build competitive advantages and human-centered innovation
2. To learn the reasons why the success of CRM strategies depends on a strong connection with users' needs and goals
3. To analyze a case of a start-up that balances purpose, environmental impact, and profitability (B-Corporation) by using design-driven CRM (focused on what the product means to users emotionally)
4. To acquire some knowledge on applicable CRM models for sustainable (green) businesses
5. To inspire entrepreneurs to use CRM strategies in their design process and business models

2.1 Introduction

Increasing and rapid urbanization, a booming consumerist economy, and the change in living standards have raised waste generation rates (Guerrero, Maas, & Hogland, 2013) to 45 kilograms (kg) per capita yearly in 2018 (Wang, 2019). Steadily growing since the past century, plastic waste greatly damages the environment (e.g., ocean water pollution). New laws as well as several awareness campaigns and programs regarding sustainable lifestyles are promoting an environmental consciousness about plastic waste and recycling alternatives (Wang, 2019). However, plastic production has soared from 1.5 million metric tons (m mt) to 359 m mt (Garside, 2019), and its growth is closely related to marketing: products' packaging accounts for 39% of the overall plastic output (Wang, 2019). Coca-Cola alone produces over 100 billion plastic bottles a year, recovering 59% of that production and recycling just 9% of that waste (Jack, 2019).

In that context, business models and marketing strategies can promote recycling innovations and sustainable start-ups, effectively accelerating the reduction of environmental damage and the dissemination of more sustainable consumption styles. In fact, the plastic recycling global market value is estimated at USD 31.5 billion, with an overall volume of recycled plastic totaling 500 m mt (Wang, 2019). There is a growing breed of innovators (especially among millennials)—called green entrepreneurs or ecopreneurs—“who see their business as embracing environmental values as a core component of their identity and as aiding in their competitive advantage in the marketplace” (Allen & Malin, 2008, p. 829). However, research studies show that many consumers believe goods made with virgin materials have better quality. A number of factors influence people's attitudes toward waste management systems like garbage separation or recycling, as well as the markets' interest and preference toward products produced with recycled materials (Guerrero et al., 2013). Active social support, knowledge and experience, infrastructure capabilities and investments, collection route planning and information, informal sector organization, and incentives are some of the factors that can influ-

ence shoppers' practices and decisions (Guerrero et al., 2013). Thus, environmental consciousness does not ensure consumers' preference toward recycled products. Studies show that purchase decisions depend on products' perceived value or utility (quality benefits) and also on buyers' psychological gains, which hinge on "a positive feeling about the purchase—for example, self-image built from buying a special product" (Bei & Simpson, 1995). Consumers' preference toward recycled products can be motivated by emphasizing not only the importance of environmental issues but also the experience of making an innovative contribution through a donation to a worthy cause.

Innovation is about transforming ideas into solutions and products (Baregheh, Rowley, & Sambrook, 2009, p. 1334). However, breakthrough innovations are based on "epiphanies" or meaningful innovations (Verganti, 2009, 2011). They are frameworks that a producer (a company, an entrepreneur, etc.) provides to interpret the value of its product or service in the lives of specific customers. Those frameworks created in the design and marketing processes make the producer's value proposition meaningful for the targeted segments. For example, using a console like Nintendo Wii entails more than a passive immersion into a game: it means active entertainment. Similarly, buying a product made out of recycled plastic would mean a positive social action to save the planet. A strategy grounded on meaning of innovation could increase the emotional and symbolic bond between a product and its consumers (Battistella, Biotto, & De Toni, 2012), reducing the psychological barriers toward recycled products.

This chapter presents a case study about a green start-up based in a developing country that launched a cause-related marketing (CRM) campaign in partnership with a nonprofit organization (NPO) promoting reforestation of native species and plastic recycling. The case exemplifies how CRM can generate assets that play a relevant role in an innovation of meaning process and drive customers' involvement with recycled products.

2.2 Case Development

2.2.1 CRM and Innovation for Green Businesses in Developing Countries

This case study is about a CRM campaign implemented after a close encounter between the founder of a green start-up (Qualia) and the people who manage ReforestArg, a key project launched by the Argentine NPO "Amigos de la Patagonia" (Patagonia's Friends, in English; Amigos de la Patagonia, 2020).

Founded in 2017 by Martin Vazquez, a 28-year-old engineer in San Nicolás, an Argentine town, Qualia (2020a) is a small green start-up that aspires to become an innovation change-maker. Producing and selling high-quality sporting glasses 100% made with recycled plastic, the company promotes a shift in the economic neoliberal paradigm and in consumerist lifestyles, adopting a triple impact (social, economic, and environmental) business model. Qualia's glasses are more than

material products: they are a metaphor for how people can see the world from a different, more sustainable perspective.

ReforestArg (2020b) is a sustainability program designed and managed since 2015 to promote environmental education and native species reforestation projects. Operating as a strategic organizational unit with a 12-member team, ReforestArg plants thousands of native trees in Patagonia and reaches more than 50,000 students every year across six Argentine provinces with sustainability programs and environmental education certificates.

Qualia and ReforestArg agreed that the former would donate one tree for every pair of glasses sold. In 2019, Qualia recycled 10 tons of plastic—a remarkable achievement in a developing country like Argentina, which, despite experiencing recurrent economic crises and poverty, searches for industrial models that may allow domestic companies to compete in global markets and grow fast without producing a negative impact on the environment and nature at large. Rising to these challenges calls for a difficult balance between productivity and sustainability. Eco-innovations may facilitate such a balance, if they are recognized as viable positive change-makers that bring more efficiency and value than traditional products or companies. Yet, transition economies do not offer financial support, training, and promotion instruments to foster the development of green entrepreneurship (Silajdžić, Kurtagić, & Vučijak, 2015), and failure risks are higher than in developed countries. Indeed, CRM, as a corporate social responsibility (CSR) and fundraising tool, would generate a favorable environment for green businesses and provide sustainable competitive advantages for green entrepreneurs.

CRM implies a strong link between a business and a social cause. Their close relationship can yield a new way of communicating both a product and a social project. CRM may have the power to transform a product into a distinctive innovation relevant to some consumers, offering a new meaning for their choice of a sustainable product: by buying a green product, they support an important cause. In turn, this builds a strong relationship between buyers, producers, and NPOs. The latter can encourage bottom-up and participatory actions: their causes may mobilize consumers to adopt certain kinds of positive social behaviors (like reducing littering) and to take some risks (like buying a product made with recycled plastic). In addition, NPOs may drive governments and financial systems to support ecopreneurs. Showcasing the social relevance of a product or service, CRM strategies generate unique competitive advantages through innovation of meaning, especially in transition economies. This may be the case of Qualia-ReforestArg's CRM strategy.

2.2.2 Methodology: Analyzing Qualia-ReforestArg's CRM Strategy

To explore the design and implementation stages of the strategy pursued by these organizations, an analysis of in-depth interviews with Qualia's founder and ReforestArg's Executive Director, Sebastian Homps, will show how CRM is connected to the organizational innovation process.

Table 2.1 CRM evaluation matrix

CRM players	Outcome types	Expected CRM outcomes	Factors influencing CRM strategy	Outcome predictor factors	Conditions
Start-up/ company	Societal Financial	Branding Sales	Values Social outcomes Financial outcomes	Shared values, involvement and experience, pre-reputation, motives, importance, integrity, ethics, openness, honesty, transparency, sincerity, mutual respect	Partnership as part of identity, compatibility/ fit with main social marketing principles, source credibility, authenticity, integrated communication
Cause/ nonprofit organiza- tion	Societal Financial	Cause funding	Values Social outcomes Financial outcomes		Compatibility in main social marketing principles, NPO reputation

Source: Elaborated by the author, based on Lafferty et al. (2016) and Adkins (1999)

In a second stage, an online A/B testing (Kohavi & Longbotham, 2017)¹ will be applied to evaluate the impact of this CRM strategy in Qualia target market’s attitudes toward recycled plastics. Relying on a mixed methodology that combines understanding and quantitative evaluation, we will be able to trace the most relevant factors involved in a successful CRM strategy with a positive environmental impact.

2.2.3 CRM Design and Implementation Model for Green Businesses

Several studies have analyzed the dimensions and effects of CRM strategies (Lafferty, Lueth, & McCafferty, 2016). However, only a few have included start-ups and entrepreneurs in their analysis. Based on existing literature, the following matrix (Table 2.1) would guide the design and analysis of a CRM strategy implemented by a start-up like Qualia.

¹ A/B testing “... is a way to compare two versions of something to figure out which performs better” (Gallo, 2017).

The CRM strategy under analysis started when Vazquez met Homps and personally engaged in ReforestArg activities, realizing their organizations' shared common long-term goals.

1. *CRM, organizational identity, and expected outcomes:* Companies and NPOs are social agents that make decisions and manage resources in order to secure outcomes like financial revenues, social development, etc.

In the case of a CRM strategy, companies usually expect to improve their brands' value and sales, as well as to make a positive contribution to society. A CRM strategy requires that the firm share some short- and long-term goals (like funding for social causes and environmental protection) with its NPO partner. For a green start-up with a small market share and limited sales, societal outcomes would be more important than increasing brand awareness or sales. For Qualia and ReforestArg, environmental protection is a common strategic priority: "It was wonderful to learn about Martin's project, [but] the most important [factor that facilitated the CRM agreement] was to getting to know him as a person." ReforestArg did not accept Qualia's CRM proposal for funding but because "Martin joined [the program] and became part of our project." Therefore, the key purpose of this CRM campaign was not to create a funding source via eyeglass sales but to forge a long-term relationship with an entrepreneur who shared a specific set of values with ReforestArg. For Homps, "Building a network of human relationships in order to drive a change or promote an issue like sustainability... is a lifetime choice."

2. *CRM and business strategy:* While CRM campaigns are typically part of a CSR portfolio in large organizations, they account for a key dimension of green start-ups' business strategy.

In 2015, Vazquez was working at Techint, a multinational engineering company, when he discovered that he was "...exchanging time for money and did not generate any impact on my life or in the lives of others..." Upon some reflection, he decided "first, to work in my own business, and second, to work in something that would change my life and also make a positive difference in the lives of others." The awareness of the negative impact of plastics on the environment motivated Vazquez to look for ways to participate in the recycling industry. After doing some research, he found Precious Plastic (► preciousplastic.com), an open-source project that provides the technology to build machines which grind, melt, and inject recycled plastic. He feels that Qualia's first achievement was the construction of an efficient recycling small shop at his father's (an ophthalmologist) house. Therefore, societal outcomes are the cornerstone of Qualia's innovation process, but they also stand at the core of its business and communication strategies. Vazquez set out "... to develop a brand that would have an impact on people, communicating them something, an emotion ... [I wanted to produce] a tool to deliver my message, the idea I had to tell the world. Well, I found that tool in eyeglasses. I realized that glasses are a design element that shape people's faces... We could give people a new vision, a vision of change."


Like in Qualia, societal purposes can ignite innovation processes led by transcendental meanings like sustainability. They may also motivate ecopreneurs to invest all their resources in meaningful causes and to establish valuable relationships with stakeholders like NPOs moving in the same direction. In fact, after some months producing and selling glasses, Vazquez felt that he could do more. Somebody told him about ReforestArg's projects in Patagonia, and, after the first meeting, he asked, "Let me join this project." ReforestArg "is a family, and we are part of that," Vazquez said. Fighting to protect small towns' environment and native forests, ReforestArg stands as a "family" of ecopreneurs because they share the same priorities to make decisions: values and societal outcomes are far more important than financial results.

3. *Outcome predictor factors:* Both interviewees agree with Adkins that integrity, ethics, openness, honesty, transparency, sincerity, and mutual respect are key conditions for a successful CRM campaign.

For Qualia and ReforestArg, decision-makers' personal involvement and experience proved critical, making the promotion process and messages more authentic. Vazquez stated, "We are planting thousands of trees ... [Our donation] won't change life... [but] we do it because we feel it is important, and Qualia's purpose is authentic. Transparency, loyalty, and authenticity are marketing tools in and by themselves... If you say you will do something and you actually do it, that is marketing." In addition to committed managers, who, as Homps put it, should feel they are part of "something else that exceeds the corporate structure," authenticity was also relevant for ReforestArg. "We have to leave our egos behind and ensure that our mission gets the most exposure in the communicational process," Homps noted.

4. *Campaign processes, contents, channels, and branding:* Qualia-ReforestArg's CRM campaign was launched after a formal agreement between the two organizations. The deal involved an annual report on sales that turned into a donation to plant native trees.

With no financial auditing procedures in place, public communications were agreed on an event-based process. Run only on social media platforms (the organizations' websites, Facebook, and Instagram), the campaign generated sales for USD 29,167 and donations for approximately USD 5,600, which financed 3.75% of ReforestArg's total budget (the equivalent of 375 trees). Qualia was the main donor among other small- and medium-sized organizations supporting ReforestArg's program.

Almost all posts, images, and online interactions were inspired on mountains, forests, seeding, hiking, etc. On March 21, 2019, the International Day of Forests, Qualia made the first post for its CRM campaign, introducing it as a team effort to restore Patagonia's forest (see  Fig. 2.1 below).

The campaign's post generated an increased number of unique visitors, which peaked at 753 daily in May 2019, and 295 interactions on Instagram. Only two posts (one on a raffle and another with a video presenting Qualia) exceeded that result. Although they used the same images and texts in Facebook, they did not get the same results in terms of engagement. This may be associated with their com-



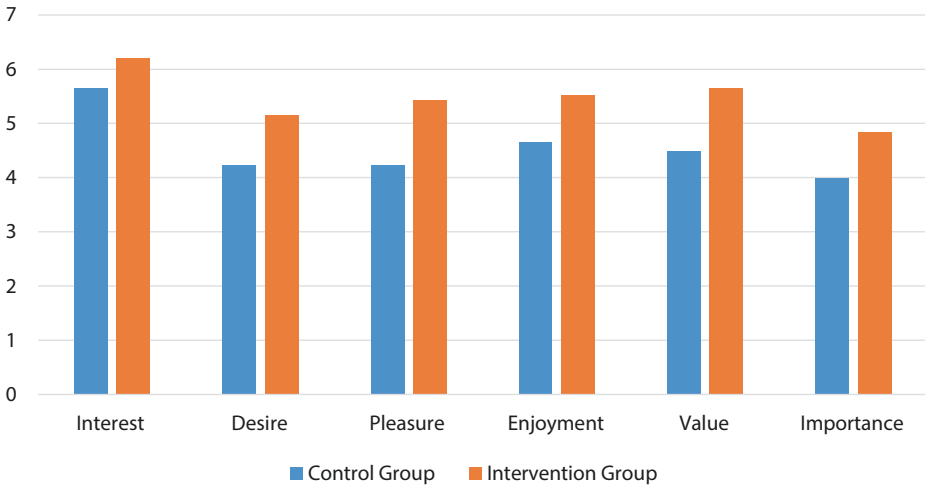
■ **Fig. 2.1** Qualia’s CRM campaign launch in Instagram. *Translation:* “Qualia comes together with ReforestArg. We join forces to make the impact real. For every pair of glasses we sell, we are going to plant a tree in Patagonia’s burnt forests. Today is the International Day of Forests: we join forces, and, during the Easter holiday, we will be together planting trees in our beloved Patagonia”. (Source: Qualia [@qualiaeyewear] (2019))

munity members’ profiles. In fact, the start-up’s primary channel is Instagram (Qualia, 2020b), with 6,530 followers vs. 2,200 in Facebook. Something similar happens with ReforestArg’s communications strategy: it boasts 10,900 followers in Instagram (Reforestarg, 2020b) and only 1,800 in Facebook.

The CRM campaign had a profound impact on Qualia’s brand identity: starting in March 2019 and across all its digital channels, the company has used the “make the difference” slogan as well as images from Patagonia, presenting the cause as a continuous activity for the entire company. The marketing strategy modified the start-up’s product identity—it launched the “Patagonia Collection” of sunglasses—and positioning. Some national newspapers published articles about the company’s sustainability model.

2.2.4 CRM Design and Consumers’ Preference Toward Products Made with Recycled Plastics

In order to evaluate the impact of the campaign on consumers’ attitudes toward products made with recycled plastics, we conducted an online, quasi-experimental study using a between-subjects design with a convenience sample of potential Qualia’s prospects. We randomly divided the sample into two groups: intervention and control. We sent an email to all participants ($n = 231$) inviting them to partici-



■ Fig. 2.2 CRM message impact on customers' involvement. (Source: Own elaboration)

pate in a research study on a sustainability marketing case. All individuals saw a first paragraph that presented Qualia and its sunglasses collection made with recycled plastics. The intervention group could see an additional text that explained Qualia would make a donation for every pair of sunglasses sold. After the introductory text, we asked respondents to express their agreement with a Likert-type set of items. We used a Spanish version of Laurent and Kapferer Involvement Profiles scale (Martínez, 2003), which measures consumer's interest, perceived pleasure, symbolic value, importance, risk relevance, and failure probability perception of the ecological product. ■ Figure 2.2 shows the results of the A/B Test, proving the positive impact of the CRM message on customers' involvement with sustainable consumption.

Conclusions

The Qualia-ReforestArg case shows that CRM is a relevant CSR and business development tool, especially for ecopreneurs and start-ups.

The link between a company and an NPO based on the design of social-oriented communications generates several useful resources:

- It increases customers' engagement with products, especially in cases, like goods made with recycled plastics, that involve greater uncertainty.
- It facilitates the process of providing an innovative and user-friendly meaning for a product. From this perspective, CRM strategies would be considered as an innovation and branding tool for new products and services.

This case shows also that consumers' preference for recycled products can be encouraged by emphasizing not only the importance of environmental issues but also the experience of making a real contribution through a donation to a worthy cause. Furthermore, the cause and the relationships built by the CRM strategy among stake-

holders may have the power to modify and improve a company's identity. A shared social objective paves the way for close relationships, unveils new ways to connect with target markets, and refines an organization's long-term mission and business strategy, particularly in the case of start-ups.

? Discussion Questions

1. Based on the data provided by the case, please describe Qualia's value chain and show the relevance of its CRM strategy in the generation of its competitive advantage.
2. In 2020, Martín Vazquez was preparing the launch of a second line of products: sports bags made with recycled plastics. He planned to use a CRM strategy with NPOs working in the field of sports with children from poor urban areas. Please prepare a CRM campaign strategy using the matrix presented in ■ Table 2.1.
3. A value proposition of a marketing offer may be analyzed from shareholders' (internal) or customers' (external) perspectives. Customer satisfaction depends on product performance, the trade-off between perceived benefits and costs, the symbolic meaning of the product, etc. Using the Qualia-ReforestArg case, please explain how an ecopreneur can increase users' interest and preference toward goods manufactured with recycled materials.
4. Please explain why CRM strategies may facilitate cutting-edge research and sustainable innovations in developing countries.
5. How do CRM strategies and ecopreneurship relate to social and economic development?

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Villavicencio– Banco de Bosques: “Leave your Mark, a Reserve for More Reserves” – Mar- keting Campaign to Recover Forests from Argentine Chaco

*Enrique Bianchi, Carolina Sanchez,
and Juan Manuel Bruno*

Contents

- 3.1 Introduction – 32**
- 3.1.1 Climatic Change and the
Contribution of Native Forests – 33
- 3.2 Case Development – 33**
- 3.2.1 The Main Partnership: Banco de
Bosques y Villavicencio – 34
- 3.2.2 Marketing Mix – 37
- 3.2.3 Results of the First Campaign – 42
- References – 43**

Learning Objectives

1. Understand that the company's sustainability strategy and cause-related marketing strategy must be aligned so that the actions carried out are credible and genuine
2. Identify the different partners (NGOs, public sector, other companies, and consumers) as key actors for the implementation of sustainable practices of companies supported by cause-related marketing actions, and know the benefits achieved by each of the partners
3. Analyze how to communicate the objectives of the cause-related marketing campaign in order to generate impact, notoriety, and positioning of the actors involved

3.1 Introduction

Argentine native forests' situation is critical. Although the deforestation rate has decreased over time, the current values are still considerable. Between 1990 and 2014, 7,226,000 hectares were lost, with the average deforestation rate being 289,040 ha/year. During this period, the transformation of native forests grew exponentially, reaching 375,000 ha/year in 2010 (Ministry of Environment and Sustainable Development, 2017). However, since 2007, the enactment of Law No. 26,331 (popularly known as the Forest Law) slowed down the average deforestation.

Argentine native forests have been subjected to severe degradation processes, which have involved the loss of biomass and the biological impoverishment of the native forests. The most affected forest regions are Chaqueño Park and Las Yungas (see ■ Table 3.1). In the Chaqueño Park region, 7% of native forests are in their natural state, while the remaining 93% showed signs of anthropic intervention. These processes could have significantly compromised their ability to provide environmental goods and services such as the capture of carbon dioxide (CO₂) and the regulation of the water regime (Ministry of Environment and Sustainable Development, 2017).

The causes of deforestation are linked to (Ministry of Environment and Sustainable Development, 2017):

- The expansion of land use for agricultural purposes over forests, as a consequence of a competitive and profitable agro-business model, favored by the incorporation of new technologies and the high relative prices of agricultural products worldwide
- The movement of livestock to forestlands
- Population growth, urban sprawl without planning, and real estate developments
- The lack of social and environmental valuation of forest services
- Forest fires, both natural and anthropogenic
- Legal insecurity in land tenure, weak control and oversight policies, and the need for greater political and institutional coordination

■ **Table 3.1** Transformation of native forests into agricultural use (2014)

Forest region	NF to agriculture (ha)		NF to livestock (ha)		Total ha	Area %
	FL	OFL	FL	OFL		
Chaqueño Park	42,197	4,699	88,145	13,880	148,921	80%
Espinal forest	3,844	4,664	9,410	4,259	22,177	12%
Woods	0	0	10	0	10	0%
Misionera jungle	0	0	876	168	1,043	1%
Yungas	12,811	643	0	0	13,455	7%
Total	58,853	10,006	98,441	98,441	185,606	100%
Area (%)	32%	5%	53%	10%	100%	

Source: Second Biennial Update Report. Ministry of Environment and Sustainable Development (2017)

NF Native forest, *Ha* hectares, *FL* forest lands with tree cover of native species greater than or equal to 20%, *OFL* other forest lands with tree cover of native species between 5% and 20%

3.1.1 Climatic Change and the Contribution of Native Forests

During 1960 and 2010, an increase in the average temperature “of around 0.5 °C” was observed in Argentina (Ministry of Environment and Sustainable Development of Argentina, 2017: 39). It is estimated that the average temperature will continue to grow between 0.5 and 1 °C, which would generate “water stress due to an increase in temperature in the north and west of the country, a potential water crisis in the Cuyo area, retreating of both glaciers in the Patagonian mountain range and the river flows of the Cuenca del Plata, an increase in sea level, and a high frequency of extreme rainfall and floods in the northeast and west of the humid region” (Ministry of Environment and Sustainable Development of Argentina, 2017: 39). As a consequence, the Ministry of Environment and Sustainable Development concludes that “forests play a central role in adapting to the changes of climate change, so their conservation and restoration is of great importance” (2017: 39).

Indeed, forests play a fundamental role in climate stability since they absorb carbon dioxide – the main gas responsible for the greenhouse effect – to carry out photosynthesis. They capture 6.6 tons of CO₂ per hectare each year, thus acting as the main carbon sinks (Banco de Bosques, 2020).

3.2 Case Development

In this context, Banco de Bosques Foundation and Villavicencio, the best renowned mineral water brand in Argentina which belongs to the Danone Group, developed the “Leave your Mark, a Reserve for more Reserves” campaign. The design

consisted of an adaptation for Argentina of a campaign started in 2009 in Poland by Żywiec Zdrój S.A., a Danone Global company. Thus, “Leave your mark” campaign promoted by the Banco de Bosques and Villavicencio implied that for each bottle of mineral water sold, they pledge to protect 1 square meter of native forest. The campaign started in May 2011 and ended in July 2012. Due to the excellent results obtained, the campaign was replicated twice more during 2013 and 2017.

3.2.1 The Main Partnership: Banco de Bosques y Villavicencio

3.2.1.1 Villavicencio-Danone

Danone is a global company that landed in Argentina in 1996. Currently, it has four divisions: dairy products, water, early nutrition, and medical nutrition. Danone entered the Argentine dairy market, through the acquisition of the firm Mastellone Hnos. in 1996. Subsequently, the group acquired the two most important mineral water companies in the country: Villavicencio in 1996 and Villa del Sur in 1999. Then, they founded Aguas Danone Argentina Company and positioned itself as the leading brand in the mineral water market (Danone, 2020; Nazar Anchorena, 2017).

Aguas Danone Argentina, like the entire Danone group, has a strong commitment to caring of the environment and to sustainability. Evidence of this is that Villavicencio obtained its certification as a B Company,¹ so that its business success is not only based on the economic value it produces but also on its contribution to social and environmental well-being. It is the first mass consumption company in the country to receive this certification and the third in the group worldwide (Villavicencio, 2020).

The brand differs from the rest of the bottled waters in the market because the bottling plant is located within the Villavicencio Natural Reserve, which is a protected natural area in the foothills of the Andes at more than 1,700 meters above sea level. This gives the product a “level of purity 11 times higher than the standards of the World Health Organization” (Villavicencio, 2020).

The reserve seeks to preserve the natural and cultural heritage to guarantee environmental services to the community in which environmental education, tourism, research, and communication activities are carried out.

3.2.1.2 Banco de Bosques Foundation

Banco de Bosques Foundation for Sustainable Management of Natural Resources and Ecosystem Conservation is a nonprofit organization whose goal is to save Argentine native forests at risk. Through the collection of donations, Banco de

¹ B Companies measure their social and environmental impact and are personally, institutionally, and legally committed to making decisions considering the consequences of their long-term actions on the community and the environment. They assume with responsibility and pride their belonging to this global company movement that wants to make a change by the use of market force to provide solutions to social and environmental problems (Sistema, 2020).

Bosques purchases lands with forests to be protected, thus creating a “warehouse” of hectares. In these forests, according to the statute of the Foundation, clearing is prohibited; only harmless activities such as organic beekeeping, ecotourism, and collection of non-wood forest products, among others, are allowed. The Foundation will not be able to sell the properties, and in the event of its dissolution, the lands will be donated to the National Park Administration, dependent on National government (Banco de Bosques, 2020).

Besides, the Foundation constantly promotes sustainable campaigns and actions with companies whose ethics and environmental standards are authentic and valued by society (Banco de Bosques, 2020). Some examples of these actions have been the enhancement of the Perito Moreno National Park (Province of Santa Cruz, in southern Argentina), the reconstruction projects of native flora in forests and the control of exotic flora (in the province of Entre Ríos), and the multiple communication and social marketing campaigns with firms such as Allianz, Ferrero-Kinder, and Patagonia Cerveza, among others.

In early 2011, Banco de Bosques Foundation launched a campaign to convert the “La Fidelidad” ranch into a protected national park because this farm is the largest and most diverse subtropical dry forest in the world (Ingrassia, 2012). Therefore, “Leave your mark” campaign was presented as an opportunity to achieve this objective and put the problem of clearing native forests on the public agenda.

The land occupied by “La Fidelidad” ranch is a last large forest in good condition that remains in northern Argentina. It has 100,000 hectares in the province of Formosa and 150,000 in the province of Chaco (see ■ Fig. 3.1), where there are plenty of forests and hundreds of endangered species, such as the yaguareté, the tatú carreta, the crowned eagle, and the quimilero pig (Banco de Bosques Foundation, 2020). The ranch belonged to Manuel Roseo, an Italian landowner, whose death in 2011 led to a bid between heirs and environmentalists who requested



■ Fig. 3.1 “La Fidelidad” ranch location. (Source: Google Maps (2020))

the expropriation of the land to create an area protected by the State. Due to this, the Chaco government created “La Fidelidad Trusteeship” to collect funds that would be used to pay compensation to the heirs for the expropriation that “if it were established, it would become the first bioprovincial National Park in Argentina created in the last 100 years” (Nazar Anchorena, 2017, p. 30).

3

3.2.1.3 “Leave Your Mark, a Reserve for Another Reserve” Campaign

In this context, Villavicencio and Banco de Bosques committed themselves to regenerate 10 million square meters of forest through the equation one bottle of Villavicencio = 1 square meter of regenerated forest. This type of agreement between NGOs and companies is one of the most common contributions that consist of donating a certain amount of money (in this case, in kind, that is, in meters of forest) for each product sold (Galan-Ladero and Galera-Casquet, 2014). With a simple mechanism, the consumer is invited to join a common cause and to put into action the brand’s purpose.

This first campaign, “Leave your mark,” which started in May 2011 and ended in July 2012, pursued the objectives (Banco de Bosques Foundation, 2020) below.

■ ■ General Objective

- Fight deforestation through the preservation of forests and green areas into nature reserves and protected forests

■ ■ Specific Objectives

- Promote the project to create the El Impenetrable National Park (in the lands of the La Fidelidad ranch)
- Put the problem of deforestation and loss of the last remaining native forests in Argentina on the public agenda and to increase the level of commitment to this cause
- Position Villavicencio as a brand committed to nature and the environment and to a sustainable world
- Increase sales and market share of the Villavicencio mineral water brand

3.2.1.4 Target Market

Kotler and Keller (2012) explain that market segmentation consists of dividing the market into homogeneous parts according to their tastes and needs. “Leave your Mark” campaign was aimed at a wide audience, that is, consumers of bottled mineral water in Argentina. Although the emphasis was placed on young people, they are considered the segment of the population that will lead the change in environmental awareness because they are more committed to environmental problems than adult populations.

3.2.1.5 Choice of the NGO Partner: Banco de Bosques Foundation

A cause-related marketing campaign involves the articulation of actions between various actors: companies, civil society organizations, and the collaboration of other actors such as the State and the consumer. To develop the “Leave your Mark”

campaign, Villavicencio chose Banco de Bosques Foundation as it had knowledge and extensive experience in the field.

This choice was crucial for several reasons. On the one hand, consumer skepticism decreased since the credibility and experience of the NGO is essential (Galan-Ladero & Galera-Casquet, 2014). On the other hand, there was coherence between the NGO, the company, and the campaign program, which helped to provide a reliable message to the audience, since the strategies of the company and the organization were aligned and both parties shared the common interest in protecting forests. Finally, the choice of the company and the NGO generated that both organizations were related to relevant stakeholders for the campaign, which is essential for its success (Nazar Anchorena, 2017).

To develop this campaign, an interdisciplinary team was formed with experts on environmental and social development issues (internal staff – from Banco de Bosques and Villavicencio – and also external ones) who had the function of monitoring and inspiring the campaign.

3.2.1.6 Stages of the “Leave Your Mark” Campaign

The campaign was implemented in three stages. The first stage consisted of generating awareness and sensitization about the problem of clearing and loss of native forests. In the second stage, the participation and cooperation of the public with the cause was promoted. And, finally, in the third stage, the results were disseminated (Banco de Bosques Foundation, 2020).

Next, the actions of each stage classified according to the components of the company’s marketing mix will be described.

3.2.2 Marketing Mix

3.2.2.1 Product

Villavicencio brand is positioned in the Premium segment, based on the quality and origin of the water. Its target segment is made up of men and women over 25 who value the quality of the product over its price and are, therefore, loyal to the brand (Nazar Anchorena, 2017).

For the “Leave your mark” campaign, the brand renewed the packaging of still mineral water bottles for its 1.5- and 2-liter presentations. Villavicencio’s bottles came onto the market with a new label and a green cap as a symbol of the campaign (see ■ Fig. 3.2).

3.2.2.2 Price

Price is defined as “the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefit of having or using a product or service” (Lee & Kotler, 2016, p. 278). “Leave your mark” campaign made no reference to the price of the product, as the usual price was maintained. However, the campaign offered the incentive to save a square meter of forest by



■ Fig. 3.2 “Leave your mark” packaging campaign. (Source: Banco de Bosques (2020))

buying a bottle of mineral water. Thus, the benefit was double: enjoy and consume mineral water and contribute to caring for the environment (see ■ Fig. 3.3).

3.2.2.3Place

The product was distributed in its usual sales channels, large stores and local stores throughout the country. In each of them, POP² material was distributed to spread the campaign, and it was designed in accordance with the images, colors, videos, and texts used in the communication actions. Besides, the POP material used was produced with FSC³ paper (■ Fig. 3.4) in order to be consistent with the entire campaign and to reinforce the message of sustainability.

3.2.2.4Promotion

The communication actions developed throughout the campaign were diverse and structured according to the different stages of the campaign. Thus, *in the first stage*, an attempt was made to raise awareness of the environmental problem and to present the campaign itself, so it began through a workshop with journalists in the

2 POP (point of purchase): the abbreviation POP is used in marketing to indicate the set of implements intended to promote a product or brand at the point of purchase, for example, posters to highlight the price of a product, gondola tips, stand, etc.

3 The FSC paper has a certificate that the wood used to make the product comes from forests managed according to the criteria of the Forest Stewardship Council (FSC), which includes measures of sustainable forest management in ecological, social, and economic aspects, among others.



■ Fig. 3.3 “Leave your mark” campaign. Translation: “With each Villavicencio you buy, we will protect 1m² of forest from deforestation.” (Source: Banco de Bosques (2020))

Villavicencio Nature Reserve. At the same time, a promotional campaign was launched on public thoroughfare (■ Fig. 3.5) together with television commercials in large Argentine cities like Buenos Aires, Córdoba, and Mendoza.

At the same time, a digital campaign focused on Villavicencio’s fanpage was carried out on Facebook (■ Fig. 3.6) and on the corporate website (■ Fig. 3.7); they were consistent with the design used throughout the whole communication campaign.

It is important to highlight that an internal communication action was developed in the company to spread the campaign among the employees, so that they could become ambassadors of the activities.



Fig. 3.4 POP material for “Leave your mark” campaign. (Source: Banco de Bosques (2020))



Fig. 3.5 “Leave your mark” campaign on public thoroughfare. (Source: Banco de Bosques (2020))



■ Fig. 3.6 “Leave your mark” campaign on Facebook. (Source: Banco de Bosques (2020))



■ Fig. 3.7 “Leave your mark” campaign on Villavicencio’s fanpage. (Source: Banco de Bosques (2020))

Later, *in the second stage of the campaign*, citizens were massively invited to participate in a festival called “Leave Your Mark Festival.” It was held on July 14, 2012, and almost 40,000 people participated in it. Each of them carried a bottle of Villavicencio which added protected square meters. There were recitals and tents where artistic activities were carried out and where recognized figures from Argentina participated. The other great attraction of the event was the conformation of the largest human mark in the world, in which 250 people participated. This was validated by a Guinness Record delegation (■ Fig. 3.8).

Finally, *in the last stage of the campaign*, a TV commercial was published where the results of the campaign were reported and the participation and collaboration of the consumer was appreciated. This action was also complemented by digital communication, press releases sent to the mass media, and reports to media specialized in the environment. As indicated by communication specialists, it is essential to communicate the results and provide information in order to generate trust and transparency, regarding the actions carried out and the achievements accomplished (Nazar Anchorena, 2017).



■ Fig. 3.8 “Leave your mark” festival. (Source: Banco de Bosques (2020))

In conclusion, the campaign communicated in a simple way the invitation to the public to collaborate with the cause. The consumption of the Villavicencio brand was promoted, its image was positioned in the care of the native forests, and the need to create a nature reserve in “La Fidelidad” ranch was communicated.

3.2.3 Results of the First Campaign

The campaign raised awareness of the problem of forest scarcity and the importance of taking care of the natural heritage. According to members of Banco de Bosques Foundation, the campaign had a positive impact on society, the company, and the brand, and it disseminated the work of the Foundation. The main results achieved were (Banco de Bosques, 2020):

- Carbon footprint: 22 million square meters of saved forest have the capacity to capture up to 220,000 tons of CO₂.
- Biodiversity: it was possible to safeguard the land occupied by “La Fidelidad” ranch, thus collaborating with the protection of the following species: yaguareté, tatú carreta, chanco quilimero, tapir, aguara guazú, anteater, and river wolf, among others.
- Social impact: the creation of a national park in the lands of “La Fidelidad” ranch has a direct impact on social development by means of tourism and job creation.
- Press: more than 90 releases were published in print, web, TV, and radio editions.
- Digital communication: During the time the campaign was extended, the fan-page grew from 2,500 to more than 20,000 followers.

On the other hand, the results for Villavicencio brand were very encouraging. The commitment to the care of nature was reinforced by following the policies and statements of the Danone Group. Furthermore, “the visibility and impact of the brand were 8% and 4% respectively above the market average while the commercial campaign was on the air. In business terms, it generated a 7% growth in sales and a year-on-year increase in market share of 0.6%, 0.9% and 0.3% in May, June and

July respectively. In addition, Villavicencio achieved 33% of spontaneous brand recall in the pure water category” (Nazar Anchorena, 2017, p. 34).

At the organizational level, the campaign influenced the definition of a business management strategy, “strategically integrating the brand and the purpose of positive impact” (Nazar Anchorena, 2017, p. 61), to build veracity. In other words, the company managed to have a sustainability strategy and a social marketing strategy, but not in that order because the idea first emerged as a CSR action:

- » “In 2011, when it is defined to move forward with “Leave your mark” campaign, the brand realizes that it needs to rethink its mission and it finds a business opportunity to rethink the reasons ‘why Villavicencio does exist’. The answer is (...) to leave the world better than we found it. One of the ways to do so is through forest regeneration. This is where “Leave your Mark” campaign takes on a strategic and sustainable dimension” (Nazar Anchorena, 2017, p. 30)

Conclusions

“Leave your Mark” campaign was a success because it achieved all the objectives that were set: it managed to sensitize the general citizenship about the present situation of native forests, in general, and of the native forest of the Great Argentine Chaco, in particular. Besides, the campaign improved the positioning and sales of the company.

Due to the positive results of the campaign, it was replicated twice more, and the same results were obtained. Yet, the repercussions went even beyond the stated objectives, since Law No. 26,996 on the creation of “El Impenetrable National Park,” on the lands of “La Fidelidad” ranch (in Chaco), with an area of 120,000 hectares, was passed on October 24, 2014.

? Discussion Questions

1. Point out which elements or actions described in the case indicate that there is an alignment between Danone Company and its Villavicencio brand, an alignment between the company’s sustainability strategies, and the cause-related marketing campaign. Justify your answer and relate it to forest protection.
2. “Leave your mark” cause-related marketing campaign had the following key actors: Villavicencio and Banco de Bosques. Describe the benefits of each in terms of reputational, corporate, and social objectives.
3. “Leave your mark” communication campaign invited the consumer to collaborate with the cause in a simple way, generated confidence, and increased the predisposition to buy the product. Do you agree with this proposition? What were the key axes in the communication and marketing strategy? Explain why.

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The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment

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Contents

- 4.1 Introduction: The Power of Money – 46**
- 4.2 Triodos Bank: A Benchmark of Ethical and Solidarity-Based Banking – 48**
- 4.3 The Triodos Foundation's Donation System – 49**
- 4.4 Triodos Bank's Solidarity-Based Pension Plan – 50**
- References – 53**

Learning Objectives

1. To reflect on the social and environmental implications of our savings and investment decisions
2. To understand the concepts of sustainable finance, ethical banking, socially responsible investment, and a solidarity-based financial tool through one of the benchmark entities in the field of ethical banking, Triodos Bank
3. To learn about different ways of linking donations to social, cultural, and environmental projects with financial products
4. To analyze a real example of cause-related marketing campaigns through a solidarity-based financial product: The Triodos Bank's pension plan in Spain
5. To generate discussion about people's predisposition to invest their savings based on ethical and environmental criteria

4.1 Introduction: The Power of Money

What happens to our money once we deposit it in a savings account or investment plan? Surely, you have never asked yourself this question or have only thought that the money that you do not need now, the bank lends to other people or companies that do need it at the time. It is a temporary exchange of money for a return (interest). This financial intermediation is necessary so that, for example, a family can buy a house, thanks to a mortgage, or an entrepreneur can start a company, thanks to a loan.

But perhaps, through the bank's investment decisions, our money is also financing companies dedicated directly or indirectly to sectors such as armaments, nuclear energy, gambling, tobacco, or products that severely pollute the environment. In short, our money may be being used to finance industries that are contrary to our ethical ideals.

This paradox occurs because most of us make our financial decisions without considering the subsequent destination of the money we invest. We are myopic to that later phase of the financial markets, and we do not apply our ethical principles and concerns to this type of decision. Rather, the criteria for choosing a bank and hiring a financial product are usually:

- *Profitability*: the interest rate that the bank pays the customer for the money deposited or invested
- *Liquidity*: the term and conditions on which the client can recover the money deposited or invested
- *Financial risk*: that is, the probability of variation in the profit received by the client

Moreover, conventional financial institutions do not usually inform their clients and other stakeholders about the destination of the money they manage and its

impact on society. However, a phenomenon called sustainable, or ethical, finance is becoming increasingly relevant, as evidenced by the dissemination of the United Nations Principles for Responsible Investment, initially approved in 2006 (► www.unpri.org). It represents a cultural change in the financial sector, based on offering savings, investment, and financing alternatives that take into account social and environmental criteria together with the usual economic criteria. We can talk about the following types of sustainable finance:

- (a) *Ethical banking*: a bank only allocating its financing to companies and projects that have a significant positive impact on sustainable development, under the principle of total transparency.
- (b) *Microfinance*: offering financial services to groups at risk of financial exclusion, that is, groups that cannot readily access and meet the conditions of conventional banking services, usually manifested through microcredit.
- (c) *Socially responsible investment*: an investment philosophy that integrates environmental, social, and governance factors (ESG criteria) in the process of study, analysis, and selection of securities of an investment portfolio. Socially responsible investment is evident in financial products such as ethical investment funds, ethical pension plans, and green or social bonds—that is, public or private debt issues focused on financing projects with a positive environmental or social impact. To select where to allocate the money raised by a socially responsible investment product, financial institutions can use different mechanisms, such as:
 1. Negative or exclusionary screening: the exclusion of certain sectors, companies, or practices based on specific ESG criteria, for example, nuclear energy
 2. Positive or best-in-class screening: investment in sectors, companies, or projects selected for positive ESG performance relative to industry peers
 3. Sustainability-themed investing: investment in themes or assets specifically related to sustainability, for example, clean energy or sustainable agriculture

According to GSIA (2018), money managed worldwide with sustainable criteria exceeded 30.7 trillion dollars in 2018, 34% more than 2 years earlier. Europe, the United States, and Japan are the regions where socially responsible investment has become most prevalent.

- (d) *Solidarity-based financial tools*: plans that donate an amount of money to finance the activities of a charitable or nongovernmental organization. That donation may come out of the interest rate received by the client, it may be made from the management fee paid by the client, or it may be linked to the amount of money contracted by the client. These instruments include checking accounts, savings deposits, investment funds, pension plans, etc. These solidarity-based financial tools can at the same time be socially responsible investment products if ESG criteria are used to decide the destination of the investments.

4.2 Triodos Bank: A Benchmark of Ethical and Solidarity-Based Banking

4

Triodos Bank is one of the benchmarks for ethical banking in Europe and is a founding partner of the Global Alliance for Banking with Values (GABV). Although its existence can be traced to the creation of the Triodos Foundation in 1971, Triodos was born as an actual bank in 1980 in the Netherlands (■ Fig. 4.1). It currently has branches in four other European countries—Belgium, the United Kingdom, Spain, and Germany—and an agency that also allows it to work in France.

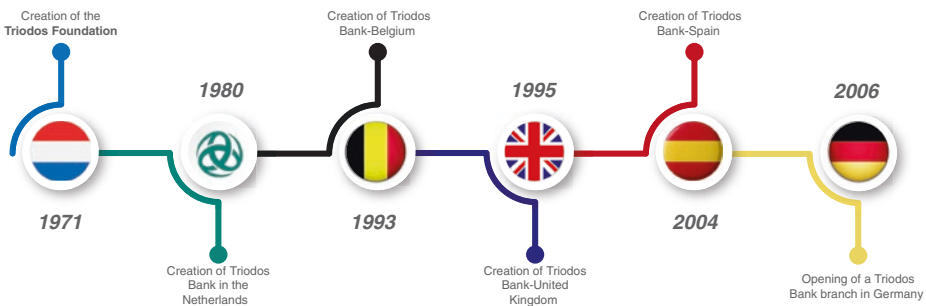
It is a small operation when compared to the European banking system as a whole, but it has been growing continuously in recent years. In 2018, the Triodos Group managed more than 15.5 billion euros in assets (45% more than in 2014) and had almost 840,000 private clients—33% growth in the last 5 years—and almost 68,800 client companies, 88% more than in 2014 (Triodos Bank, 2019a).

Triodos has a threefold mission as a socially responsible financial institution:

- To contribute to the promotion of quality of life and human dignity in society
- To help individuals, institutions, and companies to make responsible use of money from a social and environmental point of view
- To offer customers sustainable financial products and provide them with high-quality services

Triodos invests the money it receives from its clients in the “real economy,” in projects that have a truly positive impact on society. Specifically, it focuses its activity on three major areas:

- *Society*, which includes projects in the fields of social integration, care for the elderly, fair trade, development cooperation, and health
- *Environment*, mainly in renewable energy and environmental technology projects, sustainable construction and social housing, ecological horticulture and livestock-raising, and conservation of nature
- *Culture*, in a broad sense including art, cinema, education, sustainable tourism, and sustainable fashion



■ Fig. 4.1 International expansion of Triodos Bank. (Source: Own elaboration)

With this philosophy, Triodos finances, through its investment funds and micro-credit, projects developed in 65 countries, not only in Europe but also in Latin America, Africa, and Asia.

4.3 The Triodos Foundation's Donation System

Triodos Bank finances companies and social, cultural, and environmental projects that promote positive change in society. However, the bank is aware that there are other types of socially relevant projects that, by their nature, cannot be financed from a banking point of view. To support them, Triodos created the Triodos Foundation, through which the money donated by individuals and institutions is channeled to particular NGOs and small business projects whose positive social impacts are clear.

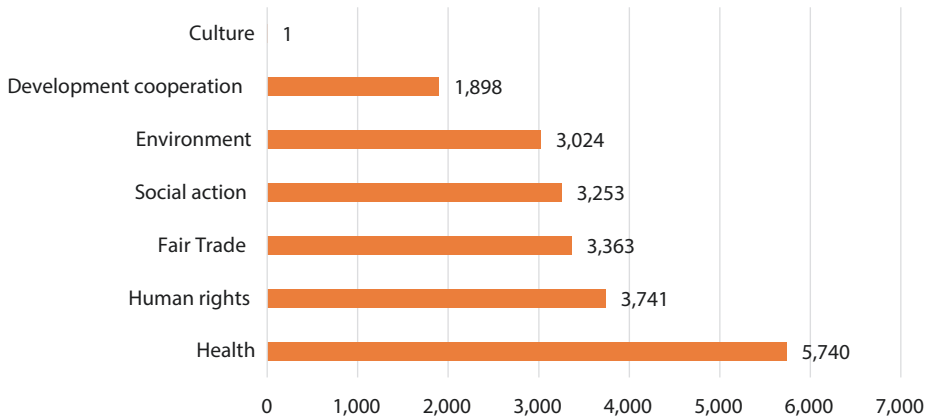
The donation system that Triodos employs allows its clients to make donations through three different channels:

1. *Direct donation to collaborating NGOs.* The bank has information on its website so that anyone who wants to can make a direct contribution to any one of the accounts that various NGOs have in the bank.
2. *Donation through projects' collective financing systems.* The Triodos Foundation in Spain has created its own crowdfunding platform in which nonprofit organizations, companies, and individuals can initiate campaigns to raise money for projects that will generate positive social, environmental, or cultural change (► www.fundaciontriodos.es/crowdfunding). Triodos helps spread these campaigns among its clients. In addition, each year, it selects one to convert into a *matchfunding* campaign so that, in addition to the funds obtained from citizen contributions, it receives extra financial support from the Triodos Foundation itself.
3. *Donation of interest,* through various solidarity-based financial instruments offered by the bank. Savings deposits are the most common solidarity-based products of the bank, whereby the client chooses whether to donate part or even all of the interest earned to any of the NGOs that collaborate with the bank. Another of the solidarity-based financial products offered is the Pension Plan, which will be discussed in the following section.

According to Triodos Bank's 2018 annual report (Triodos Bank, 2019a), interest donations made by the bank's clients that year came to 61 million euros, distributed among 269 NGOs. This was less than in 2017, when 84 million euros were donated to 366 different NGOs. As the report itself indicates, "The environment of low interest rates and the low rates applicable to savings accounts make it more difficult, and sometimes even impossible, for some clients to donate part of the interest they receive."

According to the activities report for 2018 (Triodos Foundation, 2019), the bank's clients in Spain donated a total of 21 million euros through interest. The distribution of donations by sector, according to clients' choices of NGOs and projects, is shown in ■ Fig. 4.2.

Thousand euros



■ **Fig. 4.2** Distribution of donations by activity sector. (Source: Own elaboration based on data from the Triodos Foundation (2019))

4.4 Triodos Bank's Solidarity-Based Pension Plan

Triodos Bank's pension plan was launched in the Spanish market at the end of 2016. Triodos Bank is the marketing entity, and Caser Seguros is the managing entity. It is classified in the category called "mixed fixed income funds," because most of its capital must be invested in fixed income. The money contributed by the participants is invested according to environmental, social, and good-governance criteria, according to the United Nations Principles for Responsible Investment. To be more specific:

- Up to 80% of the assets of the pension plan fund are invested in fixed income securities consisting of green bonds, corporate bonds of Triodos Investment Management (TIM), and sovereign bonds issued by stable democratic countries.
- Up to 20% are in equity securities, mainly in socially responsible investment funds managed directly by TIM, such as:
 - Triodos Microfinance Fund, whose mission is to contribute actively to the advancement of the x in developing countries
 - Triodos Renewables Europe Fund, which invests in renewable energy countries
 - Triodos Organic Growth Fund, which promotes organic production in Europe

In addition to being based on a socially responsible investment policy, this pension plan is a solidarity-based financial instrument. For each contribution or transfer that a client makes to his/her pension plan, both Triodos Bank and Caser Pensiones make a donation to an NGO project chosen annually. The donation depends on

■ **Table 4.1** Amount of donations according to contribution or transfers to the pension plan

Donation	Transfers to the pension plan	Contribution to the pension plan
5 €	30 €–10,000 €	30 €–1,000 €
7.50 €	10,001 €–30,000 €	1,001 €–5,000 €
10 €	More than 30,000 €	5,001 €–8,000 €

Source: Own elaboration from the Triodos Bank's website in Spain (2019)

the amount contributed by the client, according to the amounts collected in ■ [Table 4.1](#).

In 2017, a collaboration was set up with the Comisión Española de Ayuda al Refugiado – CEAR (Spanish Refugee Aid Commission, in English) – to help a project for hosting refugee families in Spain. The donation was intended to cover food, accommodation, health, psychosocial care, and social and legal aid for more than 150 stays in CEAR reception centers and flats.

In 2018, the collaboration agreement was with the Asociación para la Recuperación de Bosques Autóctonos – ARBA (Association for the Recovery of Native Forests, in English) – to carry out programs of awareness, conservation, and restoration of native forests in different parts of Spain.

The nonprofit organization chosen in 2019 was Amigos de la Tierra España (Friends of the Earth-Spain), to support the “Operation Plastic Off” project. This project tries to raise awareness about the contamination caused by plastic packaging, bearing in mind that, in the United States and Europe, approximately 140 kg of plastic per person are generated annually and only a fifth of the plastic produced is recycled (Amigos de la Tierra, [2019](#)).

Conclusions

The results of the donation campaign linked to the Triodos Pension Plan are shown in ■ [Table 4.2](#). During 2017, according to the data provided by the company, the pension plan reached more than 1,500 participants, who contributed an equity of four million euros. During the months of the campaign with CEAR, 5,200 euros in donations were raised.

The 2018 campaign managed to draw in 1.9 million euros, bringing the total capital of the Triodos Bank Pension Plan to more than 16 million euros, with 1,877 participants. Through the contracts and transfers generated during the campaign, a final donation of 9,417.50 euros was made. In March 2019, the ARBA invited the participants in the Pension Plan to collaborate with them and organized a day with the volunteers reforesting two native forests in the Madrid region.

In 2019, the pension plan continued to grow, attracting 4.9 million euros and reaching 2,120 participants. During the approximate 2 months that the campaign

Table 4.2 Results of the annual donation campaigns

	Number of pension fund participants	Funds received in the year	Amount donated to the NGO
2017	1,500	4.0 million euros	5,200 euros
2018	1,877	1.9 million euros	9,417.50 euros
2019	2,120	4.9 million euros	10,000 euros

Source: Own elaboration based on data provided by Triodos Bank

4

with Friends of the Earth lasted, 185 new participants were recruited, which allowed them to reach a €10,000 donation (the maximum amount established as a challenge).

As these data reflect, although it is still a small customer segment, this type of socially responsible and supportive financial product is gaining increasing acceptance. These clients are aware of the power that money has, as shown in their savings and investment decisions. As Mikel García-Prieto, CEO of Triodos Bank in Spain, indicated in an interview, “Every euro invested has a positive or negative impact on society and we cannot continue to look the other way, neither the bankers nor the depositors. Sustainable finance should not be a green line of business within the conventional financial system. Today, an exclusively numerical perspective of finances, which does not take into account the impact it generates on people and the planet, is not acceptable” (Triodos Bank, 2019b).

? Discussion Questions

1. Search other ethical banking or conventional banking entities for solidarity-based financial tools. Discuss their similarities and differences with those of Triodos Bank. You can consult other ethical banks on the web: ► www.gabv.org.
2. Form a discussion group with colleagues or other acquaintances to consider under what conditions you would be willing to donate all or part of the interest obtained through a financial savings or investment plan.
3. Form a discussion group to consider which type of nonprofit organization you would choose to allocate donations from a solidarity-based financial plan. To do this, take into account two characteristics of the organizations: object of action and geographic scope of action. In the first case, consider three types of organization: environmental, social, or cultural. In the second case, also consider three types: those that act in your local community, those that act in your country, and those that act in other countries (e.g., in developing countries).

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WWF Spain: Illustrating Factors at Play, Impacts, and Tensions in Cause-Related Marketing for Global Sustainability

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Contents

- 5.1 Introduction: Global Sustainability Challenges, Agenda 2030, and the Role of CRM – 57**
- 5.2 Case Development – 58**
 - 5.2.1 WWF, WWF Spain, and Marketing Strategies – 58
 - 5.2.2 WWF Spain and CRM Campaigns – 61

5.2.3 Impact of CRM Campaigns – 61

5.2.4 Key Drivers of Impact – 61

5.2.5 Critical Analysis – 64

References – 66

Learning Objectives

1. To understand the role of firms and of collaboration between firms and non-profit organizations, in the context of the current global sustainability challenges and the Agenda 2030
2. To reflect on the importance of cause-related marketing (CRM) on this regard
3. To explore key aspects of CRM actions for global sustainability, illustrated by the case of WWF Spain
4. To explore the impacts of the actions and the factors underlying them, in the case of WWF Spain
5. To critically examine WWF Spain actions, in order to unveil the limits, tensions, and contradictions of CRM actions of WWF and of CRM more in general for addressing global sustainability challenges

5.1 Introduction: Global Sustainability Challenges, Agenda 2030, and the Role of CRM

In September 2015, 193 Member States of the United Nations adopted the Agenda 2030, a plan for achieving a better and more sustainable future for all and a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect the planet. At the very heart of this Agenda, there are the 17 Sustainable Development Goals (SDGs), designed to be a blueprint to achieve a better and more sustainable future for all, applying to all nations and leaving no one behind (United Nations Global Compact, 2020).

Enthusiasts have celebrated the new agenda for several reasons: it goes further than its political predecessor, the Millennium Development Goals (MDGs); it has succeeded in combining the goals of economic and social development with those of the environment; it is conceptualized as universal (Koheler, 2016); it boosts processes of accountability between stakeholders (Cimadamore, 2016); and it emphasizes issues related to quality partnerships, equal relations, and accountability. Nevertheless, critical voices point out that it does not question the status quo, the existing development model, the global unequal power relations, and the structural causes at the bases of impoverishment and unsustainability (Belda-Miquel, Boni, & Calabuig, 2019).

In any case, most voices agree in that the Agenda 2030 has a collaborative approach. It calls for the responsibility of very different stakeholders, from business and social organizations to “common” citizens. It puts at the center the recognition of the key importance of creating new quality partnerships and committing various stakeholders, both public and private, in order to achieve the SDGs (Belda-Miquel et al., 2019). Particularly, the Agenda emphasizes the role of the private sector in partnerships for global sustainable development. This new emphasis opens new ways, debates, and controversies and calls for reflection and discussion.

Of particular interest is the role of partnerships between the private sector and global environmental non-governmental organizations, as they have been tradi-

tionally considered key actors in global sustainability debates and have gained renewed importance in the current context of the Agenda 2030. These organizations have in common the fact that they come out of conservation or environmental movements and that they seek to protect, analyze, or monitor the environment against misuse or degradation from human forces. However, they are diverse in the strategies they develop. Some are more critical and more focused in lobbying, denouncing, campaigning, and influencing governments and the public opinion, being more reluctant to collaboration with big firms. The cases of Greenpeace and Friends of Earth can be representative of this trend (Klein, 2015). Others also campaign and try to influence, but they are more focused on collaborating with all kind of stakeholders, including partnerships with firms and global corporations. The case of the World Wide Fund for Nature (WWF) is paradigmatic of this strategy.

In partnerships between firms and environmental organizations, cause-related marketing (CRM) has been widely used in the last decades and has gained increasing importance. It has been considered as a relevant instrument for supporting specific environmental actions, for advancing global sustainability causes, and for obtaining mutual benefits. However, it has also been criticized because of the limits, risks, and contradictions that the use of this instrument involves.

All in all, it is very relevant in the current context to address the importance and limits of CRM for global environmental organizations. The case of WWF is very relevant on this regard, given its reputation, scale, and influence. In order to go into more detail into the case, we will focus in the specific case of WWF Spain, which can be considered as representative of WWF strategies regarding CRM.

5.2 Case Development

5.2.1 WWF, WWF Spain, and Marketing Strategies

WWF is an international environmental organization founded in 1961 and the world's largest organization in the field of environmental and wilderness preservation, with over five million supporters worldwide. It develops more than 2,000 actions a year in more than 100 countries. Its stated mission is “to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature” (WWF, 2020). WWF runs “a positive action towards conservation” (WWF, 2020) and focuses on six major goals – forests, oceans, wildlife, food, climate and energy, and freshwater – and three key drivers of environmental problems: markets, finance, and governance.

The organization is very focused in partnerships: it envisions “a world in which people and nature thrive. We'll only get there if we work together (...). Collaborations and partnerships are key to success” (WWF, 2020). On this regard, WWF “seeks to work with those who have the greatest potential to reduce the most pressing threats to the diversity of life” and given that “the private sector drives much of the global economy (..) is also primed to lead on rapid adaptation and on the innovative solu-

tions needed to drive change” (WWF Spain, 2018). As an example, WWF has developed well-known and long-term partnerships with major companies in very different sectors, such as Coca-Cola, HP, H&M, and Google. The organization classifies these partnerships in sustainable business practices, philanthropic partnership, and communications and awareness raising. This last kind of partnership is strongly based in shared marketing actions (WWF Spain, 2018). WWF deploys a comprehensive marketing strategy, combining different marketing actions with partners, depending on the particular case. ■ Table 5.1 depicts the different marketing initiatives, as described by WWF.

WWF Spain is the Spanish section of WWF and one of the most relevant environmental organizations in the country. ADENA, precursor of WWF, was founded in 1968. It later joined the WWF network and changed its name to WWF/Adena. From 2009, it is called WWF Spain. It runs a number of conservation projects both in Spain and abroad and has also been very active in working for the real application of the global commitments, particularly of the Agenda 2030, in the Spanish context. For these aims, it works together with other major organizations (as UNICEF Comité Español [UNICEF – Spanish Committee] and Oxfam Intermon) and close to public administrations.

As its global matrix, it has been characterized by its strong orientation to the establishment of solid partnerships with international and national firms, developing different actions and comprehensive marketing strategies. These include several CRM campaigns. Some of these partnerships developing CRM are part of global alliances of WWF translated to the Spanish context, as the one with H&M. Others are specific of WWF Spain, as those with *Correos* or *Marca* (please see information on ■ Table 5.2 on the different firms mentioned). We will focus in some of these partnerships. The campaigns we will address have gained visibility and illustrate key features and the diversity of WWF Spain marketing and CRM actions.

■ Table 5.1 WWF marketing actions with partners

Type of marketing actions	Description
Licensing and co-branding	Using the famous WWF panda logo and WWF name to secure revenue and to build brand awareness
Sponsorship	Allowing corporations to show corporate support of conservation through sponsoring WWF campaigns and events
Workplace giving	Employer-sponsored programs that offer employees the opportunity to make a charitable contribution through payroll deduction
Cause-related marketing promotions	Connect more deeply with existing customers, employees, and prospects by supporting initiatives that are important to them

Source: Authors' proposal based on WWF (2019)

Table 5.2 WWF Spain's relevant CRM actions in 2019

Company	Information on company and partnership	Product	Revenue
Eroski	Supermarket chain with nearly 1,000 outlets spread across Spain. It is run as a worker-consumer hybrid co-operative within the Mondragón Corporation group. Establishments vary in size from big hypermarkets to local small supermarkets Partnership with WWF Spain since 2005	Reusable “solidarity” bags sold at <i>Eroski</i> supermarkets	100% of the benefits from bag sales are donated to WWF Spain for forest conservation projects
Correos	100% state-owned company responsible for providing postal services in Spain With more than 53,000 employees, it is one of the largest postal services in the world. It runs around 2,200 multiservice offices all around Spain Partnership with WWF Spain since 2010	Eco-friendly line of products (“Green Line” or <i>Línea Verde</i>), including envelopes, boxes, and packaging made out of recycled materials	For each packaging of the “Green Line” sold, two cents for reforestation projects and one cent for fire prevention are donated to WWF Spain
H&M	Swedish multinational company and one of the world's biggest fashion retailers Partnership with WWF Spain since 2016	New children's clothing collection, organic cotton-based and featuring animals at risk	10% of price of clothes in the collection is donated to WWF Spain for conservation projects
<i>Marca</i>	Spanish national daily sport newspaper owned by <i>Unidad Editorial</i> . The newspaper focuses primarily on football. It has a daily readership of over 2,500,000 people, the highest in Spain for a daily newspaper, and more than half of sports readership Partnership with WWF Spain since 2017	Edition of <i>Marca</i> on the World Environmental Day (the “Green <i>Marca</i> ” newspaper). It is a regular edition with some changes in the design	10% of sales of all <i>Marca</i> newspapers on the World Environmental Day are donated to WWF Spain for forest conservation projects
allSisters	Small swimwear brand based in Barcelona, focused in selling quality and eco-friendly women swimsuits, using reused plastic. Partnership with WWF Spain since 2019	Women swimsuits sold during #FriendlyFriday, 1 week at the end of November, including Black Friday	20% of sales donated to WWF Spain for sea conservation projects

Source: Authors' proposal based on WWF (2019), Correos (2019), and Eroski (2018)

5.2.2 WWF Spain and CRM Campaigns

WWF Spain adapts its marketing partnership strategy to each case. In some cases, different strategies are combined. For example, the actions with *Correos* combine co-branding (a new line of “green products” under *Correos* and WWF brands) and CRM (as 10% of sales of these products are donated to WWF Spain projects).

Moreover, partnerships combine marketing strategies with other activities, such as the improvement of sustainable practices in the firms. This is the case, for example, of the partnership with *Eroski*, in which CRM actions are combined with joint work for developing a new sustainability policy in the firm regarding fishery products and for raising awareness among children at schools on healthy and sustainable dietary habits. In any case, the approach of WWF Spain is to build long-term partnerships, in which the kind of shared actions and collaborations may evolve.

Regarding CRM, the specific strategy and the particular features of the campaigns adapt to the different companies and products. ■ Table 5.2 identifies some of the main CRM partnerships and campaigns developed in 2019, the products sold, and how the revenue for donation to WWF Spain is established.

As seen in ■ Table 5.2, the CRM strategy is varied in terms of products, commercialization, collecting of revenue for donation, and also the specific destination of the donated funds (i.e., the type of WWF Spain projects). Even if some partnerships are older than others, all have had continuity over time.

5.2.3 Impact of CRM Campaigns

It is difficult to have a complete and detailed picture of the very different impacts that these CRM campaigns may have had regarding the different stakeholders. However, we can assume that different positive impacts for the interests of some key stakeholders, WWF Spain, the firms involved in the partnerships, and consumers, take place due to the campaigns.

In order to identify some of these impacts, we consider categories and ideas on CRM advantages proposed by Galan-Ladero, Galera-Casquet, Valero-Amaro, and Barroso-Mendez (2013). Drawing on information and evidences from WWF Spain and different media, ■ Table 5.3 gathers several advantages for the different stakeholders, as well as some examples and considerations. More than a complete picture, this illustrates the scope and interest of these WWF Spain CRM actions.

5.2.4 Key Drivers of Impact

Although WWF Spain CRM campaigns adapt to different companies and specific aims, contexts, and situations, they seem to present some common key features that may explain the success of these marketing actions. We can recognize in the case some of the ideas on Buil, Melero, and Montaner (2012) on the key factors driving the success of CRM actions.

■ **Table 5.3** Advantages of WWF Spain CRM actions for key stakeholders

Stakeholder	Advantage	Examples and explanations
Company	Visibility in the media and publicity	WWF Spain CRM campaigns have appeared in specialized press (e.g., <i>Pinker Moda</i>), theme magazines (e.g., <i>Telva</i>), or general media (e.g., <i>La Vanguardia</i> newspaper, Telecinco TV channel).
	Reputation	Companies may benefit from the brand image of WWF Spain, one of the most known and reputed environmental organizations in the country
	Innovation and added value in products and lines	WWF Spain CRM actions seem to have served as drivers of innovation in some products. For example, the Correos' <i>Línea Verde</i> and the new H&M's children collection are innovative lines for these companies which offer new added value to buyers
	Strengthening other environmental actions	CRM actions may reinforce other aspects of corporate social responsibility of companies. For example, in the case of Eroski, building stronger relationships with WWF Spain through CRM seems to reinforce other joint actions, such as the development of corporate sustainability policies regarding fishery products
	Product and brand promotion	Considering these impacts, companies seem to improve brand equity
WWF Spain	Increase and diversification of funding sources	There are no specific data available on donations for each CRM campaign. Nevertheless, as an example, WWF Spain declared a 22,500 euro donation from Eroski's "solidarity bags" sales in 2018 and reported having planted 40,200 trees, thanks to the partnership with Correos since 2010. In 2018 public accounts, WWF Spain declares that 12% of a total income of 894,886 euros came from "marketing" activities (WWF-Spain, 2020)
	Visibility in the media and publicity	Campaigns have appeared in specialized press, theme magazines, and general media, among others. Moreover, WWF Spain has had access to in-store spaces (e.g., in the 2,200 multiservice offices of Correos). Like this, it arrives to very specific segments (e.g., clients of sustainable clothing such as allSisters) as well as to a broad audience (e.g., those of Correos)
	Strengthening other actions with partners	CRM actions may reinforce other actions by WWF Spain with partners
	Spreading the cause and mission. Awareness rising in wider publics	CRM reinforces messages and awareness rising campaigns, arriving to massive audiences. For example, it spreads WWF Spain messages on the World Environmental Day through the 1,800,000 newspapers sold by <i>Marca</i> . As another example, WWF Spain messages are present in the wide network of Eroski supermarkets or Correos post offices

■ **Table 5.3** (continued)

Stakeholder	Advantage	Examples and explanations
Consumers	Value added to the product	New values of sustainability and commitment with global challenges are incorporated in the value proposition of products
	Awareness and reflections	WWF Spain CRM campaigns may create new awareness and reflections on global sustainability challenges and solutions
	Ability to participate in causes	Campaigns provide an easy way for consumers to contribute to the solutions of global sustainability problems
	Feeling good in purchasing processes	Campaigns provide immediate and accessible feeling of good for being part of solutions for global sustainability

Source: Authors' proposal

Firstly, we have addressed how WWF develops *comprehensive marketing partnership* strategies, of which CRM campaigns are part. In some cases, WWF develops some specific strategies, and in some others, they are combined, as it was the case of co-branding and CRM with Correos. In turn, companies seem to develop campaigns also as part of a *comprehensive corporate social responsibility* strategy, as it is the case of Eroski.

Secondly, these CRM actions are framed as part of potential *long-term commitments*. As said, WWF Spain partnerships seem to be sustained in time. CRM may be a point of departure for new commitments and shared actions (as it may be the case with the recent agreement with allSisters) or may be a new action in the context of an older relation (as the case of Correos).

Thirdly, WWF is well-known for using very clear, simple, friendly, direct, and thus *effective messages*. This organization mostly uses constructive ideas focused on the solutions to environmental problems; it uses short messages, key ideas, and a lot of pictures in its website, campaigns, and reports; and it frequently uses the images of charismatic animals (as snow bears or koalas) in its communications on the media and in its products. It is not by chance that the world-famous panda logo is in fact the most recognizable image of any environmental organization worldwide.

Fourthly, the campaigns are grounded in the solid *reputation* of WWF Spain for the general public. However, it is to say that it has experienced some serious reputational problems recently in Spain.¹ It has also been criticized by journalists and scholars (see next section).

1 For example, some relevant newspapers (as El Mundo, 2019) have recently published that WWF has financed paramilitary forces which have attacked local communities in Asia and Africa.

Fifthly, consumers may perceive *consistency and adjustment* between the organization, the product, and the cause. WWF is very known because of its focus on conservation projects. Moreover, part of these projects are in very well-known natural spaces for the Spanish general population (such as Doñana National Park). In turn, firms take part in campaigns directly connected with their core business. In this way, consumers may find complementarity.

Finally, the *cause itself* seems to be relevant for Spanish consumers, as Spanish citizens seem to be increasingly concerned about global sustainability. Even if the issue of global challenges can be abstract for the public in general, WWF tries to make this more specific, by referring to the particular animals and ecosystems people know, may worry about, and identify with. Moreover, Agenda 2030 and SDGs are now more and more present in the public debate.

5.2.5 Critical Analysis

In spite of the advantages shown for the organization, the companies involved, and consumers, a critical analysis may reveal that WWF Spain actions may be not free from limitations, tensions, and contradictions. For this analysis, we draw on some of the types of concerns identified by Varadarajan and Menon (1988) regarding the potential adverse effects of CRM in general, in order to identify some specific questions regarding the case of WWF Spain.

Effects on the cause and mission. Critics may easily argue that the CRM actions above described may reinforce the existing unsustainable global model of production and consumption, so they do not really contribute to the cause. For example, encouraging buying physical copies of newspapers on the World Environmental Day (so the consumer can give a donation for a forest conservation program) may sound ironical and difficult to explain. The same could be said about buying clothes produced thousands of miles away from the selling point (even if they are made of sustainable wool, also carried along huge distances) or about encouraging consumerism and compulsory purchasing patterns, as those of Black Friday, in order to “save” people and ecosystems (Ponte & Richey, 2014). These practices of CRM have been criticized since long (Ballesteros, 2001; Smith & Higgins, 2000) for its ethical contradictions and for being counterproductive. From this critical perspective, the cause under study here, as it may happen in CRM campaigns, does not seem to be at the center.

Effects on consumer awareness. It can be argued that, in most of CRM campaigns, only very superficial awareness is created (Ballesteros, 2001). Consumers do not really reflect on the real and structural causes of problems and on the complexity of the solutions. As several authors have pointed, messages in CRM campaigns can make global development problems appear simplified, manageable, and depoliticized (Ponte & Richey, 2014). Like this, the deep and urgent problems of global sustainability – modelled by the political economy of global resources and by power relations between countries, companies, and social groups – are obscured. Images of charismatic animals and simplistic messages may be particularly misleading in this sense.

Effects on consumer giving behavior and attitude toward the cause. Considering all this, the solutions offered in the campaign may be demobilizing and counterproductive for the cause. Consumers may believe that they are doing enough by consuming (and donating), thus preventing deeper attitudinal changes to emerge. For example, thinking that buying “better” is enough may prevent attitudes as reducing consumption, re-using and repairing, buying local and organic products, etc. which may have much more impact.

Effects on the behavior of environmental organizations. Well-known journalists and academics have pointed at the risks of partnerships between environmental organizations and big firms of questionable reputation regarding sustainability. WWF has been openly criticized for greenwashing of environmentally damaging practices of some global corporations (Huisman, 2014; Klein, 2015) – denied by WWF. Some WWF partners have experienced solid accusations of human rights violations.² Independently of these particular accusations, the question is that some partnerships and CRM practices may focus more on financial profits than on the cause itself (Klein, 2015).

Effects on public perception. As Varadarajan and Menon (1988:70) state, organizations “can endanger public approval that has been built over a number of years.” The case of WWF illustrates that CRM practices can be a risk for global environmental organizations in general, as they may be increasingly perceived by public opinion as doing greenwashing practices for their own gains (Klein, 2015).

Conclusions

The new global Agenda 2030 and its Sustainable Development Goals recall for the responsibility of very different stakeholders, from business and social organizations to “common” citizens, to address the pressing global sustainability challenges. Building quality partnerships between firms and social organizations may be of key importance, and CRM may play a key role on this regard. In this sense, the case of WWF Spain illustrates the potentials, drivers, and tensions of CRM actions for addressing global sustainability.

The case illustrates that CRM can provide very different advantages to the different stakeholders: firms and nonprofit organizations, for example, may gain reputation, visibility, and learning. Consumers receive an added value and a chance to contribute to global sustainability. The cause itself is reinforced as WWF receive funds and recognition for its conservation projects.

Key success factors – present in the case of WWF Spain – may be adaptation of campaigns to different types of firms, sectors, products, and contexts; development of comprehensive partnership and marketing strategies; long-term visions; development of clear messages; existence of solid reputation; and perception of consistency by consumers and identification with the cause.

However, these actions are also problematic and can be critically examined regarding their principles and effects: CRM actions may reinforce the existing

2 For example, prestigious global newspapers such as *The Guardian* (2018) have denounced labor conditions of workers producing H&M products in Asian countries.

unsustainable and unfair practices of production and consumption; messages can be counterproductive in terms of consumer's awareness and education, preventing deeper changes; the interest of partners can be more important than the cause itself, so greenwashing may become the focus of these practices, and not a real commitment to global change.

For these reasons, it seems that deep reflection on CRM campaigns and practices is needed. Managers need to address all aspects of CRM campaigns and to be critical and creative, in order to explore ways to overcome potential contradictions.

5

? Discussion Questions

1. Do you believe that companies should have more commitment and responsibilities regarding global sustainability challenges?
2. Which impacts and which factors of success do you find more relevant or interesting for explaining the alleged success of WWF Spain? Do you find some other impacts or factors which have not been identified in the case?
3. Do you agree with the warnings toward CRM and the particular case of WWF Spain and with the arguments provided?
4. Which changes or which new kind of actions could be undertaken in CRM campaigns like those of WWF Spain in order to address the tensions and contradictions explained?

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Social Causes (I): Covering Basic Needs

Contents

- Chapter 6** **“Lighting Up Lives”: A Cause-Related Marketing Case to Solve Energy Poverty and Improve Quality of life in Pakistan – 71**
Hina Y. Bhatti, M. Mercedes Galan-Ladero, and Clementina Galera-Casquet
- Chapter 7** **Value Co-creation in Cause-Related Marketing: The Case of “El Turrón Solidario” (The Solidarity Nougat) Campaign by Lidl and Ayuda en Acción Foundation – 89**
Yolanda Díaz-Perdomo, Luis Ignacio Álvarez-González, and M. José Sanzo-Pérez

- Chapter 8** **Application of Cause-Related Marketing in the Fight Against Hunger: Case “Good Restaurants” – 103**
Azucena Penelas-Leguía, José María López-Sanz, Pablo Gutiérrez-Rodríguez, and Pedro Cuesta-Valiño
- Chapter 9** **Project “Soup of Aid” as a Cause-Related Marketing Campaign – 117**
Katarina Vitalisova, Kamila Borsekova, Anna Vanova, and Darina Rojikova
- Chapter 10** **The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua – 127**
Answin Vilmar
- Chapter 11** **TOMS: “We are in Business to Improve Lives” – 139**
M. Victoria Carrillo-Duran, and Ana Castillo-Diaz



“Lighting Up Lives”: A Cause-Related Marketing Case to Solve Energy Poverty and Improve Quality of Life in Pakistan

*Hina Y. Bhatti, M. Mercedes Galan-Ladero,
and Clementina Galera-Casquet*

Contents

- 6.1 Introduction – 72**
- 6.2 Case Development – 73**
 - 6.2.1 Pepsi Company Pakistan – 73
 - 6.2.2 Active Citizen Engagement (ACE)
Welfare Foundation – 74
 - 6.2.3 “Lighting Up Lives”
Campaign – 76
- References – 87**

Learning Objectives

1. To understand the CRM concept through the purchase of an FMCG¹ product (a soft drink)
2. To discover the importance of key factors in the development and success of a CRM campaign
3. To study how CRM has been implemented in a developing country, such as Pakistan
4. To analyze the campaign “Lighting Up Lives” in Pakistan in depth, considering its main results and its specific impact on benefiting communities and the Pakistani society in general
5. To highlight the importance of the moment chosen and the time of year chosen to launch and develop this CRM campaign and also to discover its meaning in Pakistan

6.1 Introduction

In this era of globalization, many organizations put the emphasis not only on economic aspects but also on social and ethical issues. However, firms from Asian countries still lack these activities. In Pakistan, multinational firms are more actively engaged in corporate social responsibility (CSR), in comparison to local firms, and especially in the holy month of Ramadan.

Specifically, the case presented will focus on the “Lighting Up Lives” campaign developed by Pepsi Company Pakistan, in collaboration with Active Citizen Engagement (ACE) Welfare Foundation (which develops the “Liter of Light” project in Pakistan, a global grassroots movement committed to providing affordable, sustainable solar light to people with limited or no access to electricity). This CRM campaign was run in Pakistan from 2015 to 2017. For each purchase of a 1.75L Pepsi bottle, PepsiCo would donate Re. 1 to “Liter of Light” project, to provide eco-friendly lighting to underprivileged communities.

The aims of this case study are to improve knowledge about CRM and its implementation in a global context, observing its characteristics and peculiarities when it is applied to Asian countries (not to Western countries) and discovering the importance of key factors to succeed. Its main results and its impact have also been taken into consideration.

1 FMCG stands for “Fast Moving Consumer Goods.”

FMCG are products that have a high turnover in the store, and their prices are relatively low. Their purchase is frequent, with low engagement. They are usually sold in packages in convenience stores, supermarkets, hypermarkets, and/or department stores, e.g., food, beverages, cleaning and drugstore products, and other consumables.

6.2 Case Development

6.2.1 Pepsi Company Pakistan

PepsiCo is one of the leading food and beverage companies in the world. In Pakistan, Pepsi is a dominant product, the number one soft drink, and it is popularly known as “the Pakistani National Brand.”

Pepsi was introduced in Pakistan in 1968, and nowadays, there are 12 bottling plants all around the country. Pepsi Company Pakistan has also launched other products to the market, such as String, Aquafina, Slice, Mountain Dew, Mirinda, 7Up, Lay’s, Kurkure, Cheetos, and Quaker Oats (Pepsi Company, 2020).

In 2015, all United Nations Member States introduced the Sustainability Development Agenda 2030. The layout of this agenda is to provide a “blueprint for peace and prosperity for people and the planet” (United Nations, 2020). Thereby, Pepsi Company has as its main priority to adopt Sustainable Development Goals (SDGs) and to create products in such a way that it gives benefits to consumers, suppliers, communities, and the planet as part of Pepsi’s mission. Pepsi Company Pakistan’s sustainability development goals are shown in ■ Table 6.1.

Nowadays, a growing number of nonprofit partners in Pakistan are working with Pepsi to improve the country’s environment, economy, infrastructure, energy poverty, and society.

■ Table 6.1 Pepsi’s sustainability goals

Priority	Goals
Next-generation agriculture	To advance environmental, social, and economic benefits to communities around the world by supporting practices and technologies that promote improved farmer livelihoods and agricultural resiliency
Positive water impact	To carry water to guarantee business continuity while positively contributing to the development of communities
Circular future for packaging	The world interacts with Pepsi’s packaging to deliver Pepsi’s vision of a world where plastic will never become waste
Improved choices across its portfolio	To reduce added sugars, sodium, and saturated fats
Climate change mitigation	To do Pepsi’s part to curb climate change by reducing greenhouse gas (GHG) emissions across its value chain
People and prosperity	<i>Human Rights:</i> To advance respect for human rights by using PepsiCo’s capabilities and scale <i>Diversity:</i> To promote a diverse inclusive workplace <i>Prosperity:</i> To increase women’s earning potential to reach economic growth and increase food security

Source: Adapted from Pepsi Company (2020)

6.2.2 Active Citizen Engagement (ACE) Welfare Foundation

Active Citizen Engagement (ACE) Welfare Foundation is a charitable non-governmental organization, which develops the “Liter of Light Pakistan” project (■ Fig. 6.1).

The “Liter of Light Pakistan” project is based on the “Liter of Light” global movement, a “do it yourself eco-friendly solar project aiming to uplift the lives of less fortunate communities still living and working in darkness in off-grid regions of Pakistan” (Butt, 2020). It tries to alleviate the growing energy crisis in the country, because of the rising energy costs and constant power outages.

Light is foremost for human being because there will be no life without light. Many people live in the darkness: 13% of the world’s population (almost 1 billion people) lives without electricity, that is, 1 out of 7 people still do not have access to electricity (UNDP, 2020). And most of them (85%) live in rural areas of the developing world. Thus, “when the sun goes down, communities or societies cannot feel safe and their lives come halt” (Liter of Light USA, 2020). Furthermore, 40% of the world’s population (3 billion people, according to the United Nations, 2020) depends on polluting and unhealthy fuels for cooking. The importance of this issue has made it expressly considered as one of the Sustainable Development Goals (SDGs) proposed by the United Nations to be achieved before by 2030 (SDG 7: affordable and clean energy).

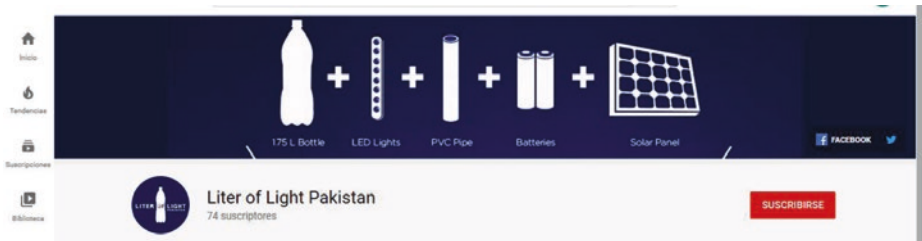
Liter of Light has as its main endeavor to provide light to poor communities who live in dark areas. They have produced and distributed low cost sources of light globally for a long period of time. The Liter of Light has provided high-impact eco-friendly solar lights (made of discarded plastic bottles that are up-cycled) to poor people who lived with no or limited electricity (“simple & low tech

■ Fig. 6.1 Logos. (Source: ACE (2020))





■ Fig. 6.2 Examples of outdoor light. (Source: ACE Welfare Foundation (2020))



■ Fig. 6.3 How it works. (Source: ACE Welfare Foundation (2020))

but high impact solar solutions to support off-grid communities to earn, learn and feel safe at night” – Butt, 2020 – ■ Fig. 6.2).

Plastic bottles are fitted with simple circuits, solar panels, motorbike battery, and LEDs (ACE Welfare Foundation, 2020).² Thus, the solar panel charges the battery attached to the circuit from direct sunlight that is designed to switch on automatically in the evening and also switch off upon sunrise (ACE Welfare Foundation, 2020) (■ Fig. 6.3).

Thus, in a time when plastic waste has become a serious global problem, the “Liter of Light” project has accomplished a double achievement:

1. To encourage people to collect plastic bottles and carry them to a “Liter of Light” center while at the same time collaborating with a good cause
2. To give a second life to packaging (recycling and reusing plastic bottles to make light)

This innovative solution proposed by the “Liter of Light” project can help the unprivileged families, who live without light, to improve their quality of life and

2 For more details about how to build a solar bottle bulb, see these videos in YouTube, from Liter of Light (2020):

- ▶ <https://www.youtube.com/watch?v=i5YQ4t5apPM>
- ▶ <https://www.youtube.com/watch?v=VhJ36dtsxIA>
- ▶ <https://www.youtube.com/watch?v=by5jo2IXocI>
- ▶ https://www.youtube.com/watch?v=cQCHvO2H0_0

Table 6.2 Four different solutions proposed by Liter of light

Light Type	Lighting Hours	Descriptions
Solar lamp	12–16 hours	It utilizes a very simple circuit and open-source technology. Parts may be sourced out locally. The lithium phosphate battery provides 12–16 hours of light every day. It automatically lights up at nightfall and comes with an on/off switch.
House light	12+ hours	A unit can light a room (up to 50 sq. meters) for a minimum of 12 hours. It comes with a 10-watt solar panel and has USB charging ports that can charge cellphones and other devices.
Street light	3 years (self-light)	A unit can light up an outdoor area (up to 50 sq. meters). It utilizes a deep cycle lead acid battery that will last for 3 years. It comes with a 10-watt solar panel and can withstand strong typhoons.
Moonlight	3–6 hours	Moonlight comes with a small pole mounted solar panel to charge its internal battery during the day in order to be used at night. Moonlight has two different lighting intensities.

Source: Adapted from Liter of Light USA (2020)

have a better access to education, health care, nutrition, and business. The four different solutions proposed by Liter of Light are summarized in **Table 6.2**.

Liter of Light started its first project in the Philippines, and this social responsibility program was highly appreciated worldwide. Nowadays, this project has expanded to 350,000 bottle lights in 15 countries. The Liter of Light offices are in the Philippines, the USA, and Colombia.

In these days, governments all over the world are considering these resources because they provide free energy, cause no carbon emissions, and require easy installation.

6.2.3 “Lighting Up Lives” Campaign

Pakistan is a developing country, with a fast and constant increase of population (its population growth rate is 2%, according to World Population Review, 2020). In 2020, Pakistan had over 233 million inhabitants, of which two thirds were settled in rural areas (CIA, 2020).

Although electricity is a basic need in their daily life, many villages are still suffering energy poverty in Pakistan (only 64% of rural areas have electrification – CIA, 2020). Approximately, one third of Pakistan’s total population is living in darkness, and more than half of the entire population is living without constant and affordable supply of electricity from the national grid (ACE Welfare Foundation, 2020).

■ **Fig. 6.4** “Lighting Up Lives.” (Source: ACE Welfare Foundation (2020))



For this reason, at the beginning of 2015, Pepsi Cola International decided to offer a partnership to ACE Welfare Foundation, which developed the Liter of Light Pakistan project. The title of this CRM campaign in Pakistan was “Lighting Up Lives” (■ Fig. 6.4).

This campaign became very popular because it gave light with cheap plastic bottles. The main aim of this campaign was to make life easier for all. Because of its success, it was repeated for 2 more years (all together, from 2015 to 2017).

6.2.3.1 First Campaign (Launched in 2015)

2015 was the first year for the partnership between Pepsi and ACE Welfare Foundation (with its “Liter of Light” project). The campaign was launched with the name “Lighting Up Lives” (■ Fig. 6.5).

The outstanding aspect of this campaign is that it was launched in social media in the holy month of Ramadan. Pakistanis love to drink Pepsi Cola at “Iftar” (the meal eaten by Muslims after the sunset during Ramadan). Therefore, Pakistani consumers are more actively involved in making donations especially during Ramadan. The slogan of this campaign was “Buy 1.75L Pepsi bottle, Donate Re. 1 to Liter of Light” (■ Fig. 6.6).

Another major aspect of this campaign was the rendition of “Noor-e-Azal Noor-e-Khuda,”³ which was sung by the Pakistani singer Abida Parveen, “with heartfelt voice, calm singing, and marvelous and powerful lyrics to explain inclusive story” (Pakistan Insider, 2016). The theme of the first campaign was emphasized on urban poor societies or communities living in houses with no sunlight (■ Fig. 6.7).

Pepsi encouraged young generations to participate in this campaign, contributing to reduce energy poverty during Ramadan.

6.2.3.2 Second Campaign (Launched in 2016)

The phenomenal response in the 2015 “Lighting Up Lives” campaign was extremely successful, and Pepsi changed the life of thousands of people who had been living without light.

3 “Noor-e-Azal Noor-e-Khuda” is a Pakistani song (lyrics is in “Urdu” language).

■ **Fig. 6.5** 2015 campaign.
(Source: ACE Welfare Foundation (2020); Liter of Light Pakistan – Facebook (2020))



The second CRM campaign was launched on social and electronic media, also during Ramadan, in 2016. But, on this occasion, new strategies were used to put the emphasis on education of young students, hospitals, and micro-businesses. For all of them, light was a dire need for improving their quality of life (■ Fig. 6.8).

This “Lighting Up Lives” campaign got to Mr. Ayub, a Pakistani teacher who teaches young students in a public park (these students cannot afford the school fee). Thanks to this campaign, Mr. Ayub was helped to overcome the energy poverty problem when teaching (these students) in the evening. Pepsi and ACE Welfare Foundation’s campaign provided free solar lights to Mr. Ayub’s students to go on studying after sunset (Butt, 2020) (■ Fig. 6.9).

6.2.3.3 Third Campaign (Launched in 2017)

After the overwhelming response obtained in the second year, Pepsi once again launched a new campaign in the holy month of Ramadan in 2017. The third campaign told the story of a little girl who was worried about her father. He had to come back home very late at night, walking through dark areas. They lived in the mountains, and the path was uneven and rough. Her father was guided by the light

“Lighting Up Lives”: A Cause-Related Marketing Case to Solve...



Fig. 6.6 “Lighting Up Lives” Campaign on Social Media. (Source: ACE Welfare Foundation (2020))

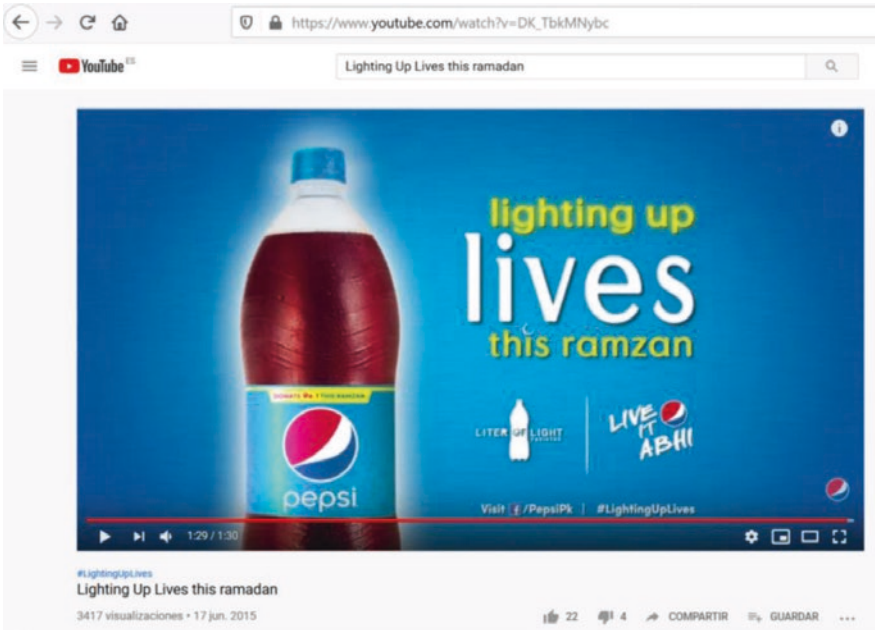


Fig. 6.7 Commercial from the first advertising campaign on Social Media (► https://www.youtube.com/watch?v=DK_TbkMNYbc). (Source: YouTube (2020))

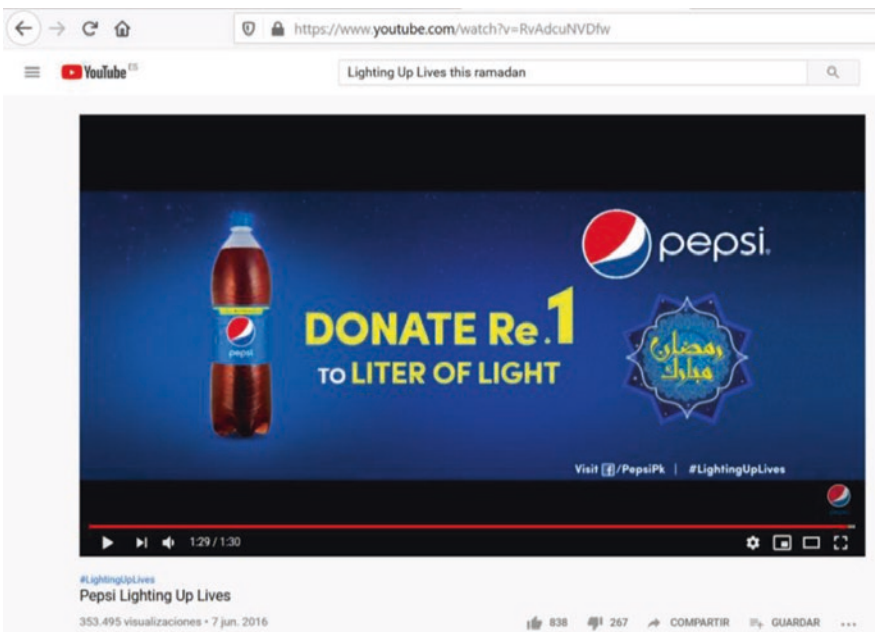
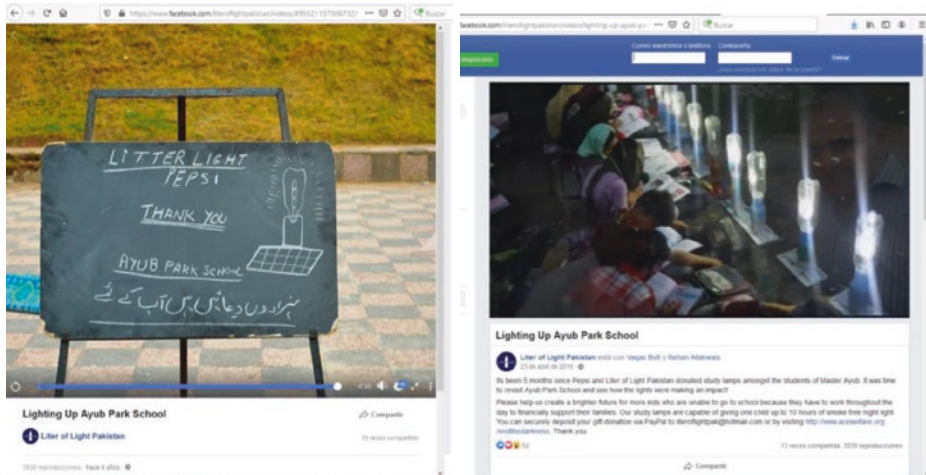


Fig. 6.8 Commercial from the second advertising campaign on social media (► <https://www.youtube.com/watch?v=RvAduNVDfw>). (Source: YouTube (2020))

“Lighting Up Lives”: A Cause-Related Marketing Case to Solve...



■ Fig. 6.9 Ayub Park School. (Source: Liter of Light Pakistan – Facebook (2016))



■ Fig. 6.10 Third advertising campaign on social media. (Source: ACE Welfare Foundation (2020))

of an old candle that she lit on the path. But the problem was not resolved. Then, her mother sent a message to Pepsi’s team telling them about her daughter’s problem, and the company installed the environment-friendly plastic-bottle light. Her father was very happy when his daughter lit the path.

So, the third campaign focused on empowering micro-businesses in off-grid villages in Pakistan and supported philanthropists like Dr. Noor, from Boyun, in KPK province, to better serve his community under the newly installed lights or the fishermen community living in Qasim Machi, in Sjawal (Sindh) to go on fishing at night with the help of solar lights (Butt, 2020) (■ Fig. 6.10).

This campaign movement showed different stories of millions of Pakistanis who are deprived of the basics of life (■ Fig. 6.11).

6.2.3.4 “Eyes Closed for Light” Campaign Launched in 2017

“Eyes Closed for Light” was another commendable initiative campaign which was launched in 2017. This leading campaign was run by some film and drama celebrities, such as Mehwish Hayat, Mehreen Syed, Atif Aslam, Hamza Ali Abbasi, Cybil



■ Fig. 6.11 Third advertising campaign on social media (► <https://www.youtube.com/watch?v=z3Q4gPAIwI8&list=RDz3Q4gPAIwI8&index=1>; ► <https://www.youtube.com/watch?v=VTfqXS4Eybo>; ► <https://www.youtube.com/watch?v=ZVqqAnWEGic>; ► <https://www.youtube.com/watch?v=YRjTpsJF6oo>). (Source: YouTube (2020))

Choudhry, Amna Babar, Mira Sethi, Adnan Siddiqui, and Munib Nawaz. They joined the “Eyes Closed for Light” cause and supported this initiative (■ Fig. 6.12).

This campaign did a magnificent work that year all across Pakistan. The “Closing the Eyes” campaign represented those people who lived without light and spent their lives in darkness. The goal of this campaign was to make visible the Pakistanis who lived in darkness and to improve their quality of life.

6.2.3.5 Main Results

The analysis of the “Lighting Up Lives” campaign in its three editions allows us to notice the following aspects:

- This partnership established through a formal agreement between one company (Pepsi, a multinational company) and one NGO (ACE Welfare Foundation, with an international project – “Liter of Light”), which participated in the CRM initiative. Only one specific product was included in the campaign (the 1.75 L bottle of Pepsi).
- The donation was very small (R1 for each bottle sold).⁴ It was rather symbolic, but it made visible the serious problem of energy poverty in the country.

4 One Pakistani rupee for each 1.75 L. bottle of Pepsi sold



■ Fig. 6.12 “Eyes Closed for Light” Campaign. (Source: Liter of Light – Facebook (2020))

- The cause was very relevant (it was a typical problem of a developing country, in general, and of Pakistan in particular: energy poverty and power outages). In addition, PepsiCo managed to give its packaging a second life, in a solidarity way, at a time when the serious consequences that plastic had for the environment were beginning to be denounced (plastic packaging was generating a really serious pollution problem worldwide).
- The duration of the three campaigns was limited to Ramadan time (it had, therefore, a short duration, although it was repeated year after year). However, Ramadan is a very special time for the Muslims, and because of that, its impact was very significant.
- It was a national campaign (although Pepsi carries out different CSR actions around the world, this specific initiative was carried out only in Pakistan).
- The campaign was broadcast on television, but also on social networks (Facebook, Twitter, Instagram) and YouTube.
- There was hard work to make the CRM campaign, with close collaboration between Pepsi and ACE Welfare Foundation.

» At the beginning of every year, the NGO planned for several months the project (the NGO working team chose about 50 villages all over Pakistan; they marked them on a map to show where they were located and to calculate the distance from one another; they discussed how to reach those villages (the best way to get there); they estimated how long the team would need to stay there for; expenses were budgeted, including logistics costs; and estimated the results). Finally, they wrote down all the information in a document, and handed it over to Pepsi.

Later on, they had a meeting with Pepsi managers to study and discuss the proposal. After that, when an agreement was reached, it was handed over to Pepsi CEOs, who cross-verified it. When it was approved, the NGO received part of the donation and began to implement the project. Several months later, the NGO received the rest of the donation to fulfill the project.

(Adapted excerpt from the interview with the president of ACE Welfare Foundation)

Regarding the main results obtained, the following aspects stand out:

- *Pepsi*, which was already a leading brand in Pakistan, noticed purchase motivation rise, and it increased its sales even further. It also positioned its brand as No. 1 in the country, compared to Coca-Cola, which was also beginning to implement social responsibility initiatives in the country (all at a time when the soft drink industry was beginning to be criticized worldwide because of the negative consequences that excessive sugar in soft drinks had on health). It also achieved greater brand loyalty from consumers.

Its image and corporate reputation in the country improved, positioning it as a socially responsible company, sensitive to local problems and committed to the SDGs (in particular to SDG 7, related to affordable and clean energy).

Regarding the communication of the campaign, although it was widely advertised through the conventional media and new technologies (social networks and others), it could have been even more complete, if it had provided further details of the final results obtained.

- On the other hand, *ACE Welfare Foundation* received great support for its “Liter of Light Pakistan” project, by partnering with a multinational company like PepsiCo, and it achieved greater visibility and spreading of its cause. It was the first time that this NGO had worked with a company in a CRM partnership; it had no previous experience in this type of collaboration with corporations, and nevertheless, “the experience was fantastic” (Butt, 2020). The main advantages for the NGO were (1) the recognition of the project; (2) the advertising (on TV and social media), and (3) the number of celebrities that got involved.

Furthermore, the information provided by the NGO ACE Welfare Foundation was very extensive, with a lot of photographic material published on their social networks (e.g., see Facebook), aiming to provide maximum transparency.

The members of the NGO team were especially satisfied with the project because it provided solutions to the problems rural communities had: they not only brought light (to those communities), but they also organized workshops to teach people how to make the devices.

However, what the NGO most appreciated, what was more relevant and rewarding for the NGO team, was the impact that this campaign had on these communities and their lifestyles.

- » Before that, they had to do everything by sunset, between sunrise and sunset. But later, they could experience new things thanks to the light: now children can play soccer after sunset, when the temperature is more pleasant in the desert, or when they have already finished their working day (for example in fishing areas); people can do evening work, such as study; and people can socialize, have a social life, creating in this way a physical and real community; or, simply, being able to walk safely after sunset. Definitely, it is an opportunity to be more productive...

... The response in all the communities was amazing. Furthermore, it was an opportunity to realize that, by joining forces, they could solve problems together (just talking about the problem was not enough).

(Adapted excerpt from the interview with the president of ACE Welfare Foundation)

In summary, what the NGO most appreciated was the feeling of happiness caused by the bringing “the gift of the light” to those remote, isolated communities difficult to access and in dangerous areas where no other NGOs go (areas crossed by rivers, mountainous areas with wild animals, desert, etc.) (📺 Fig. 6.13).



📺 **Fig. 6.13** Some photos of the project results in different villages. (Source: Liter of Light – Facebook (2020))

- This campaign offered consumers the possibility of collaborating with a good cause, during the holy month of Ramadan, buying a product they consumed regularly (and even more frequently in this special time). They also learnt and became aware of what was happening away from big cities in Pakistan, in the most remote rural areas of the country.

And regarding the campaign, in those 3 years, the funds obtained through the CRM program made it possible for the project “Liter of Light Pakistan” to benefit 70,000 Pakistanis living in more than 100 villages located in the KPK (Khyber Pakhtunkhwa), Punjab, Sindh, and Balochistan provinces of Pakistan (ACE Welfare Foundation, 2020) and also many schools, churches, mosques, and frames of Hindu communities.

6

Conclusions

Pakistan is a developing country. Therefore, it has to face many serious problems, and one of them is energy poverty. “Lighting Up Lives” was a very popular and successful campaign that helped to publicize and expand CRM in Pakistan.

“Liter of Light Pakistan” was an innovative project: with simple low-cost solar technology and discarded plastic bottles, it offered a high impact solution and supported the poor communities in the country, especially in rural areas, offering 100% eco-friendly solar energy and improving their quality of life highly.

Thus, this CRM campaign focused on two main aspects that are considered in SDGs:

- To offer affordable clean energy
- To contribute in the fight against plastic pollution, recycling, and providing a useful second life to Pepsi’s packaging

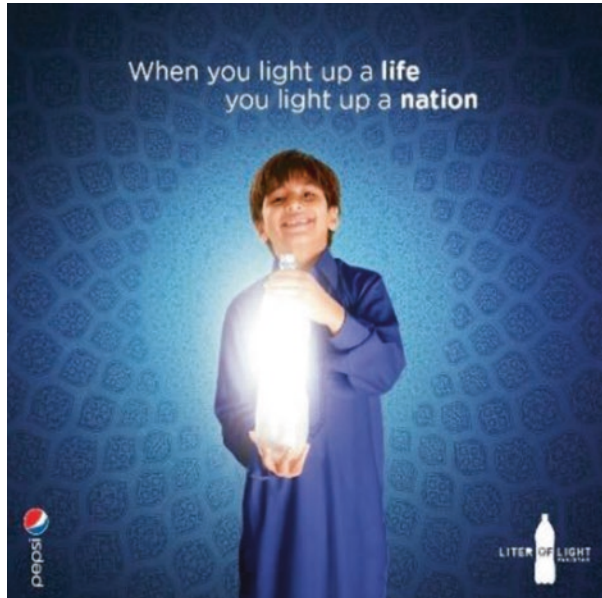
This case shows that cause-related marketing can be applied to all kinds of countries and cultures, with the media (whether traditional mass media and/or modern social media) having a great impact on reaching the target audiences.

This alliance between the multinational PepsiCo and the NGO ACE Welfare Foundation, and the fact of choosing a very important cause for the Pakistani population such as energy poverty (helping to solve it in the best possible way providing eco-friendly clean energy), has been a complete success and an example of a win-win-win strategy for all the parties involved.

This case also shows that chosen causes in CRM campaigns developed by multinational corporations in the countries where they operate might vary and be different, depending on the characteristics and social needs of each country (if it is a developed or a developing country). Cause segmentation according to the degree of development of the country might be an option for international firms that want to accomplish CSR initiatives in a global context.

Finally, the essence of the success of this CRM campaign was not only giving “the gift of the light” and “making things easier for them,” lightening their streets, their roads, their villages. It was also to “give them an opportunity to be able to experience other things.” Definitely, this CRM campaign lighted up their lives, bringing happiness to these rural communities (■ Fig. 6.14).

■ **Fig. 6.14** “Lighting Up Lives” campaign.
 (Source: Liter of Light – Facebook (2020))



Acknowledgments The authors are very grateful to Mr. Vaqas Attaullah Butt, President of ACE Welfare Foundation, for all the information and photos he has provided on this campaign and his availability to give us an interview, which has been very useful in this case.

? Discussion Questions

1. What do you think of this CRM campaign? Highlight its main strengths and weaknesses (pros and cons).
2. Should a multinational enterprise (MNE) adopt just a global cause? Or, on the contrary, should it adopt a different cause in each country to adapt itself to the local problems of each one?
3. Do you think this CRM campaign would have succeeded in your country? If not, what type of CRM campaign do you think would be successful in your country?

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Value Co-creation in Cause-Related Marketing: The Case of “El Turrón Solidario” (The Solidarity Nougat) Campaign by Lidl and Ayuda en Acción Foundation

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Contents

- 7.1 Introduction – 91**
- 7.2 Case Development – 92**
 - 7.2.1 Strategic Marketing – 94
 - 7.2.2 “Product” Variable – 95

- 7.2.3 "Price" Variable – 96
- 7.2.4 "Place" Variable – 98
- 7.2.5 "Promotion" Variable – 99
- 7.2.6 Campaign Outcomes – 100

References – 102

Learning Objectives

1. Identify the characteristics of cause-related marketing actions that companies, particularly the retailers, can develop within their corporate social responsibility (CSR) strategy
2. Analyze the activities carried out and the benefits obtained from the launch of the cause-related marketing campaign “El Turrón Solidario” (The Solidarity Nougat, in English) by Lidl and Ayuda en Acción Foundation
3. Define the strategy of value co-creation that Lidl and Ayuda en Acción have adopted to develop the cause-related marketing action “The Solidarity Nougat”
4. Describe the importance of applying the marketing-mix variables (product, price, place, and promotion) to develop the “The Solidarity Nougat” campaign

7.1 Introduction

From a marketing perspective, the importance of corporate social responsibility (CSR) has been substantially increasing in recent years (Pergelova & Angulo-Ruiz, 2013). In fact, different developments in marketing theory, such as value co-creation and service-dominant logic (SDL), provide a better understanding of how companies, customers, and other market participants co-create value through their interactions (Vargo & Lusch, 2004).

One of the key stakeholders for companies with which to co-create are non-profit organizations (NPOs) (Ramaswamy, 2009). Different types of collaboration between companies and NPOs can be included in the context of value co-creation (Austin & Seitanidi, 2012). In terms of cause-related marketing, the company's contribution to an NPO is linked and proportional to the sales of a company's product (Wymer Jr & Samu, 2003). Therefore, the company's donation ultimately depends on the behavior of the consumer (Galan-Ladero & Galera-Casquet, 2014) who stays loyal to the company's products when perceiving that it really supports the social cause (Cone, Feldman, & DaSilva, 2003).

In this context, the adoption of a value co-creation strategy between the company and the NPO in their collaborative relationships implies the following: (1) the participation of the collaborating company in the stages related to the process of collaboration (participation); (2) each partner gives and receives in the same proportion as the other party in the relationship (reciprocity); (3) the company's relationship with the NPO through the knowledge obtained from it (learning); and (4) the effective involvement of the company with the NPO to achieve a long-term relationship (engagement) (Bharti, Agrawal, & Sharma, 2015).

Therefore, the aim of this case study is to describe how Lidl, the well-known retail company, has co-created several projects with Ayuda en Acción Foundation, an important Spanish non-governmental organization (NGO), through the implementation of cause-related marketing actions. The main purpose of this alliance is to fight against child poverty in Spain. Thus, Lidl and Ayuda en Acción have collaborated since 2014 to try to mitigate the negative effects of the economic crisis on

the most vulnerable households, those with a lower income. In fact, the joint project is implemented at a time when 29.6% of children in Spain live in households whose incomes are below the poverty line (Ayuda en Acción, 2019).

Through the implementation of the cause-related marketing action “El Turrón Solidario” (The Solidarity Nougat), they have been able to raise funds to ensure that a large number of beneficiaries see their quality of life improved. Specifically, healthy living conditions in malnutrition situations have been ensured through healthy lifestyle and consumption. In addition, the lack of material resources derived from unemployment or the precarious employment of families in Spain has been addressed, and the early school leaving rate among teenagers has been reduced. Consequently, it has been shown that the commitment of consumers and organizations to the 5-year project has allowed the achievement of the expected campaign results.

7

7.2 Case Development

Lidl, a leading supermarket chain in the European food distribution sector (■ Fig. 7.1), has regularly developed collaborations with nonprofit entities, such as Ayuda en Acción Foundation, Aldeas Infantiles SOS, ACompartir, Soñar Despierto, etc., in order to achieve the positive impact corporate social responsibility (CSR) actions have on the environment to which it relates.

Specifically, Lidl has participated since 2014 in several projects carried out by Ayuda en Acción Foundation such as “Aquí también” (“Here too” in English) project developed by Ayuda en Acción to promote the welfare of the most vulnerable families by improving food conditions, quality education of children, as well as access to employment for young people and adults in households with a lower and more unstable income. This solidarity project has the following specific objectives: (1) to encourage the best development conditions for children and teenagers in real situations of vulnerability; (2) to promote the personal and professional development of parents; and (3) to promote community work in order to create support and work networks for social improvement, through educational communities, volunteering, public administrations, and the Spanish business.

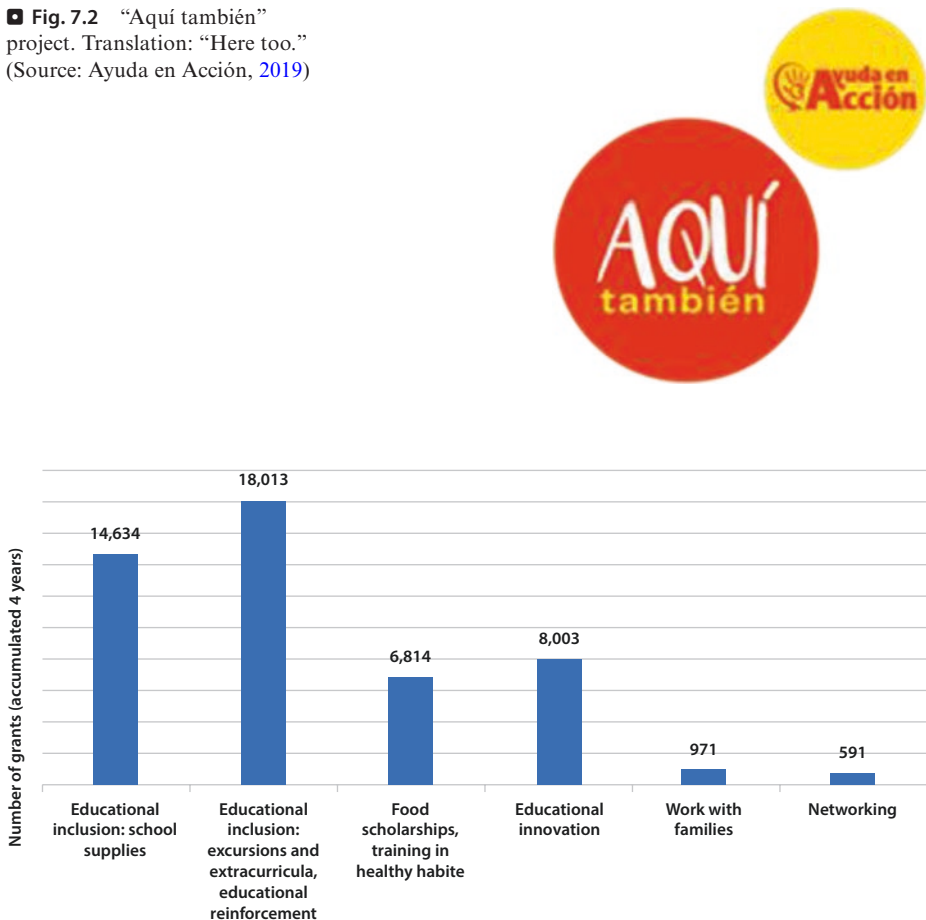
■ Fig. 7.1 Lidl logo. (Source: Lidl, 2019)



In this regard, Lidl's collaboration with "Aquí también" project (■ Fig. 7.2) is first embodied in the implementation of the Christmas campaign "The Solidarity Nougat," in which the company has donated a part of the sales of its private label DOR for marketing its nougats and Christmas products (5 euro cents for each nougat bar sold) to the NPO so that it effectively develops its programs and projects.

The Christmas campaign "The Solidarity Nougat" has been carried out for 5 years. This cause-related marketing action developed by Lidl collected 540,000 euros in the 5 years of alliance. The collaboration of the company in the project promoted the development of a series of activities by Ayuda en Acción, under the project "Aquí también," which met the needs of 21,157 people (Ayuda en Acción, 2019) throughout the campaign (see ■ Fig. 7.3):

■ Fig. 7.2 "Aquí también" project. Translation: "Here too."
(Source: Ayuda en Acción, 2019)



■ Fig. 7.3 Grants for activities carried out under the "Aquí también" project (2014–2018). (Source: Ayuda en Acción, 2019)

- Educational inclusion: scholarships for school supplies, educational reinforcement, psychotherapy or speech therapy, extracurricular activities, excursions, and summer camps
- Healthy living conditions: grants for school meals, snacks and breakfast, healthy lifestyle courses, and ophthalmological examinations. It is also worth noting that the project “La Mejor Receta” (“The Best Recipe” in English) aimed at training families in cooking, nutrition, and home economics techniques.
- Educational innovation: technology (projects to fight the digital and gender gap, choral music projects, etc.) and gastronomy (learning through cooking projects).
- Work with families: literacy for foreign parents, training and employment projects, and support for entrepreneurship and income generation.
- Support for the creation of networks: volunteering and mentoring to encourage reading and connection project between Spanish secondary school students and young people from southern countries.

Within the projects targeted at improving families’ living conditions, since December 2017, Lidl has been involved in a second project, “La Mejor Receta,” which aimed to train families in cooking, nutrition, and home economics techniques, by donating 120,000 euros from the sale of its solidarity nougat (Redsostal, 2019). Specifically, the development of this second co-created project allowed (1) more than 300 families to be trained in technical skills in cooking and home economics and (2) more than 200 young people to come into contact with the world of gastronomy through specialized training provided by this program.

Therefore, both entities co-create a joint project with the objective of obtaining the expected social and organizational value with the development of the alliance. On the one hand, Ayuda en Acción develops “Aquí también” and “La Mejor Receta” projects to meet the needs of its beneficiaries and effectively fulfill its organizational mission. On the other hand, Lidl raises funds for the implementation of the project, effectively boosting its CSR strategy.

Both entities have been involved with the initiative co-created by (1) the participation of the collaborating company in the different stages of the project, (2) the reciprocity between both parties, (3) the learning or dynamic linking of both partners through the acquisition of knowledge, and (4) the engagement to foster a long-term link between both entities. Furthermore, the marketing-mix variables of the strategy (product, price, place, and promotion) have been essential for the development and implementation of the projects co-created by both entities, as defined below.

7.2.1 Strategic Marketing

Lidl and Ayuda en Acción have been able to jointly develop several projects with the funds raised after carrying out this cause-related marketing action, which have allowed to fight against child poverty in Spain. Both organizations strategically

stand out for the adoption of value co-creation strategies in jointly developed projects. Likewise, the effective development of the cause-related marketing action “The Solidarity Nougat” has been characterized by the key dimensions of value co-creation: (1) participation, (2) reciprocity, (3) learning, and (4) engagement.

Firstly, the analysis carried out shows that both entities could have provided relevant information to be used in the different stages of the collaboration process, by offering suggestions for the development of this process and participating in the decision-making of the stages that define the collaboration. In this sense, the participation of both entities in these stages seems to have materialized in the identification or diagnosis of the problems/needs that have motivated the project; the definition of the agents or stakeholders involved in the project; its formulation, planning, or design; its dissemination and execution; and the monitoring and evaluation of results.

Secondly, Lidl and Ayuda en Acción could commit to the adoption of reciprocal behavior, by giving and receiving in the same proportion as the other party in the relationship. In this sense, we assume that they promote balance in the long term, if the costs and benefits of the collaboration were not equivalent at a given time. In addition, both organizations seem to believe that the collaboration relationship is characterized by the fact that each partner learns from the other. Furthermore, both organizations could encourage the joint review of past experiences to learn from success and failure. They could often question how to do things and are ready to change to adapt to new circumstances. Another characteristic of reciprocity that defines these entities is that they share the same goal in collaboration, to which we believe they are committed.

Thirdly, we understand that Lidl and Ayuda en Acción have encouraged learning or dynamic linking between both partners through the acquisition of knowledge. In this sense, each entity seems to acquire information from the other party that can be used in their own activities or processes. Such information is disseminated, shared, and/or applied within the organization, which allows them to be more efficient and/or to better perform their activities. In addition, we believe that each party introduces changes in its management or in its way of operating as a result of the collaboration.

Finally, Lidl and Ayuda en Acción managers seem to be committed to collaboration and fostering a long-term relationship. From the interventions of managers of both entities in the media, we observe that their staff shows great interest and attention to the project they carry out jointly. In addition, they seem to dedicate the time required so that the established objectives are achieved, proving to be personally involved in the collaboration and enjoying the co-created project and teamwork.

7.2.2 “Product” Variable

Lidl cause-related marketing action is materialized in its main and traditional line of Christmas products: nougat (■ Fig. 7.4). Specifically, a wide range of its own-brand product, DOR solidarity nougat, has been marketed: classic crunchy nou-

■ **Fig. 7.4** Line of DOR Christmas products: nougat. (Source: Lidl España 2019)



7

gat, traditional nougat, three-chocolate nougat, chocolate nougat with almonds, hard nougat without added sugars, truffle nougat without added sugars, marzipan and fruit nougat, cream and nut nougat, toasted yolk nougat, and peanut nougat.

In addition, this action has a strong presence in its other Christmas product lines: caramelized almonds, truffles, candied fruit, sugared almonds, and “all the ideal products for Christmas desserts.”

As shown in the different images included in the case, the initiative is very present in all the packaging elements of the solidarity nougat: boxes, wrappers, information about the campaign, or visual elements of the product and its brand (logos, typography, etc.). This way, it is possible not only to facilitate the protection of the product but also to strengthen the brand and generate emotions in the potential buyer that reinforce Lidl social and sustainable positioning. As a result, it is common to find Lidl and Ayuda en Acción images together in the different campaign presentations and their results in the media and other audiovisual resources (■ Fig. 7.5).


7.2.3 “Price” Variable

Lidl has a business model that allows offering high-quality products and gourmet items at competitive prices. Thus, 90% of the products marketed by the company are its own branded goods, eliminating duplication and offering only the most demanded products. Lidl discount chain has launched high-end products, up to 70% cheaper than the competition, coinciding with the Christmas campaign. Specifically, in Spain, the company’s commitment to gourmet products includes the sale of DOR solidarity nougat (■ Fig. 7.6).

■ Fig. 7.5 “La Mejor Receta” project.
Translation: “The Best Recipe.” (Source: Ayuda en Acción, 2019)




Por cada turrón solidario DOR que compres donaremos 5 céntimos al proyecto "La mejor receta"



Ayuda en Acción

[¡Infórmate!](#)

22.11. - 29.11.




DOR® Turrón crujiente clásico

Por cada turrón solidario DOR que compres donaremos 5 céntimos al proyecto "La mejor receta". Ayuda en acción.

-16%
1.19
0.99

250 g

22.11. - 29.11.




DOR® Turrón tradicional

Por cada turrón solidario DOR que compres donaremos 5 céntimos al proyecto "La mejor receta". Ayuda en acción.

3.99

300 g

22.11. - 29.11.




DOR® Turrón de chocolate

Por cada turrón solidario DOR que compres donaremos 5 céntimos al proyecto "La mejor receta". Ayuda en acción.

1.99

200 g

22.11. - 29.11.




DOR® Turrón de chocolate con almendras

Por cada turrón solidario DOR que compres donaremos 5 céntimos al proyecto "La mejor receta". Ayuda en acción.

1.99

250 g

Mousse de turrón.



■ Fig. 7.6 DOR solidarity nougat bars. Translation: “For each solidarity nougat you buy, we will donate 5 cents to ‘The Best Recipe’ project.” (Source: Lidl, 2019)

As anticipated, the Christmas campaign “The Solidarity Nougat” consisted of allocating a fixed part of the sale price of this product, 5 euro cents for each DOR solidarity nougat bar sold, to fund projects jointly developed by Lidl and Ayuda en Acción. The company’s customers who orient their purchase toward responsible consumption have been buying solidarity nougat bars throughout the 5-year Christmas campaign. The total amount collected was 540,000 euros (in 2018, the amount raised was 120,000 euros) (Redsostal, 2019), which highlights the high engagement of the company’s customers with the implementation of co-created social projects.

The fact of allocating a fixed amount of each bar to solidarity projects allows this cause-related marketing action to be positively affected by the usual discounts on these types of products. In particular, at the end of the Christmas period, it is common for distribution chains to carry out significant discounts on nougat in order to stimulate demand and reduce the final stock of a relatively perishable product.

7

7.2.4 “Place” Variable

DOR solidarity nougat is distributed in Lidl outlets throughout Spain. The solidarity product has been highly visible in the company’s supermarkets, providing truthful and attractive information for consumers. In this way, it has been possible for the company’s customers to easily know the characteristics of the solidarity product, encouraging their collaboration with this social cause promoted by Ayuda en Acción Foundation.

Furthermore, the company is betting on the sale of its products through e-commerce. Lidl has also joined the “Lola Market” platform (■ Fig. 7.7), where you can buy the entire Lidl food offer online, including fresh products, and receive the order at home the same day.

After the launch in 2018 of its online store, its e-commerce offer is expanded to sell its own bazaar brands. This service, which is currently available in Madrid, will expand to the other Spanish cities in the future, where “Lola Market” has a presence (Barcelona, Valencia, Bilbao, Zaragoza, La Coruña, etc.). *It was possible to acquire The Solidarity Nougat in the different e-commerce supports and under the same conditions as any other product.*

■ Fig. 7.7 “Lola Market” platform
(Source: Lidl 2020)



7.2.5 “Promotion” Variable

Gaining consumer trust is a key aspect of Lidl’s commitment to social responsibility and sustainability. The company encourages the customer to feel close to the brand and believe in it, which generates a boost in its reputation. In fact, Lidl promotes fluid communication within its ecosystem to achieve its business development. To this end, Lidl supports cooperation and dialogue between all its stakeholders, particularly promoting responsible consumption among its customers. In order to encourage external communication, in addition to relying on traditional mass media (TV advertising or written press, brochures, posters, billboards, etc.), Lidl uses its own digital media such as newsletters, websites, and social networks: Instagram, Facebook, Twitter, and YouTube.

In this sense, “The Solidarity Nougat” campaign has been promoted on social networks (■ Fig. 7.8), websites of both entities, digital press, etc. and has had a great reception not only by Lidl’s customers but also by the society as a whole. In addition, the promotion of the campaign at the point of sale has been characterized by offering specific and sufficient information about the project and has complemented the data in the solidarity nougat packaging. Finally, different public presentations of the solidarity campaign have been common in order to promote the image of both entities between public opinion in general and current or potential Lidl customers in particular.

■ Fig. 7.8 Ayuda en Acción social network. “If you buy DOR nougat this Christmas, you will show solidarity at @lidlspana: solidario.lidl-especial.es.” (Source: Ayuda en Acción, 2019)



Thus, the Christmas campaign has been effectively promoted and has reached a large number of customers committed to responsible consumption, which has guaranteed the establishment of a long-term relationship between Lidl and Ayuda en Acción. The results of the promotion of the cause-related marketing action are observed in the campaign validity and continuity, which has been jointly replicated for 5 years.

7.2.6 Campaign Outcomes

It is important to highlight that the cause-related marketing action “The Solidarity Nougat” is highly consistent with Lidl’s activities, as well as with the brand and its values, which shows a great commitment materialized in a business model oriented toward sustainable development. In addition, the campaign has been characterized by transparency in transmitting the project’s objectives. An emotional connection with the public has been achieved due to the fact that it has been possible to show that the aid reaches its destination. However, since the campaign was carried out only at Christmas time, when the number of donations tends to increase, some consumers might have considered that the solidarity campaign has a purely commercial objective. In fact, this circumstance could have had some impact on the results, despite the fact that the “The Solidarity Nougat” campaign has been carried out periodically during the Christmas period for 5 consecutive years.

Likewise, the results of the cause-related marketing action “The Solidarity Nougat” show different organizational and social benefits achieved during the 5-year alliance between the two entities. Thus, cause-related marketing activities co-created by companies and NPOs can generate social and organizational value. Companies can increase performance on their investments in social responsibility through partnerships with NPOs, as in the case of alliances established in cause-related marketing practices that can produce benefits for the recipients of the projects, the company, the NPO, and the society in general. Meanwhile, NPOs can fulfill their organizational missions more effectively.

Firstly, a total of 540,000 euros have been raised during these 5 years (Lidl, 2019). Thus, each year, Lidl has donated to Ayuda en Acción Foundation the money raised to fulfill the objectives set out in the programs and projects of the nonprofit entity (“Aquí también,” “La Mejor Receta”). In this sense, the results of the last project carried out jointly by both organizations, “La Mejor Receta,” show that its beneficiaries (families and young people) have improved their skills to access healthier eating.

Secondly, Lidl has effectively boosted its CSR strategy through the 5-year collaboration with Ayuda en Acción Foundation projects, which shows its long-term commitment to the social cause of the nonprofit entity.

Finally, the campaign has been promoted on social networks, the websites of both entities, the digital press, etc., and it has been very well received not only by Lidl’s clients but also by the society as a whole. The clients of the company who are aware and committed to the social cause acquire the DOR solidarity nougat in Lidl supermarkets. Thus, their trust in the company can be observed in the validity and continuity of the campaign, which has been jointly replicated by both entities for 5 years.

Conclusions

The main conclusion drawn from the case study is that companies apply marketing principles, like the co-creation concept, in their collaborative relationships with NPOs, through cause-related marketing actions, to effectively implement their CSR practices. Specifically, the case study shows how Lidl and Ayuda en Acción Foundation carry out jointly the cause-related marketing action “The Solidarity Nougat” to improve the situation of Spanish families with a lower income. This initiative, carried out from Christmas 2014 to 2019, has been characterized by Lidl’s donation of 5 euro cents of each DOR solidarity nougat bar sold to Ayuda en Acción Foundation, so that this organization can develop the projects and activities that support its social objectives. In this sense, they have developed various projects for 5 consecutive years (“Aquí también,” “La Mejor Receta”) with the funds raised with the solidarity campaign.

Therefore, the development of cause-related marketing actions by companies allows co-creating projects, services, activities, programs, etc. with nonprofit entities to ensure that beneficiaries meet their most pressing social needs and problems. The adoption of a value co-creation strategy and its four key dimensions (participation, reciprocity, learning, and engagement) achieves a significant improvement in investments that companies make in CSR practices and allows NPOs to comply with their organizational missions more effectively. Thus, the application of the value co-creation dimensions enables the beneficiaries of the projects to meet their needs and makes it possible for the value achieved with the alliance to have a positive impact on the society as a whole.

From the marketing perspective, it is essential, for the design and effective implementation of co-created projects through the development of marketing actions, that companies and NPOs follow a marketing-mix strategy through the application of its variables (product, price, place, and promotion). Likewise, in the cause-related marketing action carried out, there must be coherence between the cause, the products involved in the campaign, and the NPO values, so that the said solidarity campaign materializes in a long-term relationship between the company and the NPO, which allows to achieve the stated objectives in a real way. In addition, it is important to transmit transparent and truthful information on the results obtained.

? Discussion Questions

1. Describe the main characteristics of the cause-related marketing action developed, “The Solidarity Nougat,” as well as its objectives, activities carried out, duration, and social and organizational benefits achieved.
2. What are the main advantages and disadvantages of “The Solidarity Nougat” campaign for Lidl and Ayuda en Acción?
3. Define other possible cause-related marketing actions that Lidl and Ayuda en Acción Foundation could develop in the future to continue the co-creation of joint projects.
4. Design an online communication plan on social networks that contributes to enhancing the scope of “The Solidarity Nougat” campaign.

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Application of Cause-Related Marketing in the Fight Against Hunger: Case “Good Restaurants”

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Contents

- 8.1 Introduction – 104**
- 8.2 The NPO “Action Against Hunger” – 106**
- 8.3 Case Development: Restaurants Against Hunger, Good Restaurants – 107**
- 8.4 Initiative Development “Good Restaurants” – 108**
- 8.5 Restaurants Against Hunger in the World – 111**
- References – 115**

Learning Objectives

1. Understand the current situation of hunger and malnutrition of millions of people in the world, as well as the main reasons that cause this world scenario of famine
2. Through a case study, analyze what cause-related marketing (CRM) is and its usefulness, as well as its determining factors to achieve its objectives
3. Learn about the activities of the nonprofit organization (NPO) Action Against Hunger to combat child malnutrition, specifically in the application of CRM “Good Restaurants” initiative
4. Examine the application of different promotional instruments applied by an NPO, offline and online, in this CRM campaign

8.1 Introduction

8

World hunger, as well as malnutrition, constitutes one of humanity’s greatest threats. In **Fig. 8.1**, we can see that slightly more than 820 million people suffer from hunger or malnutrition, that is, one in nine people in the world. Therefore, achieving the number two goal of the United Nations Sustainable Development Goals by 2030 (zero hunger) is an immense challenge.

The incidence of hunger in the world has among its consequences the delay of child growth in the countries. According to data from the Food and Agriculture Organization (Naciones Unidas, 2019), in first-world countries, high levels of economic and income growth, as well as adequate access to food and basic services, play a very important role in fighting hunger and stunting children’s development. Hunger and malnutrition are estimated to kill over three million children a year.

All these data contrast with the close to three million people that according to the World Health Organization (WHO) die in the world from being overweight (World Health Organization, 2017) and with the huge amounts of food that are thrown in the garbage daily (Naciones Unidas, 2019).

In the fight against this situation of famine and malnutrition, the various reasons that provoke them must be analyzed. Among them, there are two that stand

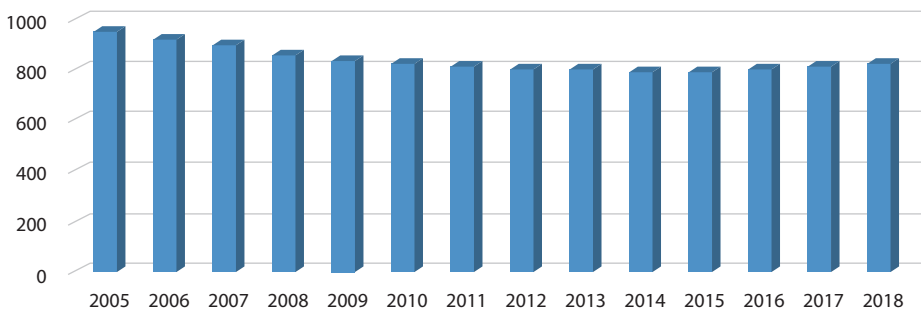


Fig. 8.1 Number of underfed people in the world (in millions)

out: the warfare conflicts, especially in third-world countries, which continue inexorably in our days, and the most recent climate change, but with devastating consequences, and which has acquired great relevance in recent years.

The armed conflicts that shake the third-world countries have as a direct consequence the increase of hunger in the population that suffers these conflicts (Yuste, 2013). According to the NPO Action Against Hunger (2019a), seven out of ten children suffering from malnutrition live in the middle of a war zone. In total, 489 million people in the world go hungry during armed conflict, although when it comes to conflicts in the world, they do not have to be violent to produce famine.

On the other hand, the unstoppable climate change that affects our planet is presented as a reality that will influence future global changes and the functioning of ecosystems (Durán & Sánchez, 2017; Müller, 2008). This phenomenon will also be responsible for numerous diarrheal diseases, malaria, and acute respiratory diseases (Moreno, 2018). Various authors also associate climate change with the reduction of crops and food, which can lead to malnutrition, hunger, and delayed child growth (Battisti & Naylor, 2009; Behnassi & Yaya, 2011; McMichael, Butler, & Dixon, 2015; Shindell et al., 2012; Tirado, Clarke, Jaykus, McQuatters-Gollop, & Frank, 2010). The forecasts of the World Food Program of the United Nations (2019) indicate an increase in droughts and storms, as well as sea levels, which will produce the destruction of land suitable for agriculture. The FAO in its reports “State of Agricultural Commodity Markets” and “State of Food Security and Nutrition in the World 2019” indicates that all this will bring about a considerable increase in the price of food products, with the consequent increased malnutrition and hunger. These problems will affect the most disadvantaged sectors and countries in a more considerable and important way, which are already suffering greatly from the problem of hunger. The effects of climate change on food will also lead to an increase in conflicts in these areas (Methmann & Rothe, 2012), which will transform the entire process into a vicious circle of poverty, since climate change will further affect the most needy areas of the planet, which in turn will cause more conflicts that will increase hunger in those areas.

But there are more reasons that make this situation worse. Factors such as the intensive use of land to produce a single crop, burning methods, and deforestation that damages mineral resources and displaces animals from their habitats are also related to the increase in world hunger (Maffra, 2017).

For many, the situation is such that they understand that the steps forward in the fight against hunger are less than the steps back, with the current generation being unable to eradicate hunger in the world (Yebes, 2019). However, it is necessary to continue combating this scourge, especially in those regions where rapid action is necessary to prevent hunger and malnutrition from growing further. And it is in this objective that some NPOs such as Action Against Hunger focus their attention. But to carry out their activity, they need financing, both public and private. It is in this last field where cause-related marketing (CRM) activities are developed. Among its characteristics, the collaboration of different parties stands out – NPOs, for-profit companies, and consumers – where each of them achieves their own objectives, but all united around a social cause, in this case study fighting hunger and child malnutrition in the world and the causes that produce it.

CRM is therefore considered as an alternative for NPOs, – in most cases with a great dependence on public funds – to obtain resources in the private sector. The decrease in public financing, the greater “competition” to obtain it, and the feeling of greater independence are some of the factors that have fostered its development (Penelas, Galera, Galan & Valero., 2012). But the CRM really appears as a source of competitive advantage for all the members of the relationship: the companies that do it, because their image and motivation to buy their products will be improved, in addition to obtaining tax advantages; the NPO, because it obtains resources, either monetary or in kind (goods, services), to carry out its activity, in addition to achieving greater visibility; the consumer, because he will feel that he collaborates and that the product incorporates a greater added value, for which he obtains greater personal satisfaction; and the social cause itself for which he acts will be better known, acquiring greater social recognition.

However, for this activity to work, there must be a correct relationship between all the protagonists of this relationship, the company, the NPO, the consumer, and the cause, since finally the donation obtained by the NPO depends on the success of the campaign. For this, the existence of coherence between the different parties involved is very important. There must be an affinity between the company, the social cause, and the NPO, so that satisfactory collaborations can be established for all parties.

It is not difficult to understand that, for society, the motivations of companies to join this activity can be questioned, so CRM programs must be credible. This can be achieved by guaranteeing to consumers that the company has not increased the price of the product or has decreased its quality and demonstrating that the program is not a “polished image”; that it is a serious, long-term commitment; and that it respects the different codes of conduct, both from NPOs and companies, of course, offering the maximum information to favor transparency (Galan Ladero & Galera Casquet, 2014).

8.2 The NPO “Action Against Hunger”

Action Against Hunger is an international humanitarian organization that fights against the causes and effects of hunger. In their annual report (Action Against Hunger 2019a) they indicate that their mission is to save lives by eliminating hunger through the prevention, detection, and treatment of malnutrition. They act both in emergencies and in the long term, addressing the consequences and causes of hunger. In 2018, the United Nations estimated the number of people in need of humanitarian aid to be at 135 million. The international network Action Against Hunger reached up to 21 million children, women, and men from all over the planet. They work within the framework of the Code of Conduct of the Spanish Coordinator of Non-Governmental Development Organizations (CONGDE), the codes of ethics and good practice of the Spanish Fundraising Association, and the Code of Conduct of the International Red Cross. Likewise, the organization also has its own code of conduct.

In its International Strategic Plan 2016–2020, the three main objectives are to mitigate the consequences of hunger, attack the causes of hunger, and modify the way of considering and addressing hunger. These goals contribute to the achievement of the 2030 Agenda for sustainable development. Zero hunger, good health, gender equality, clean water, and sanitation are the sustainable development goals that they emphasize (Action Against Hunger, 2019a: 13).

Although most of its funding is from public sources, 19% of the funds obtained by the organization are from private sources, specifically, 14% from partners and donors, 3% from companies and other donors, and 2% from other income (Action Against Hunger, 2019a: 66).

8.3 Case Development: Restaurants Against Hunger, Good Restaurants

This initiative, which developed in Spain in 2010, was promoted by the NPO Action Against Hunger and a group of restaurants that offered “solidarity” dishes and menus. The action is that a part of the price of this dish would be donated to the NPO for the active fight against hunger. To facilitate the action, the consumer can search the NPO’s website where the closest solidarity restaurant is located and select the solidarity dish from the menu or a full menu. For each dish, the establishment allocates an amount for the prevention, diagnosis, and treatment of child malnutrition.

Throughout the ten editions of “Restaurants Against Hunger,” more than 7,400 establishments have joined together, offering their diners the option of ordering a solidarity menu with which to contribute to child malnutrition. The type of establishments and the gastronomic supply is varied, offering both national and foreign dishes. For the NPO, they all have in common their belief that the hospitality sector must be in the battle against hunger. The adjective “good” of the participating restaurants refers not only to their gastronomic offer but also to their commitment to the cause of a world without hunger. The NPO Action Against Hunger indicates on its website that the amount collected in these ten editions totals 1.2 million euros, an amount that saves the lives of 30,000 children with acute malnutrition.

In 2019, the 10th edition was held. All the restaurants that participated in this project donated between € 0.5 and € 2 to the NPO. In total, 1,300 “Good Restaurants” joined this initiative. The novelty of this year was the launch of a guide, the “Guide to Good Restaurants” (■ Fig. 8.2), presented by “Chef godparents” Susi Díaz and Quique Dacosta. This Guide can be considered as revolutionary in the way it values restaurants, which will not only be good gastronomically, but also because they have solidarity dishes. As indicated on their website, they are considered *Good Restaurants* in every way, which means an improvement in the image of this and a differentiating element for the consumer. It also offers an online search engine that allows you to select Good Restaurants by province and types of cuisine on a map.



■ Fig. 8.2 Guide of the *Good Restaurants* 2019. (Source: Action Against Hunger, 2019b)

8.4 Initiative Development “*Good Restaurants*”

The “*Good Restaurants*” initiative starts from the definition of the cause in which it is acting on – fighting hunger and in particular child malnutrition. In order to raise the necessary funds for the actions of the NPO, a system is articulated through the donation, by restaurants (also bars and cafes) of an amount to be determined, by establishing solidarity dishes and menus.

To make this initiative known, various promotional activities are carried out on the cause, serving the different target audiences: on one hand, restaurants that are invited to participate and collaborate by registering for the campaign and, on the other, consumers, who go to these restaurants not only to eat but also to support.

In order to obtain the collaboration of the hoteliers, the NPO Action Against Hunger carries out various promotional activities, appealing with messages about the importance and leading role of their participation in saving lives and their motivating effect on their team while facilitating their registration (■ Fig. 8.3).

■ Fig. 8.3 Messages intended for the participation of restaurants. The main messages are: *Nothing can unite us more; Restaurants against hunger are back: sign up! Restaurants against hunger is possible thanks to establishments like yours, Participate; Sign up! It's simple.* (Source: Action Against Hunger, 2019b)

RESTAURANTES CONTRA EL HAMBRE CUMPLE 10 AÑOS

Este año, establecimientos de toda España se unirán ofreciendo platos y menús. En 2019 queremos ser aún más, ¡inscribete! solidarios para recaudar fondos contra la desnutrición infantil. ¡Te esperamos!

■ Fig. 8.4 Messages to the consumer. (Source: Action Against Hunger, 2019b)

They also send messages to the consumer, making him a participant in the cause (■ Fig. 8.4). The consumer will obtain a greater reward when eating in these *Good Restaurants*, since in his cooperation he not only obtains a restaurant service but also collaborates with the cause, feeling solidarity with it.

To publicize the campaign and facilitate the activity of interested restaurants, they are provided with the possibility of downloading, through the NPO website, different materials to promote both their restaurant and the campaign, among them a series of posters that can be hung on the facade of the restaurant identifying their participation in the cause, posters addressed to the staff of the establishment in order to motivate them by making them participate in the campaign (by explaining its dynamics to customers), and a leaflet placed on the table, so that

diners know the participation of the restaurant and how to collaborate in it (asking for a dish or solidarity menu). The restaurant is also provided with some piggy banks identifying the campaign, which in turn allow, if a client prefers to make, a direct contribution to the initiative (■ Fig. 8.5).

This initiative has always had the collaboration of great chefs with numerous Michelin stars (■ Table 8.1), which has given the campaign great notoriety. In each edition, these chefs have been sponsoring the campaign, being a source of



■ Fig. 8.5 Materials for restaurants. (Source: Action Against Hunger, 2019b)

■ Table 8.1 Some great collaborating chefs

Susi Díaz	Mario Sandoval	Quique Dacosta
Albert Adrià	José Carlos García	Joan Roca
Carme Ruscalleda	Paco Morales	Juan Carlos Padrón
Koldo Rodero	Ángel León	Pepe Rodríguez
María Marte	Daniel Yranzo	Nandu Jubany
Pepa Muñoz	Julio Fernández	Pedro Subijana
Adolfo Muñoz	Antonio Arrabal	Carles Gaig
Carlos Gamonal	Enrique Sánchez	Ignacio Echapresto
Javier Díaz		Jesús Sánchez

Source: Action Against Hunger (2019b)



■ **Fig. 8.6** Sponsors inviting collaboration. Newspaper headlines: *El Pozo invites hoteliers to join the “Restaurants against hunger” campaign, and “Restaurants against hunger” begins, a new challenge against child malnutrition.* (Source: Action Against Hunger, 2019b)

encouragement and prestige for it. Through various media, with their appearances and interviews, they have transmitted the objective of the campaign, also promoting new additions from the restaurant sector.

There have also been various sponsors in all editions who support this initiative. Along with the special help of the Spanish Hospitality Association and the Pascual Group as a special sponsor, other prominent sponsors are Makro, ElPozo, Sierra de Cazorla Mineral Water, and The Fork, an online restaurant reservation platform. Institutions such as Barcelona City Council; media such as *El Periódico de Cataluña*; Up Spain, a specialist in managing social benefits for employees; and the SEUR Foundation have also collaborated, as head of Solidarity logistics. Their collaboration has been varied, also collaborating in the dissemination of the campaign (■ Fig. 8.6).

The media used in the “Good Restaurants” campaign have been diverse, including both conventional (above the line) and unconventional (below the line). In conventional media such as television, press, and radio (off and online), the most frequent messages were to promote awareness of the campaign in general and to encourage restaurant registrations to it (■ Fig. 8.7), with the chef collaborators being the ones who promoted the news on numerous occasions.

Unconventional media were also used in a massive way, with gastronomic bloggers to reach a more specialized audience and social networks, both from professionals and people related to the initiative (mainly blogs, Facebook, Instagram, Twitter, and YouTube). This digital communication strategy is having great relevance in the campaign (■ Fig. 8.8).

8.5 Restaurants Against Hunger in the World

But this campaign has not focused solely on Spain. Various countries such as Colombia, Peru, and Guatemala have also wanted to join this CRM initiative.

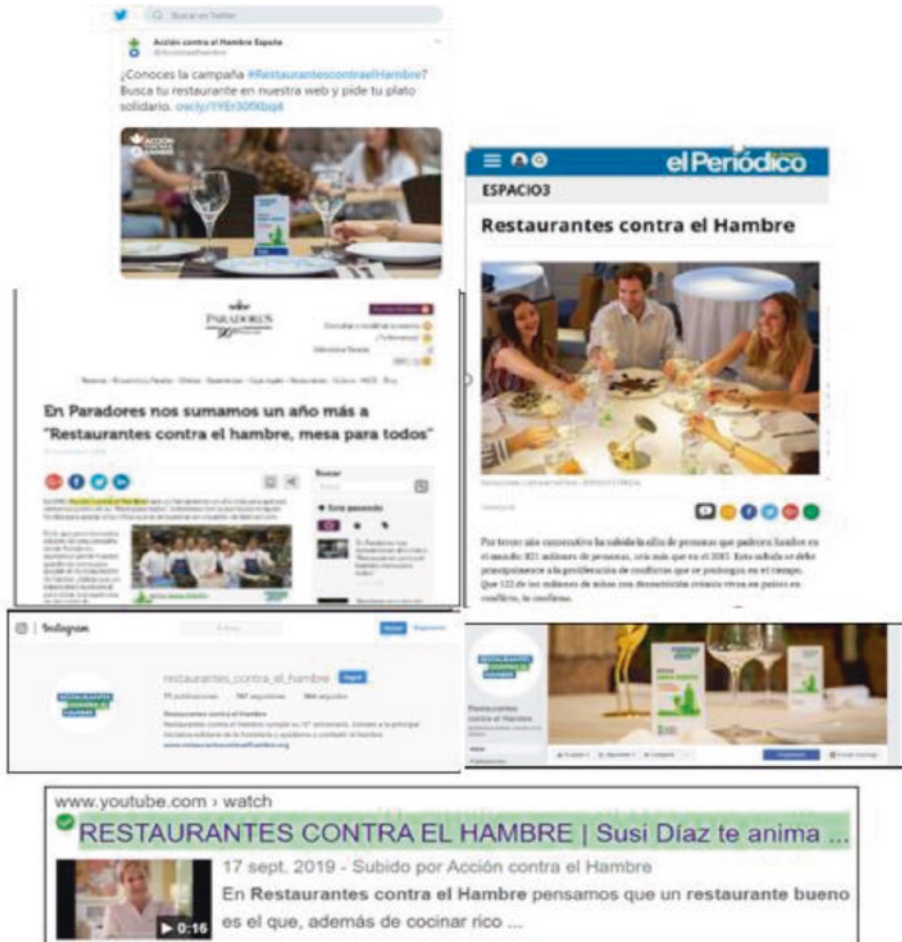
In the case of Peru, in 2019, it was the 8th edition and, as in the case of Spain, it had the participation of renowned chefs in the country such as Betzi Albornoz and Moma Adrianzén, among others. In this case, for each dish consumed in the



8

Fig. 8.7 Conventional media communication campaign. Headlines: 1,200 Restaurants will offer solidarity dishes to fight hunger; Restaurants against hunger begin their fight against child malnutrition; 350 Madrid restaurants against child malnutrition; Chef José Carlos García encourages Andalusian restaurants to show solidarity. (Source: Action Against Hunger, 2019b)

promotion, 2 pesos (0,48 €) were donated to the NPO. In addition to developing various projects nationwide, this year, everything that is raised will go to the project to reduce child malnutrition in the Santiago de Lucanamarca District, in Ayacucho. Since 2018, the work of the organization has reduced chronic malnutrition by 2.4% in the said district in children under 5 years of age and anemia by 11% in children under 3 years, thanks to a comprehensive work articulated with the families of the community and the support of public and private institutions, collaborating to end malnutrition in the country itself (Action Against Hunger, 2019c).



■ **Fig. 8.8** Unconventional online media. Headlines: *In Paradores we join one more year in "Restaurants against hunger, table for all"; Restaurants against hunger; Susi Díaz encourages you to join the cause.* (Source: Action Against Hunger, 2019b)

In Colombia, the 5th edition has had international exceptional sponsors such as Quique Dacosta and national sponsors such as Charlie Otero and Diana García, chefs of recognized prestige. The money raised is used to promote projects against child malnutrition in the country. Following similar characteristics with other campaigns, the amount to contribute is a percentage of the price of the dish (Action Against Hunger, 2019d).

Regarding the 3rd edition in Guatemala during 2019, the ambassador of this action was the famous Guatemalan chef Mirciny Moliviatis, in addition to other famous chefs such as Roberto de la Fuente or foodie Karen Ascoli. The proceeds were donated to Chorti communities of origin in the municipalities of Jocotán,

Camotán, Olopa, San Juan Ermita, and Chiquimula, to bring water to the so-called dry corridor. A total of 750 families benefited from this initiative. In this case, each restaurant will decide independently how much it will donate and what products will participate in this initiative. According to sources from the NPO itself, Guatemala is the Latin American country with the most chronic malnutrition, 49% of the population, reaching the figure of 80% in the Department of Chiquimula (García, 2019).

Conclusions

World hunger and child malnutrition are causes of complex solution, which is not an impediment to continue fighting against them and the causative factors. Therefore, the NPO Action Against Hunger, in addition to public funding, is looking for ways to obtain private funds and thus continue fighting in this field. The CRM allows, through the agreement between a company and an NPO, to collaborate in a social cause and thus obtain a mutual benefit. It appears as a source of competitive advantage for all members of the relationship: companies, the NPO, the consumer, and the social cause itself. However, not everything works, and there are several requirements that must be met for the relationship to work, including coherence between the parties to the initiative and long-term commitment.

The initiative studied is characterized in that it is favorable to all parties. It enables the NPO to obtain funds for the fight against world hunger. Specifically, it is used to carry out campaigns against child malnutrition in the countries most affected by famine. Restaurants also obtain a series of benefits, among which the following stand out: promoting the image of the restaurant, obtaining a differentiating element compared to other restaurants, increasing employee motivation, obtaining promotional material on the free initiative to attract and retain customers, and advertising and promoting themselves through different online and offline media, in addition to tax advantages. Consumers who come to these restaurants also benefit and feel that they are not only obtaining a restaurant service, but they are collaborating with this important social cause, the fight against hunger and child malnutrition, cause that, in turn, will acquire greater recognition and notoriety in society.

To make this initiative work, it must be properly promoted in two target segments: restaurants and consumers. In the case of restaurants, they are invited to participate and collaborate by registering for the campaign, and in the case of consumers, they go to these *Good Restaurants* where they not only eat well but also support the cause.

The study shows that the collaboration of prestigious people in this field (chefs) who join the cause and the deployment carried out both offline and especially through online media with the use of social networks allow this greater approach.

This CRM activity, which in Spain reaches the 10th edition, has been successfully extended to other countries such as Peru, Colombia, and Guatemala.

? Discussion Questions

1. Do you consider that the private sector and consumers must collaborate to eradicate a cause like hunger in the world?
2. Can CRM be a financing alternative for NPOs? Indicate the parties involved in a CRM action in general, and in particular in the CRM action “*Good Restaurants*”, as well as the benefit that each of the parties involved achieves.
3. Do you consider that “*Good Restaurants*” is a coherent CRM action? Why? Do you think there is a lasting commitment between Action Against Hunger and restaurants?
4. Which are the two target audiences of the promotional activities carried out in the “*Good Restaurants*” case? What are the messages of these activities?
5. Do you think that the participation of prestigious chefs as godparents is appropriate? What types of media have been used to promote the analyzed cause?
6. Do you consider that this application of CRM is exportable to other countries? If so, should they be adapted to the conditions of each country?

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Project “Soup of Aid” as a Cause-Related Marketing Campaign

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Contents

- 9.1 Introduction – 118
- 9.2 Case Development:
Cause-Related Marketing
Campaign of the Restaurant
Rak Based on the Participatory
Approach – 119
 - 9.2.1 Soup of Aid – 120
- References – 125

Learning Objectives

1. To understand the core of cause-related marketing and its specificities in cooperation with the stakeholders from private, nonprofit, and public sector
2. To analyze crucial factors of successful cause-related marketing campaigns
3. To promote discussion on new forms of cause-related marketing campaigns

9.1 Introduction

In the twenty-first century, society is aware of the importance of responsible behavior in everyday life, as well as in the business, public, and nonprofit sectors. Because of globalization and increasing competitiveness at national and international levels, competitors on the market must look for new modern ways and tools on how to ensure the quality of the products and services offered and to change the behavior toward its stakeholders. Organizations are trying to take responsibility for their actions and to be responsible and fair to their employees, the local community, and the environment while still making profit. Therefore, the aim of a modern organization is to generate profit or benefits in accordance with environmental protection, along with support and fair access to its employees and the community.

Cause-related marketing (CRM) is one of the tools that support corporate social responsibility (hereafter CSR). It is a relatively new tool whose implementation in the Slovak Republic is still more associated with international private companies.

In the Slovak Republic, the Business Leaders Forum defines CSR as a voluntary commitment of companies that plan to behave responsibly concerning the environment and the society in which they operate. Companies that have adopted CSR principles voluntarily set high ethical standards, strive to minimize negative environmental impacts, care for their employees, maintain good relations with them, and contribute to supporting the region in which they do business (Kuldová, 2010).

The idea and concept of CSR and responsible behavior in business began to gradually develop in Slovakia at the end of the twentieth century. This was mainly due to the arrival of multinational corporations and concerns. In connection with the existence of this idea, the Association of Business Leaders Forum was established in the former Czechoslovakia (later operating mainly in the Czech Republic). The aim of this association was to support the implementation of CSR in management in private companies, government, schools, or local communities.

The development and increase in awareness and use of the principles of socially responsible behavior is also evidenced by the result of a survey conducted by KPMG on a sample of 4900 companies in Slovakia. It shows that companies governed by the principles of social responsibility in Slovakia increased from 48% in 2015 to 55% in 2017 (The KPMG Survey of Corporates, 2017).

According to the research realized by Musová (2015) in 2014, awareness about cause-related marketing in the Slovak Republic was relatively high (one third of

400 respondents knew of specific projects). However, the respondents did not sometimes correctly understand the nature of cause-related marketing (e.g., they confused cause-related marketing, social marketing, long-term and recurring charities collections, etc.) that can be solved by more precise communication activities as a part of cause-related marketing. A positive feature, which represents a great challenge for businesses (Musová, 2015; Musová & Huliaková, 2015), is that a higher awareness is specific for those respondents of a younger age. Another research conducted by the University of Žilina in 2015 (Moravčíková, 2016) identified more suitable areas of cause-related marketing in Slovakia. These include health care, environment, activities for children and youth, and education.

Finally, published research from 2017 (Huliaková & Musová, 2017) confirms the increasing tendency of cause-related marketing campaigns. The research was conducted among 191 companies where 94% of them have an experience of at least one form of cause-related marketing campaign and 26% of the companies, usually medium-sized, tried to regularly implement them into their activities.

In the Slovak Republic, the most famous campaigns of cause-related marketing are conducted by international companies such as LIDL, AVON, Tesco, IKEA, Kaufland, etc. This can be caused by the longer tradition of these activities in the companies' country of origin and also their subsequent transfer to Slovakia. However, a few extraordinary positive examples of the local organizations can also be identified, and the campaign of the local company Restaurant RAK in cooperation with the local community foundation is one of them.

The case of CRM campaign realized by Restaurant RAK in cooperation with local stakeholders was selected as one of the best-practice examples and can also be a source of inspiration for other organizations in Slovakia or abroad. The case study is elaborated on the basis of secondary data collected from official websites, reports, papers in journals, and newspapers. The source of primary data was the in-depth interviews with the representatives of the presented organization, involved stakeholders, and participants.

9.2 Case Development: Cause-Related Marketing Campaign of the Restaurant Rak Based on the Participatory Approach

Banská Bystrica is the sixth largest city in Slovakia, the regional capital and the cultural and economic center of central Slovakia. The city of Banská Bystrica is also known as the “City under the Urpin.” Urpin, with a height of 510 m above sea level, is in the cadastral area of Banská Bystrica, near the center. The city is a seat of various institutions of national, regional, and district importance. The city of Banská Bystrica covers an area of 103.4 km², with 76,434 inhabitants. The Banská Bystrica's largest employers are from the service sector. There are more than 6,000 legal entities and more than 5,000 entrepreneurs/self-employed persons in the city. Because of the great dominance of service providers, also, the core of economic activity in the city is in their hands.

One of the companies with the longest local tradition is the Restaurant RAK. The restaurant, with the same name, is situated at the main square of the

city from 1,524. The policy of the local restaurant is based on the traditions and honest cuisine. In the restaurant, the meals are prepared from local ingredients, and it avoids semi-finished products. The company includes its own craft brewery producing its own brand of beer called Krebs.

The company is one of the main organizers of the cause-related marketing campaign – the Soup of Aid.

9.2.1 Soup of Aid

The “Soup of Aid” is a regular cause-related marketing campaign that has been organized since December 2018. The main organizers are the Restaurant RAK and the Healthy City Community Foundation (HCCF) founded in 1994 in Banská Bystrica (Central Slovakia) as the first community-type foundation in Central and Eastern Europe. Its mission is to identify and connect the potential and needs of the community to improve the quality of life in Central Slovakia. This mission is consistently fulfilled through grant programs for civic initiatives and nonprofit organizations from the Central Slovakia region which support donation and philanthropy programs in providing opportunities for mutual learning, tolerance, openness, acceptance, and knowledge of local history, traditions, and culture. The core activities of HCCF are oriented toward three basic areas: grant programs, development of donations and philanthropy, and projects improving relationships between people and place where they live. The HCCF encourages people and organizations to invest in the place where they live, where it is the most needed, and where they can achieve positive long-term changes. The HCCF brings the idea of Soup of Aid to Banská Bystrica and was inspired in this event by a civic association, Our Bardejov, from Eastern Slovakia. The Restaurant RAK was a partner of the event from December 2018. Firstly, it provided only space, but after great success of the first “Soup of Aid,” it offered also preparing soup for free.

Every second Monday of the month from 11 a.m. to 2 p.m., people in Banská Bystrica are invited by the campaign to give up their lunchbreak and come for a good bowl of soup in RAK, which provides the room and soup. People donate the amount they would usually pay for their lunch or voluntarily donate a higher sum to a family in need (1 soup = € 1.50 estimated lunch cost and average donation € 5.92). The soup is always served by a different group of volunteers, inter alia also by students of the Matej Bel University (■ Fig. 9.1).

The family in need is selected by the HCCF with the help of the civic association Return that has been working with families in danger or in a difficult life situation for a long time. The selection procedure for the Soup of Aid usually includes those families that need targeted one-time financial support with the potential for a social inclusion and self-sufficiency. Through the cause-related marketing campaign shared via social media and direct mail, donors can learn about the story of a specific family in advance or while having lunch. This includes information on how collected money will be spent by the family in need. This is an important point which supports transparency of the cause-related marketing campaign.

As was mentioned, the project is realized by two main organizers, Restaurant RAK and the Healthy City Community Foundation (HCCF), in cooperation with



■ Fig. 9.1 Atmosphere at *The Soup of Aid* in restaurant RAK. (Source: HCCF, 2020)

more local partners, first of all, with the Faculty of Education at Matej Bel University. The participation in the project is a part of the implementation of the service-learning method into the faculty courses; students on the course are responsible for all matters relating to the organization of the event. Other partners also include the civic association Return, Hope for Children, Smile as a gift, Society for children with autism, Volunteer center, and the non-investment fund – People to People. Consequently, this activity creates a synergy between the public sector (represented by the university), the private sector (represented by the local restaurant), and the nonprofit sector (represented by HCCF, nine partner organizations in total).

For 2020, the community foundation was planning possible one-time online payments or regular bank transfer contributions to collect more money for the project and the selected family. Donations can be made also through the *People to People* special website which was established by the non-investment fund of the same name. This website works as a well-arranged database of applications for financial assistance for individuals or legal entities with a public benefit purpose. Due to the restrictions caused by the COVID-19 epidemic in April 2020, the Soup

of Aid had to be only conducted virtually, and anyone who wanted to support the families in need could contribute via online payments. After the restrictions have been released and Soup of Aid was organized personally again, the possibility to contribute online persists. Very often, people are busy or outside the city but still would like to support this project. Therefore, we find this as a very good idea that was confirmed in interviews with donors. Several of them argued that they are willing to participate regularly, but sometimes they are not able to attend the event personally due to work, travels, or other duties. Using multiple donation channels can improve the efficiency of the project and might be helpful in collection of higher amount of money for families in need.

Since December 2018, the Soup of Aid has involved 34 volunteers. The average donation for soup was € 5.92. In total, € 5,229.84 was collected which was enough for 859 helpings of soup that helped 15 families. The average financial support for one family is € 348.66. (► <http://knzm.sk/>, cit. 30. 6. 2020). The information about the financial support collected for every single family in need is announced after each event through social media.

Promotion of the project is a very important part of its realization. The project is promoted by websites of main organizers. However, potential donors typically use different channels and platforms. Multichannel interactions can be the key to the success of a project like this. Other communication channels are social networks, especially Facebook. Sending emails with posters covering the event (► Fig. 9.2) and invitations to people from a database of donors, friends, colleagues, etc. has also shown to be a very effective tool.

People usually share similar messages via Facebook or email thereby expanding donor potential. The events are promoted also by the regional radio station Regina, national radio station Lumen, and regional and municipal newspapers. The last channel they use is YouTube, which, along with Instagram, should be given more attention in the future. The most important aspects of this campaign are summarized in ► Table 9.1.



► Fig. 9.2 Posters for the *Soup of Aid* event in 2018, 2019, and 2020. (Source: HCCF, 2020)

■ **Table 9.1** Main features of the “Soup of Aid”

Main message of the campaign	Come for a tasty soup, and donate the amount you would spend on your lunch
Time framework	Since 2018 Every second Monday of the month, from 11 a.m. to 2 p.m.
Partners	RAK (restaurant) HCCF Matej Bel University Return People to People (non-investment fund) Hope for children Smile as a gift Society for children with autism Volunteer center
Cause	Help a local family in need
Target	Citizens University students and staff Volunteers
Product	A soup (Soup of Aid)
Price	Variable amount (estimated lunch cost € 1.50)
Place	RAK (local restaurant)
Promotion/ communication	Mass media (local and regional newspapers; regional and national radio) Posters Direct mail Storytelling in a form of small posters about the family Multichannel interactions HCCF website RAK website Social networks (Facebook, YouTube, Instagram)
Donation	Full price (paid by customers) Average donation for soup = 5.92 euros
Partners’ donation	Restaurant (soup, space) University, Volunteer center (volunteers) HCCF (organization, communication, selection of family in need) Return; Hope for children; Smile as a gift; Society for children with autism (providing information about families in needs, communication with the family in need) People to People (distribution of donation)
Impact/results	2018 and 2019: 859 helpings of soup 15 families Average financial support for one family = 348.66 euros

Source: own elaboration

This campaign can serve as a good example of participative and community-based cause-related marketing campaign which is coordinated by the local company and nonprofit organization. It brings together active and willing people and available resources in the community to support those active people who want to change the world for a better place.

The main advantage of the abovementioned cause-related marketing campaign is its participative approach. Local companies in cooperation with communities, in the form of NGOs, civic organizations, community centers, and volunteer organizations, can deal better with market niches and in many cases substitute the role of the town and its representatives. Their power is in the effective co-creation of economic, cultural, or social environment. Together, they are shaping social awareness and have the power to negotiate those aspects of citizens' lives that are beyond the interest of politicians. At the same time, the presented project Soup of Aid contributes strongly to the positive image and brand of the local company, the loyalty of its customers, and its (corporate) social responsibility.

Conclusions

Cause-related marketing campaigns are not often used in practice in the Slovak Republic, especially by homegrown Slovak companies. Their implementation is more often realized by branches of international retail companies, probably because of more experience and skills in this field. This case presents the example of the cause-related marketing campaigns of a Slovak local company – Restaurant RAK – in cooperation with the community foundation Healthy City.

It explains its aim, target groups, realized activities, time horizon, and benefits for the community. The campaign is more oriented toward supporting local communities and solving social problems. It is based on a partnership with stakeholders, a participative approach, and community involvement, which are the main drivers of its success. This unique example can serve as a source of inspiration for other organizations and companies that are deciding on how to realize cause-related campaigns.

9

? Discussion Questions

1. What are the differences between cause-related marketing realized solely by private sector and cause-related marketing realized in cooperation with the nonprofit and public sectors?
2. What are the main steps in implementation of a cause-related marketing campaign?
3. What new forms of marketing tools could strengthen the presented cause-related marketing campaigns?

Acknowledgments The chapter is a partial output of the project VEGA 1/0380/20 Innovative approaches to the development of small- and medium-sized cities and project VEGA 1/0213/20 Smart Governance in Local Municipalities.

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The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua

Answin Vilmar

Contents

- 10.1 Introduction – 129**
 - 10.1.1 Drinking Water: For Various Reasons, a Hard-Fought Commodity – 129
- 10.2 Case Development – 130**
 - 10.2.1 Viva con Agua: A German Mineral Water That Supports Water Projects Worldwide – 130

- 10.2.2 Hip Brand Strategy for Hip Target Groups: Implemented in Off- and Online CRM Activities – 132
 - 10.2.3 An Organization That Does Not Stand Still: Further Product Diversification and Brand Stretching – 136
- References – 137**

Learning Objectives

After reading this chapter, you will be able:

1. To understand that safe drinking water is an effective lever which can significantly improve the living conditions of many persons in less developed countries
2. To describe the role that Viva con Agua plays in supporting efforts to secure safe drinking water and sanitation in these countries
3. To recognize the importance of a concise brand positioning and a target group-specific brand management in the context of cause-related marketing (CRM) and the use of further multiplier effects
4. To identify the possibilities and value of integrating off- and online activities within the CRM

10.1 Introduction

10.1.1 Drinking Water: For Various Reasons, a Hard-Fought Commodity

Water, sanitation, and hygiene (abbreviated: WASH) are indispensable for human survival and for the healthy development of everyone. They are one of the basic conditions for the sustainable development of society. But between 2,2 and 5 million people, mostly children, still die each year in developing countries from diseases transmitted by a lack of access to clean drinking water, poor sanitation, and poor hygiene conditions (Fairventures, 2015).

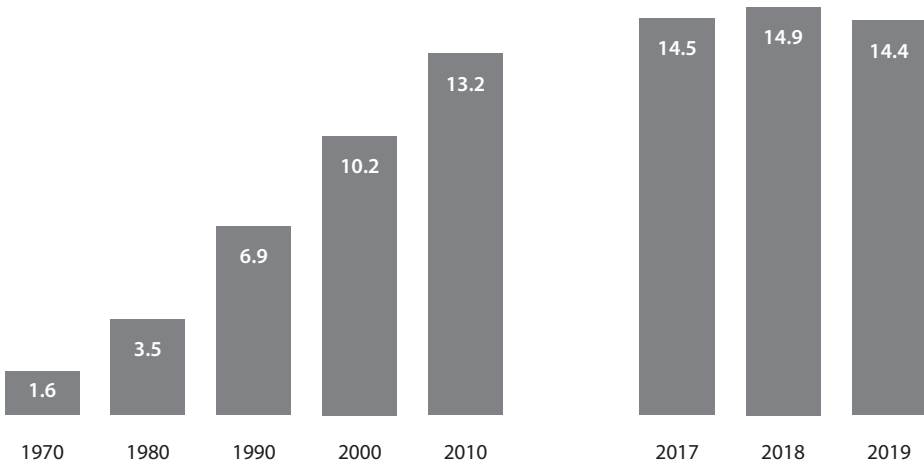
In contrast to many less developed countries, the supply of clean drinking water is more than sufficient in Germany. Although tap water is considered the most ecological and sustainable way to drink water, many German consumers buy bottled water, if they do not want to drink tap water for whatever reason.

The German bottled water market is characterized by a few large global suppliers such as Nestle with its brands Contrex, Frische Brise, Perrier, S. Pellegrino, Vittel, etc. or Coca Cola with its brands Apollinaris, Aquarius, Bonaqua (in Germany until 2018), Römerquelle, etc. On the other hand, numerous regional companies aim to win the German consumers in a recently declining market.

■ Figure 10.1 shows the sales development of mineral water as well as mineral soft drinks in Germany over the last 50 years.

All in all, there have been no favourable conditions for launching and establishing a new mineral water brand, and particularly not for a new brand with a social claim. This raises the question of how Viva con Agua could despite the adverse conditions successfully establish itself and survive in this highly competitive market – without losing sight of its original claim to help people in need with vital water supply in less developed countries.

Total Sales in Billion Liters in Germany



■ Fig. 10.1 Total sales of the mineral water industry in billion liters in Germany. (Source: Own elaboration, from Verband Deutscher Mineralbrunnen e.V. (2020))

10.2 Case Development

10

10.2.1 Viva con Agua: A German Mineral Water That Supports Water Projects Worldwide

A mass product, used for an ethical mission – this is the basic idea of Viva con Agua, a Hamburg-based company that is actually none at all. Viva con Agua started as a registered association (e.V. = eingetragener Verein), but today it is much more than that: some call it a network, others speak even of a movement (Grabbe & Kubsova, 2016).

Viva con Agua was initiated in 2005 by Benjamin Adrion, a former professional footballer of the football club Sankt-Pauli from 1910 e.V., short FC St. Pauli. When his professional career ended 10 years ago, Adrion did not become a club official or team coach. Instead, he founded an association to raise money for water projects.

The FC St. Pauli is a sports club from the district of St. Pauli in Hamburg. The most well-known and member-strongest active department is the football department, whose first men's team plays in the 2nd Bundesliga. Their venue is the Millerntor Stadium on the Heiligengeistfeld near the red-light district Reeperbahn in Hamburg, which is why the players are also referred to as “Kiezkicker” (colloquially for “red-light district player”). Thus the football club FC St. Pauli has achieved a certain cult status in Germany as one of the most unconventional professional football clubs in Hamburg and beyond.

The idea to create an organization that promotes safe drinking water in the world came to the footballer Adrion after experiencing the problematic drinking

water supply at a winter training camp in Cuba. Because of this poor drinking water experience, the first project of Viva con Agua began in Havana, where water dispensers were installed in 153 kindergartens and 4 sports boarding schools to supply clean drinking water. The launch took place in cooperation with Welthungerhilfe, a German aid organization for development cooperation and emergency aid based in Bonn. Since its foundation in 1962, Welthungerhilfe has carried out up to more than 8,500 aid projects in 70 countries in Africa, Latin America, and Asia, with around 3.27 billion Euros (Welthungerhilfe, 2018). Therefore, this organization seemed to be predestined for cooperation as an experienced and reliable partner.

In order to finance the water dispensers in Cuban kindergartens and schools, one of the first ideas was to take care of the drinking cups used by fans during football matches of FC St. Pauli. Soccer fans could hand over the 1.50 Euro deposit donation per plastic cup to the Viva con Agua tons at the Millerntor Stadium. The association organized volunteers who walked around with a Viva con Agua flag on a pole, colorfully designed tons, and collected cup donations at every home game of the FC St. Pauli team. Up to now, the organization counts more than 10,000 mug hunters who travel at football matches, concerts, and almost all major music festivals. In sum, they visit around 300 events and collect 150,000 cups per year. The water projects supported by Viva con Agua are consistently sustainable and follow the principles of WASH (water, sanitation, and hygiene), so they always include the components of sanitation and hygiene to ensure permanent access to clean drinking water.

Today, Viva con Agua is more than a pure nonprofit organization (NPO) that works to ensure that all people worldwide have access to clean drinking water. The organization, registered as a nonprofit association, supports water projects not only in Cuba but also in Ethiopia, India, Kenya, Malawi, Mozambique, Nepal, Rwanda, Sierra Leone, Sudan, Tanzania, Uganda, and Zimbabwe, among others. Membership fees for sponsoring members vary between 60 Euros and 240 Euros per year and are tax deductible. Furthermore, Viva con Agua runs also as professional organizer its own art festival with 100 exhibiting artists and 12,000 visitors and now forms a large network of local initiatives and actions.

The founder Adrion attributes the fact that his district initiative has grown so quickly into something so great, in part due to the special ecosystem of the Kiez St. Pauli in Hamburg. Adrion had soon raised so much money that he was able to start his first social business ventures, including a Viva con Agua branded mineral water line, which is now served not only at events and in bars but also at the conference tables of many companies and in more and more beverage retail markets. The beverage supplier Husumer Mineralbrunnen has supported the idea of Viva con Agua from the very beginning and has been providing the north of Germany with tasty Viva con Agua mineral water since 2010. The source of Viva con Agua is in Mildstedt near Husum in Northern Germany and is embedded in a natural, untouched water conservation area, surrounded by the National Park Holstein Wattenmeer (mud flats). Although the Husumer Mineralbrunnen provides the pure water, the final product is marketed entirely by Viva con Agua under its own brand.

■ **Fig. 10.2** Product range – Viva con agua with its variations LAUT und LEISE. (Source: Viva con Agua 2020)



An essential element of success is the product itself – or more precisely the interplay of bottle, contents, and bottle label. Because each bottle builds a connection between the consumers and Viva con Agua and the goals of the association, it represents a kind of “liquid” flyer and thus generates a much greater added value than just purely monetary proceeds from the sale of the bottles could do. Today, Viva con Agua is available in various bottle and container sizes (■ Fig. 10.2) as well as with (laut = loud) and without (leise = quiet) carbonic acid.

So far, 13.6 million charity mineral water bottles have been sold, and more than 12,000 volunteers in over 57 German cities support Viva con Agua. The income generated by the purchase of the mineral water supports to 100% the work of the NPO – only last year 1.3 million Euros in project donations have been collected. In cooperation with Welthungerhilfe, Viva con Agua has already implemented water projects for 1.8 million people over the last decade (Fründt, 2016).

And the water network is still growing fast. New support crews are forming in more and more cities at home and abroad. One reason for this impressive growth could be the brand’s coolness. In a world of Christmas card-sending and fruit tea-giving charities, it has a refreshing unique selling point. Viva con Agua succeeds where the charity establishment is often failing: they appeal to young people. But how do they do that?

10.2.2 Hip Brand Strategy for Hip Target Groups: Implemented in Off- and Online CRM Activities

A good product with a good social purpose is one thing. However, a good customer approach is at least as decisive for success. Addressing potential customer groups requires an unmistakable appearance and a differentiating trademark to enable quick identification with the NPO’s concerns.

■ **Fig. 10.3** Sticker – Call for a donation run – Lass laufen, Digga! (= Let's go, buddy!). (Source: Viva con Agua 2020)



The brand and communicative approach is aimed particularly at younger target groups, so that not only the typical German donors, i.e., persons aged 50 and over, but also the Generation Z (GenZ) – those who were born from the mid to late 1990s on – are sensitized to the important topic of WASH. That is why and in addition to the sale of mineral water through a wide variety of distribution channels and using the bottles as liquid flyers, the Viva con Agua brand also calls for other activities.

In Germany, many people have already made the commitment to water projects a part of their everyday lives. They are committed to Viva con Agua in numerous German cities, they start their own fundraising campaigns, they go to schools for Viva con Agua as well as to concerts and festivals, and they organize donation runs for the projects to be supported (■ Fig. 10.3).

The idea behind it reads simply: multipliers as a recipe for success, because everyone can organize and run a fundraising campaign for Viva con Agua, whether school, kindergarten, crochet club, or company. What counts are the fun and collecting donations for water projects. Especially for schools, comprehensive materials and aids are available for the implementation of a fundraising run, from parental letters to round cards, certificates, and schedules for organizers. Viva con Agua employees also visit the interested schools and talk about the water projects and the planned run and show pictures and videos from countries where projects have already been financed. Experience has shown that the brand motivates pupils, students, and teachers even more to get involved in running.

Furthermore, Viva con Agua was represented at various festivals together with Drink and Donate, another NPO committed to water supply in developing countries. For example, as part of festivals, donations were collected for people without access to clean drinking water (■ Fig. 10.4). Similar to the football fans of FC St.

■ **Fig. 10.4** Drink and Donate – call to action at open-air festivals. (Source: Drink and Donate/Viva con Agua 2015)

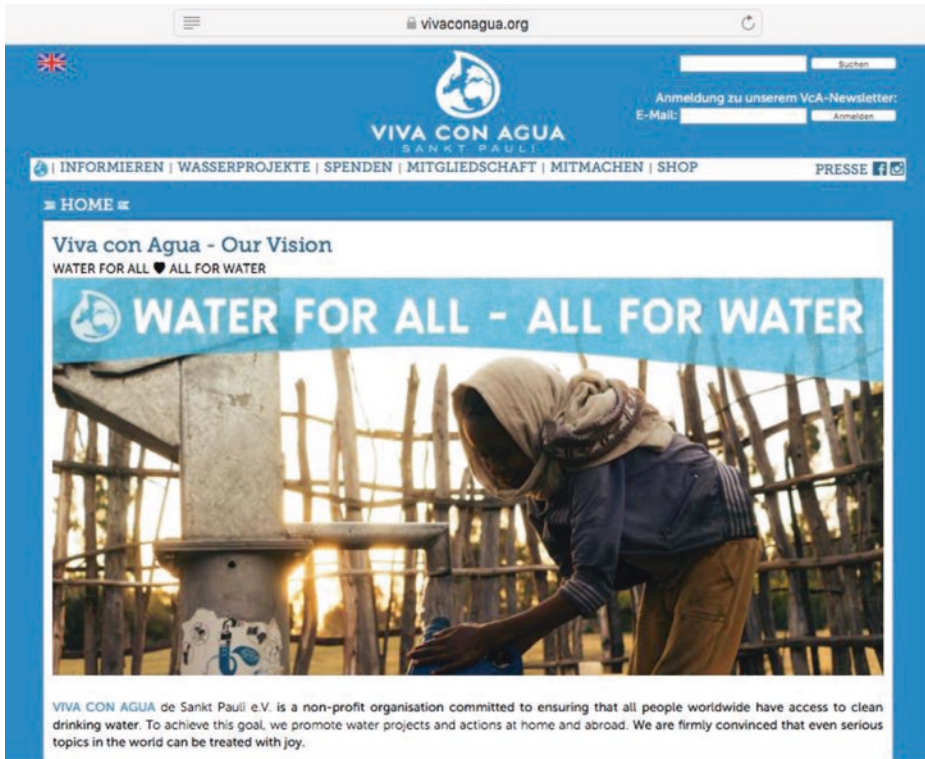


Pauli, all festival visitors were also offered the opportunity to throw their empty deposit cup into a branded Viva con Agua ton instead of returning it to the ordinary return point. The proceeds of the returned cups were donated to the WASH project in Nepal. On top, Drink and Donate was supported by connecting the purchase for the festival tickets with a donation. The donations from this CRM measure were also completely transferred to the Viva con Agua’s drinking water projects (Drink and Donate, 2015).

Parallel to the offline and live communication activities described above, Viva con Agua naturally relies as well on online marketing as part of its 360-degree CRM program (■ Fig. 10.5).

For example, the current hype around augmented reality (AR) effects is used on Instagram and Snapchat, when testimonials of the Viva con Agua campaign “Water is a human right,” which started in 2019, call on Snapchat or Facebook users to become part of the movement via AR. For this campaign, Snap Inc. provides free advertising volume (Simonis, 2019, p. 43). In ■ Fig. 10.6, the headline on the left says: “Join us. Show attitude. Use the Snapchat Lens and donate. Your contribution counts” (“Mach mit. Zeig Haltung. Nutze die Snapchat Lens & spende. Dein Beitrag zählt!”).

As part of this social media campaign, numerous people are shown in order to draw attention to the human right to drinking water. Today, in the Hamburg trendy



■ Fig. 10.5 Screenshot of the website of Viva con Agua. (Source: Viva con Agua 2020)



■ Fig. 10.6 Snapchat and Facebook campaign – Water is a human right. (Source: Viva con Agua 2020)

districts, the white-blue Viva con Agua logo seems to be as omnipresent as Red Bull in the fun sports world. The brand is present and active at festivals, concerts, football matches, art auctions or sustainability events - almost with everything that is somehow hip.



■ Fig. 10.7 Toilet paper “Goldeimer.” (Source: Goldeimer 2020)

10.2.3 An Organization That Does Not Stand Still: Further Product Diversification and Brand Stretching

Since 2016, the organization has been further testing the limits of coolness, e.g., with motif toilet paper and a newly founded subsidiary under the brand “Goldeimer” (German for “Gold Bucket”). The German manufacturer Wepa reactivated an old, unused toilet paper printing machine for the Hamburgers at its Mainz plant in the south of Germany. Now three-layer pulp webs with motivating meanings are turning to the role: “This paper builds toilets all over the world” or “I like to do business with Viva con Agua.” By the way, the German term for “Business” (“Geschäft”) is ambiguous and can also mean the event of defecation. Viva con Agua respectively its brand Goldeimer is even experimenting with a toilet paper subscription (see ■ Fig. 10.7, right).

The charity toilet paper is intended to raise awareness of the WASH issue too and thus contribute donations. A drugstore chain has already been won as a sales partner.

Conclusion

With its various activities and target group-oriented CRM approach, Viva con Agua has been very successful in making a socially desirable contribution and at the same time to operate lossless, so that at least all the accumulated costs from current business can be covered, while a substantial amount could be transferred to the funded projects.

This case study also shows that CRM is basically able to revolutionize traditional thinking and to inspire even younger target groups, which are otherwise difficult to reach through traditional fundraising appeals. Additional momentum can be obtained by the conscious use of multipliers (schools, influencers, etc.), which might lead even faster to the desired win-win effects:

- Thanks to a competitive brand strategy, Viva con Agua can pursue its goal of realizing WASH projects worldwide.
- The projects financed by the donations provide the affected people in many less developed regions on the ground with clean drinking water and, more recently, even with toilets and sanitary facilities and therefore ensure better hygiene standards. This also supports the UN's sustainable development goal (SDG) of improved water and sanitation supplies (WASH).
- Both the multipliers of the message “water for all – all for water” and the buyers of Viva con Agua mineral water (and the toilet paper Goldeimer) demonstrate their special social attitude with their use and consumption, thereby distinguishing themselves from consumers of traditional FMCG brands.

Today, the Viva con Agua brand can be found in many wholesalers, beverage stores, retailers, and restaurants not only in the northern part but throughout Germany and beyond. Viva con Agua already has branches in Switzerland, Austria, and the Netherlands and is active in more than 40 European cities. Each bottle draws attention to the vision of “water for all” and at the same time generates funds as a licensed product for the charitable work of Viva con Agua. In this way, the purchasing decision of consumers has a positive effect on the way to a world without thirst. For socially minded consumers, the Viva con Agua mineral water and Goldeimer toilet paper are an easy and social way to support people living in less developed countries, who do not have access to clean drinking water and sanitation.

? Discussion Questions

1. What was Viva con Agua's recipe for success? Would this recipe work in other countries? What conditions would be necessary for this?
2. Considering other sustainable development goals (SDGs), in which other fast-moving consumer good (FMCG) market segments such business case might be conceivable and could be similarly economically successful?
3. How could Viva con Agua's CRM further be developed in order to generate additional growth and establish the offer as a social top-of-mind brand in a highly competitive market? Short term and in the long term?

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TOMS: “We Are in Business to Improve Lives”

*M. Victoria Carrillo-Duran
and Ana Castillo-Diaz*

Contents

- 11.1 Introduction – 140**
 - 11.1.1 The “Buy One Give One” Model – 141
- 11.2 Case Development: Evolution of the Model in the TOMS Firm – 142**
 - 11.2.1 Stages of the “Buy One Give One” Model – 143
- 11.3 Results – 147**
 - Annex 1 Impact Grant Partners (2018) – 151**
 - References – 152**

Learning Objectives

The following are the main learning objectives of this case:

1. Reflect on the potential effect of the implementation of cause-related marketing actions oriented to reducing poverty, especially in underdeveloped and developing countries.
2. Identify the main advantages and disadvantages for firms of the “buy one give one” strategy.
3. Point to the main advantages and disadvantages for NGOs of the “buy one give one” strategy.
4. Analyse the application by the firm TOMS of the “buy one give one” strategy as an essential part of cause-related marketing.
5. Explore the evolution of the model experimented with by TOMS, in particular, of the “buy one give one” model, in its approaches to cause-related marketing.

11.1 Introduction

This study analyses the case of the TOMS firm as a paradigm of the application of the “buy one give one” model in the context of cause-related marketing.

The TOMS firm was founded by the American Blake Mycoskie in 2006 in Venice, California (USA). The CEO of TOMS was an entrepreneur who made his way in different businesses and through different channels. From setting up a laundry to participating in reality shows that allowed him to develop a creative spirit and a social mindset, he was led later to create a business model based on cause-related marketing. TOMS was created after a trip he made to Argentina where he saw that there were poor children who were not wearing shoes. The base of his business consisted, therefore, in creating a cause-related marketing firm, applying the “buy one give one” strategy which consisted in donating a pair of shoes to disadvantaged people for each pair that his firm sold.

The activity was carried out, and continues to be carried out, through a series of organizations that help to calculate the possible demand in each area and provide support in delivering the products to their recipients. Therefore, the firm has a vast network of partners who guarantee that its mission is achieved and who are coordinated from within the organization itself. In a short time, TOMS in this way became the paradigm of the “buy one give one” donation model, within cause-related marketing, to eradicate poverty or at least lessen its effects. According to the world poverty index (United Nations, 2019), approximately 1,300 million people live in multidimensional poverty, which means that they suffer from deficiencies in the areas of health, education, and living standards. This figure represents almost a quarter of the population of the countries included in the United Nations report. Although multidimensional poverty is present in all developing regions of the world, it is particularly severe and significant in Sub-Saharan Africa and South Asia. Given this context, the firm solidly based its business objectives on this social objective and has worked on a large scale to achieve it.

11.1.1 The “Buy One Give One” Model

The basis of the “buy one give one” model is to make donations for each unit of product sold, with the collaboration of a series of partners such as collaborating organizations or NGOs that operate on-site in those areas where the need is detected. Although TOMS can be considered to be the paradigmatic firm for the application of this model, the truth is that the model has been extensively replicated by various firms (■ Table 11.1).

The main advantages of the “buy one give one” model are its versatility in the way it can be applied to different business models, the ease with which it can be explained, and its connection with social causes. The growth of these activities is due to the favourable response they get from customers, who are seeking to support causes with immediate effect.

■ **Table 11.1** Examples of some firms from different sectors that use the “give one buy one” model

Business	Sector	Action performed
KNO Clothing	Fashion	Donating 50% of its profits, part of which include an article of clothing
Baby Teresa	Children’s fashion	Donation of a set of baby clothes for each sale
Roma Boots	Fashion/ footwear	Donation of a pair of boots and school supplies for each pair of boots sold
Soap Box Soaps	Household products	Donation of soap bars for each unit sold
Nouri Bar	Food and drink	Donation of a school meal for each snack bar sold
1 for 1 water	Drink	Financing of bio-sand water filters for each bottle sold
Smile Squared	Dental hygiene	Donation of a toothbrush for each one sold
Ark Collective	School supplies	Donation of a backpack for each unit sold
State bags	Textile, fashion	Donation of a backpack for each unit sold, in addition to providing school support to children
Hand in hand soap	Hygiene	Donation of bars of soap and facilitation of access to clean water for each purchase of their hygiene and beauty products
Mitscoots	Textile, fashion	Donation of a pair of socks to a homeless person for each pair sold
FCbola	Sport	Donation of a ball for each football sold

Source: Own elaboration, from Marquis & Park (2014, p. 32)

In general terms, the “buy one give one” model is applied to a greater extent to consumer products, in many cases to products related to fashion. The fact that these types of products have a strong link with the personality of the customer makes the success of these approaches (linking the brand with those social issues) more easily achievable. But two essential conditioning factors should not be overlooked: the quality of the products or services offered and the coherence between the brand and the social action carried out.

One question to address before applying these types of strategies is how to avoid losses. To make the approach profitable, there are firms which offer their products at a higher price than the market, with a desire to make the public understand that they are paying more for a good cause. Another way would be to try to reduce costs (through savings in the system of distribution, online sales, etc.). Finally, there are firms that choose to reduce their profit margins, although in this case the long-term sustainability of the model may be compromised. Apart from avoiding losses, it is necessary to consider the difficulty of maintaining the strategy in the long term and at large scale. The reason is that the firms lose control of the aid they offer, which is often managed by intermediaries, with the consequent risk of damage to the image and reputation of the brand.

The model has been both applauded and criticized. Among the most frequent criticisms is the fact that this type of aid only alleviates the symptomatic part of the problem (lack of shoes, in the case of TOMS), but does not contribute, or does so to a very limited extent, to solving the true essence of the problem (poverty, in the case being observed). In this sense, one may think that firms offer individual solutions to collective problems, distracting attention from any proposal consisting of more effective solutions.

11.2 Case Development: Evolution of the Model in the TOMS Firm

TOMS is a for-profit organization that since 2006 has based its strategy and business model on a social cause – helping the underprivileged in areas of extreme poverty and providing shoes, glasses, and other aid to the native communities through the application of the model “buy one give one”.

The first destination for the application and development of the model was Argentina, the country in which the founder of the firm had arrived without business pretensions and for other more trivial reasons. However, it turned out to be the place where he found inspiration when he made contact with the local communities and perceived the scarcity of their resources.

TOMS relies heavily on institutions and organizations with experience in the areas of action and in delivering humanitarian aid. These include other intermediary organizations, NGOs, and foundations of all kinds, which help in their different areas: Shoe Giving Partners, Sight Giving Partners, Safe Water Giving Partners, Bully Prevention and Response Giving Partners, Solar Light Giving Partners, Impact Grant Giving Partners (see Annex I).

Some of these organizations only focus on a single country, while others are international. The relationship of TOMS with its partners is bidirectional since, according to a poll by the firm of 66 of its partners whose data are published in its annual report (TOMS® 2019; Global Impact Report), 66% of these partners state that they gain further visibility and credibility inside or outside of the communities served, 79% get to serve a greater number of individuals or communities, 68% find themselves strengthened and able to create alliances or partnerships with other organizations, and 44% get additional support such as more volunteers.

It is important to highlight that TOMS follows a protocol to accept its Giving Partners. This comprehensive process involves in-depth research, visits, and interviews. The qualities that the firm looks for in a potential partner are summarized in four basic points:

- The Giving Partners must be local experts with deep roots within the community, to be able to take advantage of their experience so long as they do not depend on international volunteers to maintain their programs.
- The Giving Partners should address the local needs in a way that allows the community to evolve in the future.
- The Giving Partners should be ready to integrate TOMS resources into their already existing programs. TOMS believes that this produces a more sustainable relationship and helps to maximize the impact of the ongoing programs.
- The Giving Partners must demonstrate proven capabilities to be able to monitor and evaluate. All must compile annual reports to allow it to be seen how TOMS resources are used and whether they follow the plan foreseen.
- The Giving Partners must accept the rules of TOMS, without forcing anyone to follow any religious or political ideology, without discrimination, and always provided that the commitment to collaboration is long-term.

11.2.1 Stages of the “Buy One Give One” Model

The model has gone through different stages and has evolved to become more complicated as it tried to reach more areas and satisfy other needs than just those of footwear. It has expanded to cover gaps related to access to opticians, access to drinking water, electricity, etc. and recently to supporting other causes not directly linked to the reduction of poverty (support to victims of the use of weapons, actions against bullying, homelessness).

The following are the three stages that summarize the evolution of the “buy one give one” model in TOMS.

11.2.1.1 Stage 1: The Beginning and Success of the Classic “Buy One Give One” Model

From 2006, and as part of the first stage, the firm centred on helping disadvantaged children, donating a pair of shoes for every pair sold. At the start, the founder of the firm, in collaboration with some friends and family, and without prior agreement with any other organization, chartered a plane to Argentina to personally

distribute 10,000 pairs of shoes (corresponding to the first 10,000 pairs of shoes sold by the firm) to children in need who, in as far as it was possible, could get there by their own means.

In 2009, TOMS took one step further by investing in the creation of an international cooperation team consisting of non-profit professionals, called The Giving Team. Over the course of the years, this team has developed relationships with over 200 non-governmental and humanitarian organizations (the Giving Partners) in 80 countries worldwide. Working with these organizations helped to understand the needs of the communities they served, by acting locally and allowing TOMS resources to be integrated into their existing programs.

From 2010, the firm grew in popularity and carried out other actions which, although they were not exactly cause-related marketing campaigns, also served to raise awareness. Thus, for example, it managed to gather more than 250,000 people at more than 1,600 sites El Correo (2011) who voluntarily participated in the fourth edition of the solidarity march “One day without shoes”. This event had been taking place since 2008 and consists of participating in a celebration attended by ordinary citizens and famous celebrities who walk barefoot to raise awareness of what it means to always live without shoes.

The success of this solidarity philosophy led the firm, in 2011, to become involved in a new project, that of helping people’s health by creating the TOMS *Eyewear* line through which, for each pair of glasses acquired, TOMS helped a person with sight problems. Given that 253 million people worldwide are blind or are visually impaired (TOMS® 2019; Global Impact Report), and that there is limited access to the detection and care for eye diseases in remote and neglected communities, the firm decided to provide optician services locally. TOMS *Eyewear* first partnered with two main collaborators – SEVA (a foundation dedicated to expanding the “buy one give one” model) and BRAC (a non-profit organization dedicated to fighting poverty and inequality of any kind). Through these associations, it provided medical treatment, surgery to save sight, and prescription for glasses for those most in need. These two organizations are connected to local health centres and hospitals, which allowed for a better understanding of where new optician clinics and more direct action were needed. The firm thus invested in optician centres to provide a comprehensive service for eye care: examinations, glasses, emergency care, and referrals to hospitals. Apart from providing aid, these optician centres also created stable employment, which translated into a boost of those communities’ economic development.

In 2012, the two “buy one give one” strategies (delivering shoes and glasses) coexisted, and the figure of the first million shoes delivered to more than 40 countries was reached. Furthermore, by 2015, the firm had already helped more than 250,000 people with a pair of glasses to improve their sight (TOMS® 2019; Global Impact Report).

In summary, in its first stage, TOMS matured its model. It successfully applied it through the sale of espadrilles and sunglasses. It fulfilled its objective of being faithful to its commitment to underdeveloped countries and presented some evolution by opening the model to a new product line as represented by sunglasses.

11.2.1.2 Stage 2: First Change and Evolution Within the "Buy One Give One" Model

Given the severe criticisms about the form of fighting against poverty without contributing to the development of underdeveloped countries, in 2014 the firm opened itself up to a new initiative. It opened its first two TOM Roasting Co coffee shops in Austin, Texas (USA). They used a new product sold by the firm. It was a brand of high-quality coffee bought from underdeveloped countries. Although all the coffee beans were roasted in the United States, the blends came from different countries such as Guatemala, Malawi, Honduras, and Peru (TOMS® 2019; Global Impact Report).

The organization decided that for every cup of coffee purchased, TOMS would provide one day of drinking water to a disadvantaged area. Selling a bag of coffee would offer the equivalent of one week. Given that more than 785 million people do not have access to drinking water (TOMS Annual Report, 2019) and that the minimum amount of safe water that a person needs daily to drink, eat, and wash is 20 litres, this new commitment would contribute to the firm's mission and the expansion of the model, although this time the product donated had nothing to do with the product sold.

Whichever the case, TOMS coffee sales helped to provide safe living conditions and economic prosperity to developing communities through the installation of sustainable drinking water systems. To this end, it partnered with the organizations *WaterAid America* and *Water for People*. Both are non-profit associations that work to develop sustainable water systems and implement them in different communities around the world. In this case, the support of *WaterAid America* and *Water for People* allowed TOMS to help finance safe water initiatives. These partners have extensive experience in water, sanitation, and hygiene, not only establishing drinking water systems in under-served communities but also working to make them accessible.

In summary, this stage shows how the firm expanded the classic model out to a new line and slightly modified its modus operandi looking for highly experienced non-profit organizations. This saved it some logistics costs and mitigated its lack of knowledge about how to apply the model through the acquisition of a basic necessity such as water.

11.2.1.3 Stage 3: Evolution of the "Buy One Give One" Model to the Donation Fund

Since 2015, the donation process through the direct sale of TOMS products has become more complex (with participation in other programs concerning health, access to solar power, and bullying) than applying only the pure "buy one give one" model.

However, it was 2019 when TOMS officially announced that it was modifying the "buy one give one" model, of which it was a pioneer, in favour of another more flexible donation model. Although TOMS continued to distribute shoes as well as other items like glasses and water, it has evolved as its business diversified and expanded. While the initial model continues for certain collections, its new model

is focused on creating a donation fund. The starting point in the operation of this donation fund is that for every US\$ 3 the firm earned, it kept US\$ 1 for the fund created (one-third of the net profits). Therefore, TOMS created its own donation team whose members helped identify how they could donate money more effectively and through which partner organizations.

The firm used the information it had on knowledge of its customers to ensure that the topics it focused on were aligned with the ones their customers liked. In early 2019, it launched a proposal to poll its customers. This was called “Choose your style, choose your position” (choose what suits you best to help society), which allowed the buyers to select a specific topic towards which a percentage of their purchase would be directed. Three areas of work emerged from the poll: physical security, mental health, and equal access to opportunities (TOMS® 2019; Global Impact Report).

An aspect worth highlighting is that the firm had not openly communicated to its customers that it was changing its traditional model for a donation fund to which it would dedicate 1 out of every 3 dollars of its earnings. Therefore, a priori, it was unknown what the money was used for. This lack of information was made up for by the publication of a detailed impact report that described the change, the new projects, and the ongoing objectives.

The rationale for the change of model was about ensuring that the firm had the greatest possible impact on the Third World and to be able to show to its customers that this was being done in a way aligned with their interests. TOMS thus launched aid actions for the prevention of gun violence, the improvement of mental health, and female empowerment. The form of action was to identify the problem, seek the collaboration of an NGO, and provide an annual donation to try to resolve it. However, local activation was also pursued. In many cases, TOMS partnered with an influential person dedicated to advocating for the cause.

By way of summary, ■ Table 11.2 presents the cause-related marketing actions financed with the TOMS donations fund.

At this stage, an evolution can be seen from the pure “buy one give one” model towards a version that mixes cause-related marketing with others of the firm’s social responsibility actions. For example, the Tomorrows Project program is a platform that allows the firm’s full-time employees to act as advocates for the causes that interest them. Each month the employees are invited to submit a project idea that would result in drawing attention to an existing organization they would like to support. Voting is open across the firm, and the project or organization that receives the most votes is funded with US\$ 10,000.

In summary, today, a large part of the monetary contributions to the donation fund are made based on the units sold, but the distribution of that money to each cause is no longer always directly linked to a product line as it had been before, such as with shoes or glasses, for example.

The principal milestones of the three stages and the firm’s trajectory are summarized in ■ Table 11.3.

■ **Table 11.2** Areas financed with the TOMS donation fund

Funded area	Actions carried out
Prevention of gun violence in the United States	In 2018, TOMS launched the initiative to end gun violence, committing a total of US\$ 5 million for violence prevention, intervention, and victim support through the following partners: Black and Brown Gun Violence Prevention Consortium, Everytown for Gun Safety Support Fund, Faith in Action's LIVE FREE Campaign, Giffords: Courage to Fight Gun Violence, March For Our Lives, Moms Demand Action for Gun Sense in America
Survivor recovery	The UK-based <i>Helen Bamber Foundation</i> has worked with more than 600 victims of extreme situations, providing multidisciplinary support to men and women from Albania, Ghana, Iran, Eritrea, Sri Lanka, Afghanistan, Turkey, and Vietnam. This aid included psychological support and physical health services, legal experts, housing, and social assistance. TOMS gave US\$ 100,000 to the <i>Helen Bamber Foundation</i> , supporting 33 people and providing them with vital services
Homelessness in Asia-Pacific	Given that, according to TOMS, there are approximately 116,000 people in Australia who are homeless, of whom approximately 43,500 are under the age of 25 (TOMS® 2019 Global Impact Report), in 2019 TOMS gave US\$ 50,000 to the HoMie organization to finance its work. HoMie is a Melbourne-based clothing firm that spends 100% of its profits providing new clothing, training, and job opportunities for homeless or struggling youth
Prevention and response to bullying	Nearly one in three students aged 12 to 18 in the United States admit to being victims of bullying (TOMS® 2019 Global Impact Report). From 2015 onwards, TOMS has offered a line of backpacks for sale, with sales through the purchase of those backpacks providing, through its Impact Grant partners (Annex I), assistance to programs of prevention and training school staff, as well as other services
Electricity supply program	An estimated 1.1 billion people (14% of the world's population) do not have access to electricity (TOMS® 2019 Global Impact Report). From 2016 to 2018, TOMS helped provide access to electricity supply with the sale of their Apple Watch straps, which resulted in greater economic opportunity and a reduction in the cost of consumable energy sources, such as kerosene. The NGOs SolarAid and Solar Sister were the partners in charge of helping TOMS in this action.

Source: Own elaboration, from TOMS® 2019 Global Impact Report

11.3 Results

Over the last years, according to the activity of the firm itself, TOMS can be said to have influenced more than 96.5 million people in an exponential form, giving shoes, sight examinations, safe water, and aid to lessen the impact of poverty and helping disadvantaged people (TOMS® 2019; Global Impact Report).

Table 11.3 Main milestones in the history of TOMS

Year	Milestone
2006	TOMS' creation and first shoe donation
2008	One day without shoes. Solidarity march to raise awareness about poverty and early childhood education in disadvantaged areas
2009	TOMS begins working with humanitarian organizations to integrate shoe delivery into existing programs
2010	First million pairs of donated shoes
2012	Donations department growth, with the supervision of all aspects related to donations
2014	The Safe Water program begins. Every coffee purchase helps provide safe water to people in need
2015	Diversification of donations, including financing (through the sale of its products) for safe births, prevention of bullying, and access to solar power. 50 million pairs of donated shoes reached
2016	Launch of the Tomorrow project. Every month, TOMS employees have the opportunity to donate US\$ 10 to the causes they wish
2018	TOMS donations begin through strategic impact programs such as fighting gun violence in the United States (<i>#EndGunViolenceTogether</i>). TOMS achieves B Corp certification (as a responsible firm)
2019	95 million pairs of donated shoes

Source: TOMS® 2019 Global Impact Report

To communicate and summarize its work, the firm has created a comprehensive report detailing the ins and outs of its activities aimed at improving people's lives and how it makes this possible. Some data from the TOMS annual report shows how to date it has given almost 100 million pairs of shoes (mostly to Kenya, India, and Ethiopia), as well as 780,000 eye examinations (by the end of 2019; TOMS had created 37 vision centres in Bangladesh, India, and Nepal) and 722,000 weeks of water in regions of North America, South America, Sub-Saharan Africa, South Asia, and Southeast Asia.

In addition, the firm has dedicated US\$ 6.5 million as donations for annual projects that help relevant causes related to reducing poverty or the situation of disadvantaged people. In the first year, TOMS dedicated US\$ 1.2 million to subsidies in the United States, and US\$ 60,000 to subsidies in the United Kingdom, collaborating with 14 non-profit organizations that are committed to projects that are clear and have the potential to stand on their own feet after receiving a first donation as an impulse. Likewise, TOMS has collaborated in general with more than 85 different countries, involving more than 200 collaborating organizations.

The results may be considered as even overwhelming when one considers them also to be in line with the benefits of the organization. This means that TOMS is profitable since, as stated in its annual report, the organization only helps to the extent that its profitability is not compromised since it is a business and therefore for-profit, and this is the motive for the model having been enriched as it has evolved. In any case, the organization has as yet not published the specific figures of profitability that it manages, but it has confessed to giving as much as it can while maintaining a sustainable for-profit business, not letting the organization's profit fall below 30%.

Conclusions

The conclusion is that, for the TOMS firm, working in cause-related marketing meant at the beginning giving a new pair of shoes to a child in need for each pair sold. The model changed slightly, with the donated product no longer being the same as that sold, as in the case of donating the possibility of access to drinking water based on the coffee sold. Currently, the firm is committed to dedicating at least a third of its net annual earnings to a donation fund, managed and led from within the organization itself.

The change in the form of applying the cause-related marketing model of "buy one give one" to the model of contributing US\$ 1 for every US\$ 3 earned from the sale of different products is explained in that each purchase supports a wide range of initiatives, impacting the lives of both individuals and communities. The change of model did not affect the relationships with its team of Giving Partners. With most organizations, these relationships continued, and new and better ways of helping were sought.

It goes without saying that the great challenge for the TOMS brand was that, without leaving the cause-related marketing strategy and having become a paradigm of "buy one give one", the change to a more diverse model was risky. The firm's reasons for this change can be summarized as follows:

- Customers are open to understanding a more complex donation model because they are much more committed to causes which are relevant for them.
- The "buy one give one" model had lost popularity and media interest since the creation of TOMS, leading to a stagnation in the firm's growth in recent years.
- Maintaining the classic "buy one give one" model complicated the firm's possibilities to keep being profitable. However, the biggest difficulty was still to match a sizeable and impact-making donation with profitability.
- The "buy one give one" model had been criticized for being too simplistic, for not addressing the most pressing problems of the communities or the fundamental causes of their poverty, for reducing the demand for locally manufactured goods, and even for perpetuating imperialism. A more thoughtful and holistic approach like the one TOMS seems to be taking now could be more effective, especially when implemented by a firm with so much donation experience.

It is difficult not to wonder whether the decision of TOMS as the leading firm in the "buy one give one" model might mean the end of pure models as we know them. It is therefore possible to ask whether the initial model will cease to be generally effective and will have to migrate to new, more solvent and creative formulas for organizations and their stakeholders.

? Discussion Questions

1. From the context of cause-related marketing, would you say that the “buy one give one” model is a useful strategy to eradicate poverty? What other approaches to solving this problem might firms consider?
2. What would you say are the main advantages and disadvantages for firms of the “buy one give one” model? Do you think this is a valid model for any type of firm whatever? Is there a profile of firms that are better suited to this type of initiative?
3. What would you say are the main advantages and disadvantages for NGOs of the “buy one give one” model? Do you think this is a valid model for any type of NGO whatever?
4. What do you think are the main difficulties for the development of the “buy one give one” model implemented by TOMS? And the main advantages?
5. Do you consider the model’s evolution that was implemented by TOMS to have been fortunate? Reflect on the main reasons for that evolution.

Acknowledgements Partly funded by Junta de Extremadura (Consejería de Economía e Infraestructuras) and European Union “Fondo Europeo de Desarrollo Regional. Una manera de hacer Europa”.



Annex 1 Impact Grant Partners (2018)

Shoe Giving Partners	<p> Ahadi Kenya Trust Americares Anchor of Hope Charities Anera Baby2Baby Bright Generation Community Foundation Cambodian Children's Fund CARE® Children International Child Fund International COHESU Convoy of Hope Coprodeli Dabaso Tujengane CBO EDF Thailand Feed The Children Fundación Paraguaya Goonj Hai Hui Hogar de Niños Enmanuel Icddr, b IMA World Health International Medalist Association International Medical Corps Joint Aid Management Jhpiego Karuna Trust LA's BEST Afterschool Enrichment Program Los Angeles LGBT Center Magic Bus NaPAN Partners In Health Partnership With Native Americans Project RENEW Save the Children Federation The Akshaya Patra Foundation The Luke Commission Together for Children UAE Red Crescent Authority USA for UNHCR Yamba Malawi YouChange </p>
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Sight Giving Partners	Aravind Eye Care System BRAC Fundación Visión Helen Keller International Ispahani Islamia Eye Institute LV Prasad Eye Institute Quasem's Marium Eye Hospital Sadguru Netra Chikitsalaya Seva Foundation Visualiza Vivekananda Mission Asram Netra Niramay Niketan
Safe Water Giving Partners	WaterAid America Water For People
Safe Birth Giving Partners	Ayazh BRAC Bully Prevention and Response Giving Partners Crisis Text Line No Bully
Solar Light Giving Partners	SolarAid Solar Sister
Impact Grant Giving Partners	1Climb Black and Brown Gun Violence Prevention Consortium Centrepoint Downtown Women's Center Eighteenx18 Everytown For Gun Safety Support Fund Faith in Action's LIVE FREE Campaign Get Lit – Words Ignite Giffords: Courage to Fight Gun Violence Into Action March For Our Lives Moms Demand Action for Gun Sense in America Rock the Vote South Shore Drill Team Think Outside Da Block
Source: TOMS® 2019 Global Impact Report	

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Social Causes (II): Education

Contents

- Chapter 12** Cause-Related Marketing Applied to Support Education in Tanzania: the Case of TCHIBO – 155
Answin Vilmar
- Chapter 13** “Buy a Pen, Donate a Pen”: A Case Study about the Power of Congruence and Simplicity in Online Cause-Related Marketing – 167
Daniel Belanche
- Chapter 14** Bank Positioning and Cause-Related Marketing: the Case of Contactmore by ING – 179
*Belen Ruiz, and
Juan A. Garcia*

- Chapter 15** Cause-Related Marketing in Retail E-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia) – 189
Anibal E. Toscano-Hernandez, Luis I. Alvarez-Gonzalez, and M. Jose Sanzo-Perez
- Chapter 16** Cause-Related Marketing in Luxury Brands: The Case of Josefinas – 201
Diana Pereira, Beatriz Casais, Marisa R. Ferreira, and Joao F. Proença
- Chapter 17** Disseminating Pet-Friendly Trends in Partnership: The Initiative “Marketing con Causa” in Mexico – 211
Luis Manuel Cerdá-Suárez, and Jesús Alberto Valero-Matas



Cause-Related Marketing Applied to Support Education in Tanzania: The Case of TCHIBO

Answin Vilmar

Contents

- 12.1 Introduction – 156**
 - 12.1.1 Give and Take: Coffee from Tanzania, Educational Support for Tanzania – 156
- 12.2 Case Development – 159**
 - 12.2.1 Cause-Related Marketing for Better Education and Training Prospects in Tanzania – 159
- References – 165**

Learning Objectives

The case is structured to achieve the following objectives:

1. To understand some of the peculiarities in Tanzania's school education compared to more developed countries such as Germany and other countries
2. To understand the contribution a fast-moving consumer good company such as *Tchibo* can make to support the families in Africa and to improve the educational conditions for their children
3. To be able to identify relevant success factors for cause-related marketing campaigns (CRM) in general
4. To understand the different added values of CRM campaigns for the various stakeholders involved

12.1 Introduction

12.1.1 Give and Take: Coffee from Tanzania, Educational Support for Tanzania

In Germany, a day usually starts with a good cup of coffee for breakfast. This coffee is made from either Arabica or Robusta coffee beans. Arabica is considered to be the noblest bean. That is why almost all top coffees are made of pure Arabica coffee beans.

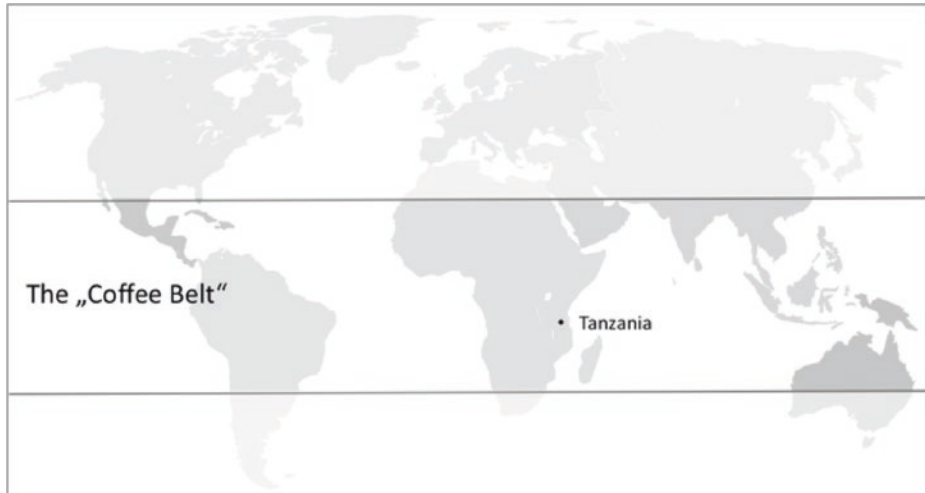
The main growing areas of Arabica coffee are between the 23rd degree north and 25th degree south latitude of the equator. Arabica is mainly grown in the highlands, ideally over 1,000 meters in altitude. As a result, the Arabica coffee beans grow more slowly than the Robusta coffee beans. Slow growth has a positive effect on the strength and aroma of coffee beans. The typical maturation period is about 9–11 months.

Tanzania is located in Eastern Africa in the so-called coffee belt (■ Fig. 12.1) – that is, the area around the equator where coffee grows. The Mbeya region is in the southwest of Tanzania at an altitude of at least 1,600 meters. This provides ideal conditions for growing and harvesting the best Arabica coffee beans.

For many people in the Mbeya region, coffee is an important source of income, but for their children and young people, the path to lucrative work is often very difficult. In addition to a general lack of basic education, the region also lacks adequate training opportunities for specific occupational profiles.

According to the Human Development Index of the United Nations (■ Table 12.1), Tanzania belongs to one of the least developed countries (ranked number 159 out of 185 countries), whereas Germany is under the top 10 of the most developed countries in the world (United Nations, 2020).

As it can be seen, many key indicators, which are used by the UN for measuring the human development – and are also related to some sustainable development goals (► www.sustainabledevelopment.un.org), such as life expectancy, the expected years of schooling, or gross national income per capita – are significantly lower in Tanzania, compared to the top 10 countries in the world.



■ Fig. 12.1 The 'Coffee Belt'. (Source: Own elaboration)

Germany is traditionally a country of coffee drinkers. The Germans like to start their day with a good cup of coffee and also like to drink one or the other cup during the day. Sales in the coffee segment amounts to approximately EUR 16,276 million in 2020. The largest market segment is the roasted coffee segment with a market volume of around EUR 14,009 million. This corresponds to almost 86% of the total coffee market. The average consumption is around 5.2 kg per capita (Statista, 2020).

Tchibo is one of the suppliers with the longest coffee tradition in Germany: The coffee merchant Max Herz and the spice merchant Carl Tchiling-Hiryan founded *Tchibo* GmbH in 1949, which belonged to them equally. Their business idea was to send coffee by post. The brand name *Tchibo* is an abbreviation for 'Tchiling Bohne' (remark: 'Bohne' means 'bean'). Meanwhile, *Tchibo* is 100% owned by the Herz family through its family holding company Maxingvest (previously *Tchibo* Holding AG).

Based in Hamburg, *Tchibo* is nowadays one of the largest German consumer goods and retail companies (food and non-food) with a total turnover of EUR 3.2 billion. It has its own stores mainly in inner cities, pedestrian zones, and shopping malls as well as retail shelves in supermarkets. In addition, *Tchibo* is also active in the online retail business. Although *Tchibo* is now also very successful in the non-food business, the roasting, trading, and distributing of coffee remains the company's core business. In this business segment, the company is engaged in a head-to-head race for market leadership with Mondelez and its coffee brands (e.g. Jacobs Kaffee, Kaffee Hag). The coffee market in Germany is highly competitive and therefore very price sensitive.

Tchibo has been receiving coffee beans particularly for its so-called *Tchibo* Privat Kaffee ('Private Coffee') from Tanzania for a long time: the fertile soils and the intense equatorial sun give them their full-bodied, highly aromatic taste. But *Tchibo* is also well aware of the partly poor living conditions in the suppliers' coun-

Table 12.1 Comparison of selected countries									
Rank (Human Development Index)	Country	Life expectancy at birth (years) SDG3	Expected years of schooling (years) SDG 4.3	Mean years of schooling (years) SDG 4.6	Literacy (in % of population)	Education expenditure (in % of GDP)	Gross national income (GNP) per capita in USD) SGD 8.5		
1	Norway	82.3	18.1	12.6	100	8.0	68.059		
2	Switzerland	83.8	16.2	13.4	100	5.1	59.375		
3	Ireland	82.1	18.8	12.5	100	3.7	55.660		
4	Germany	81.2	17.1	14.1	100	4.8	46.946		
4	Hong Kong	84.7	16.5	12.0	100	3.3	60.221		
6	Australia	83.3	22.1	12.7	100	5.3	44.097		
6	Iceland	82.9	19.2	12.5	100	7.5	47.566		
8	Sweden	82.7	18.8	12.4	100	7.7	47.955		
9	Singapore	83.5	16.3	11.5	100	2.9	83.793		
10	Netherlands	82.1	18.0	12.2	100	5.5	50.013		
...		
159	Tanzania	65.0	8.0	6.0	77.9	3.4	2.805		

Sources: Own elaboration, from Central Intelligence Agency (2019); United Nations – Human Development Reports (2019)

tries and therefore supports the people on the spot as much as possible. Regarding its relations to the coffee bean suppliers, the German Business Ethics Network (Deutsches Netzwerk Wirtschaftsethik) awarded *Tchibo* GmbH the Corporate Ethics Award for its ‘efforts on the road to sustainable business activities’ in 2012 (► www.dnwe.de).

12.2 Case Development

12.2.1 Cause-Related Marketing for Better Education and Training Prospects in Tanzania

Since 2013, the coffee company *Tchibo* and the child protection organization *Save the Children* have been working together to improve the living conditions of disadvantaged children and young people in coffee-growing regions. *Save the Children* is the largest independent children’s rights organization in the world and now operates in more than 120 countries. The association was founded by the teacher Eglantyne Jebb in Great Britain in 1919. Children in Germany were the first to be helped by *Save the Children* right after the World War I. Since then, the children’s rights organization has been working worldwide to ensure that all children can live healthily and safely. More than 4,800 small, medium-sized and large companies from different industries are already committed to children’s rights together with *Save the Children* (► www.safethechildren.de).

At the beginning of this project, the foundation of Radio Télévision Luxembourg (*RTL*) ‘Wir helfen Kindern’ (‘We help children’) was also partnering with *Tchibo*. *RTL*, headquartered in Luxembourg, is Germany’s largest private television broadcaster.

The schools in Tanzania are still not comparable to those in Germany or in other European countries (► Table 12.2): The children sometimes sit in a classroom with 50 other pupils and often only learn in frontal lessons.

As a result, the quality of education suffers, and because of that, many children do not pass the final examination of primary school. They leave school between the ages of 13 and 15 without a degree.

But even the successful pupils who have completed their degree also face further challenges: The secondary schools or training centres where they could learn a profession are often out of reach. Mile-long journeys and an underdeveloped public transport system are the rule, not the exception in Tanzania. As a result, the youth in the region lack the opportunity to build up a secure livelihood.

That is why *Tchibo* has sought competent partners for its support in the region and has been working together with *Save the Children* – and at the starting point of the collaboration also with the foundation of *RTL* ‘Wir helfen Kindern’ (‘We help children’) as part of the ‘*RTL* Spendenmarathon’ (‘*RTL* Donation Marathon’). The stated aim was to improve the quality of education in primary schools and to enable young people to receive local education, in order to provide them meaningful career prospects.

■ **Table 12.2** Comparison of class sizes of selected European countries

Country	Average class size (2017)
Greece	17.5
Poland	18.1
Austria	18.4
Italy	19.1
Germany	20.9
Portugal	21.2
Turkey	21.4
Spain	21.9
France	23.7
United Kingdom	26.7
...	...
Tanzania	approx. 50

Source: OECD (2020)

12

With an offer of practical and vocational-oriented extracurricular activities, pupils between the ages of 7 and 15 were motivated to attend school regularly and be prepared for a successful transition in working life. For example, children at ten selected project schools in the Mbeya region were enabled to attend primary school regularly and successfully complete it. In addition, and to prevent the exodus of young people to cities as unskilled workers, practical and job-oriented training options were opened up. In total, the project aimed to reach more than 7,500 children and young people in four districts around the city of Mbozi (Umweltdialog, 2020).

In order to kick off the project in 2013 and to generate more reach within the target group of coffee drinkers in Germany, Maxi Biewer was the prominent project sponsor (Umweltdialog, 2020). Maxi Biewer is employed by the Television company *RTL* as a spokeswoman and weather announcer and reaches a million audience with her weather reports. At the beginning of the CRM campaign, the popular *RTL* weather announcer was personally involved in the *RTL* donation marathon, took a look at the situation in the coffee region, and reported live on her experience with the children and young people in Mbeya during the fundraising marathon (■ Fig. 12.2).

The appeal for donations was subsequently broadcast several times on the television channel and thus reached millions of viewers.



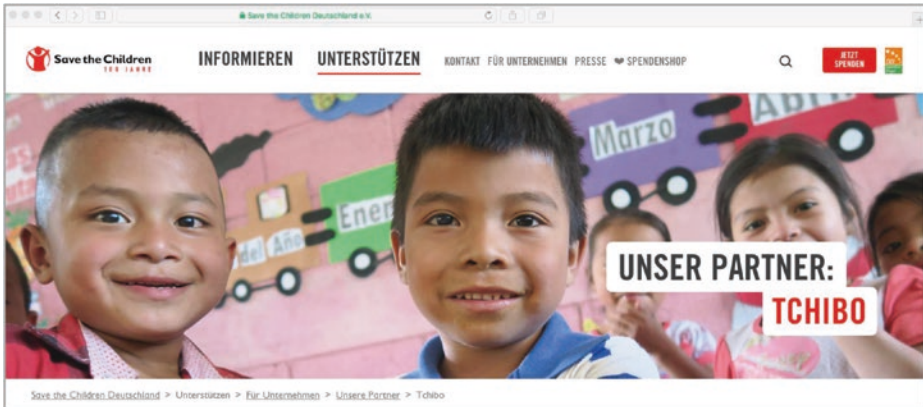
■ Fig. 12.2 RTL spokeswoman and weather announcer Maxi Biewer on site in Tanzania (Source: RTL (2015))



■ Fig. 12.3 Tchibo CRM campaign in 2017. (Source: Save the Children (2020); © Tchibo)

After this successful launch, it was decided that the campaign should definitely continue – possibly with even more activities. To do this and to ensure the further financing of the project, *Tchibo* therefore advertised between May and August 2017 its coffee brand ‘Privat Kaffee’ with the slogan ‘10 Cents for Tanzania’ (■ Fig. 12.3). Thus 10 cents for every sold unit of private coffee were redeemed. The money went directly into the in-house educational project in the East African country.

During the duration of this second campaign flight, *Tchibo* additionally promoted its social commitment. The project was advertised in *Tchibo*’s stores throughout Germany with banners, flyers, and on-pack stickers on the promotional coffee. *Tchibo* also informed in its high-volume and wide-ranging customer magazine about the campaign. In addition, the CRM campaign was widely communicated through *Tchibo*’s website, a blog, and additional social media channels. Furthermore, the company regularly reported on its homepage also about a second, similar project in Guatemala, which is supported by the company too.



■ Fig. 12.4 Screenshot ‘Save the Children – Our Partner: Tchibo’. (Source: Save the Children (2020))

Because the partner organization *Save the Children* informed about these activities on its website too (■ Fig. 12.4), *Tchibo* have taken advantage of additional advertising.

Parallel communication of both organizations sensitized the public not only to the insufficient future prospects of children and young people in Tanzania. They also demonstrated *Tchibo*’s social commitment on the ground and activated people to donate. Until then, the coffee-related fundraising activities raised almost 800,000 euros (Müller, 2019, p. 94). So far the generated donations have been used as intended to finance projects in which young people from the region were placed in training courses and, for example, trained as tailors or carpenters.

Tchibo as a family-owned company may be motivated to initiate such a CRM campaign partly for altruistic reasons, but the partnership with *Save the Children* can definitely also be justified in terms of business. In any case, the aim of CRM was to create at least a win-win-win situation: The company (profit organization) and the cooperating NPO (non-profit organization) as well as the donors themselves should be able to derive their advantages from the activities.

On the one hand, it is fair enough, if companies want to increase their revenues. As part of the aimed increase in sales, the intention is, for example, to increase initial and/or repeat purchases or to increase the number of units sold per customer. This short-term effect can be achieved by motivating the consumer to buy more spontaneously at the PoS (Point of Sale) (Roos, 2012, p. 28), like *Tchibo* did with its Privat Kaffee CRM Campaign, described above. But at the same time, psychological goals such as increasing attention, improving reputation and/or a better brand image of the company, and increasing customer satisfaction or the likelihood of a recommendation can also be achieved (Oloko, 2011, p. 55).

However, to be well received by customers, such a campaign must be designed in a coherent way. If the company and its policies do not fit into the charity and the purpose of donations, consumers quickly doubt the credibility of the action,

the product, and the initiators. In other words, there are two requirements, which need to be met, before also consumers might feel an added value from this CRM activity:

1. The correct *partner fit* of the company and the NPO, i.e. the fit of *Tchibo* and *Save the Children*
2. The *cause fit* of the CRM measure with the core business or the advertised service offer, i.e. the fit between an educational project in an important coffee growing region and *Tchibo Privat Kaffee* as the advertising brand behind the campaign

Only in case these fits are perceived and accepted, then consumers will be able to feel the fundamental benefits of a delicious coffee and, at the same time, an also intended ‘moral added value’ through the CRM donation (Oloko, 2011, p. 81). Thus they can appreciate the good feeling of supporting the plantation workers and their families in Tanzania.

Therefore, the decision and selection of a suitable NPO are the most important success factors in the use of CRM. Cooperations with well-known organizations can bring valuable resources, such as the connection with their image, the use of existing infrastructure, and know-how (Stumpf & Teufel, 2014, p. 37). In the event of a critical evaluation of the CRM program, the NPO may also act as a buffer (Pringle & Thompson, 1999, p. 137).

Since *Tchibo* has with *Save the Children* a reputable partner on board, who has long been committed to the rights of children, the risks seem rather low, however. *Save the Children* would certainly not work with a company that could damage its reputation. In addition, the joint projects and the previous campaigns of this kind show that this is not a quick shot. And also the cause itself fits with no doubt to the core business of *Tchibo*, because coffee farmers and their families are at the very beginning of *Tchibo's* value chain.

By now, *Tchibo's* ‘Tanzania’ project has so far led to 16 school clubs for young people. In addition, 66 young people have already successfully participated in the training program. In total, more than 2,000 children were already reached through the activities of the CRM measure (► <https://www.TCHIBO.de/>). Although these figures seem quite positive, there is still a long way to go.

In order to do so, there might be even more to consider than the right goals and an appropriate fit. In addition, for the success of this campaign, so far it was crucial, that the donation amount is well balanced with the product price. But what does ‘well balanced’ actually mean? This depends on several factors. For example, research by Hajjat (2003, p. 93) suggests that CRM measures are particularly successful in terms of intention to buy, if a high proportion of donations (in relation to the purchase price) meets high consumer involvement, or vice versa, i.e. if both criteria score at a low level. If, on the other hand, a high proportion of donations meets low involvement or a low donation share meets high involvement, the chances of success of the CRM measure are significantly reduced.

As in the case of *Tchibo's* Private Coffee, the advertised donation of 10 cents at a retail price of approx. 5.99 euros for a 500 g pack is less than 1.7%. Therefore, it is not particularly high and corresponds also to the presumed equally low level of

involvement of the consumers. Fries (2010, p. 115) considers in this constellation a donation of max. 5% of the product price as optimal, however. In this respect, the donation therefore could be even higher (e.g. 30 cents instead of 10 cents). Only donations that exceed this relation respectively amount could then have a rather negative impact again.

Even if the calculation of the donation amount can be different, whether as a fixed amount or as a percentage of the product price, it seemed in case of *Tchibo* to be more promising to award an absolute, i.e. fixed amount – as it was done with 10 cents. Chang (2008, p. 1102) found a link between the donation amount (absolute vs. percentage) and the intention to buy. Study participants who received a CRM advertisement with an absolute donation statement had a significantly higher intention to buy than those who read the advertisement with a percentage donation. In this respect, with an assumed rather small involvement of consumers in terms of their mostly routine coffee purchases, the awarding of an absolute amount in the *Tchibo* campaign were correctly chosen, even if the amount of the donation itself could have been slightly higher.

Conclusion

This case allows to understand the concept of cause-related marketing (CRM) from the perspective of a fast-moving consumer good (FMCG) manufacturer like the German coffee company *Tchibo*. It underlines the importance of supporting a cause related to the core business, choosing an appropriate NPO partner, and developing ideally a repeatable concept so that the cause can be supported not only once but also in the long term.

The presented case study shows a win-win-win situation, which is typical for successful CRM:

- The coffee company Tchibo could increase sales of its product brand ‘Privat Kaffee’ in the short term with a coherent CRM campaign. And additionally, the company supports its image in the long term by taking part in repeating CRM activities.
- The NPO *Save the Children* gained benefits from the support and also from the additional advertising by being enabled to provide targeted support for charity projects in line with its mission.
- The local children and young people in Tanzania also took benefit from the donations and the educational projects which were funded.
- And the consumers ended up with better feelings (due to a good coffee product plus an emotional added value) when they do something good by buying the product by supporting people who are less well off than themselves.

Thus, this CRM campaign has so far served its purpose sufficiently. And just waits to continue in the future.

? Discussion Questions

1. In 2010 *Tchibo* was accused of not doing enough against child labour on the plantations of its suppliers (Müller, 2019, p. 94). Could the engagement in Tanzania therefore seem like ‘greenwashing’?
2. How could the optimal donation amount per unit of ‘Privat Kaffee’ be calculated respectively set by *Tchibo*?
3. Which additional aspects of the campaign described can be further optimized in the future, if necessary?

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“Buy a Pen, Donate a Pen”: A Case Study About the Power of Congruence and Simplicity in Online Cause- Related Marketing

Daniel Belanche

Contents

- 13.1 Introduction – 169**
- 13.2 Case Development: “Buy a Pen,
Donate a Pen” – 170**
- 13.3 CRM and BIC’s Corporate Social
Responsibility – 171**
- 13.4 Brand-Cause Congruence – 173**
- 13.5 Slogan Simplicity – 173**
- 13.6 Big Allies – 174**

- 13.7 Helping Children from the Customer Community – 174**
- 13.8 Increasing Control by Focusing Exclusively on the Online Selling Channel – 175**
- References – 176**

Learning Objectives

The main learning objectives to be achieved in this case study are the following:

1. To understand the concept of cause-related marketing (CRM) as a sales campaign based on solidarity values that benefit its various stakeholders
2. To examine and describe the details of the BIC Spanish 2019 “Buy a pen, donate a pen” campaign, a prototypical modern example of online CRM
3. To analyze the congruence between CRM and a firm’s core business as a strategy useful for integrating the CRM into company positioning and Corporate Social Responsibility
4. To analyze how the simplicity of a campaign message and a focus on a specific cause can contribute to the success of CRM communications
5. To explore how establishing alliances with reputable partners benefits brand image
6. To analyze how the use of the online Amazon store as an exclusive distribution channel affects the management of, and increases control of, this type of campaign

13.1 Introduction

This chapter examines the “Buy a pen, donate a pen” campaign developed by BIC (known for its stationery products) and Red Cross Spain in summer 2019 to donate pens to disadvantaged children in Spain. This could be considered a prototypical campaign as it fulfilled the essential conditions of cause-related marketing set out in previous literature. The company’s (BIC Iberia) goals were to increase its sales and to spread positive consumer associations based on the collaboration (Galan-Ladero, Galera Casquet, & Singh, 2015). The non-profit organization (Red Cross Spain) also benefited from the campaign as it created access to new fundraising sources. CRM is advantageous for BIC’s customers because it is an opportunity to fulfill their needs for self-satisfaction, pride, and prestige (Kim & Johnson, 2013). By purchasing BIC pens during the CRM campaign, its customers enjoyed the intrinsic benefit of supporting a worthy cause and acting in accordance, in solidarity with others, with prosocial values (Galan-Ladero, Galera-Casquet, & Wymer, 2013).

In a complementary approach, this case study covers topics frequently associated with CRM campaigns (Guerreiro, Rita, & Trigueiros, 2016). In particular, this chapter describes brand-cause fit as the congruence between the sponsor and the charity (pen purchase and pen donation), an aspect that may increase CRM efficiency, according to previous research (Guerreiro et al., 2016). Similarly, this BIC Spain/Red Cross collaborative campaign could be considered a local initiative that is part of the firm’s global action plan, as the “Buy a pen, donate a pen” slogan has been used by BIC worldwide for more than 50 years. In terms of company management, this CRM campaign connects marketing to Corporate Social Responsibility but represents a shift from idealism to realism (Vanhamme, Lindgreen, Reast, & van Popering, 2012). In other words, this campaign follows a wider Corporate Social Responsibility plan in which BIC’s commitment to children’s education is a cornerstone.

In sum, this case study shows how an easy-to-understand cause-related marketing campaign can be particularly effective when it is aligned with company goals and the company follows a well-planned customer-orientated action plan. The principal features of this innovative marketing action are discussed. This case study also aims to familiarize students and other readers with CRM, its advantages and disadvantages, and some aspects of its modern-day management.

13.2 Case Development: “Buy a Pen, Donate a Pen”

Using the simple slogan “Buy a pen, donate a pen,” BIC, the French pen and stationery product manufacturer, has contributed to the education of children in underprivileged schools worldwide since 1958. This case study analyzes the CRM campaign conducted by BIC Iberia (BIC’s Spanish operating arm) and Red Cross Spain in summer 2019. ■ Figure 13.1 is the main picture used in the campaign, for both online promotions and press releases.

This two-month campaign was conducted exclusively online, through the company’s Amazon e-commerce site. The marketing and donation activity was very easy to understand: for each pack of pens bought online by Spanish-based customers, BIC would donate a pen to children in poverty in Spain. Specifically, the firm



■ **Fig. 13.1** CRM campaign description. *Note: The ad was in the Spanish language, and can be translated as: “For every purchase of a pack of writing tools, BIC will donate a BIC Cristal pen to help children in poverty in Spain. Together we make the difference. Red Cross and BIC Pens. See campaign conditions.”* (Source: BIC Iberia (2019))

■ **Table 13.1** Information sheet: “Buy a pen, donate a pen” BIC CRM campaign, Spain 2019

Campaign title	“Buy a pen, donate a pen” (in Spanish, “Compra un boli, dona un boli”)
Company	BIC Spain
Non-profit organization	Red Cross Spain
Selling channel	Exclusively online: Amazon’s BIC store
Time interval	Two months: Summer 2019. Starting 1 August, ending 30 September
Operative	For each customer purchase of a pack of pens (BIC Cristal, BIC Atlantis or BIC Gel-Ocity) or markers (Intensity), BIC donates a BIC Cristal pen to the Red Cross
Type of donation	In-kind: BIC Cristal pens (brand flagship product)
Beneficiaries	National scope: Children in poverty in Spain
Solidarity program	Red Cross program to improve children’s education in Spain. It allowed underprivileged children to attend lessons with new writing tools and avoid stigmatization
Results	Donation of 40,000 BIC Cristal pens

Source: Own design, based on BIC Iberia reports and news reports (La Vanguardia, 2019)

donated BIC Cristal pens, the brand’s flagship product. ■ Table 13.1 presents the details of this marketing action.

13.3 CRM and BIC’s Corporate Social Responsibility

The campaign “Buy a pen, donate a pen” is part of BIC’s global CRM initiative; it has used the same slogan since it started helping underprivileged African children in 1958. BIC’s Corporate Social Responsibility program (which includes the pen donation) was originated in 2011. Since then the company has donated, on average, one million pens a year, due to its customers’ support for its CRM campaigns (BicWorld, 2017). The “Buy a pen, donate a pen” CRM campaigns have traditionally been undertaken in South Africa, where the company has a strong commitment to the development of children’s skills. The features of the original South African campaign are described at ■ Table 13.2 (based on information from BIC).

BIC’s contribution to the development of education around the world is an important part of its Corporate Social Responsibility. Indeed, BIC aims to donate 1% of its profits to education programs by 2025, using the maxim “Writing the future, together” (BicWorld, 2019). In addition to its CRM campaigns, the

Table 13.2 General features of the “Buy a pen, donate a pen” CRM campaign in South Africa (based on BIC information)

Why – purpose	Because “education is the most powerful weapon you can use to change the world” (Nelson Mandela) BIC is passionate about the power of the pen and its ability to impact on the future of the scholar
How – authenticity	The lack of basic amenities, infrastructure, and learning resources in South African townships and rural schools is one of the biggest challenges facing education there Together with their customers, BIC supplies underprivileged schools with stationery requirements/tools to empower scholars/children to write and, ultimately, learn
What – campaign	BIC offer customers’ high quality, affordable stationery products that they can trust to empower their children to help them have the best start to their school lives Customers support BIC’s “Buy a pen, donate a pen” campaign and help by donating pens and changing the future
Media platforms	To encourage engagement and awareness, BIC employs the following media platforms: digital platforms, radio advertising, billboards, bus shelters, street poles, in-store point of sale, and in-store promoters
Message	The slogan of the campaign was accompanied by the message “Power their potential with BIC” and the image of children imagining themselves in the future as having jobs related to inspirational careers (doctor, engineer, pilot, astronaut)
Donation type	In-kind: pens, pencils, marking, and coloring products
Time schedule	Donations are collected throughout the year. Stationery products are provided to children in need annually, before their exam periods, to increase their confidence
Charities	The Read Foundation and underprivileged schools
Result	1 million pens donated per year

Source: Own design based on BicWorld (2017) and Social TV (2019)

commitment of the company to this cause is also evident in other initiatives. In 2018 BIC and its national operations launched 244 philanthropic programs, including employee voluntarism, money, and in-kind donations to educational bodies valued at over 1.8 million euros (BicWorld, 2020). One of these programs is the “Global education week,” which has been carried out twice, in 2018 and in 2019. In this program, BIC teams in 50 different countries in 5 continents collect and distribute books, refurbish libraries and classrooms, hold career fairs, and raise thousands of dollars for children in need (BicWorld, 2019). The company website claims that, through this initiative, BIC contributes to United Nations Sustainable

Development Goals, specifically to Goal 4: “supporting quality education to improve people’s lives” (BicWorld, 2020).

The company also created the BIC Corporate Foundation in 2017. Three of the top priorities of the BIC Foundation are the fight against school failure, the access of girls and women to education, and the enhancement of environmental education (BIC Foundation, 2020). Among its initiatives, the BIC Foundation annually finances 15 projects to support local institutions carrying out innovative social initiatives to promote education worldwide. Nevertheless, their CRM campaigns involving the donation of pens and other stationery products are probably the most popular and identifiable initiative developed by the company.

13.4 Brand-Cause Congruence

In a departure from other CRM campaigns based on monetary donations (Brønn & Vrioni, 2001), BIC donates their own products in-kind. That is, the firm provides pens and other educational material for solidarity purposes. The congruence between donated products/causes and firms’ products and core businesses is known as brand-cause fit. By focusing on education, and specifically on donating educational materials, the company increases the congruence (brand-cause fit) of its marketing actions and the authenticity and credibility of its cause-related programs.

In this specific case study, Spanish customers could help children without paying extra and could view BIC as a partner in their solidarity behavior. Indeed, previous studies have found that brand-cause fit increases positive feelings toward campaigns and brand loyalty intentions (Lafferty, 2007). A high level of congruence is particularly effective in addressing customers less familiar with the cause, but is not required if the customers are already aware of the charity’s impact on social well-being (Zdravkovic, Magnusson, & Stanley, 2010).

13.5 Slogan Simplicity

Another effective CRM customer communication strategy is simplicity. That is, the use of a direct, palatable, and catchy slogan: “Buy a pen, donate a pen.” With a few words the company is able to establish a very easy-to-understand campaign: if you purchase a pen, the company will donate another pen to children needing this basic educational resource. The use of catchy one-line slogans is very frequent in CRM, because they both increase understanding among a wide range of potential customers and increase customer engagement through a call to action (Hawkins, 2012). In this sense, the campaign slogan is similar to previous campaign slogans, such as “One pack = One vaccine,” used to promote disposable diapers/nappies in an agreement between Procter & Gamble and UNICEF, and “Drink me. Save lives”, employed by Frank bottled water (Hawkins, 2012).

Interestingly, the BIC campaign developed in Spain used the same global slogan as a campaign name “Buy a pen, donate a pen”, but the firm, in fact, donated a pen for each pack bought by customers, not for each pen sold. In any case, the simplicity of the slogan was a powerful communication instrument that prevailed over any alternatives. The campaign conditions published with the promotional materials explained the operation of the buying/donating deal in accurate detail.

13.6 Big Allies

To launch the CRM campaign, BIC worked with two giant, well-reputed partners. First, the Red Cross is a leading humanitarian non-profit organization. It is present in almost every country in the world (in some places known as the Red Crescent) and is involved with a network of 80 million people who help those facing disaster, conflict, and health and social problems (Red Cross, 2020). Indeed, it is the only organization that has been awarded the Nobel Peace Prize three times, in 1917, 1944, and 1963. The Red Cross, known for its independence from governments and its help for disadvantaged people, is well recognized by most customers, which in this case probably reduced skepticism about the campaign.

Second, BIC relied on Amazon as their vendor partner; customers could only access the CRM campaign on the Amazon BIC site, not in other online or offline stores. Amazon is the world’s leading e-commerce company and has been described as “one of the most influential economic and cultural forces in the world” (Frontline, 2020). Customers perceive Amazon as a highly innovative, tech-savvy company that provides a wide and convenient product assortment (Wiggington, 2018). An alliance with Amazon could help renew the image of a firm based on traditional stationery products, such as BIC, and, thus, contribute to an enhancement of the positioning of the brand, that is, as fresh, young, and innovative.

13.7 Helping Children from the Customer Community

Since the economic crisis that started in 2008, companies headquartered in developed countries have donated not only to underdeveloped countries but also to the poverty-stricken in their own countries (Sotiropoulos & Bourikos, 2014). In this case, the purchase of products by Spanish customers helped children in Spain, which established closer links between members of the same community. The campaign could, thus, be described as focused more on its local impact (at the national level) than on its global impact. Although some of the campaign elements draw on the global campaign, BIC Iberia reached an agreement with the non-profit organization at a national level (Red Cross Spain), which reflects a manifestation of the popular “Think global, act local” movement. The commitment of BIC to education in Spain is reflected in other initiatives, such as “Global education week”; this

has been celebrated twice in Spain as part of a global action (previously discussed in the section devoted to BIC’s Corporate Social Responsibility).

13.8 Increasing Control by Focusing Exclusively on the Online Selling Channel

The CRM campaign was conducted exclusively through BIC’s Amazon site. That is, customers could only access this marketing action online. ■ Figure 13.2 presents an online banner for the BIC campaign.

From a managerial perspective, undertaking the action exclusively in one channel (i.e., BIC’s Amazon site) helped in the planning and control of the campaign. It allowed managers to set the exact period of the campaign and the amount and kind of products dedicated to the activity. In addition, limiting the CRM campaign to a specific channel also eliminated costs related to the adaptation of packaging, in-store advertising material, and handling excess campaign materials after the established time interval. As an additional advantage, focusing on the online channel helped access new customers (e.g., organizations that purchase online, younger technology users, etc.). Indeed, previous CRM literature has suggested that focusing on the online channel is useful for attracting new customers who might, subsequently, become loyal customers (Brønn & Vrioni, 2001).

The specific goals of the campaign were fulfilled. The campaign increased sales and allowed BIC to achieve its solidarity goals, that is, the donation of 40,000 BIC Cristal pens. All the partners involved in the campaign (the firm, the advertising agency, the beneficiary NGO, the customers, the community) were satisfied with this CRM initiative. This in-kind donation helped Spanish children in need at the beginning of academic year 2019–2020. To avoid stigmatizing the beneficiaries, Red Cross Spain, the donation-managing institution, did not provide information about the specific regions or groups of children helped by the campaign. From the customer perspective, beyond their purchase, it would be very interesting to measure their opinions and future purchase intentions based on this initiative. Previous studies examining other CRM campaigns found that they increased the relational value of customers for firms that launched similar initiatives (Guerreiro et al., 2016; Lafferty, 2007).



■ Fig. 13.2 Image of the campaign in an Amazon banner. Note: The information in the ad was in the Spanish language, and can be translated as: “For the purchase of a pack of writing tools, BIC will donate a BIC Cristal pen to help children in poverty in Spain. Together we make the difference. Red Cross and BIC Pens. See campaign conditions.” (Source: BIC Iberia (2019))

Conclusions

This case study analyzes the campaign “Buy a pen, donate a pen” conducted in Spain in August/September 2019. The campaign is part of a long BIC tradition of making in-kind donations to underprivileged children around the world as part of their CRM. Without ignoring its commercial purposes, the company is strongly committed to educational causes, as shown in the BIC Corporate Social Responsibility plan. The high level of congruence (i.e., a company selling pens donates pens when customers purchase pens) contributes to the success of their CRM campaigns. As with other CRM messages, the simplicity of the slogan helps a wide range of customers achieve an easy understanding of the campaign purpose. The case study also explains how the various partners benefited from each other’s image, especially in collaboration with big names in the charity (Red Cross) and e-commerce (Amazon) sectors. As a particularly interesting insight into the CRM field, this case describes how conducting the CRM campaign exclusively on the online channel provided several advantages for the management and control of this modern marketing action.

? Discussion Questions

1. Was BIC committed to educational causes before creating their formal Corporate Social Responsibility plan? What other initiatives to improve children’s education are BIC carrying out?
2. Do you consider that CRM-based in-kind donations are more effective than monetary donations? Why? In which cases should monetary donations be the preferred alternative?
3. Do you think that firms should continue using simple CRM slogans? Think about a different slogan that fits well with the BIC Spanish campaign or with a similar campaign in your country.
4. What type of allies should companies choose when collaborating in CRM campaigns? Why?
5. What are the benefits of conducting CRM campaigns exclusively in an online store? Would these advantages exist if the campaign was conducted exclusively in an offline channel?

13

Acknowledgments The author wishes to thank BIC Iberia for the information provided to develop the case study and for its permission to include the campaign images.

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Bank Positioning and Cause- Related Marketing: The Case of Contactmore by ING

Belén Ruiz and Juan A. García

Contents

- 14.1 Introduction – 180**
- 14.2 Case Development:
Contactmore Campaign
by ING – 182**
 - 14.2.1 Microsite – 183
 - 14.2.2 Video – 184
 - 14.2.3 Social Networks – 184
 - 14.2.4 Blog and Publicity – 185
 - 14.2.5 Permission Marketing – 185
- References – 186**

Learning Objectives

The main learning objectives of the case are:

1. To analyse the appropriateness of a cause-related marketing (CRM) strategy in order to attain a desired positioning in the banking industry
2. To identify possible ways in which to improve the integrated marketing communication (IMC) strategy employed to promote CRM campaigns
3. To understand how CRM can be applied and its relevance in the banking industry from a global perspective
4. To explore the utility and perception of CRM from the bank customers' point of view

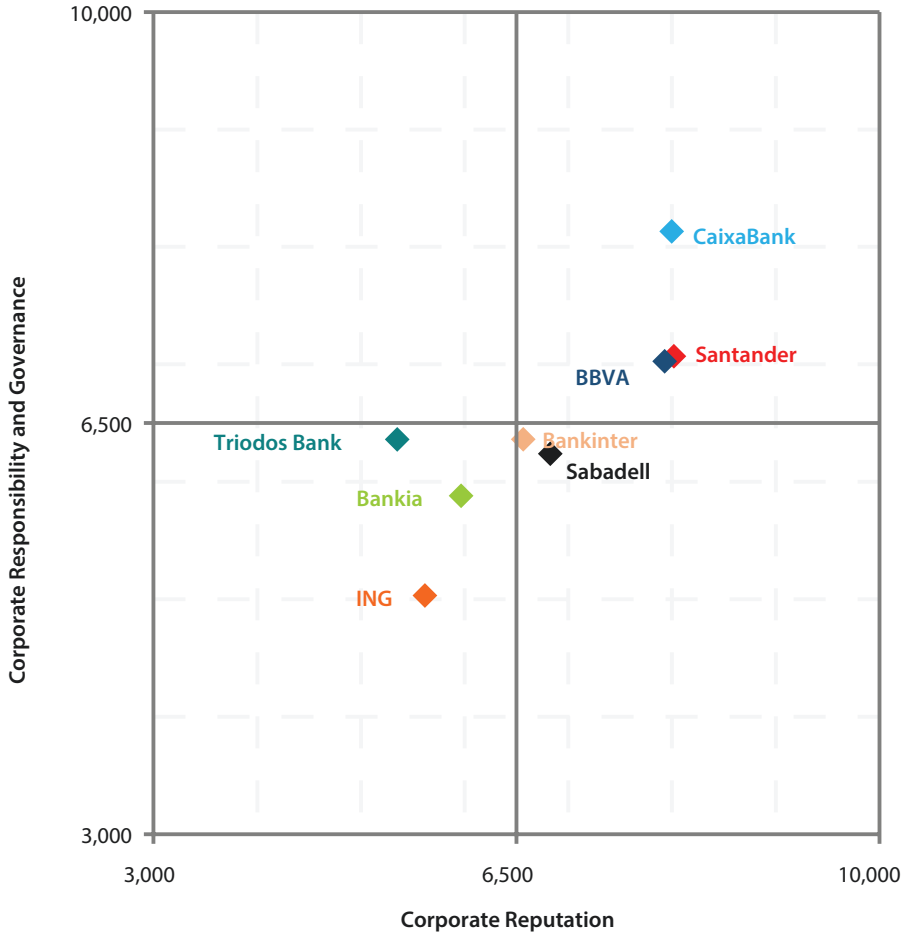
14.1 Introduction

Cause-related marketing (CRM) has been considered as one of the most effective corporate social responsibility (CSR) strategies owing to its positive effects on individuals' attitudes and behaviours, along with organisational objectives (Chang, Chen, & Tseng, 2009). Brand-cause fit has been the most frequently studied topic associated with CRM since it was identified as the key determinant of the success of CRM. The congruence between brand and social cause influences CRM efficiency, and this relationship is reinforced by consumers' familiarity with the cause (Patel, Gadhavi, & Shukla, 2017). Nevertheless, effective communication should take place in order to prevent negative reactions from sceptical customers who question the company's credibility (Natarajan, Balasubramaniam, & Jublee, 2016). Other factors, such as a product being purchased, product quality, price, the amount of the donation, or the proper selection of a non-profit organisation (NPO), have also been considered to affect the success of CRM campaigns (Chang et al., 2009; Natarajan et al., 2016).

CRM came into being in the early 1980s with a campaign by American Express in the USA (Galan, Galera, & Valero, 2004). In the banking industry, in which products and prices are similar among competitors, Chang et al. (2009) found that CRM directly decreases the perceived risk among customers and enhances customer value and banks' social image. CRM as a CSR tool is, therefore, considered to be a powerful positioning strategy by which to enhance a company's image and reputation (Galan et al., 2004).

In the aftermath of the 2008 global economic crisis, also known as the financial crisis, the banking industry's reputation among the general public plummeted in countries throughout the world, especially in Europe, and in Spain in particular (Reputation Institute, 2015). In a context in which banks' misconduct and lack of transparency have been identified as the main causes of the world economic crisis, CSR and CRM (Chang et al., 2009; Liston-Heyes & Liu, 2010) should be useful in the process of winning back consumers' trust and a positive reputation.

Given that CSR has commonly been identified as a key antecedent of bank reputation (e.g. Ruiz & García, 2019), CSR and corporate reputation may be used as criteria of banks' positioning with respect to that of their competitors.



■ **Fig. 14.1** Positioning of the banks in Spain. *Note:* The company that occupies the first place in the Merco rankings scores 10,000, while that which occupies the last position scores 3000. (Source: Own elaboration from Merco (2019a, 2019b))

■ Figure 14.1, therefore, shows the bank positioning of the eight financial institutions in Spain included in the Merco rankings to measure Corporate Reputation (Merco, 2019a) and Responsibility and Corporate Governance (Merco, 2019b). The latter is used to measure involvement in CSR.

Four groups of banks are clearly identified on the positioning map. First, the upper right quadrant shows a group of banks formed of CaixaBank, Santander and BBVA. All of them are banks with a high reputation that are well positioned as regards CSR (especially CaixaBank). This can principally be explained by the fact that the three banks have their own foundations that they use for their social responsibility and philanthropic strategies. Second, Bankinter and Sabadell have an intermediate positioning as regards both criteria. Third, Triodos Bank is positioned as an ethical bank but is, overall, that with the lowest reputation of the eight

analysed. Lastly, Bankia (which was nationalised and is considered the main cause of the Spanish financial crisis) and ING are the banks with a poor overall reputation and the lowest assessment in relation to CSR.

Considering the brand positioning of ING in the Spanish banking industry, it might be relevant to explore to what extent a CRM campaign could contribute to improving the positioning of this bank as regards both CSR and corporate reputation. The last CRM campaign carried out by ING in Spain is, therefore, presented below.

14.2 Case Development: *Contactmore* Campaign by ING

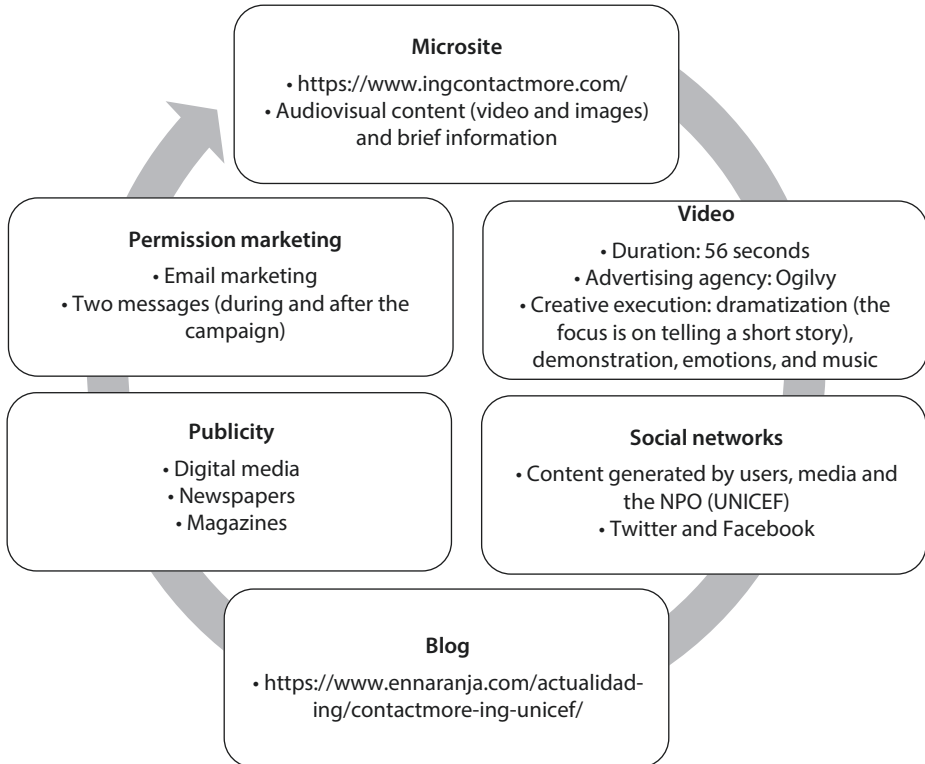
Contactmore was a CRM campaign developed by ING in Spain between the 2nd of December 2019 and 15th of January 2020. The objective was to donate the amount of money collected by this CRM campaign to UNICEF's *Power for Youth* programme, which helps young people from countries such as China, the Philippines, Vietnam, Kosovo or Montenegro to have a better future. As stated in the terms and conditions of the campaign, the maximum donation by ING was set at 115,000 euros (ING España, 2019a). The campaign's slogan or claim was "help us to create a world with more contact, not less," and the campaign emphasized that *Contactmore* was a solidarity payment option at Christmas that would allow participants' ING credit/debit cards to be not only contactless but also *Contactmore*. ING, therefore, used a play on words with the terms *Contactmore* (the name of this campaign) and contactless (a system for making payments using a credit/debit card by using radio frequency identification (RFID) technology or near-field communication (NFC)).

The process that ING customers had to follow to participate in the *Contactmore* campaign was as follows:

- *First step*: The holder of the ING credit/debit card had to donate any amount of money, without a minimum, to UNICEF, and ING automatically activated *Contactmore* on this credit/debit card.
- *Second step*: For each purchase that the credit/debit card holder made until 15th of January 2020, ING donated 1% to the *Power for Youth* programme.

Once the campaign was over, the donations made by customers (associated with the first step) amounted to 223,718 euros. The amount donated by ING (associated with the second step and linked with the 1% of the purchases made by customers who participated in the campaign) was, meanwhile, 56,347 euros. The latter represented less than 50% of the maximum donation planned by ING (i.e. 115,000 euros) and was almost four times less than the amount donated directly by the customers (ING España, 2020).

ING promoted the *Contactmore* campaign by designing an integrated marketing communication (IMC) strategy, which included a cohesive combination of marketing communications activities, tools and media (■ Fig. 14.2) designed to deliver a coordinated message about the CRM campaign to the target audience with a powerful effect. The different tools and media used in the IMC strategy to



■ Fig. 14.2 IMC strategy employed to promote the *Contactmore* campaign. (Source: Own elaboration)

promote the *Contactmore* campaign are discussed below, paying specific attention to their implementation and the results obtained.

14.2.1 Microsite

The microsite of the *Contactmore* campaign was the central axis of the IMC strategy proposed by ING and included (1) a play button for the video associated with the campaign; (2) a description of the process that had to be followed to participate in the campaign and brief information about the *Power for Youth* programme; (3) several advertising images; (4) a link to enable customers to share a persuasive message through Facebook and Twitter; and (5) the documentation related to the terms and conditions and privacy policy. The microsite was very basic, and, once the campaign was over, no information about the amount collected was provided, nor was there a message for customers thanking them for their collaboration.

The Alexa (2020) and Majestic (2020a) tools were used to monitor the performance of the microsite. According to the estimated traffic and visitor engagement obtained for the last 90 days, this microsite occupied position 2,561,391 in the

Alexa rank.¹ Majestic reported a total of 67 inbound links (external backlinks and supplemental links) to the microsite.²

14.2.2 Video

The video of the *Contactmore* campaign was published on the microsite, YouTube, Twitter and Facebook on the 10th of December 2019. The advertising message was presented and executed by combining the different formats and techniques proposed by Belch and Belch (2012): dramatization, demonstration, emotions and music. However, the main type of creative execution was dramatization, in which a woman appeared and imagined herself in a street playing with several children while paying at a store with her ING credit/debit card. The video ended with information regarding how to participate in the campaign.

At the end of the campaign, the video had obtained 1.3 million views, 16 likes, 1 dislike and 2 comments on YouTube (ING España, 2019b); about 8,500 views, 22 likes, 8 retweets and 41 comments on Twitter (ING España, 2019c); and 41 likes, 9 loves, 29 dislikes, 20 times shared and 410 comments on Facebook (ING España, 2019d). Virtually none of the comments received on YouTube, Twitter and Facebook were related to the *Contactmore* campaign but were complaints about ING services (APP crash, debit or credit card does not work, etc.).

14.2.3 Social Networks

The additional content generated in social networks by users, media and UNICEF during the campaign was extremely scarce. A research was conducted on the basis of social media monitoring and was carried out using the Twitter and Facebook Search tools. This research also included a subsequent analysis of manual content and the coding of the sentiment of the posts published. An analysis of manual content was chosen because there was only a small amount of data (Zhang & Vos, 2014). The hashtags *#ingcontactmore* and *#contactmore* were monitored, and only 28 posts were identified in open accounts in Twitter and Facebook: 23 posts made by users, 4 by the media and 1 by UNICEF. The UNICEF post was published on the 11th of December 2019 and was the following: “Many thanks to @ING_es and its customers and employees for helping us be closer to children and young people who need it *#ingcontactmore*” (Statistics concerning this post: 10 likes, 7 retweets and 1 comment). With regard to the 28 posts published in social networks, the average number of likes per post was 1.85 ($SD = 2.74$), the average number of retweets/

-
- 1 Alexa ranks millions of websites in order of popularity and reveals how well a website is performing in comparison to all other websites, which makes Alexa rank an excellent key performance indicator (KPI) for benchmarking and competitive analysis (Alexa, 2019).
 - 2 Majestic is the largest commercial link intelligence database in the world and maps the Internet (it views around a billion URLs a day) in order to provide complete information about the online prominence of websites (Majestic, 2020b).

times shared was 0.70 ($SD = 1.63$), and the average number of comments was 0.07 ($SD = 0.26$). Regarding the sentiment of the posts, 64% were persuasive, 29% informative and 7% negative. The negative comments were related to the impossibility of choosing a different cause or NPO and to the percentage donated by ING for each purchase (i.e. 1%). Finally, it should be noted that 71% of the posts were published between the 11th and 17th of December 2019.

During the entire time that the CRM campaign was active, ING's interaction with users who published posts about *Contactmore* was virtually non-existent in these social networks, and it limited itself to responding to complaints about ING services.

14.2.4 Blog and Publicity

The IMC strategy included a post on the “En Naranja” blog, which is the corporate blog of ING Spain that occupied position 155,115 in the Alexa rank (Alexa, 2020). This blog post was published on the 10th of December 2019. The headline was: “This Christmas, ING cards are more than contactless, we present *Contactmore*”. An image and a body copy of less 150 words were also included.

The dissemination of the *Contactmore* campaign in the media was also quite limited, since only nine members of the media published the press release, while 67% of the news items in newspapers and magazines were published between the 11th and 12th of December 2019. No news was published about the results of the campaign.

14.2.5 Permission Marketing

ING also attempted to encourage customers to participate in the CRM campaign by employing email marketing. The subject of the message sent to customers was “Haven't you activated *Contactmore* yet?” The creativity included the same image on the blog's post and a call to action that redirected the user to the microsite.

Finally, once the campaign was over, ING sent a message to its customers thanking them for their collaboration. The subject was “With you we have created a world with more contact”. In this message, ING indicated the total amount donated by customers and by ING, respectively, to the *Power for Youth* programme (ING España, 2020).

Conclusions

In a context of customers' distrust towards the banking industry, a CRM strategy, employed as a CSR tool, may be useful to regain lost corporate reputation. However, according to our observations, this strategy is not the most important CSR policy employed by the principal Spanish financial institutions. CaixaBank, Santander and BBVA perform their social and philanthropic actions through their own foundations, which are separated from their main business activity. Other financial institu-

tions, such as Triodos Bank, develop their main commercial activity in a manner that is completely linked to their social and ethical character, since this is their key differential aspect with regard to the traditional banks.

A CRM campaign could have been a viable alternative in the specific case of ING, which does not have its own foundation in Spain and is not positioned as a socially responsible bank. It is true that the strategy employed to promote the *Contactmore* campaign was carried out according to the premises of the IMC and included a cohesive combination of marketing communication activities, tools and media. Nevertheless, several of the strategic and operational aspects of the *Contactmore* campaign could have been improved. The data concerning estimated traffic, visitor engagement and inbound links related to the microsite and the video views, likes and comments provide clear indications that the popularity of the campaign was limited. This last circumstance is ratified by the fact that the amount donated by ING represented less than 50% of the maximum donation planned by the bank.

Possibilities for improvement have been detected in the media plan of the IMC strategy, particularly as regards owned media (i.e. microsite, corporate blog and corporate social networks) and earned media (i.e. content generated in social networks by users, media and UNICEF). Nor should it be forgotten that the IMC strategy was principally based on online media, which could have limited the population reached to a younger segment.

? Discussion Questions

1. What strategic objectives led ING to launch the *Contactmore* campaign? How would you evaluate the results of this campaign?
2. What contextual factors explain the results of the *Contactmore* campaign?
3. How could the integrated marketing communication (IMC) strategy employed to promote the *Contactmore* campaign be improved? What specific tools and media could be redesigned to improve the results?
4. What do you think is the utility for the bank customers participating in a cause-related marketing (CRM) campaign? How do bank customers perceive this type of social marketing actions?

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Cause-Related Marketing in Retail e-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia)

*Anibal E. Toscano-Hernandez,
Luis I. Alvarez-Gonzalez,
and M. Jose Sanzo-Perez*

Contents

- 15.1 Introduction – 191**
- 15.2 Case Development – 192**
 - 15.2.1 Building the Future in Amazon – 192

15.2.2	Sustainability and Cause-Related Marketing (CRM) in Amazon – 193
15.2.3	Cause-Related Marketing (CRM) and University Sustainability – 194
15.3	Results – 197
	References – 199

Learning Objectives

1. Encourage the debate concerning the effective implementation of business strategies to promote sustainability worldwide.
2. Strengthen the use of the university-business relationship, as a tool to promote sustainability in universities.
3. Show how cause-related marketing can serve as a tool for businesses to implement actions towards the improvement of competitiveness and sustainability in universities.
4. Stimulate the critical thinking of those interested in the study of the university as a reference partner in cause-related marketing strategies.

15.1 Introduction

Amazon (► www.amazon.com), the retail e-commerce company, is established as the undisputed leader of electronic commerce worldwide, along with the Chinese private consortium known as Alibaba (► www.alibaba.com), not only in the sale of electronic books and other personal products but also in the design and manufacture of network infrastructure. In 2018, Amazon recorded revenues of \$ 203,075 million and economic benefits of \$ 8,528 million, with more than 500,000 employees around the world (Nombela, 2019). Amazon's success is consistent with its organizational behavior. Since its beginnings, it has included the implementation of long-term strategies to rationalize and eliminate costs, generating permanent innovations, the development of strategic investments and customer focus.

In terms of Amazon's organizational behavior, its efforts to achieve a sustainable future stand out. For example, in September 2019, Amazon announced its commitment to meet the Paris Agreement of 2050 10 years earlier, which implies a zero-carbon footprint in its businesses by 2040, through the initiative known as The Climate Pledge. In fact, sustainability strategies implemented by Amazon include actions that facilitate the participation of customers in its commitment to have a positive impact on the planet and the society. Such is the case of AmazonSmile (► <https://smile.amazon.com>), a website that gives customers the ability to support nonprofit organizations (NPOs) for every purchase made.

Specifically, AmazonSmile offers its customers the same purchase options available on Amazon (including prices and product diversity), except that when buying on AmazonSmile a donation of 0.5% of the purchase price is made to an NPO chosen from a list of more than one million organizations. This list includes the University of the Andes (in Spanish, Universidad de los Andes, commonly known as UniAndes), through its Foundation, an NPO that supports activities and facilitates the access of UniAndes students.

The objective of this case is to identify how the relationship between Amazon and UniAndes shows the opportunity to position the university as a partner in the use of cause-related marketing (CRM) for business. From the sustainability perspective, this case focuses on demonstrating how CRM is an encouraging tool for

business to implement actions towards improving competitiveness and sustainability of universities, as a strategic engine of economic development of society.

15.2 Case Development

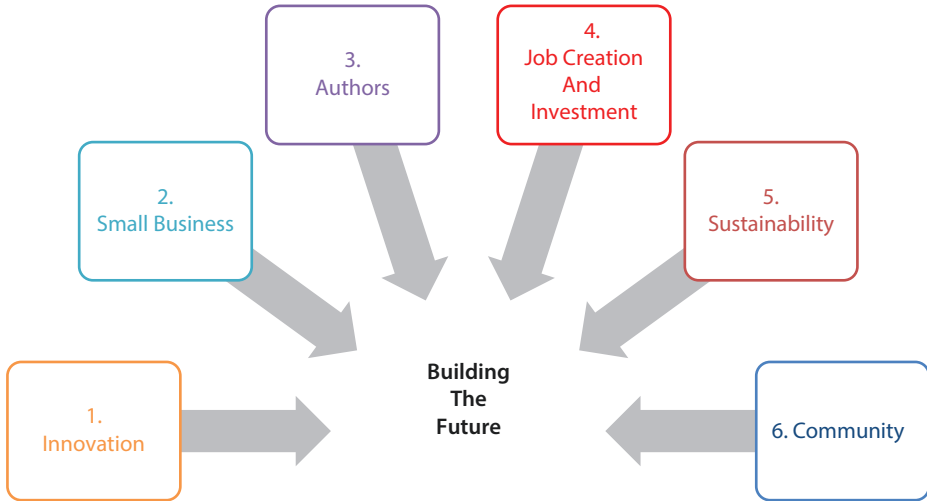
15.2.1 Building the Future in Amazon

In 1995, the businessman Jeff Bezos founded Amazon, a website acting as an online bookstore, which was an immediate success with book sales rising to about half a million dollars by the end of that year. Despite initially selling only electronic books, Amazon has made significant progress in product offerings over the years, on websites and in the international distribution and customer service network (Amazon, 2019a). Nowadays, Amazon offers an impressive range of products and services (Amazon, 2019b).

Amazon services and products with greater recognition are ► [Amazon.com](https://www.amazon.com), its traditional online retail store that offers its customers a wide variety of products; Amazon Web Services, a collection of online computer services that make up an online computing platform; and Echo and Alexa, a virtual assistance service that can provide real-time information, perform routine tasks, create checklists, set alarms or timers, control smart devices, send messages, or make video calls. As for Amazon tangible products, we can mention Fire Tablets, high-performance electronic tablets designed and manufactured by Amazon for entertainment at an economical price; Fire TV, another Amazon device that is connected to the TV to access virtual platforms on the internet; and Kindle E-readers, a portable device acting as an electronic book reader that allows you to buy, store, and read digitized books. In terms of services on online platforms, you can find Prime Video, a service that broadcasts thousands of streaming videos, and Amazon Music, a service that offers music streaming and sale.

As a result, Amazon has become a retail giant by expanding its operations to the sale of personal electronic devices, appliances, footwear, clothing, and other products desired by a person or family (Treanor, 2010). However, it is necessary to highlight that the success of Amazon has not been by chance and is defined by its strategy, which is guided by four principles (Amazon, 2019b): (I) *customer obsession rather than competitor focus*, (II) *passion for invention*, (III) *commitment to operational excellence*, and (IV) *long-term thinking*. In line with the above principles, Amazon includes six areas of interest in its prospective vision entitled Building the Future (Amazon, 2019b), as seen in ■ Fig. 15.1.

It is necessary to point out Amazon's interest in promoting a positive impact on its main stakeholders (Amazon, 2019b): customers, employees, small businesses, and communities. The above is in line with the Stakeholder Theory, which describes how organizational management is directly related to a wide and complex network of relationships. Therefore, the harmonization of the stakeholders' multiple and divergent interests is essential in social strategy (Galan-Ladero, Galera-Casquet, Valero-Amaro, & Barroso-Mendez, 2013). In this way, it is possible to infer that Amazon's prospective vision shows the concern about aligning



■ **Fig. 15.1** Areas of interest in Amazon's prospective vision, 2019. (Source: Own elaboration from Amazon (2019g))

its organizational strategy with the expectations of its stakeholders, considering that this may affect the achievement of organizational objectives and hence the business success.

In fact, the Stakeholder Theory links the legitimacy of the business with the goal of creating wealth and well-being for the different stakeholders in society. It is considered as a business vision that aims to support the creation of long-term value in a sustainable way (Galan-Ladero et al., 2013). Furthermore, stakeholder management is described as an innovation opportunity to anticipate risks and get quick responses that meet the needs of its customers and therefore increasing competitiveness. In short, according to the Stakeholder Theory, long-term business sustainability requires the effective cooperation of numerous stakeholders.

15.2.2 Sustainability and Cause-Related Marketing (CRM) in Amazon

In terms of sustainability, Amazon is developing actions that contribute to sustainable development around the world. These actions include projects of renewable energy and responsible sourcing, identifying the most important environmental and social issues in their business operations. In fact, according to a recent report entitled *Sustainability: Thinking Big* (Amazon, 2019c), published in September 2019, Amazon has set ambitious goals to make its activities more sustainable (Amazon, 2019d), paying attention to the integration of sustainable practices into its daily operations, through the definition of objectives, indicators, and quarterly reviews (Amazon, 2019e).

Considering Amazon has set goals to make its operations more sustainable on behalf of customers, an important part of Amazon's commitment to sustainability implies facilitating the latter to generate positive impact on the planet and society (Amazon, 2019d). Amazon allows its customers to support local communities or organizations dedicated to solving problems related to important environmental and social issues (Amazon, 2019d, 2019f). AmazonSmile, a website operated by Amazon that makes it easier for its customers to provide support to NPOs around the world (Amazon, 2019d), is one of the alternatives that Amazon offers to its customers to actively participate in actions that promote sustainability.

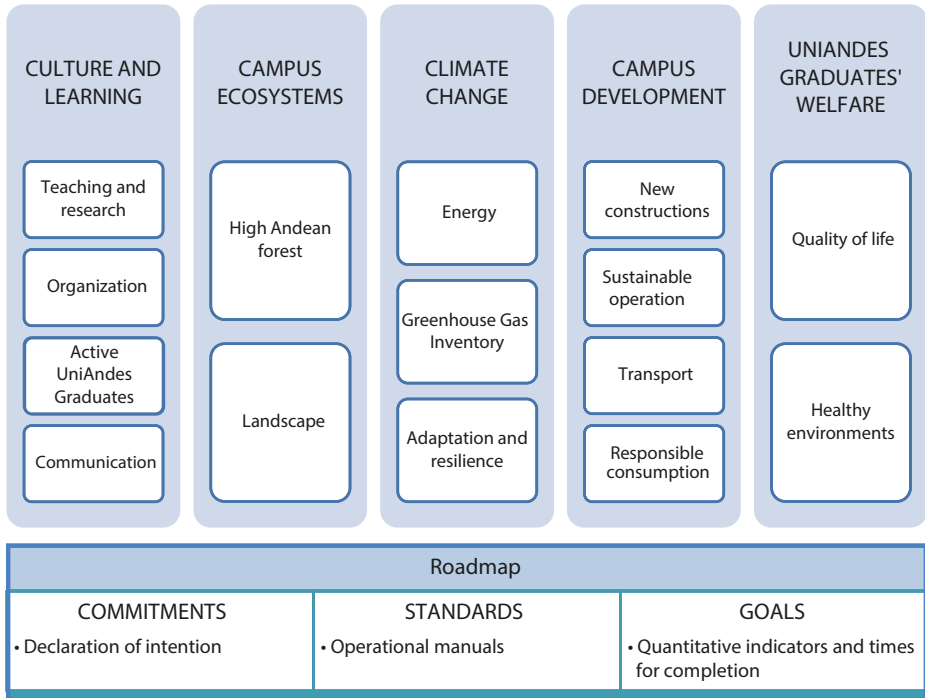
Specifically, AmazonSmile is an online retail store that offers the same wide range of products, economic prices and purchase options than ► [Amazon.com](https://www.amazon.com), with the difference that, for every purchase on AmazonSmile, a donation of 0.5% of the item or service price is made to an NPO (Amazon, 2019d; AmazonSmile, 2019). In this way, when shopping on AmazonSmile, customers can choose from a list of more than one million NPOs, which support various causes related to (Amazon, 2019g): art and culture, education and youth, pets and animals, environmental concerns, faith and spiritual values, health, and international cooperation, among others. As a result, the global retail giant develops a strategy known as cause-related marketing (commonly referred to as CRM) with AmazonSmile, which could foster a more favorable customer attitude towards Amazon.

It should be noted that in the case of AmazonSmile, the initiative complies with the two main characteristics of CRM: (I) the collaboration between a business (Amazon) and an NPO and (II) the donation of money by the business is conditioned to the purchase of certain products and services by the customers. Therefore, the CRM, one of the most popular strategies of Corporate Social Responsibility (CSR) and sustainability, implies the business' commitment to donate money to a social or environmental cause, including NPOs, when customers buy its products or services (Nan & Heo, 2007). Indeed, CRM strategies "obtain higher importance and can be employed for directing activities of profit-seeking companies towards socially responsible activity" (Galan-Ladero et al., 2013, p. 38).

In general, AmazonSmile currently gathers more than \$ 100 million to NPOs as a result of purchases made by customers (Amazon, 2019d). Thus, strategies of CSR and sustainability, including CRM, are tools to improve the company's competitiveness and reputation and can be a source of competitive advantage (Galan-Ladero et al., 2013). In fact, it can be inferred that Amazon has strong and growing stimuli to implement sustainability strategies through the AmazonSmile initiative.

15.2.3 Cause-Related Marketing (CRM) and University Sustainability

Universities not only have the potential to boost economic growth and productivity but also the opportunity to contribute to the transformation towards a more global sustainable and equitable society (SDSN, 2017; Toscano-Hernández, Álvarez-González, & Sanzo-Pérez, 2018). In this way, the contribution of universities to the Sustainable Development Goals (SDGs) is much broader than their direct role in



■ Fig. 15.2 Work axes and roadmap of the sustainability program by UniAndes. 2020. (Source: Own elaboration from Universidad de los Andes (2019a))

certain topics related to education and research, since it can support the implementation of all the SDGs or the framework of action to overcome the complex range of social, economic, and environmental challenges considered by the SDGs (SDSN, 2017). In fact, although traditionally only understood as the inclusion of environmental topics, the integration of sustainability into the university includes multiple perspectives and several factors (Toscano-Hernández et al., 2018).

Unfortunately, although many universities actively seek to play their role in the implementation of the SDGs, there is very little material available to guide the practice. Fortunately, UniAndes, a renowned university based in Bogotá (Colombia), has incorporated the SDGs as a frame of reference in the operation and evolution of the institution, supported by a roadmap with five work axes (Universidad de los Andes, 2019a). As seen in ■ Fig. 15.2, taking the 2015–2020 Harvard University Sustainability Plan as a reference, UniAndes has five axes of work: I) culture and learning, II) campus ecosystems, III) climate change, IV) campus development, and V) UniAndes graduates' welfare. In effect, the UniAndes commitment is reflected in the results of the sustainability reports published annually from 2017 to 2020.

The inauguration in 2018 of a specialized center to promote sustainable development, known as CODS-LAC, should be highlighted. It is based at UniAndes and created in alliance with SDSN and with the financial support of the Inter-

American Development Bank (CODS-LAC, 2018). The SDSN network is a global initiative launched in 2012 by the United Nations whose mission is to mobilize technical and scientific resources to provide practical solutions for sustainable development at local, national, and global levels (SDSN, 2017). CODS-LAC was the first center of this nature in Latin America, positioning itself as a hub that joins efforts to promote the SDGs in this part of the world (CODS-LAC, 2018).

While not traditionally considered a very important issue in higher education, strengthening the university-business relationship has been identified as a priority for higher education (Toscano-Hernández, Álvarez-González, Sanzo-Perez, & López Espitia, 2017). Additionally, in the race to increase productivity and competitiveness in world markets, the interest of businesses in becoming more involved in higher education has increased in recent years (SDSN, 2017).

Thus, businesses and universities make a valuable contribution to sustainable economic development through their role as employers and producers of goods and services, their involvement in promoting innovation, the capacity for future growth, and the development of a workforce with greater capacity and knowledge (SDSN, 2017). Indeed, the university-business relationship has the potential to help organizations face important challenges, such as the financing of university research or the need for business innovation (Davey, Meerman, Galan Muros, Orazbayeva, & Baaken, 2018; Toscano-Hernández et al., 2017). In accordance with the above, despite the existence of certain ethical and epistemological questions about the use of some marketing instruments in university management (Toscano-Hernández et al., 2017), CRM acts as a specific tool to promote the university-business relationship, providing direct resources from the business sector to universities as a way to encourage sustainability.

UniAndes aims to provide access to quality university education to young Colombians with high academic performance, in addition to financing priority research projects for the development of Colombia, by using resources obtained from donations (Universidad de los Andes, 2020a). The University of the Andes Foundation is one of the NPOs available at AmazonSmile, an organization that provides financial aid and academic support programs for UniAndes students, as well as facilitating the creation of networks of students, professors, graduates, and other actors connected to this University (University of the Andes Foundation, 2013).

Amazon and UniAndes collaborate to market an image or product for mutual benefit, which can be considered as CRM, probably one of the most modern forms of CSR. Among the potential CRM advantages for the university are (Galan-Ladero et al., 2013) diversification of funding sources, improvement in the effectiveness of programs, better reputation, visibility and image, and higher level of professionalism, among others.

In general, the increased CSR implementation, as a sustainability strategy, is due to the growing recognition by businesses and nonprofit organizations as a key to success, becoming an intangible resource even more important than the other assets of the organization (Galan-Ladero et al., 2013). However, in some cases, CSR and CRM have not been easily used in the management of universities, given that on certain occasions there is relative opposition regarding the nature of universities and their social role that differentiates them from the business context.

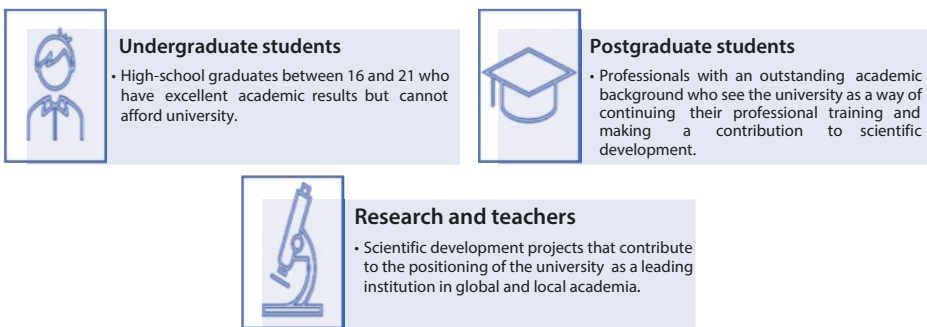
15.3 Results

In general, donations received by UniAndes intend to provide access to quality higher education to the best students in Colombia as well as to finance scientific research programs that are essential for the development of the country (Universidad de los Andes, 2020b). In this way, UniAndes financially supports its undergraduate and graduate students, professors, and research projects (see ■ Fig. 15.3).

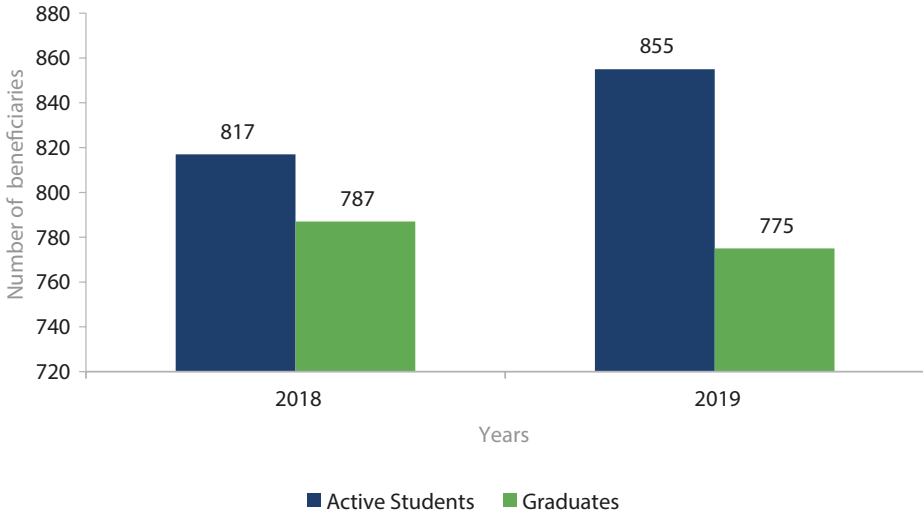
Specifically, AmazonSmile donations to UniAndes are addressed to *Quiero Estudiar* (“I want to study” in English), a UniAndes program that supports talented youth to access quality higher education (Universidad de los Andes, 2020b, 2020c). This program identifies students in Colombia who have obtained very good results in state tests, and want to pursue an undergraduate degree at UniAndes, but have limited financial resources to pay their tuition fees (Universidad de los Andes, 2020c). ■ Figure 15.4 shows the number of young beneficiaries of this program between 2018 and 2019.

Until 2019, the *Quiero Estudiar* program registered a total of 14,670 donors, 775 graduated beneficiaries and 1,849 beneficiaries (Universidad de los Andes, 2020d). The total number of beneficiaries of the *Quiero Estudiar* program are distributed in different faculties, such as Law (81), Administration (102), Architecture and Design (128), Arts and Humanities (135), Medicine (160), Economics (180), Social Sciences (187), Sciences (277), Engineering (956), Education (2), School of Government (17), and Directed Studies (4) (Universidad de los Andes, 2019b). It is necessary to clarify that the difference between the number of beneficiaries and the total number of students per faculty is due to some dual study programs.

In summary, AmazonSmile donations to UniAndes help brilliant and talented students from Colombia to join a high-quality university, regardless of their economic or social conditions. Indeed, it is worth noting that among a total of 775 graduated beneficiaries in 2019, 14.2% graduated with honors and 277 beneficiaries completed a double degree (Universidad de los Andes, 2020d).



■ Fig. 15.3 Types of support through donations received by UniAndes. 2020. (Source: Own elaboration from Universidad de los Andes (2020b))



■ Fig. 15.4 Number of beneficiaries of the *Quiero Estudiar* program 2018–2019. (Source: Own elaboration from Universidad de los Andes (2018, 2019b))

Conclusions

In general, this case allows to show the positive impact that effective implementation of business strategies could have in order to promote sustainability worldwide. Specifically, the use of the university-business relationship is explored as a way to promote sustainability in universities. In fact, businesses and universities make a valuable contribution to sustainability, through their role as employers and producers of goods and services, their involvement in promoting innovation, the capacity for future growth, and the development of a workforce with greater capacity and knowledge.

In particular, CRM strategies, one of the most modern forms of CSR, serve as a tool that provides coherence between theoretical discourse and practice, as well as sustainability management in higher education. Therefore, CRM is an encouraging tool for businesses to implement actions towards universities' sustainability. In this sense, the implementation of CRM with the university as a partner of reference, given the potential of higher education to boost economic growth and productivity, can contribute to the transformation towards a more sustainable and equitable global society.

In this way, this positive impact of CRM in society can be inferred through the reduction in the gap between theoretical discourse and organizational action of universities in at least two issues: I) the university participation in sustainable initiatives and II) the relationship of the university with society. On the one hand, the CRM strategy would facilitate the participation of universities in initiatives, such as the promotion of sustainable human development, the implementation of interdisciplinary research projects, and the study and solution of local and global problems, among others. On the other hand, the effective strengthening of the university's collaboration with society in general and the university-business relationship in particu-

lar is promoted. This could help overcome challenges associated with the financing of scientific research on sustainability, the development of a workforce with greater capacity and knowledge, the promotion of innovation in search of more sustainable business operations, etc.

As for the relationship between Amazon and UniAndes, the CRM strategy consists of implementing actions of profit-seeking business towards sustainability goals, by using as an incentive the link between the money donated by the business to an NPO through the purchase of products and services by the customer. Therefore, Amazon donations are addressed to a UniAndes program that supports students in Colombia who have obtained excellent results in state tests, and want to pursue an undergraduate degree at UniAndes, but have limited financial resources to access quality higher education. Until 2019, the *Quiero Estudiar* program registered a total of 14,670 donors, 775 graduates, and 1,849 beneficiaries (Universidad de los Andes, 2020d). In fact, the implementation of CRM with the university as a partner of reference would make a significant contribution to sustainability, considering that most universities still adopt a traditional behavior and lag behind in sustainability management compared to other organizations, such as companies and governments.

? Discussion Questions

1. What is the potential contribution of cause-related marketing strategies to the development of sustainability actions worldwide?
2. What are the effects of using cause-related marketing strategies in the sustainability of the university?
3. What are the relative effects of using cause-related marketing strategies for the university-business relationship?
4. Are the economic incentives implemented by businesses cause-related marketing strategies that take the university as a reference partner?

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Cause-Related Marketing in Luxury Brands: The Case of *Josefinas*

Diana Pereira, Beatriz Casais, Marisa R. Ferreira, and João F. Proença

Contents

- 16.1 Introduction – 202**
 - 16.1.1 Cause-Related Marketing in Luxury Brands – 202
 - 16.1.2 Woman Empowerment Against Domestic Violence – 202
- 16.2 Case Development – 203**
 - 16.2.1 “Fashion Against Domestic Violence”: Cause-Related Marketing – 204
 - 16.2.2 Communication and Results of Josefinas CRM Campaign – 207
- References – 208**

Learning Objectives

1. Deepen the role played by cause-related marketing and to learn how this applies to the case of violence against women in a specific country.
2. Discuss the purpose and results of cause-related marketing in luxury brands.
3. Understand the relevance of a link between the related cause, the brand positioning, and the target audience.
4. Identify the communication mix of the cause-related marketing campaign.

16.1 Introduction

16.1.1 Cause-Related Marketing in Luxury Brands

Luxury brands make non-functional associations to products and propose a high level of quality and high prices, exclusive aesthetics, and uniqueness (Granot, Russell, & Brashear, 2013). The brand value that can be enhanced by cause-related marketing (CRM) can also be optimized by luxury brands, especially in the era in which the concept of the socially responsible consumer grows (Caruana & Chatzidakis, 2014). On the one hand, the sense that a luxury product represents a donation to a social cause decreases consumer guilt in the purchase, thus leading to the preference for a luxury brand (Hagtvedt & Patrick, 2015). On the other hand, the cobrand strategy of CRM with a luxury product has a positive impact on sales given the visual prominence of the luxury brand. Consumers' attitudes and intentions to buy increase in this context with benefits for both the luxury brand and the nonprofit organization promoting the cause (Baghi & Gabrielli, 2018). CRM in luxury brands is common and with clear benefits for nonprofit organizations that receive a high magnitude of donations from products with high prices, whose percentage for the associated causes tends to be significant (Boenigk & Schuchardt, 2013). Also, this marketing technique raises awareness of social causes among wealthy consumers who may become future donors of the associated nonprofit organization (Boenigk & Schuchardt, 2015). As such, the value generated by marketing associated with causes can positively interfere the interpretation of luxury brands (Roper, Caruana, Medway, & Murphy, 2013) and become important for fundraising success (Boenigk & Schuchardt, 2013).

16.1.2 Woman Empowerment Against Domestic Violence

Violence Against Women (VAW), according to UN Declaration on the Elimination of Violence Against Women (United Nations, 1993), is any act of gender-based violence that results in, or is likely to result in, physical, sexual, or psychological harm or suffering to women, including threats of such acts as

coercion or arbitrary deprivation of liberty, whether occurring in public or in private life. The UN Declaration was the first international statement that stated violence against women within a broader gender-based framework and recognized the family, the community and the state as main sites of gender-based violence (Montesanti, 2015).

It is challenging to have exact statistics about VAW, but it is important to mention several figures from the World Health Organization (WHO) which estimates that by 2013 about 35% of women in the world had experienced violence that could be physical or sexual violence from someone they knew, or sexual violence from a stranger; nearly a third of women who have been in a relationship have experienced physical and/or sexual violence at the hands of their partner; and 38% of women murdered are committed by their partners. In Portugal, the Portuguese Association of Victim Support (APAV) state that 19% of women report experiencing intimate partner physical and/or sexual violence at least once in their lifetime; 5% mention it occurring in the last 12 months; and 39% (0,2%) of women died from this in 2018.

In Portugal the most important responses for women victims of violence are nonprofit organizations, also normally funded with public funds, that inform, protect and support victims through the provision of free and confidential services such as protection and support for victims of crimes, especially the most needy through social, legal, psychological, and economic support as well as with temporary housing (APAV, 2018). Several important nonprofit organizations (NPOs) to mention are UMAR (Alternative Women's Union and Response), AMCV (Association of Women Against Violence), GAV (Victim Support Offices), EMCVD (Mission Structure Against Domestic Violence), and SOS Women Hotline, with APAV being one of the more acknowledged NPOs in the area.¹

This chapter presents the case of a Portuguese luxury shoe brand, *Josefinas*, that describes the luxury brand-cause fit with domestic violence and women's rights. The case has the support of the NPO APAV that helps women suffering from domestic violence. For a certain number of products sold, the company supports one woman in the APAV shelter for the duration of 1 month.

16.2 Case Development

The Portuguese luxury brand *Josefinas* is a handmade shoe brand designed for women and designed with the specific purpose of creating comfortable shoes without heels and with quality and elegance that women in a professional context can wear. *Josefinas'* main collections include ballet shoes and chic sneakers. The brand

1 The acronyms are in their original language (Portuguese), although their full names have been translated into English.

■ **Fig. 16.1** The values of Josefinas. (Source: Josefinas (2020))



assumes to be not only a shoe brand but also a brand with a feminine identity strongly linked to the support of women's rights and highlighting the importance of women fulfilling their dreams free from oppression (see ■ Fig. 16.1).

Josefinas brand emerged in the digital environment and communicates exclusively online through social media and digital influencers (Inês et al., 2019). The brand became a success due to its use of storytelling techniques and by applying different narratives for each product line with adapted stories, all of which spread ideals of inspiration, emotions, and attributes connected to the feminine universe and lifestyle (Dias & Dias, 2018). Among those values, the literature that has reported the brand identity of *Josefinas* highlights the fact of it being a feminist brand that supports the values of women's rights, as seen with the endorsements of APAV, the Portuguese association supporting victims and Women for Women International. The purpose of the brand is to present products that raise women's self-esteem with the assumption of egalitarian rights as the basis of social welfare (Inês et al., 2019; Schneider & Pereira, 2018). In line with this positioning, APAV is a nonprofit organization that since 1990 has promoted female empowerment with advocacy in public policies that defend victims and stimulate complaints and criminalization against aggressors as well as help with lodging, food, health facilities, and psychological and juridical support to women in need of such due to domestic violence.

16.2.1 "Fashion Against Domestic Violence": Cause-Related Marketing

Always linked to women's rights and with the ambition of creating a better world for women, *Josefinas* followed the motto "Fashion against domestic violence" and joined APAV for a CRM partnership with the campaign "You Can Leave" in 2018. *Josefinas* developed two campaigns, one in Portugal and the other in the United States since that is their main market; our approach in this chapter is focused on

the Portuguese campaign. The CRM action involved three lines of products, sneakers, shoe laces, and t-shirts, all of whose sales represented support to fight against domestic violence. Specifically, this support concerns the provision of housing, food, and juridical and psychological support for vulnerable women in the APAV shelters.

Josefinas launched three models of sneakers named *Leave*, *Speak*, and *Strong*. This campaign started in 2018 and is still running today. For each pair sold, five victims of domestic violence are supported for 1 month by APAV. This donation represents a total of 50€ per sale. According to the brand's CEO, the sale of these pairs has made it possible, on average, to help 24 women per month and which has shown positive results achieved with this brand-cause association.

Extending the range of products associated with this cause, in the same year *Josefinas* launched the #ProudToBeAWoman shoe laces, and for every 15 pairs of laces sold, *Josefinas* also contributed the same amount of 50€ to the support of five women victims of violence housed in the APAV shelters.

Finally, in February of 2019, and as part of the *You Can Leave* campaign, *Josefinas* launched, in partnership with APAV, the line *Collections* which consists of three t-shirts that, like the sneakers and laces, was aimed at supporting victims of domestic violence and raising awareness of consumers of this cause. Thus, for each t-shirt sold by *Josefinas*, a woman who was a victim of domestic violence and housed in APAV's Shelter Houses was helped for 1 month with the donation of 10€ from *Josefinas*. As such, the sales of any of these solidarity products by *Josefinas* have been reverting to APAV and contributing towards the supported cause.

Buying any of these items can have a positive impact on the NPO that helps victims of domestic violence – APAV – since for every purchase, an amount of money reverts to them. The campaign products *You Can Leave* shows five symbols regularly used in the clothes but, in this case, includes the following disclaimers: No controlling; No guilt; No intimidation; No shame; No violence (see ■ Fig. 16.2).

In November 2019, this line gave *Josefinas* the international award for Best Social Responsibility Campaign for Integration and Innovation of the ADCE Awards 2019, thus making it a milestone in the history of the brand and its socially responsible path. Additionally, they were nominated in 2019 and 2020 for the *Marketeer* Magazine awards in the category of fashion and accessories.



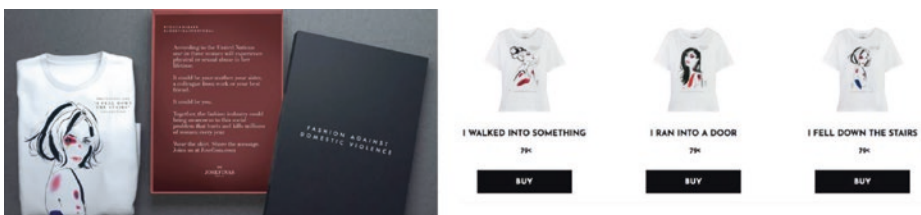
■ Fig. 16.2 You Can Leave collection. (Source: Josefinas (2020))

Josefinas sought through the products it developed to call attention to the supported cause by transmitting a strong message even in the smallest details. Making an analogy between footwear and people, each of the sneaker models created for this campaign as well as the laces presents the representative symbols of the care to be taken with these pieces but whose meaning was conveyed in the care to be taken with relationships between people. The campaign goes beyond physical violence and mentions modern forms of domestic violence such as the psychological violence connected to *intimidation, embarrassment, hurting, controlling, and blaming*. *Josefinas* aims, in this sense, to appeal to relationships based on respect and trust. The products also show a #proudtobeawoman hashtag. The campaign communicated factual claims such as “seven out of ten women are subjected to physical or sexual violence” or “Every year, one out of three women victims of domestic violence are murdered by their partners.”

T-shirts have printed expressions of violence to raise awareness of the cause and are sold in an elegant package with expressions about women’s rights and female empowerment disclosure. This special edition has the signature of the artist Jacqueline Bissett, recognized for her handmade fashion illustrations. Each t-shirt intends to transmit the story of any woman who is or has been a victim of domestic violence and tells the story of many other victims to illustrate excuses given by the victims to justify their bruises: “fell down the stairs,” “stumbled upon something,” and “went against a door”, all of which aim to appeal to the consumer’s sensitivity and identification with the cause since it is something that can happen to any woman, and not only the vulnerable or submissive women (see ■ Fig. 16.3). These stories are in line with the message usually developed by the brand and is based on storytelling narratives (Dias & Dias, 2018; Inês et al., 2019; Schneider & Pereira, 2018).

In parallel on Instagram and as another way of raising awareness to mark the International Day for the Elimination of Violence against Women (November 25th 2019), *Josefinas* changes its name to the names of the women that were or could be victims of domestic violence; thus, giving voice to the unknown victims. In this campaign they ask people to join them and ask people to change their names on their social media profile pictures to one of the names used in the campaign. *Josefinas* states that this campaign is the way to alert and fight the silent victims while the crimes continue (■ Fig. 16.4).

16



■ Fig. 16.3 T-shirts Josefinas You Can Leave. (Source: Josefinas (2020))

■ **Fig. 16.4** Instagram campaign in the 24th of November 2019. (Source: Josefinas (2020))



16.2.2 Communication and Results of Josefinas CRM Campaign

The “You Can Leave” campaign was presented on the websites of both the above-mentioned nonprofit organizations and the luxury brand *Josefinas* through a campaign video and specific facts about domestic violence that are dynamically emerging. The campaign received wide publicity by public figures not only in Portugal but also in the United States with notable brand equity outcomes that reinforced the brand’s positioning as a feminist luxury brand. The development of effective communication is a strong enhancer of attitudes shown by positive responses from consumers towards a brand-cause partnership, and without this effective communication, it becomes more difficult to guarantee the success and survival of the developed partnership (Wymer & Sargeant, 2006). In addition to expected financial results, this partnership also sought to raise awareness and alert people to a problem that continues to kill many people around the world every year.

Conclusions

In the exclusive world of luxury, the pop-up tendency seems to be linked to embracing social causes. The irony lies in the fact that one of the central purposes of a luxury product remains in the status and/or a particular social position that is highly related with individual income, and it is from this ideological contradiction that many global fashion brands thrive. Thus, this connection may be controversial although many support that announcing and subsidizing noble and inclusive causes can be positive. At the same time, engagement and digital activism is developing greatly, and thus no brand can be alienated from these issues. Luxury has not been under the radar of sustainability or under pressure to support social causes (Boenigk & Schuchardt, 2013), nor did the academics pay much attention to it mainly because the small size off the sector meant that it had a relatively small impact. Luxury promotes high-quality, intemporal, lasting products and aims to create exclusivity and value, and yet somehow these precise characteristics seem linked to social causes since its main feature is to help a cause and expects to change, diminish, or even make the problem disappear in a lasting and sustainable way.

This case study demonstrates how the fit between brand values and social causes are important in creating a congruent cause related to marketing campaigns as previously recommended in the literature (Pracejus & Olsen, 2004; Trimble & Rifon, 2006). The case highlights, in the specific context of a luxury brand, how the prominence of brand identity may strengthen the social movement since consumers who identify with brand values and the luxury hedonic attributes of it tend also to embrace the social causes endorsed by the brand and the intensity of product purchases (Baghi & Gabrielli, 2018). The brand-cause adequacy is expressive in this case study since *Josefinas'* values and mission demonstrate a large congruence with the supported cause of fighting against domestic violence and empowering women with self-esteem and hope with the message that *They Can Leave*.

? Discussion Questions

1. Do you think that cause-related marketing can be used by a luxury brand? Is there any ethical constraint?
2. Is the cause of violence against women acceptable and adequate to this specific brand? Is it coherent with the brand positioning and target?
3. Is it possible to identify the communication mix of this specific campaign? Are there any identifiable flaws?
4. What types of campaigns related to violence against women have been carried out in your country? Is there a brand linked to it? How long did they last or have lasted so far? Are there any occurring nowadays?

Acknowledgments Marisa R. Ferreira gratefully acknowledges financial support from FCT, Fundação para a Ciência e Tecnologia (Portugal), national funding through project UIDB/04728/2020; João F. Proença gratefully acknowledges financial support from FCT, Fundação para a Ciência e Tecnologia (Portugal), national funding through research grant UIDB/04521/2020.

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Disseminating Pet-Friendly Trends in Partnership: The Initiative 'Marketing Con Causa' in Mexico

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and Jesús Alberto Valero-Matas*

Contents

- 17.1 Introduction – 212**
- 17.2 Case Development – 213**
 - 17.2.1 Pet-Friendly Trends Influencing Adoptions and Donations – 213
 - 17.2.2 What Is the Initiative 'Marketing con Causa' in Mexico? A Case Study – 214
- References – 219**

Learning Objectives

1. To examine aspects of cause-related marketing and its good practice
2. To consider how different forms of communications create value in a cause-related marketing initiative
3. To examine how recent pet-friendly trends have led to an increasing preference for adoptions and donations in particular
4. To highlight what marketers should focus on when implementing a cause-related marketing initiative: build a positive image toward their campaign and find a cause that has a high degree of fit with their institution

17.1 Introduction

In the last two decades, the pet industry has been experiencing a spectacular growth around the world, both in developed and underdeveloped countries (ASPCA, 2017). Some of the changes result from technology advancements in the workplace and the advent of online purchasing at home, as well as from cultural changes in societies, new habits and shifts in the overall approach to pet ownership (Kilmer & Greenbaum, 2018). Reinforcing this empirical evidence, a large number of research studies, such as the Ipsos Human-Animal Bond Survey carried out between 2018 and 2019, demonstrate that pet ownership has proven benefits for humans, with the health of animals playing an important role in human health and well-being, that is, the benefits of this relationship also are recognized by health care professionals, especially in case of children or elderly suffering from health issues.

A recent report elaborated by Boehringer Ingelheim Animal Health in Mexico mentions that, in 2018, over 70% of dogs were in a street situation, placing this country as the leader for stray dogs worldwide. To a large extent, these figures are an evidence of a cultural norm that consider pets as a gift for children and adults, but, once they pass the initial ‘puppy’ stage and lose the ‘novelty’ inside the home, their owners begin to lose interest in them, and finally, the animals end up being abandoned (Philpotts, Dillon, & Rooney, 2019).

Furthermore, 66% of Millennials and Generation Z reveal a preference and special considerations for brands that have a social point of view (Animal Medicines Australia [AMA], 2016). For example, when it comes to cause-related issues, a recent study revealed that 66% of people choose or boycott brands based on their stand in favour or against supporting societal issues, respectively (Edelman, 2018). For companies who want to focus on a cause-related marketing initiative, it is necessary to consider the costs of implementation against the risk of alienating their targets.

According to different sources of information, 75% of consumers agree that a firm can implement specific actions that not only increase profits and utilities (American Pet Products Association [APPA], 2018) but also facilitate the social and economic conditions in their communities – a 9% of increase from 2018 (Holland, 2019). Promoting an important cause is possible through the brands that either partner with nonprofits or improve their own corporate reputation strategies to actually do well (Barone, Miyazaki, & Taylor, 2000).

In Mexico, several civil institutions and organizations have helped to raise public awareness about this problem with stray dogs in society by generating adoption campaigns in order to provide them with new opportunities improving their quality of life (Dogs Trust, 2017). This is the reason why the campaign ‘Marketing con Causa’ was implemented, as an initiative designed by the retail company LovePet Mexico in partnership with the marketing agency MKT Total and collaborating with the NGO Asociación Anti Maltrato y Abandono Animal – Asociación Civil (AMAA A.C. – Association Against Animal Abuse and Neglect, Civil Association, in English), oriented to generate numerous actions alleviating these vulnerable animals and offering solutions contributing to healthier, longer and happier lives for pets.

On the one hand, LovePet Mexico is an online retail brand that sells items to support cause-related marketing, as a powerful tool to promote pet-friendly trends, and health and environment-focused values is beneficial for both the society and their stakeholders. Based in Mexico, LovePet has a boutique located in 189, Vid Street, Mexico City. Since its foundation, the objective was to create a brand combining fashion with environmental awareness in the value proposition. Fueled by a mission to improve the lives of pets, this online retailer donates part of the profits for each marketing campaign to nonprofit partners working in the field of adoptions or donations. LovePet Mexico uses social media to spread its messages by appealing to consumers’ emotions and fostering a solid relationship with its consumers.

Since its foundation by Fex Cortés in 2015, MKT Total is a creative partner focused on the creation of value through innovation, comprised of experts under the umbrella of advertising and marketing. MKT Total offers a team that blends knowledge and contacts through media relations, social and digital media, influencer or inbound lead generation campaigns. They usually provide clients with content creation, strategy and communication services, in short, helping the brand to tell its story.

On the other hand, the Asociación Anti Maltrato y Abandono Animal (AMAA A.C. – Asociación Civil, Association Against Animal Abuse and Neglect, Civil Association) is a nonprofit organization defending the adoption of stray dogs and cats as an option to correct the abandonment and abuse of small animals in general. Born in Mexico City, this organization aims to improve the welfare of animals facilitating research, supporting veterinary education, providing pet care advice and encouraging debate on animal welfare issues. The mission is to use veterinary knowledge to improve the welfare of animals.

17.2 Case Development

17.2.1 Pet-Friendly Trends Influencing Adoptions and Donations

Every day, many pets are relinquished worldwide. According to Patel, Gadhavi, and Shukla (2016), owners who give up their pets do so for different reasons: relinquishment is guided by an inability to find accommodations that will accept a pet when consumers and citizens are travelling to other places (Nan & Heo, 2007); owner expectations such as a lack of appreciation of the effort, costs and time

■ **Fig. 17.1** An example of pet-friendly trend: ‘Marketing con Causa, una tendencia con sentido social’ (‘Cause-related marketing: a trend with a social sense’, in English). (Source: *MKT Total* (2020a, 2020b))



involved in ownership; etc. Certainly, relinquishment might be avoidable by education and cause-related marketing campaigns targeted at promoting responsible behaviour and perceptions (see ■ Fig. 17.1).

According to *The Yucatan Times* (published on February 5, 2019), approximately 500,000 dogs and cats are abandoned every year in Mexico. ‘A part of them are acquired as Christmas gifts and Valentine’s Day but months later, the owners lose interest in them and discard them’, said Emmanuel Pedraza, general director of the civil association “Defensoría Animal MX” (@DefAnimalMX) in *Excelsior* newspaper. According to Mr. Pedraza, ‘people abandon their pets because they do not know how to educate them and the behavior of the animals becomes undesirable but also, people often buy an animal for its aesthetic, but do not understand the great responsibility behind it’. In Mexico, the Law for the Protection of Animals prohibits ‘the sale and exploitation of animals on public roads or in vehicles, department stores, self-service stores and, in general, any other establishment whose authorized commercial turnaround is different from the sale of animals’.

According to Serralvo, Amar, Prado Pereira and Zicman (2017), cause-related marketing has been studied through the prism of a relationship between a company and a nonprofit organization, among other considerations. However, this case study explores the alliance-based view of cause-related marketing and the main steps to form a successful alliance highlighting the need to integrate cause-related marketing into an overall shared value strategy among several institutions.

17.2.2 What Is the Initiative ‘Marketing con Causa’ in Mexico? A Case Study

17

This cause-related marketing campaign was designed by LovePet, a Mexican retailer brand, claimed to tackle messages related to pet-friendly trends and promote a healthier model for animals in association with *MKT Total*, one of the most important media in Mexico City. LovePet and *MKT Total* pledged to donate money for the next 3 years to the *Asociación Anti Maltrato y Abandono Animal* (Association Against Animal Abuse and Neglect, Civil Association, *AMAA A. C.*), a relevant nonprofit organization in Mexico. There were two suggested donation

■ **Fig. 17.2** Cause-related marketing campaign: 'Marketing con Causa' in Mexico (Source: MKT Total (2020a))



levels set for the initiative 'Marketing con Causa': the first was 15 Mexican pesos of each sale and the second level was a 10% of sales from LovePet Mexico during the campaign and a complementary website annual subscription for 4 weeks to MKT Total.

Regarding the initiative 'Marketing con Causa', this marketing event received positive feedback given its positive messages related to actions alleviating these vulnerable animals and its redefinition of an increasing preference for adoptions and donations in particular (see ■ Fig. 17.2).

Cause-related marketing has proliferated as a marketing strategy and is being employed by numerous brands across product categories (Galan Ladero, Galera Casquet, & Singh, 2015). In this scenario, cause-related marketing is a means of demonstrating a corporation's social commitment, evolving as a strategy utilized by business to form a partnership for mutual benefit with a nonprofit organization. For example, in this case the main objectives for LovePet Mexico were the following: (1) gaining visibility and enhancing corporate reputation, (2) generating incremental sales and multiple unit purchases, (3) increasing recognition and brand awareness and enhancing corporate image, and (4) reaching new market segments and increasing retail activity for a brand.

Focused on purchase intentions as an outcome of brand image, the intention was to identify the potential of cause-related marketing actions to generate brand equity. Furthermore, there is often much emphasis in campaigns on individual perceptions change rather than the community, instead of emphasizing on creating a climate conducive to societal orientation and change (Holland, 2019). On the one hand, the campaign helps the corporate houses in improving their company image, gaining a competitive edge over its competitors by projecting a positive reputation in the target market, building customer loyalty and increasing sales, whereas on the other hand, it provides funds to the charity which is working to support a special cause. That is, it should always be borne in mind that the messenger can be much more relevant than the message itself. The campaign received significant feedbacks given its advertisements in favour of animals and pets and its consideration of pet-friendly values. Given the relevant profile of the brand and the significant discussion taking place on YouTube, Twitter, Instagram and Facebook, this cause-related campaign provided a great opportunity to evaluate the way social media users interact with each other (see ■ Fig. 17.3).

■ **Fig. 17.3** Other initiatives related to the ‘Marketing con Causa’ in Mexico campaign: partnership between LovePet and MKTotal. *Note: Poster presentation regarding the initiative ‘Marketing con Causa’.* MKT Total and LovePet Mexico announce the hosting of a Workshop on Digital Marketing Strategies on 31 of January, 3–8 PM at Sede Spacebox, Buenavista in Mexico City. Donation: at least, \$250 Mexican pesos in-kind (i.e. food, clothing and toys for stray dogs). (Source: MKT Total (2020a, 2020b))



The main determinants that contributed to the success of the initiative ‘Marketing con Causa’ were:

- Customer first: LovePet and MKT Total enabled stakeholders (i.e. consumers and citizens) to do something important to them.
- Tangible: For LovePet, donations revealed a real way to make a difference in the marketplace.
- Reach: The initiative was shared extensively without investment in social media by MKT Total and LovePet via Facebook and YouTube. Certainly, social media are not totally free, and there was time investment at least. This case suggests that in-kind giving such as time investment triggers a favourable response because they are perceived as an effective approach to boosting stakeholder perceptions of the firm.

17

On the one hand, the initiative helped LovePet Mexico and MKT Total in improving their corporate reputation, by meeting needs of their target audiences. Otherwise, cause-related marketing provided resources to the charity / nonprofit organization (that is, AMAA A. C.), which is working to support a special cause. According to Semons (2017), a range of indicators were established: good relations with the media, additional customer loyalty, brand advertising and cause-related marketing efforts communicate a company’s commitment to corporate social responsibil-

■ **Fig. 17.4** The initiative “Marketing con Causa” in Mexico by Shelby Corporativo. (Source: MKT Total and LovePet Mexico (2020))



ity focused on its stakeholders including customers, suppliers and employees (see ■ Fig. 17.4).

In terms of the main results of this marketing campaign, a total of 3,767 new clients joined to LovePet, resulting in an average increase of 22% from 2018 to 2019 (MKT Total and LovePet Mexico, 2020). Additionally, 380 kilograms of food were collected, and the donations represented 60,000 Mexican pesos in favour to the Asociación Anti Maltrato y Abandono Animal (AMAA A. C.). According to the design of the campaign by the creative agency, Shelby Corporativo, several factors contributed to the success of the initiative ‘Marketing con Causa’:

1. **Content.** The story featured in the campaign was based on reflecting what pets experience in their activities. In essence, LovePet Mexico is an online store but there are many pet owners in Mexico City, and they often come to their two stores to buy items. Regarding the specific campaign ‘Marketing con Causa’, the acts and dialogues in the video¹ have deep roots in the emotions. When consumers see things they can resonate with, they are more prone to feel a sense of connection, and the messages are more likely to make an impression. Creating the content is a critical step in any marketing campaign in order to reach to the target audience.
2. **Style.** The style of the video was light-hearted, which is the opposite of the serious stereotype of many messages in media. Usually, the consumers tend to use the video format only for information needs such as pet-friendly trends. Furthermore, some of the highlights in the video ‘Marketing con Causa’ were

1 Video available at: ► <https://youtu.be/EDOyprZ0B8M> (accessed on 5 August 2020). Reproduced with permission of the authors, Fex Cortés and MKT Total.

about avoiding certain negative behaviours affecting pets, and the light-hearted style is helpful to deliver the messages in an easy and even positive way.

3. **Venue.** The popularity of social media among clients makes it a relevant venue to distribute the video. The video was shared by consumers and the links to the video were promoted through different channels including other social platforms, for example, Twitter and Facebook. These social media have proved to be effective venues to share content and engage the target audience.
4. **Partnership.** The initiative thrived on a significant partnership between a firm and a nonprofit organization. In LovePet Mexico, the initiative was to partner with organizations such as MKT Total and AMAA A. C. which are knowledgeable and passionate about social causes and pet-friendly trends. Such a partnership became beneficial in three different ways: (1) LovePet and AMAA A. C. contributed financial resources and ideas to the content of the video respectively, because they understood how to connect with their specific targets, (2) MKT Total brought technical expertise and production details to the initiative, and (3) the partnership also constituted an opportunity for helping clients improve their knowledge about the particular situation of stray dogs in Mexico. Overall, this was a win-win situation for all the participants in this initiative.

Conclusions

This case shows that this discipline is a useful tool to realize a broad range of marketing and corporate objectives. Cause-related marketing has started as a commercial activity, but it has evolved as a concept and has gone beyond commercial activity to community activity. Corporates have demonstrated their concern for causes. They have gone beyond the level of reactive competitive strategies.

In a competitive environment where firms offer similar products and services with good quality, consumers turn to commercial brands that appeal to their emotions. The aim of this case study was to extend our understanding concerning the main determinants of consumers and citizens' intention to participate in a cause-related marketing initiative related to pet-friendly trends and values: 'Marketing con Causa' in Mexico. The conclusions of this work highlight the importance of finding more effective ways to communicate the underlying principles of cause-related marketing to both nonprofit organizations and companies.

This case demonstrates that altruistic together with self-interested considerations function as the two primary determinants of participation in this cause-related marketing campaign. Consumers with a tendency of being altruistically motivated are more prone to react to cause-related messages in order to participate in such a campaign. Additionally, consumers that are motivated by self-interests are more willing to support a firm's cause-related marketing initiative by participating on social media in a campaign. Evaluation of this type of initiatives should be established to help ensure that the cause-related marketing programs have value in creating positive impacts on stakeholders while not unnecessarily degrading or devaluing the traditional core objectives of the companies. Further, the true lasting impacts of these

programs are more clearly seen from comparisons after a number of events and initiatives. These considerations and others might temper the conclusions on the impacts that the program has on the consumers, companies and nonprofit organizations in general.

To sum up, this case study concludes that a pet-friendly consideration is a relevant factor in influencing consumers and citizens' intention to collaborate in cause-related marketing initiatives. The purpose of this case study is to present quantitative and qualitative insights about cause-related marketing, and subsequently we examined some aspects of a specific cause-related marketing campaign and its good practice.

Additionally, in this case study we gained an understanding of how different forms of communications via social media create value in a cause-related marketing initiative. In particular, we evaluated how recent pet-friendly trends have led to an increasing preference for adoptions and donations in general; and finally, we appreciated that marketers should focus on the essentials when implementing a marketing campaign, that is, build a positive image toward their initiative and find a cause which has a significant degree of fit with their institution.

? Discussion Questions

1. Discuss how cause-related marketing might be developed on a grand scale to counter the problems met in this case. What actions do you think the Asociación Anti Maltrato y Abandono Animal (AMAA A. C., Association Against Animal Abuse and Neglect, Civil Association) should consider?
2. What is meant by creating value in a cause-related marketing initiative? How might a nonprofit sector organization such as AMAA A. C. make use of such an approach? And LovePet Mexico?
3. What cause-related marketing strategy should be employed to make sure that customers' needs and preferences with respect to pet-friendly trends are best met?
4. Do you think cause-related marketing campaigns have a positive influence on consumer purchase intentions in general?

Acknowledgments The authors would like to express their gratitude to LovePet and MKT Total for providing access to the pictures, video and data used in this study. We are especially indebted to Fex Cortés.

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Health Causes

Contents

- Chapter 18 Cause-Related Marketing (CRM) of Ausonia's Campaigns – 223**
Estela Núñez-Barriopedro, Cristina Blanco González-Tejero, and Laura Flores-Lario
- Chapter 19 The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania – 235**
Ani Matei, Corina-Georgiana Antonovici, and Carmen Săvulescu
- Chapter 20 Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study – 247**
Bruno B. Sousa, and Daniela B. Soares

**Chapter 21 All United Against Breast
Cancer: The Solidarity
Beauty of Estée
Lauder – 255**

*M. Soledad Janita-Muñoz,
and M. Manuela
Palacios-Gonzalez*

**Chapter 22 Analysis of the CRM
Campaigns on Facebook:
The Case of Menudos
Corazones – 267**

Araceli Galiano-Coronil



Cause-Related Marketing (CRM) of Ausonia's Campaigns

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Contents

- 18.1 Introduction – 224
- 18.2 Case Development – 225
- 18.3 Campaign Results – 230
- References – 232

Learning Objectives

The current case study tries to achieve the next learning objectives:

1. Identify what does the cause-related marketing campaigns developed by Ausonia consists of
2. Define who the target audience of this campaign is
3. Analyze the initiatives carried out by Ausonia to encourage social collaboration with cause-related marketing (CRM)
4. Study how Public Relations through celebrities involved with the cause can help to further promote the campaign
5. How to build brand value through CRM campaigns

18.1 Introduction

Arbora Holding (founded in 1968 by the Agrolimen group) and Ausonia (established in 1977 by the Farma Lepori group) merged in 1998 to set up Arbora & Ausonia, which manufactures and distributes absorbent products for the care and personal hygiene sector. Since 1989, Arbora has been 50% owned by Procter & Gamble (P&G) and has remained a joint venture between the two companies. On 20 July 2012, P&G bought the other half of the company which it did not already hold from Agrolimen, taking over 100% of the Arbora & Ausonia society and taking Ausonia brain.

With women as part of its commitment, Ausonia does a huge effort to raise awareness about personal health and issues that most concern and impact women and the elderly, those who care for them. Ausonia collaborates with the fight against breast cancer in the 2.0 environment (Woolley & Peterson, 2012), as it provides visibility to their campaigns. This disease concerns more than 33,000 persons (AECC, 2019) in Spain every year. In addition, it increases the social influence on this issue and raises awareness that early detection of this disease can save lives.

Ausonia has used many techniques to increase the visibility of their campaigns, through conventional advertising, direct marketing, corporate information, their product packaging, and above all their webpage and social networks.

These campaigns help Ausonia to collaborate and make the corporate image of solidarity more visible and develop branding. The growth of social networks has had a huge impact on Internet users and increased their social awareness, by means of online platforms such as Facebook, with the aim of making society aware of social causes.

So, for example, November 2015 campaign was sponsored by Marta Sánchez, Shaila Dúrcal, Terelu Campos and her sister Carmen Borrego, model Bimba Bosé, and Charlie Centa under the slogan “I give you my hug” (■ Fig. 18.1). It should be highlighted that all these celebrities have experienced the illness themselves or their closest relations and collaborate very actively in all the initiatives carried out by this company and even tell their personal experiences in the “pink book.”

The objectives behind all these initiatives and campaigns are to promote the idea that the support of loved ones is key to dealing with this disease. These initia-

■ **Fig. 18.1** “I give you my hug” campaign. (Translation: “Celebrities hug against cancer”). (Source: Ausonia (2020))



tives are all involved in the fight against breast cancer, as well as Ausonia, which generates brand awareness. Ethical constraints have become one of the main drivers of product and service purchasing decisions (Andreasen, 2003; Cuesta-Valiño, Rodríguez, & Núñez-Barriopedro, 2019).

Ausonia has an international profile in countries such as the USA, Argentina, and Puerto Rico, among others. Spain is the country in which the most effective CRM is being carried out. Society is being successfully mobilized and made aware of the reasons it supports, which is having a significant impact and providing outstanding results for both the campaigns and the firm.

18.2 Case Development

Ausonia was originally a Spanish company that since 2012 belongs to the group Procter & Gamble. The core of its business is focused on the manufacture and marketing of absorbent products in the markets of child and family hygiene, feminine hygiene, and adult incontinence. Some of the most representative brands of this holding company are Ausonia, Tampax, Evax, and Dodot. Ausonia brand was selected as a case study because its beneficial impact on the society.

On the other hand, the Spanish Association Against Cancer (Asociación Española Contra el Cáncer – AECC, in Spanish) participates as a fundamental entity. This entity is made up of a community of professionals committed to supporting and serving patients and their families, with education for prevention and the promotion of research against cancer, seeking greater efficiency and effectiveness in the management of this type of disease. They act independently from any political, economical, or religious organization or institution with the sole objective of defending the interests of those affected and society against cancer. It began its activity in 2009 and currently has more than 105 research centers throughout the country collaborating on more than 380 research projects (AECC, 2019).

Both organizations, Ausonia and Spanish Association Against Cancer, are linked since 2009, with the aim of promoting research in breast cancer by conducting awareness campaigns about breast cancer in traditional media and social networks.

Nonetheless, Ausonia has highlighted a real need in society, reflecting the serious problem that arises in breast cancer research. Because of this, it is carrying out this marketing initiative with a purpose, as part of the global commitment of the brand to promote women’s health, its goal being the development of products related to female (■ Fig. 18.2).

The cause-related marketing program “With 1 pack of AUSONIA you collaborate in 1 minute of research against breast cancer. Join in. Lots of packaging. It’s many minutes” is their top campaign and was born in 2009, with the aim of supporting the project “Neo-synthesis of Fatty Acids in the Pathogenesis of Breast Cancer”, led by Dr. Javier Menéndez (AECC, 2020).

In 2011, Ausonia has contributed funding to Dr. Seoane’s breast cancer project entitled “Breast cancer and metastasis: role of Pit-1 transcription factor and thera-

■ Fig. 18.2 The packaging.
(Translation: “1 pack = 1 minute of research”). (Source: Ausonia (2020))



peutic implications of vitamin D analogues.” Nowadays, AUSONIA cooperates with the project led by Dr. Joaquin Arribas jointly with the Breast Cancer Research Foundation. The objective is to discover new therapies to deal with subtypes of tumors for which the most efficient treatment is not yet known, such as HER2-positive breast cancer.

In order to increase society's awareness of the social involvement it carries out, Ausonia uses numerous methods to boost the visibility of its campaigns, through conventional advertising, direct marketing, corporate information, product packaging, and above all on its website and social networks (García, 2015).

The first step was taken by introducing the AECC logo on the packaging of Ausonia goods (■ Fig. 18.2). Later, it was necessary to develop an important advertising campaign in traditional media, such as television (■ Fig. 18.3). Public relations through sponsorship was also one of the methods Ausonia used to advertise its cooperation efforts with the AECC (Currás, 2005). Furthermore, due to the innovation in communication skills through the networks, and the growing use of them by society in general, it was decided to spread these campaigns through the network, increasing knowledge in a short period of time (Barriopedro & Vílchez, 2017).

Facebook is a very powerful and effective tool to inform and motivate people to embrace healthy lifestyles and prevent diseases among many other things (Palazón, Sicilia, & Delgado, 2014). Ausonia has been able to take advantage of the potential of this social network Facebook, as well as its website. In addition to making its collaboration with the AECC known, it also aims to:

- Explain to its users how to prevent breast cancer
- Inform about the projects in which it collaborates and the way in which each campaign is developed, making persons participate in it with a simple gesture, such as putting on a pink scarf and contributing to the creation of the largest pink ribbon in the world
- Have a great commitment to women and for this, it has different programs such as the “mother and daughter program”, sexual education programs for teenagers and many more, with which it seeks to increase the conscience of society

■ Fig. 18.3 Advertising spot.
(Translation: “1 pack = 1 minute of research”). (Source: Ausonia (2020))



Among the many consumer-related factors that can affect the effectiveness of CRM programs, the motivations felt by companies when designing the action are the most significant. Overall, it is recommended that causes be chosen with which the target audience feels involved (Berger, Cunningham, & Drumwright, 2006).

Ausonia has linked each of the brand's products with the cause, taking into account its potential target, women, so the brand has been strengthened its positioning within its target. Some of the advantages of this cause marketing program are among many others:

- Consumers have a positive influence on purchasing decisions in terms of this packaging, over others, as it fulfils the consumer's need and at the same time helps a good cause.
- It improves the corporate identity previously given by Ausonia since any social action in which an organization is involved will enhance its position with regard to its competitors.
- It reinforces the emotional bond with consumers, thus building consumer loyalty and providing a brand alliance.
- It generates a great interest in the media, which benefits Ausonia, since its name is connected to this type of solidarity action, and it is promoted in any of the events that are performed against breast cancer since Ausonia develops an extensive promotion and collaboration work with the AECC.
- The active participation of consumers is ensured so that by purchasing this product they support a social cause (Penelas-Leguía, Galera-Casquet, Galan-Ladero, & Valero-Amaro, 2012).

Ausonia goes further and bets on the role and relationship of the consumers to make them conscious of the fight against breast cancer. To this end, it has designed two symbols: “the pink ribbon” and “the pink scarf.” Ausonia implements a planned and rigorous communication strategy in order to be truly effective.

These are just its main campaigns, but Ausonia is presently choosing to launch many other initiatives that will allow it to increase its brand's influence in society (see ■ Table 18.1).

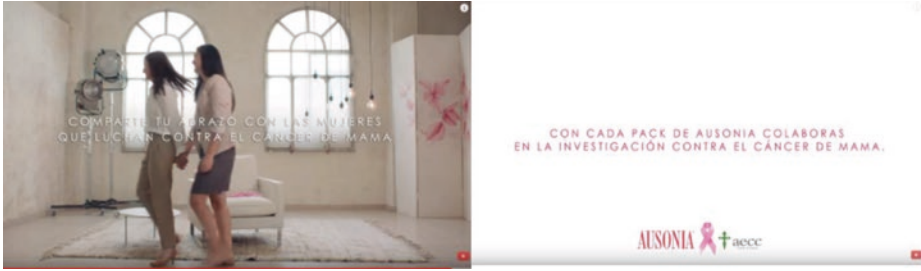
Finally, whenever a cause is relevant for the consumer, he or she will feel more interested and involved with that action (Berger, Cunningham, & Drumwright, 2006), so the feedback will be more favorable (Gupta & Pirsch, 2006), and, consequently, the purchase intention will increase.

This allows for the encouragement and promotion of a multitude of opinions and the generation of information about the campaign, which gives it a leading role and allows for consumer participation. Previous research, such as Austin (2000), coined the so-called responsible consumption term through which individuals begin to observe the organizations behind the products they consume, influencing their purchasing behavior in a direct way, and this has repercussions on the organization's collaboration with the selected cause. Therefore, partnerships between business and non-profit organizations have been successful.

■ **Table 18.1** Ausonia's complementary initiatives

Pink book of Ausonia	It is possible to be part of <i>The Pink Book</i> through the Ausonia website or Facebook, although it is not a daily blog. It is about sharing your personal feelings about breast cancer or just showing your support to the people who fight against it. In this pink book, sponsors who belong to the television environment will participate in order to promote the visibility and increase the visibility of the project
Women like you	Through your Facebook profile, you can get in touch with women who have undergone breast cancer or attend events planned in your city. The followers of this campaign have been invited to promote the cause and the collaboration, by means of the involvement in the social media of the company
Prevention and support messages	Other ways to highlight the relevance of this campaign is to launch preventive messages through videos such as "Story of a Hug" starring a woman who had breast cancer and her daughter, to help make all women aware of the importance of prevention and early diagnosis of breast cancer. These messages, based on real stories, have been documented to have a stronger impact on the whole of society, thus enhancing collaboration with the cause (see ■ Fig. 18.4). In this way, Ausonia reflects a responsible commitment to the fight against cancer, as well as the consumer's commitment to this disease
A massive hug	Ausonia's initiative was creating the world's biggest hug to help fight breast cancer. More than 2,000 people have taken part in this social event, which has been repeated in different cities in Spain. This campaign was sponsored by Bimba Bosé and has symbolized the commitment to all women who fight or have fought to win the struggle against this terrible disease. To this end, Running Against Breast Cancer is also sponsored by Ausonia
The world's largest ribbon	Marta Sánchez, Eva González, Terelu Campos, Elena Furiase, and Gonzalo Miró were the main actors in a 2010 campaign by Ausonia and the Spanish Association Against Cancer (AECC). The campaign was launched to commemorate World Cancer Day on 4 February. The campaign aimed to create a massive bond with the sponsors of this cause, who had more than a thousand flowers in their hands. The campaign is a way of highlighting the significance of the disease and shows support for the women who are affected by it
The flag of hope	This event took place on 19 October 2014 on the day of the World Breast Cancer Day. It allows women with breast cancer to donate the handkerchiefs they have worn during their treatment to make the flag of hope that they waved at the II Breast Cancer Race organized by the AECC and sponsored by Ausonia in the Juan Carlos I Park in Madrid
Powerful hair	Through this campaign, Ausonia with the collaboration of the consumer donates wigs to the AECC for women with scarce economic resources. The message that they launch to the consumer says strangely: "You choose: 1. Upload your photo with a pink scarf and #MelenasPoderosasCRF on social networks." This campaign promotes the marketing of the product while encouraging consumers to contribute to the cause of fighting cancer, not only by buying the product but also by donating their hair (■ Fig. 18.5)

Fuente: Ausonia (2020)



■ **Fig. 18.4** Advertising spot “Story of a Hug” (Translation: “with each Ausonia pack you collaborate in breast cancer research”). Fuente: Ausonia (2020)

■ **Fig. 18.5** “Powerful hair” campaign. (“Together we will donate wigs to the AECC for women with scarce economic resources. You choose: 1. Donate your hair with the envelope you will find in customer service. Upload your photo with a pink scarf and #Mighty HairCRF on social networks. 1 cut = 1 wig for AECC. 200 photos uploaded= 1 wig for AECC. aecc.es 24 hours 7 days a week. #WithyouWeLet’sFace”). (Source: Ausonia (2020))

18.3 Campaign Results

Ausonia has been implementing cause-related marketing (CRM) together with Spanish Association Against Cancer (AECC) for over a decade with such well-known campaigns as “One minute of research against breast cancer can save many lives.” Also, campaigns such as “Join our fight” or “together we are stronger” are other main campaigns created by Ausonia. As a result of this initiative, thousands of people have collaborated with the cause, making donations and uploading photos with the pink scarf on their profile. The campaign was launched on October 19, 2010, the International Day Against Breast Cancer. The impact was massive, getting 37,000 fans and more than 300,635 people have been wearing the pink scarf to date (Ausonia, 2020). The pink application helped to increase the impact on society and to increase the sales of this product, thus increasing the social responsibility with the cause. This is due to the growth of information and the use of social networks, which allows us to be in touch every day with the latest news (Túñez-López, García, & Guevara-Castillo, 2011). It’s all about wearing the pink scarf and calling

on your friends to do the same, trying to take advantage of the large volume of Facebook users (Facebook, 2020). At social network YouTube, preventive messages through videos such as “Story of a Hug” have got 992,453 displays. Furthermore, “Powerful hair campaign” has got 47,475 euros of donation (Ausonia, 2020).

The cause-related marketing program “With 1 pack of AUSONIA you collaborate in 1 minute of research against breast cancer. Join in. Lots of packaging. It's many minutes” is their top campaign and is currently being promoted in the mass media. It was endowed with 996,992.00€ (AECC, 2020).

Conclusions

CRM is an action that is highly valued by society and that has had great growth among companies around the world in the last decades (Varadarajan & Menon, 1988). Arbora & Ausonia is one of the companies that has sought to commit itself to various causes that affect society in general in order to try to improve the quality of life of the population, whether or not they are purchasers of its products.

In the world of advertising, the brand stands for women as a homogeneous group with a common attribute: femininity. Ausonia started with the inclusion of the AECC logo on the packaging of sanitary towels. On the packages, you can read “Ausonia supports the AECC in breast cancer research” and “With a package, you support one minute of breast cancer research.” In order to generate true and quality information for the customer, it indicates that to obtain more information, the interested user should go to the website ► www.ausonia.com or ► www.aecc.es, which allows a very positive link building strategy to be generated for the brand and therefore an increase in the social awareness of the cause for the organization.

In 2009, Ausonia partnered with the Spanish Association Against Cancer (AECC) to support research against breast cancer by sponsoring a project aimed at investigating the relationship between fat metabolism and breast cancer.

The great impact that the several campaigns and initiatives carried out by Arbora & Ausonia have had is mainly due to the use of conventional and non-conventional media. In particular, the dissemination of the campaign on its website and on Facebook has managed to convey the campaigns and initiatives carried out in an easy and quick way since the content of these has been quickly shared among Internet users, who do not hesitate to support these social actions. Social media is not the only element used by this organization, but it has also relied on conventional advertising, through the spots we have talked about in the development of the case and direct marketing. The packaging is one of the most important items, which is taken very much into consideration, since the packaging shows the companies with which it collaborates and the amount it contributes, with each package purchased by the consumer.

The aim of this CRM strategy is to make the population aware of various causes (Kotler & Lee, 2005), in this case, diseases, which can affect us or our families and that it is possible to overcome them with effort, support, and above all with good research. Therefore, it is time to reflect and become aware of the importance of contributing to these causes.

Using cause-related marketing strategies provides numerous benefits to Ausonia such as the following:

- Improving corporate image with respect to competitors, since any social action in which an organization is involved improves its position with respect to its competitors (Ravina-Ripoll, Núñez-Barriopedro, Galiano-Coronil, & Tobar Pesántez, 2019).
- It generates interest in the media, which benefits Ausonia, as its brand is related to this type of solidarity action and is promoted at any of the events held against breast cancer, as Arbora & Ausonia carries out important promotional and collaborative work with the AECC and other associations.
- They generate a positive feeling of purchase towards the product due to the ethical conditions of the human being, which move us to collaborate and help others (Núñez-Barriopedro, Ravina-Ripoll, & Ahumada-Tello, 2019).
- It reinforces the emotional bond with consumers, thus building their loyalty and providing a brand alliance.
- The process is governed by principles of transparency, clarity, truthfulness, proximity, and two-way communication, providing greater visibility and enhancing the company's brand image.
- Finally, the benefit that Cause-Related Marketing brings to society is highlighted.

The world is globalized, and companies are dynamic entities linked to the environment. Therefore, there is a business-society relationship that must be aligned with objectives, interests, and ethical problems (Núñez-Barriopedro, 2019). Regarding this point, we can talk about stakeholders who provide a competitive advantage for the company, as stated by authors such as Galan-Ladero, Galera-Casquet, and Valero-Amaro (2004) and Galan-Ladero (2012), who trust in the adoption of social responsibility by the company by means of socially responsible initiatives, with which companies manage to improve their image and achieve emotional differentiation, based on values, establishing longer-term relationships with their customers.

? Discussion Questions

1. Ethical limits. Where do you think is the ethical limit in this kind of campaigns? Is this a real strategy designed for the benefit of society? Are they simply a good fit for your brand values?
2. Positioning of the brand image. If Ausonia had not used celebrities as their campaign images, would it have had the same success?
3. Can cause-related marketing increase customer loyalty and trust?

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The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania

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Contents

- 19.1 Introduction – 236**
- 19.2 Case Development – 237**
 - 19.2.1 Methodology – 237
 - 19.2.2 Avon Cosmetics Romania:
The “Campaign of Promises” – 238
 - 19.2.3 The Main Results
of the Campaign – 241
- Appendix – 243**
- References – 245**

Learning Objectives

1. To present the sequential of a cause-related marketing campaign for supporting the fight against breast cancer of Avon Company in Romania in order to identify aspects regarding the improvement of the health of the population and the consequences of the lack of such campaign
2. To present the importance of a cause-related marketing campaign on the behaviour of consumers of solidarity products
3. To deeply approach the elements specific to CRM campaign (methods, messages, etc.)
4. To identify the role, benefits and impact of a CRM campaign

19.1 Introduction

The International Agency for Research on Cancer – IARC (2018) – reveals that breast cancer is the most frequent cancer type diagnosed in women, representing 24.2% or around a quarter of new neoplasm cases among women. At the same time, breast cancer is the main cause of death among women, accountable for 15% of total deaths caused by cancer (IARC, 2018a). Breast cancer is the most frequent cancer among women in the European Union, over 400,000 new cases being diagnosed annually (OECD/EU, 2018).

In 2018, in Romania, breast cancer was prevailing with a weight of 25.1% new cases (9,629), at high distance to colon cancer (11.9%; 4,576 new cases) and cervical cancer (8.6%; 3,308 new cases) (IARC, 2018b). With regard to the number of women who died of breast cancer in Romania, in 2018, 3,548 deaths (Botezat, Cîrtog, Ghenea, & Pîrvu, 2019) were recorded, which was high compared with years 2016 and 2019 (3,457 deaths, and 3,440 deaths, respectively) (Botezat, Cîrtog, Ghenea, & Pîrvu, 2017; Grecu, Dragomir, & Constantin, 2020). In Romania, analysing the situation of deaths due to breast cancer during 2005–2019, we remark a slight decrease during 2005–2012, a constant increase during 2013–2019, so that the values have attained around 3,500 cases annually (■ Fig. 19.1) (Deloitte Study, 2017; Botezat et al. 2017, 2018, 2019; Grecu et al., 2020).

A population screening programme is lacking in Romania, and diagnosis of new breast cancer cases at advanced disease stages (II, III and IV) in 90% of the population is one of the most important reasons for high mortality in Romania. In other countries, where organised population screening is implemented for over 10 years, 70–80% of the new cases are diagnosed in initial stages (0, I and II) (Deloitte Study 2017). Only around 5% adult women in Romania underwent mammography in the last 2 years as an opportunist screening for breast cancer. The number of new cases of breast cancer is constantly increasing lately with a higher frequency of cases in the urban environment (Deloitte Study 2017).

The activities for the fight against breast cancer cases are present at global, European and national level. The World Health Organization (WHO) promotes comprehensive programmes for control of breast cancer as component of the

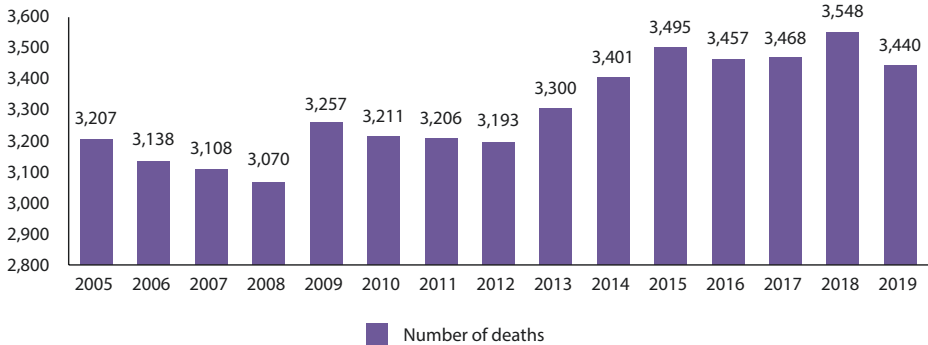


Fig. 19.1 Number of deaths due to breast cancer in Romania (2005–2019). (Source: The authors, according to the number of deaths from the Deloitte Study (2017), Botezat et al. (2017, 2018, 2019), and Grecu et al. (2020))

National Programmes for control of cancer (WHO, 2020). At the EU level, the European Commission adopted, in 2006, the European Guidelines for Assurance in Breast Cancer Screening and Diagnosis to promote the best practices from the regional and national screening programmes and to establish a protocol to certify the units of diagnostic and screening. At national level, in Romania, the National Oncology Programme implements the subprogramme of breast reconstruction after oncologic diseases through end prosthesis (National Health Insurance House of Romania, 2020).

In addition to the initiatives taken by the authorities to prevent breast cancer, this cause is also supported by private companies and NGOs through social responsibility campaigns.

The case study discussed in this chapter presents the CRM campaign of Avon Romania. This campaign aims to enhance the awareness of the risk of breast cancer and to settle a preventive behaviour, by periodical visits to doctor and through the sale of solidarity products. The campaign has a pink bow as distinguishing mark, 100% of the profit of each product is donated to the Breast Health Campaign.

19.2 Case Development

19.2.1 Methodology

The research methodology was based on a qualitative analysis of the information and data concerning the campaign, by retrieving information from the websites of Avon Company in Romania and from a website entitled ► <https://www.responsabilitatesociala.ro/>, which is presenting case studies and know-how about CSR of relevant national companies. At the same time, the research was based on reports from official sources, documents from various national and international organisations, as well as their websites. The limits of research refer to the information retrieved from websites as Avon Company did not respond to the e-mails aiming to gather more information.

19.2.2 Avon Cosmetics Romania: The “Campaign of Promises”

Avon Romania is a subsidiary of Avon Cosmetics, Inc., an American company producing cosmetics and the second largest company with direct sales worldwide. Avon Cosmetics Romania was set up in 1997. Prevention of breast cancer represents the most known cause of this company, being intensely promoted in Romania since 2002.

For 18 years, Avon Romania has been organising awareness campaigns on breast cancer. The mission of the *Campaign Against Breast Cancer* is to raise funds to finance programmes for informing and educating women in Romania with regard to early diagnosis of breast cancer and to ensure quality medical care for all patients suffering of this disease (Responsabilitate socială, 2014a).

Annually, the strategy of campaigns was different but targeted the same objectives (Responsabilitate socială, 2010):

1. To enhance awareness of early discovery of breast cancer and to convince women (especially aged 30–55) to undergo a periodic check-up
2. To ensure by donations a modern medical equipment in the sanitary units of Romania
3. To trade the products with *pink bow* from Avon leaflet, products whose profit inscribes into CSR budget, being used for donations and future campaigns for supporting the cause

Avon Company has been among the first companies that have introduced the solidarity products on the Romanian market and that have directed the whole profit to the cause they have committed to support. At the beginning, when launching the campaign for supporting women with breast cancer, a pair of little bears was the first solidarity product. During time, the products were diversified, including Avon necklaces, earrings, cosmetic kits, nail polishes, bath sponges, and solidarity shirts, products achieved in partnership with two Romanian artisans and promoted by celebrities.

By selling solidarity products with pink bow, Avon donates the whole profit of each product or a fixed amount of the profit to the Breast Health Campaign, funds supporting information projects, donates medical equipment and conducts rural screening campaigns and patient navigator programs.

Through the sale of the solidarity products, Avon supports women in their fight for health, by means of cause-related marketing actions. The funds are directed to early detection/prevention measures (for example, conducting free screening campaigns, donating medical equipment and organising information campaigns and awareness-raising measures). In 2014, the first Avon crowdfunding platform in the world was launched, ► www.doneazacuavon.ro. By means of this platform, any woman diagnosed with breast cancer can tell her story and every AVON donor may redirect their donation from the product purchased to a case registered on the platform. For the doneazacuavon.ro platform, the donation of the profit from the sale of the products is redirected to the chosen case when the code on the packaging label is inscribed on the website. When the customer receives the product, she/he has a code on the pink label. The customer may access the donation platform:

► www.doneazacuavon.ro, choose the project to be supported and inscribe the code in the page of the project. If the customer does not inscribe the code, the donation will support other projects of the Breast Health Campaign (Avon Stop cancer la sân Platform (a)). To an equal extent, the platform encourages the AVON local communities to organize their own fundraising campaigns.

Since 2002, there have been numerous social responsibility campaigns, special projects or philanthropic actions organized and supported by AVON, in most cases, with certain NGOs (see ■ Table 19.1 in Appendix). Those campaigns were organised and supported, comprising equipment donations, information marches, education campaigns or funded support groups.

The campaign from 2010 with the slogan “Campaign of Promises” has been approached, taking into consideration the criterion of its complexity, precisely its strategy of communication, wide range of channels of (external and internal) communication of messages, types of events organised, as well as its outcomes, and, specially, its CRM initiative. The “Campaign of Promises” was one of the most visible actions of Avon Company in Romania, with a great impact (the information and message of the campaign reaching over 10% of the whole population of Romania).

The “Campaign of Promises” took place between September and November 2010, representing the eighth edition of the campaign against breast cancer, and Avon Company introduced for the first time the concept of “promise for life”.

Unlike previous years, when the campaign message was a warning message (e.g. “one of eight women is at risk of developing breast cancer; you can be that woman”), in 2010, the campaign had a different, more optimistic and thought-provoking message to convince as many women as possible to assume and transmit it (Responsabilitate socială, 2010). Thus, the campaign promoted the concept of “Promise”, respectively “the promise to go to control”.

The importance of awareness campaigns, aimed to model a behaviour, respectively the periodic control derives from the fact that annually in Romania 6,500 new cases of breast cancer are diagnosed and unfortunately at the time of detection, 85% of them are already in advanced stages. Breast cancer can be treated and even completely cured if detected early. The survival rate is almost 100% if the diagnosis is made in the early stages of the disease (Responsabilitate socială, 2010).

Starcom Media, Sport for Life, Renaissance Foundation, Ion Chiricuță Oncological Institute and the Center for Independent Journalism were partners in this campaign. The communication of the campaign messages for the sale of the solidarity products was achieved through media (television, radio, magazines), via online, in the internal environment of the company and through street events (Responsabilitate socială, 2010):

- In media, the messages were transmitted through six celebrities, who voluntarily supported the cause, and through five “survivors”, women who have defeated breast cancer and who agreed to share their stories:
 - The promotion on TV was achieved through partnership with a television channel. The station broadcasted five videos with the stories of the “survivors” and six videos with the celebrities involved. At the same time, it covered the events editorially, broadcasting three news stories.

- The promotion on radio consisted of commercials inviting the public to participate in the “March of Promises”.
- The promotion in print format was accomplished in stylish magazines, especially for women. Due to their marketing collaboration with Avon, they published, in the October and November editions, free samples with the stories of the survivors, accompanied by the encouragement of the celebrities to undergo a diagnosis.
- Online communication was via the website ► www.stopcancerlasan.ro; programmes on this website had the capacity to go “viral”, such as the following:
 - The gallery of promises. The women in the audience were encouraged to publish their photos and names in a photo gallery on the website. They could send a message with their “promise” to other women – via e-mail, Facebook or Twitter account. The message urged the recipients to access the website and “make the promise”.
 - On the occasion of the events in Cluj-Napoca and Bucharest, the organisers promoted this symbolic gesture also through “cabins of promise” equipped with internet, computers and webcams.
 - Facebook app “Promise”. For Facebook, the organisers accomplished a special application, which was attached to the program page. When accessing it, the user could browse through her list of friends and publish on the wall an invitation to make the “promise”.
 - The internal communication was achieved through sales representatives, in view to involve them either as volunteers or to transmit campaign messages. At the same time, they could purchase the fund-raising products with the pink bow or they could encourage their customers to do it, basically, in order to support the campaign and to be an example for the clients they addressed. The representatives were informed through two newsletters by e-mail: one about the general concept of the campaign and one announcing the event in Cluj-Napoca. Also for the events, including the one from Bucharest, invitation text messages were sent. At the same time, online corporate channels were used, accessed frequently by Avon representatives: ► www.avoncosmetics.ro website, including the application reserved to the representatives (extranet), Avonconnects community and Avonspaceblog. An educational brochure about breast cancer was another tool used, especially for selling products with pink bow, containing detailed information on the stages of the disease, on the prevention methods, on the early detection and even on the costs of various medical analyses. At the same time, it provided information about Avon campaign and encouraged readers to buy fund-raising products.

The brochure was sent by mail to all the representatives who placed an order in October. Also, during the events there were fixed information points in 14 cities, where the volunteers shared copies of the brochures.

- Street events. In the framework of the campaign, two major events took place during September–October:

1. In Cluj-Napoca, in September, on the occasion of the donation of 113,000 USD to Dr. Ion Chiricută Oncological Institute, a press conference was organized, followed by a street event, with various artistic moments. The donation supported to purchase the latest generation equipment, respectively an osteo-densitometer and a gamma evidence device.
2. In Bucharest, in October, the traditional event of the campaign “The Pink March” was organized, transformed in 2010 into the “March of Promises” in which celebrities also participated. In the end, the audience was invited in front of a scene, where four “survivors” had speeches.

19.2.3 The Main Results of the Campaign

The outstanding results of the “Campaign of Promises” reflect the amount raised, the impact of the strategy of communication as well as the audience (Responsabilitate socială, 2010):

- (a) *Fundraising*. Sales of Avon solidarity products with *pink bow* increased by 26% in October 2010, compared to the same month in 2009. The profit obtained was fully invested in donations and 2011 campaign. 800,000 RON¹ represented the amount collected by Avon from those sales from January to October 2010.
- (b) *Impact of the strategy of communication in numbers*:
 1. The campaign has benefited from over 100 free mentions on TV, in print or online (in October 2010).
 2. Over 1500 participants took part in the events in Bucharest and Cluj-Napoca.
 3. A total of 113,000 educational brochures on breast health were distributed, firstly to Avon representatives, and also to more than 12,000 other women who interacted with campaign volunteers.
- (c) *Campaign audience*:
 1. Media: The female audience that came in contact with the campaign messages via TV, radio and print format could be estimated at over 2.5 million (women over 25 years old from urban or rural areas).
 2. Online: the programmes at website ► www.stopcancerlasan.ro had almost 400,000 unique visitors, from 1 September to 26 October 2010. The information about the campaign and the possibilities of involvement have reached all 100,000 Avon representatives via e-mail newsletters, as well as 30,000 subscribers of the Feminis.ro website and 14,500 subscribers of Eva.ro website. A total of 12,400 women accessed the “Promise” app on Facebook and posted messages on the wall of their friends.

1 RON is the Romanian currency.

Conclusions

The promotion of the causes of Avon Romania Company was not its choice, but it represented a continuation of a global approach, of the campaigns of the parent company in the United States, where the campaigns associated with the fight against breast cancer and against domestic violence were comprehensive.

Further data analysis and results of the current case study, and also after observing the history of the campaigns carried out, show that Avon Romania is associated with the cause of the fight against breast cancer due to constant communication and consistency in the message, which is important for trust. They also have experience in supporting these causes and strong partnerships. Avon has created a powerful company image related to the breast cancer problem, taking into consideration the fact that persons outside the company could also sign up for breast cancer cases on the ► [DoneazaCuAvon](#) website.

Also, it is worth to mention that Avon Romania uses in the strategy of communication of the campaign celebrities/public persons to promote the message and sales of CRM products, simple people who tell their cases and Avon representatives.

Further monitoring the impact of the association with celebrities in campaigns, Avon Romania reveals that the results are obvious: when celebrities are in the brochure, the sales increase. People stop at the solidarity page maybe because they see a star. Then, they read the message, see the associated solidarity products and they are stimulated to buy (*Responsabilitate socială*, 2014b). Besides these *ambassadors*, the company has a coherent message of promotion and achieves its objectives. Testimonials of women who have experienced breast cancer are by far the most moving and believable message they could convey. Also, Avon representatives are the most important partners in the fight for social causes (*Responsabilitate socială*, 2014b). Sometimes, they have better results than even a TV campaign, because they go to communities and talk directly to people. Their effort is not a big one, but they feel like they are doing something good just by working for Avon, and they feel they have a positive impact on the community and that motivates them (*Responsabilitate socială*, 2014b).

The benefits of CRM campaign are obvious for all stakeholders:

- Avon Romania customers can make a contribution to their favourite cause buying a solidarity product from the Avon catalogues or accessing the Avon website, opting directly for the supported cause.
- The partners receive a significant amount of money, in a relatively easy way.
- The company fosters its sales and creates a strong connection between the brand and the consumers.

In conclusion, Avon Romania, through campaigns which support the cause of the fight against breast cancer, contributes to eliminating the possible causes that trigger preventable and potentially curable cancer to have such a high impact on mortality of women in Romania, such as low awareness of the risk of illness, late control at the doctor, fear of an unfavourable diagnosis, primary diagnosis of breast cancer established in advanced stages of the disease, reduced possibilities of access to diagnosis, treatment, etc.

? Discussion Questions

1. In your country, is the fight against breast cancer a similar tough problem? Compare with the case of Romania.
2. What CRM campaigns have been developed to support the successful fight against cancer in your country? Present one campaign.
3. In your opinion, which are the successful elements in a CRM campaign? What strategy do you approach?
4. How important is the consistency of a company in supporting a cause? Do you think the causes should always be changed?
5. In your country, should Avon Cosmetics Company develop campaigns against breast cancer and domestic violence? Identify specifically the campaigns against breast cancer by achieving a comparison with the campaigns from Romania.

Appendix

■ **Table 19.1** History of breast cancer prevention CSR campaigns in Romania by Avon

Year	Campaign
2002	The first fundraising event takes place, through a campaign with the slogan " <i>A simple touch can save your life!</i> "
2003	Together with Renaissance Foundation, the first donation to Bucharest Oncological Institute is made, worth 60,000 USD (for a gamma detector of the sentinel lymph node).
2005	The first " <i>pink march</i> " in Romania takes place. The company purchases for the Ion Chiricuta Oncological Institute in Cluj-Napoca a gamma scintillation camera (a device that detects bone metastases), worth 300,000 USD.
2006	A campaign with the message " <i>1 of 8 women is at risk of developing breast cancer. Go for control now!</i> ". Together with Renașterea Foundation, Avon donates 150,000 USD equipment to Bucharest Oncological Institute. The equipment was intended for the Laboratory of Anatomic Pathology, thus obtaining new data on the structure of the cancer cell developed by patients.
2007	The campaign " <i>1 of 8</i> " continues and the website ► www.stopcancerlasan.ro is launched. Together with Starcom agency, Avon wins the Silver Lion Award at the Cannes Lions International Advertising Festival. At the same time, the company donates 150,000 USD to St. Spiridon Hospital in Iasi.
2008	As main partner, Avon launches together with Renaissance Foundation the project " <i>Mobile Breast and Cervical Diagnostic Unit</i> ", aimed at women from communities with limited access to medical investigations.
2009	Avon sponsors the completion of the first oncology hospital in Timisoara (150,000 USD), where over 900 patients receive free services annually. It also continues to finance the " <i>Mobile Breast and Cervical Diagnostic Unit</i> ".

(continued)

Table 19.1 (continued)

Year	Campaign
2010	<p>It is the third year of involvement in the Mobile Diagnostic project. The Promotions Campaign was launched. Together with six celebrities who volunteered for the campaign, women were encouraged to make a promise for life and to go to control. At the same time, Avon sponsors Ion Chiricuta Oncological Institute in Cluj-Napoca for the purchase of new state-of-the-art medical equipment.</p>
2011	<p>Avon is sponsoring the purchase of an ultra-performing ultrasound equipment (115,000 USD) for the OncoHope Oncology Center in Craiova and a CT scan (140,000 USD) for the OncoHelp Oncology Center in Timisoara.</p>
2012	<p>The company is launching the telethon "A mammogram, a chance at life". With the support of tens of thousands Romanians, Avon is raising over 62,000 euros, used to provide mammograms for 4,700 women. Also Avon donates digital mammography equipment, worth 270,000 USD to Tirgu-Mures Emergency County Clinical Hospital and ultra-performing ultrasound equipment worth 80,000 USD to Galati "St. Apostle Andrei Emergency Hospital".</p>
2013	<p>The "Victory Lessons" caravan is organized in five cities in Romania, comprising information sessions on breast cancer, meetings with doctors, competitions for parents and children, make-up sessions, etc. More than 6,000 people participate in the actions.</p>
2014	<p>A <i>crowdfunding platform</i> is launched so as to support the cases of women with breast cancer or victims of domestic violence, as well as NGOs projects operating in one of the two fields for at least 2 years. This is a project where people who buy solidarity products can direct the profit donated directly to an individual case registered on ► DoneazaCuAvon website. Anyone can submit a project related to a breast cancer case or a domestic violence case. The submitted projects are analysed by a commission and then published on the website. Donors can thus choose the beneficiaries of their donation by purchasing social products. The crowdfunding platform represents an innovative project, developed in Romania and introduced for the first time in the world.</p>
2015	<p>Mobile ultrasound equipment was donated to the Caravan team with doctors, a multidisciplinary team that performs medical analyses in isolated rural communities, where the nearest medical unit is tens of kilometres away.</p>
2016	<p>Avon in partnership with M.A.M.E. Association support the project "Support and Counselling for Breast Health" by offering to women free medical, psychological and legal counselling, as well as information, support, guidance and online assistance. The Pink March in 10 cities, an information march, part of the Campaign for Breast Health, sounded an alarm signal on the importance of early detection of breast cancer and brought the fight for women's health on the street. Cancel Cancer was the message of the Pink March. Avon provided each participant in march a free breast investigation that can be kept or given to a dear woman. Donation to the Caravan with Doctors. About 50% of the population of Romania lives in rural areas, in places where people have little access to medical centres. Access to consultations such as mammograms is almost non-existent and, therefore, Avon decided to support the initiative Caravan with Doctors. Avon contributed by donating a mobile NMR equipment of 30,000 USD. Avon made a donation of 6,000 EUR to the Queen Mary Social Policlinic Foundation for the purchase of breast cancer screening equipment.</p>

■ **Table 19.1** (continued)

Year	Campaign
2017	<p>The Cancel Cancer medical office was in Kaufland car parks in eight cities, where a Queen Mary specialist doctor performed free ultrasounds, from November to December 2017. A total of 1,500 ultrasounds were performed in eight cities. 12 seminars "A life lesson" were organized by Amazonia Association. Caravan with doctors. The women in rural areas had access to free breast health services. Three events dedicated to women's health were organized and around 200 women from rural areas could benefit of a free control aimed to improve the women's health.</p> <p>"I didn't do enough!" – The Cancer Patients Foundation has developed this free testing campaign for women in rural areas, aimed at detecting breast cancer. Avon donated mobile ultrasound equipment, and thus 1,000 women from Moldova were examined.</p> <p>In Bacău, at the County Emergency Hospital, the donation of the newest medical equipment aimed at early detection of breast cancer in the medical unit took place.</p>
2018	<p>Amazonia Association for the prevention and fight against cancer implemented in the Occupations Code of Romania the occupation of Patient Navigator at the end of 2016. Established in the USA for more than three decades, the medical navigation system establishes the fact that the patient navigator represents an interface between the doctor and the patient, with the role of explaining to the people the diagnosis received.</p> <p>Cancel Cancer 2018. The discussion about early detection of breast cancer continued and over 1,500 free ultrasounds and 50 free mammograms were offered. The action was held in 16 cities in the car parking of Kaufland supermarkets and they offered a free breast consultation to the women showing up in the Cancer area.</p> <p>M.A.M.E Association provided to women diagnosed with breast cancer free psychological, legal and medical counselling.</p> <p>50 free mammograms were offered to the women in need who contacted Queen Mary Social Policlinic Foundation.</p>
2019	<p>Cancel Cancer 2019 campaign. Avon and Kaufland offered free breast cancer screening in the framework of the third edition of the national Cancel Cancer campaign. A mobile medical office equipped with a state-of-the-art ultrasound scanner, accomplished by AVON, has provided free senological consultations to women in 20 cities. The mobile unit was located in the parking lots of Kaufland supermarkets in each locality for 3 days. More than 3,000 women benefited of free breast ultrasounds in 2019 during the campaign.</p>

Source: Avon Împotriva cancerului la sân Platform (b)

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Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study

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Contents

- 20.1 Introduction – 248
- 20.2 Case Development: Lactogal Case Study – 249
- 20.3 Results – 251
- References – 253

Learning Objectives

1. To gain a deeper understanding of cause-related marketing campaigns in specific health contexts (e.g. preventing and fighting cancer)
2. To present and discuss a cause-related marketing campaign that has been developed by Lactogal Group (in specific, Matinal brand, in Portugal, during 2019) in collaboration with Portuguese League Against Cancer (LPCC – Liga Portuguesa Contra o Cancro, in Portuguese)
3. To explore this case study from the consumer perspective, providing the reader with knowledge on how these can be applied to the real context of the fight against cancer and, in particular, breast cancer

20.1 Introduction

Cause-related marketing (CRM) has proliferated as a marketing strategy and is being employed by numerous brands across several product categories (Scott & Solomon, 2003; Galan-Ladero et al., 2015). Cause-related marketing has experienced substantial growth over the last decades and its utilization has spread into various areas of social and public life. Therefore, its main objective is to positively influence consumer attitudes and buying behaviour (Galan-Ladero & Galera-Casquet, 2018).

In this context, the scourge of the fight against cancer and health prevention is a problem of a social nature that has gained importance every year. Breast cancer CRM is an effort to raise awareness and reduce the stigma of breast cancer through education on symptoms and treatment (Harvey & Strahilevitz, 2009). Supporters hope that greater knowledge will lead to earlier detection of breast cancer, which is associated with higher long-term survival rates, and that money raised for breast cancer will produce a reliable, permanent cure (Talbert, 2008).

According to Harvey and Strahilevitz (2009), the pink ribbon is the most prominent symbol of breast cancer awareness, and in many countries, the month of October is National Breast Cancer Awareness month. Some national breast cancer organizations receive substantial financial support from corporate sponsorships (King, 2006). According to Taylor and Knibb (2019), breast cancer-related promotions, advertising, and pink ribbons are now ubiquitous in October.

This serves to show that digital communication is a very useful tool for corporate marketing, since it is capable of materializing all the communication objectives in itself: it stimulates the consumer's relationship with the brand, generates potential customers, dynamizes targets around an idea, and stimulates participation and recommendation. Normally, in the online environment, the potential targets are practically everyone and the types of messages used can be more or less complex. Online communication allows to obtain absolute data on its use (through specific metrics) almost in real time, which allows for permanent monitoring and adaptation of the actions taken. Technological change is the major cause of most of the changes that have taken place, from cultural, social, political or economic to personal and even psychological changes.

In this sense, some real examples were selected, which illustrate the importance that digital communication plays in public awareness, behavioural change and good practices in social marketing. Specifically, the initiative “Pink October” was considered in 2019, particularly the actions carried out on social networks (i.e. Facebook) by the Portuguese brand Matinal (Portuguese Group Lactogal) in collaboration with Portuguese League Against Cancer (LPCC – Liga Portuguesa Contra o Cancro). Both institutions joined in a strong CRM campaign – Matinal Alert – sensitizing consumers about breast cancer from September 09 to November 30 during 2019.

20.2 Case Development: Lactogal Case Study

In 2019, the Portuguese League Against Cancer (LPCC – Liga Portuguesa Contra o Cancro, in Portuguese) intended to re-establish synergies in order to enhance the impact of this movement, reinforcing the established partnerships and also looking for new ones. Participating in this solidarity and conscious movement was easy and available to everyone, individually or in groups, and promoted an activity for organized groups. It also allowed to pass the word along to the consumer and the population in general (in Portugal). The partnership with Matinal (Lactogal Group) lasted until November 30th. For each unit of selected Matinal milk that was sold, the brand donated to the Portuguese League Against Cancer. The main focus of this initiative was to recall the importance of screening and early diagnosis in order to minimize the impact of the disease and increase the chances of a cure. Using the hashtag #PorqueEuCuidoDeMim (it means “Because I take care of myself”, in English), both institutions invited everyone to take an active role in the fight against this form of cancer, sensitizing women around them to the cause.

On Facebook, Matinal posted the following message: *“Today begins a very special month, dedicated to the prevention of breast cancer. Prevention is the best way to care. The Matinal Alert is a tribute to all women who fight breast cancer”*. It is also a warning about the importance of screening and early diagnosis to prevent or minimize the damage caused by the disease (■ Fig. 20.1).

The Matinal milk (product and Portuguese brand) joined the Pink October, promoted by the Portuguese League Against Cancer, and launched an alert for the importance of screening and early diagnosis as the best way to minimize the impact of the disease. And because without resources there is no prevention, they contributed with a donation to the Portuguese League Against Cancer for each unit of selected Matinal milk sold until November 30th (■ Fig. 20.2).

Finally, a news message was posted on the Lactogal website, reinforcing that *“Without resources there is no prevention. For each unit of Selected Matinal Milk sold, between September 1 and November 30, Matinal will donate to the Portuguese League Against Cancer”* (■ Fig. 20.3).

Lactogal uses its digital communication to raise awareness among the population (and, in particular, its consumers) that breast cancer is one of the pathologies that most affects women worldwide and the lives of thousands of people. Against this reality, a universal desire and early diagnosis are, in 90% of cases, keys to a



■ Fig. 20.1 Matinal Alert – LPCC in 2019. Translation: (1) Matinal Alert: to support the breast cancer prevention, (2) Because I take care of myself, and (3) Matinal Alert: To appeal to Pink October. (Source: Facebook Matinal (2019))

■ Fig. 20.2 Matinal MUPI (on the streets) in 2019. Translation: “Because I take care of myself”. (Source: Facebook Matinal (2019))



positive outcome. The Matinal Alert was an initiative to encourage Portuguese women to act proactively in preventing breast cancer, giving voice to the importance of the diagnosis that can save lives. In its message, Lactogal also stated that Matinal milk, present daily in the lives of thousands of Portuguese women, gave voice to this cause as a tribute to all women, encouraging them to take care of themselves, and preserve their health and quality of life. In a partnership with the Portuguese League Against Cancer, those involved in the partnership launched this campaign to raise awareness and fundraise at a national level, inviting greater involvement of consumers of Matinal Milk. Along with the healthy habit of drink-



■ Fig. 20.3 #porqueeucaidodemim (its meaning is: “Because I take care of myself”). (Source: Lactogal (2019))

ing milk, Matinal encouraged all women to practice another one: prevention, with regular screening tests. And since without resources there is no prevention, Matinal donated to the Portuguese League Against Cancer (20,000€ total), for each unit of selected Matinal milk that was sold, between September 1 and November 30, 2019.

20.3 Results

The results of this partnership were very positive, since they made the population aware of the phenomenon and prevention of breast cancer. The results were satisfactory, to the point of strengthening the partnership. The initiative would be repeated a few months later, in honour of International Women’s Day (8 March 2020). This cancer does not only affect women and their femininity but it also affects everyone around: parents, children, husbands, boyfriends and friends. Moreover, whenever this happens, everyone knows the concerns, the fears, the suffering that this news bring to our lives. That is why it is so important to talk about this disease, without fear and always with hope.

In parallel, this initiative also made it possible to show the great importance that digital communication (in particular, social networks) has in marketing associated with good causes. The awareness of the Matinal brand caused a positive effect, since there was a great wave of solidarity for the initiative on social networks and the comments of social networks’ users were very positive. The reinforcement of this initiative in March 2020 allowed to further reinforce the values of the Matinal brand identity as a brand with a focus on social responsibility and good causes. Without resources there is no prevention. For this reason, over the course of 3 months, part of the value of the sales of selected Matinal milk reverted to the Portuguese League Against Cancer. The Matinal Alert raised a total of € 20,000 to contribute to the prevention of breast cancer, a donation that the representative of Matinal, Teresa Abrunhosa, was pleased to deliver to Humberto Lourenço, representative of the LPCC (■ Fig. 20.4).

■ **Fig. 20.4** The donation raised. (Source: Liga Portuguesa Contra o Cancro (2019))



In Portugal, approximately 6,000 new cases of breast cancer are detected annually. The survival rate has increased. But about 1,500 women still die from the disease each year. This number can be countered. And in that sense, it is essential to spread the Matinal Alert that early screening and diagnosis saves lives.

Conclusions

The present case study focused on breast cancer awareness and its effort to raise awareness and reduce the stigma of breast cancer through education on symptoms and treatment. According to the World Health Organization (2019), the Breast Cancer Awareness Month, marked in countries across the world, every October, helps to increase attention and support, early detection and treatment as well as palliative care of this disease.

As stated by Carioli et al. (2017), breast cancer mortality trends were favourable in North America and Oceania, and a further 10% reduction in their overall rates is predicted for 2020, to reach values of 11–12/100,000 women, i.e. about 50% lower than their top rates in the later 1980s. There are about 1.38 million new cases and 458,000 deaths from breast cancer each year.

Breast cancer is by far the most common cancer in women worldwide, both in the developed and developing countries. In low- and middle-income countries, the incidence has been rising steadily in the last years due to the increase of life expectancy, urbanization and adoption of western lifestyles. Currently, there is not enough knowledge on the causes of breast cancer. Therefore, early detection remains the cornerstone of breast cancer control.

When breast cancer is detected early, and if adequate diagnosis and treatment are available, there is a good chance that breast cancer can be cured. If detected late, however, curative treatment is often no longer an option. In such cases, palliative care to relieve the suffering of patients and their families is needed (Fletcher-Brown, Pereira, & Nyadzayo, 2018).

This case study highlights the role of digital communication in specific contexts of cause-related marketing. In this sense, the communication strategy used by

Matinal, in partnership with LPCC, in Portugal, shows quite satisfactory results. The institutional communication strategy is strongly focused on social networks to capture the attention of the younger audience and to convey the idea of prevention, empathy, involvement and concern for the community.

In this case study, authors illustrated some real examples associated with the “Outubro Rosa” (“Pink October”, in English) initiative to which Lactogal was strongly associated for a few weeks in 2019. The results show that online communication facilitated the interaction between the citizen and the brand, an aspect that is very important in a context where the key is to inform, advise and prevent (this evidence is notorious through the significant increase in the number of likes and reactions on the social network Facebook).

The strengthening of the population’s ties with the LPCC and Lactogal (i.e. Matinal) was a direct consequence of the messages used in the online context and the digital communication that was present on social networks. The different generations seem to appreciate the type of communicational approach of the institution. This public seems to be better able to understand the meanings of the messages in the publications and to understand that there is preventive work.

The focus of this initiative is to recall the importance of screening and early diagnosis in order to minimize the impact of the disease and increase the chances of a cure. Using the hashtag #PorqueEuCuidoDeMim (Because I take care of myself, in English), both institutions invite everyone to take an active role in the fight against this form of cancer, sensitizing women around them to the cause. In an interdisciplinary perspective, this study presents contributions to the cause-related marketing area and to the prevention in the health care of the population (Galan-Ladero 2012).

? Discussion Questions

1. How can cause-related marketing contribute to the well-being of society in specific health contexts?
2. How can digital communication influence breast cancer prevention behaviours?
3. Do you consider the communication elements of the Lactogal Group (Matinal) adequate for the proposed objectives?
4. What recommendations would you give to Lactogal Group (Matinal) to minimize the effects of breast cancer and improve this cause-related marketing campaign?

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All United Against Breast Cancer: The Solidarity Beauty of Estée Lauder

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Contents

- 21.1 Introduction – 256**
- 21.2 The Case of the Estée Lauder Companies – 258**
 - 21.2.1 The Company – 258
 - 21.2.2 Estée Lauder and Corporate Social Responsibility (CSR) – 259
 - 21.2.3 A Cause-Related Marketing (CRM) Campaign: The Breast Cancer Campaign – 259
- References – 265**

Learning Objectives

1. To be familiar with the Corporate Social Responsibility (CSR) policy carried out by the Estée Lauder Companies
2. To analyze, in detail, the cause-related marketing (CRM) campaign known as *the Breast Cancer Campaign* and discover what have been its key factors
3. To discuss and reflect on the benefits that CRM campaigns, both strategic and tactical, can bring to the different parties involved

21.1 Introduction

Cancer is the second leading cause of death in Europe and the first among those under 65 years of age. Internationally, 61% of the population has been affected by cancer in some way, either having suffered from the disease or having a case in their family environment (World Health Organization, 2018).

Since the beginning of the 20th century there have been associations dedicated to the fight against cancer. These associations channel social support and donate their profits to research for a cure and help patients and their families. In addition, they disseminate information and educate on the prevention, detection and treatment of this disease. At the international level, the International Union Against Cancer (UICC), the American Cancer Society, and, the more recent creation (1980), the Association of European Cancer Leagues (ECL) stand out.

A recent study conducted by the UICC (2020) shows that 84% of citizens believe that it should be governments' job to take measures in the fight against cancer. However, all associations agree on the need for intersectoral collaboration in this area. In this sense, a holistic view of the problem is considered necessary. For this, it must have the collaboration of the different interested parties: associations, various industrial sectors, citizens, patients, governmental organizations, etc., in order to be able to make the most of the knowledge and implement the best practices in this area.

The companies and sectors that collaborate with this cause are many. Among them, and closely related to women, we highlight the fashion and cosmetics sectors, where we find a wide variety of cause-related marketing (CRM) campaigns. These campaigns show how, through solidarity and awareness-raising behaviors, both by companies and citizens, they have managed to raise funds that come back to society as a whole and benefit all parties involved.

In ■ Tables 21.1 and 21.2, some companies from these sectors have been selected. It is evident here that the approaches of the companies have not been homogeneous. Some companies have campaigns integrated into their organization's strategy, planning and carrying out actions continuously over the years, even in some cases creating their own foundation, with the aim of dedicating funds to research and prevention of the illness. Other companies have made contributions timed to coincide with the observance on October 19 of a day against breast cancer.

■ **Table 21.1** Examples of some companies with tactical CRM campaigns

Company	Brand	Product(s)	Name(s) of campaign(s)	Years	Percentage of donation	NGOs
Calzados Mascaró	Pretty Ballerinas	Shoes	“Marilyn Breast Cancer Awareness” “Gina Breast Cancer Awareness” “Rosario breast awareness pink XXL bow”	2009, 2010, 2011, 2012, 2015	10%	Asociación Española Contra el Cáncer (AECC) and the non-profit organization AMYCO
Louis Vuitton Moët Hennessy (LVMH)	Thomas Pink	Men’s shirt cufflinks	“Dress to Fight”	2012, 2013	20%	Fundación Bella

Source: Own elaboration, from information obtained from Calzados Mascaró (2020) and Louis Vuitton Moët Hennessy (2020)

■ **Table 21.2** Examples of some companies with strategic CRM campaigns

Company	Brand	Product(s)	Name(s) of campaign(s)	Years	Percentage of donation	NGOs
Ralph Lauren Corporation	Ralph Lauren	A wide variety of women’s fashion products	“Fashion Targets Breast Cancer” “Breast Cancer Now” “Pink Pony”	From 1996 to the present	30% 25%	Breast Cancer Now Asociación Española contra el cáncer (AECC)
Avon Products, Inc	Avon	A variety of cosmetics, clothing, and footwear products	“The Avon Breast Cancer Crusade” “Pink Hope”	From 1992 to the present	15%	American Cancer Society

Source: Own elaboration, from information obtained from Avon (2020) and Ralph Lauren (2020)

Another of the companies in the cosmetic sector with one of the most continuous programs over time for CRM actions is the Estée Lauder Companies, which we will discuss in more detail below. We thus dedicate the following section, in its first part, to getting to know the company, with a little about its history, mission, values, and keys to its success. The second part of this section is dedicated to learning about its involvement with CSR. Next, we present the case of the emblematic CRM campaign that the company has developed in the last three decades. Finally, we present our main conclusions.

21.2 The Case of the Estée Lauder Companies

21.2.1 The Company¹

Estée Lauder is an international family business with a presence in 150 countries. The history of this company, as shown on the company's website, *The Stée Story*, begins when Josephine Esther Mentzer married Joseph Lauder. Some years later, in 1946, they founded the company that we know today as Estée Lauder, one of the most innovative and prestigious international companies for beauty products (Estée Lauder Companies, 2020).

Estée Lauder was an example of an entrepreneurial woman, as evidenced by her personality traits, especially her strong character, perseverance, creativity, and strong passion for her work, which led her to revolutionize the cosmetics industry.

The beginnings of her company were modest, dedicated initially to marketing four basic skin care creams. However, from the beginning they staked their success on key marketing strategies, such as the creation of a brand name for their products, careful design of the packaging with aesthetics taken into account, use of communication campaigns with attractive messages, as well as the promotional campaigns (Josephine Esther Lauder used to be attend all the inaugurations of her stores, and gifts were given for the purchase of the products). Another feature of their strategy was closeness to their customers, applying the “High-Touch” method, or personal touch. This method involved offering personalized service by teaching both their employees and their consumers how to use their products. This technique is still used by the company today.

Another key to the success of the company is its constant spirit of innovation and creativity. It started in 1953, and since then it has been maintained continually by introducing new products and brands in the cosmetics market. Currently, the company manufactures and markets prestigious skin care, makeup, fragrance, and hair care products. Its brands include the pioneering Estée Lauder and others as well known in the market as Clinique, Origins, M•A•C, Bobbi Brown, La Mer, Jo Malone London, Aveda, and Too Faced. In addition, it has created companies to

¹ The information in this section has been culled from the company's website at ► <https://www.elcompanies.com>

manufacture and market fragrances and/or cosmetics for other prestigious designers, reaching up to 29 different brands (Estée Lauder Companies, 2019a).

The company declares on its corporate website that its mission consists of “bringing the best to everyone we touch and being the best in everything we do.” To achieve this mission, the company declares that its actions are based on the Lauder family values of respect for the individual, uncompromising ethics and integrity, generosity of spirit, and fearless persistence. One of the most notable values is its performance in terms of social responsibility to the communities it serves, as discussed in the following section.

21.2.2 Estée Lauder and Corporate Social Responsibility (CSR)

In all the years of its history, the Estée Lauder Company has supported numerous cultural and civic programs and charitable causes. Regarding Corporate Social Responsibility (CSR), it maintains the principle of transparency and publishes its sustainability reports annually.² These reports are prepared in accordance with the standards of the Global Reporting Initiative (GRI), jointly including information concerning matters of finance, the environment, and social responsibility.

The company recognizes, in these reports, that part of its business success is based on two basic pillars: citizens and sustainability. Therefore, in recent years, its leaders have taken steps to formally integrate these key management principles into their corporate strategy. ■ Table 21.3 shows the objectives set for the 2020 financial year.

A number of activities have been carried out in recent years to achieve these objectives. For example, in 2005, Estee Lauder partnered with the *Kailash Satyarthi Children's Foundation (KSCF)* for the eradication of child labor in the mica mining industry in India; mica is a mineral widely used in beauty products. In 2016, the Estée Lauder Companies Charitable Foundation (ELC Foundation) was created to develop campaigns focused on health, education, and care for the environment. Recently, due to the crisis produced as a result of COVID 19, the company has made important international donations to Doctors Without Borders and the Red Cross. One of the oldest and most emblematic campaigns, also related to health, is the campaign against breast cancer, which we will discuss below.

21.2.3 A Cause-Related Marketing (CRM) Campaign: The Breast Cancer Campaign

In the company's commitment to people, communities, and health, Estée Lauder has been committed to fighting breast cancer for more than 25 years. Thus, in 2017, it celebrated its anniversary remembering that it was 25 years since the late Evelyn H. Lauder, daughter-in-law of the founder of the company and vice president of

2 See *Fiscal Corporate Responsibility Report, 2019*.

Table 21.3 Objectives set for sustainability

Area	Objective
Energy and emissions	By 2020, we will achieve Net Zero carbon emissions and RE100
Waste	By 2020, we will achieve zero industrial waste-to-landfill for all global manufacturing and distribution sites
Employee safety	We will drive safety to continue decreasing the total incident rate 3 to ensure continued world class-leading levels, with a goal of 0.15 by 2025
Responsible sourcing	By 2025, we will have identified sensitive ingredient supply chains and developed robust biodiversity and social action plans for them
Packaging	By 2025, 75–100% of our packaging will be recyclable, refillable, reusable, or recoverable
Ingredient transparency	We will develop a glossary of key ingredients that includes descriptions of the ingredients' purpose and will make this information available online by 2025
Learning and development	We are committed that by 2020, 100% of our employees worldwide will have access to training on basic sustainability and corporate social impact programs
Social investments	By 2020, our programs and grants focused on health, education, and environmental programs will impact the well-being of ten million individuals around the world Each brand will focus on and support at least one social or environmental cause by 2025
Employee engagement	By 2025, we will engage 50% of eligible employees in regional, brand, or local volunteer programs such as ELC Good Works, the Breast Cancer Campaign, and the M·A·C Global Volunteer program

Source: Estée Lauder (2019b)

the group, suffered this disease and became aware of how women died of breast cancer while no one was talking about it. At that time, there were few treatments against the disease and few screening campaigns. It was this context that motivated her to act, leading from that moment a movement for change.

Throughout all those years, the Estée Lauder company has provided information on the activities it has developed in the Breast Cancer CRM Campaign. This information can be found in the company's sustainability reports and also on its website, specifically in the section dedicated to this campaign (the Breast Cancer Campaign) under the tab on social responsibility tab (Our Commitments).

The CRM campaign focused on the fight against breast cancer began in 1992. The campaign, known as *the Breast Cancer Campaign*, rose with the aim of achieving a world free of this disease. This campaign has been active in three fields over the last three decades:

1. Promoting research to advance a cure for the disease

2. Preventing breast cancer through education
3. Providing resources to the health care system to combat the disease

Estée Lauder declares that the Breast Cancer Campaign is the company's largest CRM campaign, with a large number of its brands participating, including Aveda, Aerin, Becca, Bobbi Brown, Bumble and Bumble, Clinique, Darphin, Donna Karan New York-DKNY, Estée Lauder, Glamglow, Jo Malone London, La Mer, Lab Series, Origins, Prescriptives, Rodin, Smashbox, and Tom Ford Beauty. This CRM campaign has a presence in many different regions. In fact, as of 2020, the company affirms that its cancer campaign remains active in more than 70 countries around the world (Estée Lauder Companies 2020).

One of the fundamental aspects of this campaign is the array of products that are involved in it. In this sense, Estée Lauder created the so-called "Pink Ribbons" products with the promise that a percentage of their sales will go to support the fight against breast cancer. These products, identifiable by the iconic pink ribbon with which they are adorned, constitute a selection of hundreds of products belonging to the brands mentioned above, which tend to change every year.

In this way, in this CRM campaign, part of the profits obtained with the so-called "Pink Ribbons" products are donated to the nonprofit foundation created by the company to fight this disease (the Breast Cancer Research Foundation, BCRF) or to other nonprofit organizations at the international level.

The Breast Cancer Research Foundation (BCRF) was created by Evelyn Lauder in 1993 in order to help channel donations. This foundation is fundamentally dedicated to research on this disease, being currently one of the most valued foundations in the United States in this field. In addition, this foundation has international coverage, having supported more than 60 organizations that fight against breast cancer throughout the world.

The message of this CRM campaign carries forward the spirit of Evelin H. Lauder. It is aimed at all people, but especially its target audience: women who use beauty products. This message strongly appeals to the feelings of those affected by the disease, has a high emotional content so as to make a strong connection with the public that receives the message and, in addition, transmits a positive message: "Hope for a cure unites us all." To this end, a program of storytelling has been created in which, through videos or in writing, real stories of experiences lived by patients and opinions of health specialists in the field are recounted. In addition, some videos have accompanied the message with music and dance, with the participation of patients and family members, company workers, and health professionals. Increasingly, social networks and the use of specific hashtags have been employed to generate conversation about the campaign. Generally speaking, the message of this CRM campaign aims to achieve the following goals:

- (a) To convey to patients that they are not alone and that we are all together in the fight against the disease
- (b) To create positive feelings with the use of words such as *hope*, *love*, *fight against cancer*, etc.
- (c) To make clear the usefulness of contributions, due to the fact that a large part of the funds are used for research to cure the disease

- (d) To raise awareness about the importance of preventing the disease through mammograms, self-examinations, etc., for all women regardless of their situation

21

On the corporate website, one finds a historical overview of this campaign over the last three decades.³ Many of the complementary activities that have been carried out have a strong emotional content. Among the examples that stand out are the collaboration of famous people to spread the message of this campaign, the sale of books to raise funds, the delivery of 167 million pink ribbons around the world, and the lighting up in pink of 26 emblematic buildings in 22 countries (the *Global Landmark Illumination* campaign), including the Empire State Building in New York and the Tower of Pisa in Italy. Another interesting activity has been the making of an emotional short film, available through social networks, titled *Unraveling the Pink Ribbon: Creating a Breast Cancer-Free World*, directed by Sophy Holland, with testimonials from company managers, expert medical professionals, and patients who have experienced the disease. The following section describes the activities carried out by the Estée Lauder Company as part of the Breast Cancer Campaign specifically in the past year.

21.2.3.1 The Breast Cancer Campaign in 2019

In observance of International Breast Cancer Day on October 19, 2019, the company made donations from the “Pink Ribbons” products of some of its brands. The amount of the donation was not the same in all cases, ranging from 5% to 100% of the sale price of the products. For example, the company donated:

- 100% of the sale price of the lipstick duo Pink and Tulle launched by Bobbi Brown; Clinique’s Dramatically Different Moisturizing Lotion, decorated with a striking pink metal bow that hangs above the bottle; the repair serum and a set of lipsticks marketed under the Estée Lauder brand; and the hydrating lotion by La Mer;
- 15% of the sale price of Aveda hand cream, which now has the iconic pink bow printed on the packaging
- 5% of the sale price of Darphin’s Intral Redness Relief Soothing Serum

Over and above these donations from the CRM program, some of the brands that are part of the Estée Lauder Company chose to support the Breast Cancer Campaign through additional donations. The amount of these donations was independent of the volume of sale of their products (■ Table 21.4).

All these activities of the Breast Cancer Campaign have been reinforced with the media support of social networks. Under the name of “Hope for a cure unites us all: #TimeToEndBreastCancer”, supporters were invited to paint a pink bow on their hands and upload the images to Instagram or Twitter with the hashtags #TimeToEndBreastCancer, #ELCdonates, and @esteelaudercompanies. Later, they were encouraged to make a donation of \$25, the equivalent of half an hour of

3 ► <https://www.elcompanies.com/en/our-commitments/the-breast-cancer-campaign>

■ **Table 21.4** Direct donations made by some Estée Lauder Company brands in 2019

Brand	Amount of donation
Donna Karan Cosmetics	\$25,000
Jo Malone London	\$120,000
Lab Series	\$15,000
Prescriptives	\$5,000
Smashbox	\$10,000
Tom Ford Beauty	\$55,000

Source: Estée Lauder (2020)

research on this disease. With this activity, the company aimed to raise \$250,000 to fund a one-year research grant at its nonprofit Breast Cancer Research Foundation.

Finally, the recent declaration of the company's CEO, William P. Lauder, is worth highlighting: *“Supporting the development of critical research, driving awareness, and helping to eliminate the cultural barriers that can prevent the identification and treatment of breast cancer has been our core Company focus since my mother Evelyn H. Lauder founded The Breast Cancer Campaign 25 years ago. I am continuously humbled and energized by the passion and care exhibited by our employees and the tireless dedication of our partners—whose work is getting us closer to a global cure each and every day. As a Company, our commitment has not and will not waver.”* These words make clear the current commitment of the Estée Lauder company and all of its employees, as well as his own, to the CRM Breast Cancer Campaign that his mother created.

21.2.3.2 Results of the Breast Cancer Campaign

As noted above, the percentage of the sale price of products destined for the Breast Cancer Campaign in the year 2019 ranged between 5% and 100%. These values allowed the Estée Lauder Company to raise \$10.3 million that year for the Breast Cancer Research Foundation. According to the fiscal reports of 2019, the company's sales that year amounted to \$14.863 million, obtaining a net profit of \$1.794 million; therefore, the collection of the Breast Cancer Campaign represents 0.57% of the company's net profit. To these figures, the donations that some of the Estée Lauder brands have made to the foundation, regardless of the volume of sales of their products, must be added. In addition, it is also relevant to note that Estée Lauder collaborated in a number of activities in other areas of health, education, and the environment in 2019, as reflected in its Social Responsibility reports.

Despite the fact that the owners of the company are very conservative in their statements and maintain that “there is still a lot of work to be done,” reality indicates that for more than a quarter of a century of development of the Breast

Cancer Campaign, Estée Lauder has raised more than \$89 million (11.5% in 2019) to support global research, education, and medical services. Of that amount, it has allocated 73 million dollars to finance 293 medical research grants in 14 countries through the Breast Cancer Research Foundation (BCRF).

The success of the campaign is shown by the various awards and tributes received over the years, as featured in its reports. Among them, we can highlight the 2018 SABER Award, received in North America, as a gesture of recognition of the work carried out over the last 25 years in the category of Corporate Social Responsibility, on the occasion of the impactful campaign's 25th anniversary. Also worth mentioning is the prestige that the company maintains in its country of origin. Proof of this is that in 2019 some old objects from the Breast Cancer Research Foundation were donated to the National Museum of American History in Washington (USA), for a long-term exhibition analyzing the role of philanthropy and donations in the United States.

Conclusions

To conclude, we can highlight the company's loyalty to a specific cause, the fight against breast cancer, and also to the same CRM campaign, *the Breast Cancer Campaign*, all throughout its history.

Having analyzed this CRM campaign, we observe that among the factors explaining its success are the following:

- Integration of health care with this solidarity cause into its business strategy. Proof of this lies in how it has developed the planning and execution of the activities that have been part of this CRM campaign over the last three decades.
- Creation of the iconic pink ribbon that is identified as a symbol of the fight against the disease at an international level. This allowed it to be the first company to use this image on or around the packaging of hundreds of its products. Over the years, many competing companies have used this image, as Estée Lauder has chosen not to protect the rights to the symbol.
- Clear and positive approach to the CRM campaign that has been maintained over the years. This campaign is aimed at your target audience: women who use beauty products.
- Involvement of all stakeholders in the planning and development of the CRM campaign, starting with its founder and descendants, employees, suppliers, collaborators, partners, foundations, etc. This was reflected in Evelyn H. Lauder's own words, when she said, "*It really is something that can never be done by any one person; it has to be done by a group.*"
- International dimension of the CRM campaign, since it has a presence on almost all the continents, favorable to increasing awareness of the disease and achieving greater funds and results at the global level.
- Wide transparency of the activities carried out within this CRM campaign, reflecting information about it in its annual sustainability reports and on its corporate website.

? Discussion Questions

1. The Estée Lauder Company devised the Pink Ribbon and ceded its rights of use to any company wishing to utilize it. Do you think the companies that currently use it are doing so appropriately, or are they using it to cleanse or improve their corporate image when they collaborate in campaigns to fight breast cancer? Search for CRM campaigns on the internet to support your arguments.
2. Based on the information from the previous activity, indicate which campaign(s) has/have a tactical or specific focus and which one(s) carries/carry out a strategic focus. What are the pros and cons for a company of following each of these approaches, and how do they affect the image of the company?
3. Indicate whether you have collaborated in a CRM campaign against breast cancer. If yes, identify the campaign and indicate the main reasons that prompted this collaboration. What were the elements of the marketing mix (product, price, distribution, and communication) that most influenced your decision?
4. As a marketing expert, design a new CRM campaign that can be carried out by cosmetic companies in the future.

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Analysis of the CRM Campaigns on Facebook: The Case of *Menudos Corazones*

Araceli Galiano-Coronil

Contents

- 22.1 Introduction – 268**
- 22.2 Case Development – 269**
 - 22.2.1 *Menudos Corazones*
Foundation – 269
 - 22.2.2 Methodology – 270
 - 22.2.3 Results – 271
- References – 281**

Learning Objectives

1. To raise awareness of the importance of cause-related marketing on congenital heart diseases in children
2. To identify the cause-related marketing campaigns on Facebook carried out by *Menudos Corazones* in collaboration with different businesses
3. To introduce students to the application of social media analysis in the field of cause-related marketing
4. To find out the most published words (using data mining) on *Menudos Corazones*'s, Cortefiel's, Ikea's, and Citroën's Facebook pages, for detecting trends about CRM campaigns.
5. To carry out a comparative analysis of the impact of campaign messages between *Menudos Corazones* and the collaborating companies

22.1 Introduction

One of the Sustainable Development Goals (SDGs) adopted by the United Nations is to ensure that all children live healthy lives and promote their well-being. Goal 3.2 of SDG 3 is to end preventable deaths of newborns and children under five by 2030 (OMS, 2019).

One of the causes of those deaths is the one related to congenital heart diseases. Congenital heart defects are a group of diseases characterized by the presence of structural alterations of the heart produced by defects in the heart's formation during pregnancy (Cuídate plus, 2017). About 4,000 children are born with congenital heart defects per year in Spain. Thanks to advances in the diagnosis and treatment of these pathologies, more than 85% of children with congenital heart defects currently reach adulthood (García, 2020). Due to its chronic nature, patients require special attention throughout their lives. It leads to social problems, generating emotional imbalances or causing economic wear due to constant hospitalizations far from their cities (Ministry of Health, Consumer Affairs and Social Welfare, 2019).

In this connection, it should be noted that *Menudos Corazones* is of vital importance. It assisted 22,212 people in 2018, with psychological support, accompaniment, accommodation, lectures, information, research. Collaboration with other companies through CRM campaigns and other social initiatives is essential for the Foundation to achieve its social objectives. Many of their activities are advertised on social media. They are direct consultation mechanisms and a means to disseminate information about the problem and create a community around congenital heart disease (*Menudos Corazones* Annual Report, 2018).

Digital social networks have become virtual instruments to facilitate co-creation, collective knowledge, and generalized trust, with content that can be enriched with multimedia elements (Guo & Saxton, 2018). Also, interaction, immediacy, and public character of the conversations have made Social Digital Networks an indispensable component of developing marketing strategies.

This chapter focuses on an analysis of several CRM campaigns on Facebook to help children with congenital heart disease and their families, through the

collaboration between *Menudos Corazones* Foundation and three companies: Ikea, Citroën, and Cortefiel. This social network has been selected for two main reasons: firstly, 85% of Internet users in Spain utilize Facebook, i.e., more than 25.5 million people (IAB 2019). Secondly, Facebook encourages interaction between users and, therefore, conversations. It favors the formation of a positive image of CRM campaigns (Bühler et al., 2016).

22.2 Case Development

22.2.1 *Menudos Corazones* Foundation

Menudos Corazones is a foundation that helps children and young people with heart problems (congenital or acquired heart diseases) and their families. The idea came in 1999 when some parents of children with heart diseases met in the hospitals. It was beneficial for them to share their experiences about this disease, so they decided to join their efforts to help other families in the same situations. *Menudos Corazones* Foundation took legal form in 2003, continuing with all their activities and projects. There are currently two main lines of action: on the one hand, carrying out researches that study the impact of heart diseases on patients and family members, and on the other hand, involving in activities to help families, such as accompaniment, psychological supporting, accommodation, training, leisure activities, consultations, and reviews.

It has received numerous awards such as the 2018 Community of Madrid Childhood Recognition and the ONCE 2019 Solidarity Award for its dedication to improve the lives of the children and families. It also has the NGO accredited seal, by the Lealtad Foundation, thanks to compliance with the nine principles of transparency and good management practices. Its main advantage is the trust generated in private donors and collaborating entities, which favors financing and networking opportunities.

The work of the foundation is carried out in hospitals and its support centers; however, for this to become a reality, it must have the support of citizens since most of its revenues come from donations – almost 70% in 2018 (*Menudos Corazones* Annual Report, 2018). In this connection, one of the most important goals is to raise awareness in society. It carries out through the following actions: participating in conferences; disseminating its campaigns, such as International Day of Congenital Heart Diseases, on social networks (this campaign made more than 230,000 people aware of the importance of Congenital Heart Diseases in 2018); and, collaborating with other companies for performing other campaigns, such as the Hospitalized Children's Day, World Heart Day, Solidarity X in the tax declaration.

The dissemination of campaigns on social networks such as Facebook makes them spread more quickly and generates conversations that can provide useful information to improve these campaigns' effectiveness. In this study, we have selected the CRM campaigns that *Menudos Corazones* has carried out jointly with Ikea, Citroën, and Cortefiel, from January 2011 to the end of November 2019, disseminated on the Facebook pages of the aforementioned foundation and companies.

Ikea, Citroën, and Cortefiel are one of the most valuable companies in their respective sectors:

- IKEA Group, a multinational company that designs, manufactures, and sells home furnishings, provides an example of how private sectors can do business in developing countries in a socially responsible manner working with several NGOs such as Save the Children, Special Olympics, UNICEF and War Child, and *Menudos Corazones* (Ikea, 2020). Its business model, based on assembling and transporting furniture to save money, has made it one of the most successful companies in the sector. From August 2018 to September 2019, Ikea billed 1,596 million euros and represented 0.1% of total employment in the national territory (Ikea, 2019).
- Citroën revalidated in 2019 its leadership in commercial vehicles, with a 16.6% market share and a sales volume of 103,500 units in Spain (Fleet People, 2020). It stands out for its work in reducing CO₂ emissions from its vehicles.
- Concerning Cortefiel, it should be pointed out that, apart from having achieved great benefits (it has multiplied its profit by four in 2019), it supports people living in poverty by social actions, such as charity markets. The company has also taken part in various initiatives, such as Business Women Empowerment, to raise businesswomen and female executives' profiles.

All of these companies are aware of the role they play in providing opportunities for people and the planet. Account taken of all the above, the specific objectives of this case study are the following:

- To identify the CRM campaigns that have been mentioned on Facebook
- To know if the terms related to CRM campaigns are mentioned on the Facebook pages of *Menudos Corazones*, Ikea, Citroën, and Cortefiel, and which are the most published ones
- To identify the most common words from the comments of the messages that talk about CRM in the foundation and selected companies
- To carry out a comparative analysis of the impact on Facebook CRM campaigns, measured by the popularity (number of likes) and participation (number of comments), from the points of view of both *Menudos Corazones* and the collaborating companies (Ikea, Citroën, and Cortefiel).

22.2.2 Methodology

Content analysis has been used to carry out this case study from both qualitative and quantitative perspectives. The first allows verifying the presence of themes, words, or concepts in content, while the second one aims to measure the data and establish the frequency of occurrence of the elements considered as information units (Krippendorff, 1990; Landry, 1998). The messages published by *Menudos Corazones*, Ikea, Cortefiel, and Citroën on their Facebook pages, from January 2011 to the end of November 2019, have been considered an analysis unit. Fanpage Karma has compiled the posts. The messages published by *Menudos Corazones*, Ikea, Cortefiel, and Citroën on their Facebook pages, from January 2011 to the end of November 2019, have been considered an analysis unit (Citroën-Spain, 2011–2019; Cortefiel, 2011–2019; Ikea-Spain, 2011–2019).

The most published themes from the Facebook pages of *Menudos Corazones* and the companies have been identified, the published messages that talked about CRM campaigns were selected, and then, a comparative analysis of these campaigns' impact on Facebook has been made. Lately, the most published words about CRM on Facebook comments (from *Menudos Corazones*, Ikea, Citroën, and Cortefiel) have also been identified. The analysis phase has been carried out with the Nvivo 12 plus program. The impact of publications has been measured through two variables: popularity (number of likes) and participation (number of comments), a way to favor the direct and vocal participation by producing social media content (Madianou, 2013).

22.2.3 Results

The Foundation *Menudos Corazones* has carried out several social initiatives in collaboration with some companies, among which are Ikea, Citroën, and Cortefiel. In the period considered (January 2011 to November 2019), 14 initiatives have been identified on the Facebook pages of these organizations, of which five are about CRM campaigns and the others are about social marketing activities such as charity races and visits to Ikea workers (Ikea); or a Book Singing Event in 2012 in Cortefiel where Araceli Segarra, the first Spanish woman to climb Everest and a famous writer, signed her book and talked with her fans.

Concerning the CRM campaigns, the following have been identified:

- At Ikea, an initiative about cuddly design was carried out, in which children designed a toy that would later be manufactured for sale. The total amount of sales was donated to *Menudos Corazones*. Ikea also produced a solidarity menu for the donation of one euro per menu and an auction where all the proceeds from the furniture's sales were donated to *Menudos Corazones*.
- At Citroën, an initiative called “Magic for hearts” was carried out. Maintenance services were free for the client, and €1.5 was donated to *Menudos Corazones* for each one.
- In Cortefiel, a solidarity market was held in which the total amount of sales was donated.

These CRM campaigns are explained in more detail in the section of comparative analysis.

22.2.3.1 General Results of the Facebook Pages of Menudos Corazones, Ikea, Citroën, and Cortefiel

First of all, the profile of *Menudos Corazones* on Facebook¹ presents an attractive, accessible, and easily understood interface, which influences interest in a Facebook page and favors a more significant number of likes (SUMMA, 2010). It was created on September 13, 2011.

1 The profile of *MenudosCorazones* Facebook is available at the link ► <https://www.facebook.com/MenudosCorazones/>

Table 22.1 General information from the Facebook pages of *Menudos Corazones*, Ikea (Spain), Citroën (Spain), and Cortefiel (January 2011 to November 2019)

	No posts	No likes	No comments	No fans	Average impact (like + comments)/No posts
Menudos Corazones	1,721	291,248	9,273	25,832	174.62
Ikea	3,033	3,029,598	111,305	28,679,822	1035.58
Citroën	2,769	657,713	55,784	11,23,717	257.67
<i>TOTAL</i>	<i>11,337</i>	<i>4,388,592</i>	<i>185,100</i>		

Source: Own elaboration

With the Fanpage Karma tool, the number of messages posted, likes, comments, and fans, from the Facebook pages of *Menudos Corazones*, Ikea, Citroën, and Cortefiel have been collected. These data are specified in **Table 22.1**.

As shown in **Table 22.1**, Cortefiel is the company that has published the most messages (4,264). However, it has the lowest average impact per message (98.21). Ikea has the highest average impact per post (1035.58), followed by Citroën, *Menudos Corazones*, and Cortefiel. Another fact is that participation is much less than popularity; that is, users prefer to like a message rather than comment on it. It would be interesting that this trend was reversed to involve more people and know their opinions.

By examining the messages in more detail, we can check the most recurrent themes in the organizations under study (**Fig. 22.1**).

Figure 22.1 shows that there are no terms published related to CRM campaigns on Facebook pages. In the considered companies, what is most talked about is their products or related topics, such as “casa” (home), “consejos” (advice), “regalos” (gifts), “salón” (living room), in Ikea; words related to car models in Citroën; and in Cortefiel, words related to fashion such as look, a hashtag with the name of the company, or the words “man” or “woman”, also related to fashion. Words of thanks appear on *Menudos Corazones*’ Facebook page and others such as “families” or “Madrid” representing its line of action.

Here, the messages published by *Menudos Corazones* on Facebook, where the companies under analysis are mentioned, have been selected. There have been 94 posts (63 from Ikea, 23 from Citroën, and 8 from Cortefiel). The results, specified in **Fig. 22.2**, show that Ikea is the most mentioned enterprise (67.02%), followed by Citroën (24.47%) and Cortefiel (8.51%). It is also observed that the messages about Ikea have achieved the highest percentage of both likes and comments.

Concerning the messages published by Ikea, Citroën, and Cortefiel on their Facebook pages, **Table 22.2** shows that only a small percentage of messages have talked about *Menudos Corazones*. Ikea stands out as the company that has achieved the most considerable popularity and participation. It may be because this company has carried out creative campaigns where the public participates actively, such as the solidarity auction.



Fig. 22.1 The most published terms on Menudos Corazones', Ikea's, Cortefiel's, and Citroën's Facebook pages (January 2011 to November 2019). (Source: Own elaboration)

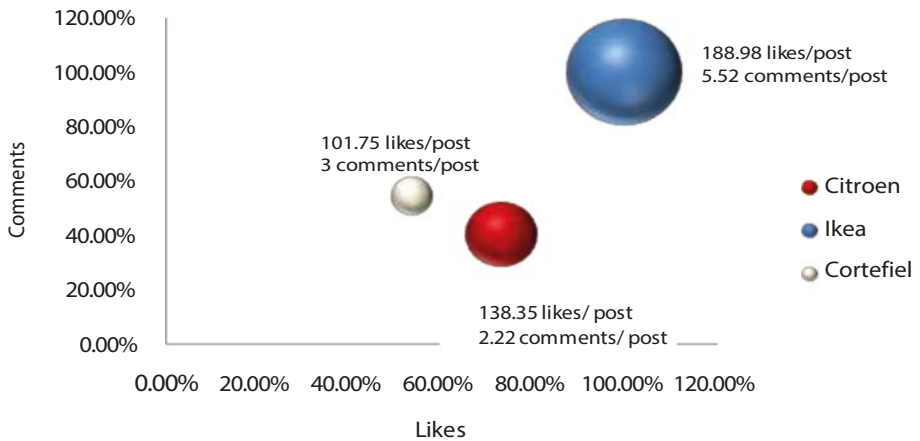


Fig. 22.2 Impact and percentage of messages on Menudos Corazones' Facebook page, where Ikea, Citroën, and Cortefiel are mentioned. (Source: Own elaboration)

■ **Table 22.2** Impact and number of messages that mention *Menudos Corazones* on Ikea's, Citroën's, and Cortefiel's Facebook pages.

Company	Total posts	Total posts		Posts where <i>Menudos Corazones</i> are mentioned		
		Likes/post	Comments/post	Percentage	Likes/post	Comments/post
Citroën	1,769	234.67	22.41	0.34%	58.83	3.83
Cortefiel	4,264	96.16	2.05	0.12%	21	2
Ikea	3,032	999.2	36.71	0.30%	580.87	7.5

Source: Own elaboration

22.2.3.2 Comparative Analysis of CRM Campaign Messages Published on *Menudos Corazones'* Facebook Page and the Other Companies' Facebook Pages (Ikea, Citroën, and Cortefiel)

■ CRM Campaigns on Facebook: Collaboration Between *Menudos Corazones* and Ikea

First of all, ■ Table 22.3 shows the CRM campaigns that have been identified in both *Menudos Corazones'* and Ikea's Facebook pages.

■ Figure 22.3 compares the number of messages that talk about the CRM campaigns specified in ■ Table 22.3 and their impacts on *Menudos Corazones'* and Ikea's Facebook pages.

It is noteworthy that, on Ikea's Facebook page, there is only a message that has achieved 2,287 likes and 24 comments. It is related to the auction CRM campaign. In this initiative, Ikea offered customers a wide range of furniture and products with meager starting prices. In this way, participants will be able to bid on their favorite furniture and decorative objects while performing a solidarity auction. All proceeds would benefit *Menudos Corazones*.

This campaign has achieved the most significant impact (41.14 comments/messages and 727.57 likes/messages) on Ikea's Facebook page, followed by the design of the cuddly campaign. However, on *Menudos Corazones'* Facebook page, these campaigns have had less impact. It is noteworthy that the campaign of the Charity menu ("1 menu, one smile") is not mentioned directly on the Ikea's social network, but a message starring Belén Rueda, a famous Spanish actress, speaks of the collection of more than 100,000 smiles in 2012 (► Diarioresponsable.com, 2012).

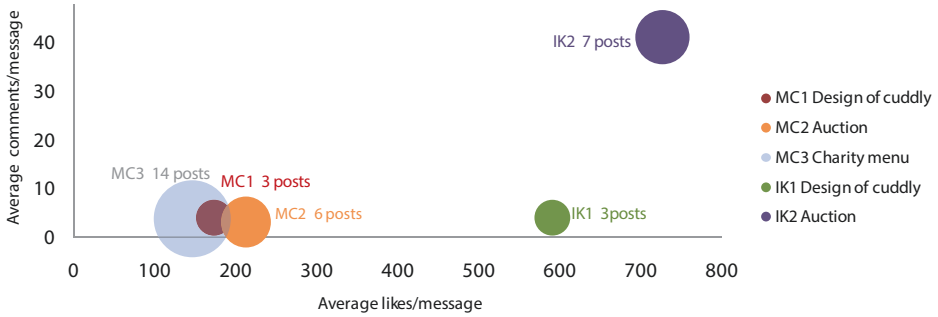
The comments about messages that talk about the CRM campaigns discussed in the previous paragraphs have been examined. ■ Fig. 22.4 shows the most recurrent words concerning these conversations.

■ Figure 22.4 shows that the word "gracias" (thanks) is the most repeated. However, other words, such as "oferta" (offer), "audiencia" (audience), or "proyecto"

■ **Table 22.3** CRM campaigns identified on *Menudos Corazones*' and Ikea's Facebook pages

CRM campaigns	Description	Duration	Results
Design of cuddly	The SAGOSKATT campaign was created for children up to the age of 12. They could imagine the cuddly toy of their dreams and turn it into a drawing. For each drawing, one euro will be donated to <i>Menudos Corazones</i> , up to a maximum of €10,000. The designs became a reality in the Ikea factories, and the entire amount of the sale was donated to <i>Menudos Corazones</i>	The first edition was in 2014, and it is currently the sixth year. The design deadline was on November 30, 2019	The donation was € 4,567 in 2017. In 2016 with this campaign and a survey aimed at customers, €7,081 was achieved. Results from 2019 are not available by now
Charity menu	It was developed in all IKEA Group stores in Spain. For every €3.50 children's menu in its restaurants, IKEA donated €1 to <i>Menudos Corazones</i>	The campaign lasted 3 years, starting on August 31, 2012	It has been estimated that around €280,000 were raised. As a result of this campaign, <i>Menudos Corazones</i> was able to create the IKEA House in Madrid (Spain) to accommodate displaced families at the time of their children's operation and also to finance part of the program for welcoming displaced families and the multidisciplinary accompaniment program
Auction	IKEA Ibérica simultaneously held a large solidarity auction of furniture and decorative objects in all its stores in Spain. The benefits from sales were donated to <i>Menudos Corazones</i>	This campaign was launched on July 5, 2012, with three consecutive editions	In the 2019 edition, a sum of around €10,900 was raised. This campaign contributed to the maintenance of the "IKEA House & Little Hearts" in Madrid, which aims to welcome families displaced during the development of the disease and also to the maintenance of two restrooms in the 12 de Octubre and Gregorio Marañón hospitals in Madrid (Spain)

Sources: *Menudos Corazones*' Facebook page (2011–2019); Méndez (2013); Europa Press (2012); *elEconomista* (2012)



■ Fig. 22.3 Impact and number of messages about CRM campaigns on *Menudos Corazones*’ and Ikea’s Facebook pages. Note: In this figure, “MC” refers to *Menudos Corazones*’ Facebook page and “IK” to Ikea’s Facebook page. (Source: Own elaboration)

Ikea’s Facebook page

Menudos Corazones’ Facebook page

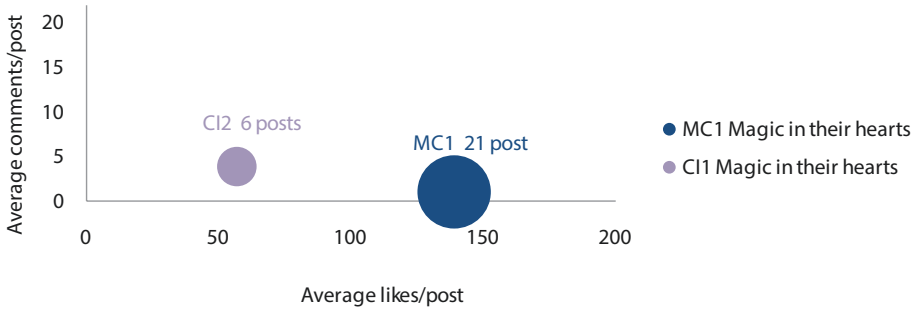


■ Fig. 22.4 Most frequent words from comments on Facebook about CRM campaigns in which *Menudos Corazones* and Ikea have collaborated. (Source: Own elaboration)

(project), that allude to the initiative carried out are also mentioned on Ikea’s Facebook page. On *Menudos Corazones*’ Facebook page, words related to the great work performed have been mentioned. For instance, the word “hospital” appears since part of the funds have been destined to create game rooms in hospitals such as Doce de Octubre Hospital and Gregorio Marañón Hospital in Madrid. It highlights that the word “campaign” is specified on *Menudos Corazones*’ Facebook page, referring to CRM campaigns. In general, they are words of thanks and others with a positive connotation.

■ **CRM Campaigns on Facebook: Collaboration Between *Menudos Corazones* and Citroën**

Citroën offers to its customers, since 2016, the possibility of carrying out a car safety check for free in 475 affiliated official services. For each check, it donates €1.5 to



■ **Fig. 22.5** Impact and number of messages about CRM campaigns on Menudos Corazones' and Citroën's Facebook pages (Source: Own Elaboration)

Menudos Corazones. Besides, each customer receives a diploma for having participated in the initiative. It is also possible to collaborate by posting a smile on Facebook, Instagram, or Twitter, with the hashtag #ConductoresSolidarios.² For every picture, Citroën donates €0.50 to *Menudos Corazones*. In the 2019 campaign, there were more than 71,500 donations (€35,750). The campaign had a substantial impact on social networks, where 35,578 Internet users joined the initiative through the hashtag mentioned. In the 2020 edition, in June, 51,618 solidarity checks have already been carried out (*Menudos Corazones'* Facebook page, 2020, and Citroën's web page, 2020).

■ Fig. 22.5 shows the CRM campaign on Facebook. On *Menudos Corazones'* Facebook page, the campaign solidarity drivers (“magic for their hearts”) have been very successful (139 likes/message and 1 comment/message). Citroën's Facebook campaign has had a little significant impact (56.83 likes/message and 3.86 comments/message). It is noted that the average number of comments per message on Citroën's Facebook page is much higher than that on *Menudos Corazones'* Facebook page.

One of the messages with more participation (14 comments) and popularity (438 likes) is a video message in which actress Belén Rueda, whose daughter died because of congenital heart disease, thanks the users' collaboration.

■ Figure 22.6 shows (as it happens with Ikea) that “gracias” (thanks) is the most repeated word in the comments from users on Citroën's and *Menudos Corazones'* Facebook pages related to CRM campaigns. On *Menudos Corazones'* Facebook page, the names of specific people, such as “Elena”, are written. They refer to children who have struggled with the disease and have been supported thanks to the campaign. The words “iniciativa” (initiative), “ayudar” (help), and “hijos” (children) appear on Citroën's Facebook page. That refers to the collaboration achieved with the campaign.

2 Its meaning, in English, is “Solidarity Drivers.”



■ **Fig. 22.6** Most frequent words from comments on Facebook about CRM campaigns in which Menudos Corazones and Citroën have collaborated. (Source: Own elaboration)

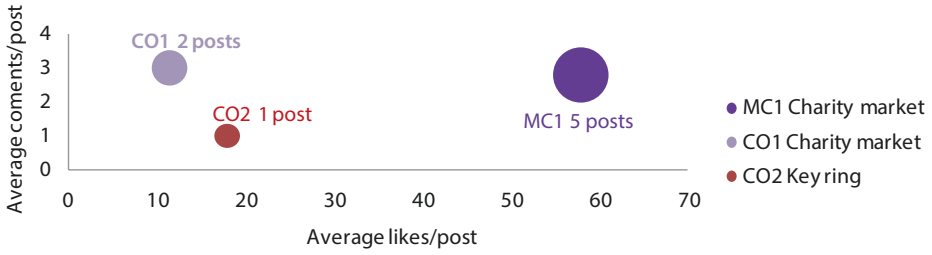
■ CRM Campaigns on Facebook: Collaboration Between Menudos Corazones and Cortefiel

Cortefiel has carried out some social initiatives, but only two initiatives about CRM have been found on Facebook: the charity market and the key-ring.

- In the charity market Cortefiel, Women Secret and Springfield garments could be bought at economical prices. Also, a solidarity entrance fee of one euro was charged (Europa Press, 2018). This campaign took place in November 2012 at the NH Eurobuilding Hotel in Madrid (Spain), and the total amount of the sales was donated to *Menudos Corazones* (Fashion Network, 2020). Around €28,014 were raised and used to finance the 2012 summer camp project for children and young people with congenital heart diseases.
- The campaign about the key-ring was carried out in 2011. With a purchase of approximately 100€, the client would receive a key-ring and €3 would be donated to *Menudos Corazones* (the price of the key-ring). Also, people could buy the key-ring for €3 (*Menudos Corazones*, 2013). ■ Figure 22.7 represents the impact and number of messages about these campaigns on *Menudos Corazones'* and Cortefiel's Facebook pages.

■ Figure 22.7 shows that the charity market is the campaign that has achieved the highest impact on *Menudos Corazones'* Facebook page (58 likes/message and 2.8 comments/message). On Cortefiel's Facebook page, this campaign has a similar number of comments per message. It is noteworthy that the campaign about the key-ring is not mentioned on *Menudos Corazones'* Facebook page.

■ Figure 22.8 shows the most mentioned words of the comments regarding the solidarity market campaign (since the key-ring campaign has no comments). In the word cloud of *Menudos Corazones'* Facebook comments, the words “felicidades” and “enhorabuena” (both words can be translated into English as “con-



■ **Fig. 22.7** Impact and number of messages about CRM campaigns on *Menudos Corazones'* and Cortefiel's Facebook pages. (Source: Own elaboration)

Cortefiel's Facebook page

Menudos Corazones' Facebook page



■ **Fig. 22.8** Most frequent words from comments on Facebook about CRM campaign in which *Menudos Corazones* and Cortefiel have collaborated. (Source: Own elaboration)

gratulations”) stand out. However, in the word cloud of Cortefiel’s Facebook comments, several cities appear. These locations refer to the fact that users are very interested in the idea and they would like it to take place in their localities of residence.

Conclusions

Awareness of the problem of congenital heart disease, which has claimed many lives during childhood, has been promoted. Likewise, the importance of CRM campaigns to raise funds has also been shown. These contributions help families in the disease process and allow scientific research advances. Also, it has been marked that social media networks enable both companies and NGOs to stimulate collaborative CRM campaigns.

In this sense, Facebook messages from *Menudos Corazones*, Ikea, Citroën, and Cortefiel have been examined to detect if they talk about CRM campaigns and what the impact of these campaigns on the social network mentioned is. In this sense, most of the terms published on the Facebook of the analyzed companies are related to the products or services they sell. In *Menudos Corazones*, work carried out (thanks to funds obtained) in Madrid's hospitals and centers (Spain) is mentioned. However, the campaigns carried out to achieve these accomplishments are not commented on Facebook. It should also be noted, on the one hand, that the companies selected are not mentioned much on *Menudos Corazones'* Facebook page, and, on the other hand, that the companies also do not mention on *Menudos Corazones'* Facebook page. Besides, CRM campaigns are not usually carried out and there are not many messages about these campaigns.

If Facebook comments regarding the messages that talk about the CRM campaigns are considered, the following conclusions stand out: In the Ikea and Citroën campaigns, the most mentioned term is "gracias" (thanks) (both on *Menudos Corazones'* and on the companies' Facebook pages). On the companies' Facebook pages, there is more talk about the development of the campaigns carried out, such as in Citroën about the free promotion services and in Ikea about the campaign offers. However, *Menudos Corazones'* Facebook page alludes to the achievements of the proceeds from the campaigns (for example, the creation of game rooms in some hospitals). Finally, on Cortefiel's Facebook page, the highlight is that users have commented that they liked the solidarity market but that it should be done in other locations (it was done only in Madrid, the capital of Spain) to attend. Also, it has been verified that there are only words of thanks and other positive ones in these campaigns' comments, and they have had a high acceptance by the public. It is a way to help others while participating in a fun event.

Concerning the impact, it stands out that the one obtained by the messages of the companies that mention *Menudos Corazones* is less than half of the total value of this indicator. About the type of CRM campaigns carried out, it stands out that the impact is different on *Menudos Corazones'* Facebook page and that of the companies. For example, on Ikea's Facebook page, the campaigns have more impact than on *Menudos Corazones'* page, especially the auction. On Citroën's and Cortefiel's Facebook pages, the campaigns have achieved less impact than on *Menudos Corazones'* page. In this sense, it has been proven that those involving the public and making them participate in offline activities are more successful, for example, events such as the charity market in Cortefiel and the auction in Ikea. From this, it follows that online CRM campaigns have to be complemented with offline activities. One outstanding feature is that even Ikea and Cortefiel carried activities where the public participated actively, the auction, and the solidarity market, the auction's impact was much more significant than the solidarity market's impact. It may be because Ikea is a company with an enormous reach (number of fans) on Facebook (Cortefiel's reach only represents 1.33% of Ikea's).

The number of messages that talk about CRM campaigns on the analyzed companies' Facebook pages is meager. Nevertheless, posts that talk about their products or services are published more often. There are several different types of campaigns with different repercussions, depending on whether it has been published

on *Menudos Corazones*' Facebook page or the collaborating companies' Facebook pages. The CRM campaigns on *Menudos Corazones*' Facebook page have had more impact, except in the case of Ikea. Besides, those campaigns in which people actively participated offline, such as the Ikea auction, have been very successful on the companies' Facebook pages.

? Discussion Questions

1. In your opinion, do you think CRM campaigns are effective on social networks?
2. Do you think that non-governmental organizations (NGOs) take advantage of social media's interactive potential for publishing their campaigns, in general, and CRM campaigns, in particular?
3. Select a CRM campaign related to health, identify the characteristics, and determinate the impact.

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Considerations and Decisions for Firms

Contents

- Chapter 23** Organizational Conflicts
in CRM Planning
and Implementation:
City Hotel's Towel Reuse
Program – 285
Walter Wymer
- Chapter 24** Santos Motors – 293
Walter Wymer
- Chapter 25** Choosing CRM – 301
Valerie Manna



Organizational Conflicts in CRM Planning and Implementation: City Hotel's Towel Reuse Program

Walter Wymer

Contents

- 23.1 Introduction – 286**
- 23.2 Development of the Case – 287**
 - 23.2.1 List of Characters – 288
 - 23.2.2 The Meeting – 288
- References – 292**

Learning Objectives

1. To better understand how furthering a business's interests can conflict with the prosocial aims of the nonprofit partner
2. To better understand how emphasizing a business's interests can affect consumers attitudes and behaviors with respect to the CRM campaign
3. To better understand the multiple motivations a business partner may have in participating in a CRM campaign
4. To better understand the need to balance stakeholder interests in developing a CRM campaign

23.1 Introduction

During a time when global warming is a major issue and sustainability has become an important value, energy and water conservation are timely and relevant topics. On an industrial scale, even small improvements can result in substantial benefits. In the lodging/hotel industry, for example, it is estimated that in the USA, hotels could save \$745 million annually by reducing their energy use by 10 percent (Hetter, 2013).

With respect to water conservation in the lodging industry, laundry accounts for 16 percent of hotels' water usage. Toilets and showers account for the most water usage, followed by laundry and landscaping at 16 percent each. Asking hotel guests to reuse their towels reduces the number of loads of laundry (as well as the related water, sewer, energy, and labor costs) by 17 percent. Caesars in Las Vegas saves about 30 million gallons of water a year, a savings of about \$200,000 per year on water heating alone (Nuwer, 2014).

Guest towel reuse programs can save hotels about \$6.50 per night per occupied room. For example, a 200-room hotel with a 55 percent occupancy rate can save around \$260,000 a year. Also, guest towel reuse programs reduce energy use, water use, and laundry detergent use (Rogers, 2011).

As a result of the potential savings to hotels in getting guests to reuse their towels instead of having them changed daily, most hotels have implemented voluntary towel reuse programs. This is typically communicated to guests by placing an information card in the room which encourages guests to reuse their towels. Guests communicate their willingness to reuse their towels to the cleaning staff by hanging up their towels. If guests want their towels replaced, then they leave them on the bathroom floor.

From an environmental protection perspective, when hotel guests reuse their towels and linens, water, laundry detergent, and electricity are not consumed. Waste water is not produced. Towels and linens last longer. These environmental benefits scale upward with higher rates of hospitality industry participation (Wymer, 2014).

Hospitality industry participation in guest towel reuse programs is quite high, not because of industry environmentalist values but because of potential cost savings. Industry trade organizations and environmental organizations that encourage hotels to implement reuse programs motivate industry participation not by appealing to their values of environmentalism or social responsibility but by persuading hotels that they can realize meaningful cost savings to improve their profitability (Wymer, 2014).

The dual incentives of cost savings and public relations stimulate a high participation rate for implementing guest towel reuse programs among hotel industry members. Hence, hotel guests have come to expect the ubiquitous towel reuse program cards in their hotel rooms (Wymer, 2014).

Hence, the primary motive for hotel participation in towel reuse programs is to reduce costs to increase profits. This profit motivation creates its own problems, however. That is, asking hotel guests to forgo the benefit of fresh towels while paying the full price reduces hotel guests program compliance rates.

From the perspective of hotel guests, they are paying for daily room cleaning service. They are paying to have their towels replaced daily. Guest compliance with towel reuse programs results in a loss of benefits for hotel guests, a reduced value for their hotel expense. Hence, guest compliance with hotel towel reuse programs is largely motivated by guest environmentalist values (Wymer, 2014).

There is an interesting dynamic present in hotel guest towel reuse programs. Hotels' cost savings increase with guest compliance. However, guest compliance is negatively influenced by hotels' obvious conflict of interest. Guests pay the hotel's price for their rooms, and then they are asked (by the program card placed in their rooms) to give up a benefit in which the hotel experiences additional financial benefits. There are two parties contributing to the social problem, guests and hotels. Yet the solution embedded in the typical guest towel reuse program asks guests to forgo a benefit for which they have paid while the hotel benefits (through cost reductions). If the end (less environmental degradation) justifies the means (reusing guest towels), then guests may question why hotels should benefit at their expense. Are guests really being manipulated by hotels? Do hotels really care about the environment? People who care a great deal about environmental issues may not be concerned about hotels' motives. However, to many other guests, a hotel's motives may be influential in their decision to participate in the guest towel reuse program (Wymer, 2014).

23.2 Development of the Case

The case illustrates the value conflicts and decision alternatives inherent in developing a CRM program. The case described is fictitious, but the circumstances presented in the case are commonly experienced by managers in developing CRM programs, in general, and hotel guest towel reuse programs, in particular. This case is developed for the purpose of enabling students to consider a full range of issues in developing a CRM program.

23.2.1 List of Characters

1. Helena – City Hotel’s General Manager
2. Carlos – City Hotel’s Director of Finance & Accounting
3. Mercedes – City Hotel’s Director of Marketing
4. Roberto – Executive Director of Save Our Planet, an environmental nonprofit organization

23

23.2.2 The Meeting

Helena: – *Thank you all for coming today. Mercedes has requested this meeting so that we can discuss whether City Hotel should develop a guest towel reuse program. Mercedes, why don’t you begin the discussion?*

Mercedes: – *I appreciate everyone coming. I have invited Roberto to the meeting so that the perspective of our most likely partnering nonprofit organization can be represented.*

Roberto: – *I appreciate City Hotel’s interest in partnering with us to encourage your hotel’s guests to reuse their towels instead of having them replaced every day. When many people change their behaviors, even in small ways, it can make a big difference for the environment.*

Helena: – *Well, City Hotel certainly wants to do its part in supporting our community and acting socially responsible. We are a business, however, and we do need to make good business decisions—even when we want to do good things for our community and the environment. I would like to better understand the advantages and disadvantages of these programs.*

Roberto: – *Well, Save Our Planet will help to encourage your guests to reuse their towels. We will provide City Hotel with room cards. These cards are placed in guest rooms, usually near the bathroom sink. The cards inform guests that they can do something positive for the environment by reusing their towels. If guests want to participate in the towel reuse program, they hang up their towels. If guests do not want to participate, they leave their used towels on the bathroom floor and they will be replaced when the room is cleaned.*

Helena: – *What are the costs and benefits to City Hotel in implementing such a program?*

Roberto: – *City Hotel would be helping to conserve water and electricity, which benefits our environment.*

Mercedes: – *From a public relations perspective, City Hotel is seen to be a good corporate citizen. Also, many hotels are already implementing a towel reuse program. Failing to offer a towel reuse program makes us appear unconcerned about sustainability and environmental issues.*

Carlos: – *I have analyzed the effect of this program on City Hotel’s expenses. In general, when hotel guests reuse their towels, there are several cost savings for us. We can have a smaller inventory of towels. The towels last longer. We have fewer*

loads of towels to launder, which saves labor, water, electricity, and laundry detergent.

Helena: – *Are these cost savings meaningful, or are they trivial? Can this really have a substantial impact on our total expenses?*

Carlos: – *Of course, the amount of savings will depend upon how many guests agree to reuse their towels. Roberto, what is the average guest participation rate for hotel guest towel reuse programs?*

Roberto: – *This is difficult to estimate. I would predict that City Hotel would experience a guest participation rate of about 30 percent. But the guest participation rate depends on several factors.*

Carlos: – *Well, if we have a 30 percent participation rate, we could probably save about 20–25 thousand dollars a year.*

Helena: – *I was hoping the savings would be greater. Still, it does make financial sense to have a towel reuse program.*

Mercedes: – *And do not forget about the public relations benefits.*

Helena: – *That is certainly another advantage.*

Mercedes: – *We would also be seen to be a partner of Save Our Planet, which also improves brand attitudes toward City Hotel.*

Roberto: – *Save Our Planet is pleased to be associated with City Hotel and to help your public relations efforts. Do keep in mind that our organization's mission is to persuade consumers and businesses to practice more environmentally friendly behaviors. We would want to try to increase guest participation in the towel reuse program much higher than the average. Also, we would want to encourage City Hotel to do more to reduce its environmental footprint.*

Helena: – *What would you encourage us to do to reduce the hotel's environmental footprint?*

Roberto: – *You can use water saving shower heads, low water usage toilets, design low water usage landscaping, install energy efficient lighting, upgrade to low water use laundry machines, eliminate drafty windows, and use guest card-controlled electricity switches to turn the room power off when guests leave the room (Anonymous, 2014).*

Carlos: – *That sounds expensive.*

Roberto: – *Well, it would be expensive at first. However, over time City Hotel's savings on water and electricity would more than compensate for the initial investment.*

Carlos: – *I would have to look at the financial implications closer, but do you have an idea of how long it would take the hotel to recover the costs of implementing all of your recommendations?*

Roberto: – *The hotels that have reported making the changes we recommend experience breaking even on the initial expenses after 15–18 months. If the initial expenses are covered by the cost savings, then the cost savings help improve the hotel's profitability over the long term. Also, employees generally feel good about working for a company that makes a positive difference in its community.*

Mercedes: – *Are there marketing benefits to implementing these changes?*

Roberto: – *Hotels that make a substantial commitment to operating in a more environmentally friendly manner enjoy more favorable public attitudes. To be honest, however, only the most environmentally conscious consumers choose a hotel based solely on its environmental performance. Most hotel consumers still choose a hotel for other reasons like price, location, and service.*

Helena: – *A 15–18 month break-even point to recover from the investment sounds reasonable and practical. It would decrease our profitability until we pass the break-even point, however. I am not sure how our corporate headquarters would feel about that. It would also mean that Carlos, Mercedes, and I would probably not get our performance bonuses for that year. Carlos mentioned that the cost savings of implementing the towel reuse program will depend upon the guest participation rate. What can be done to increase guest participation in the program?*

Roberto: – *From our experience with other hotels, guests that practice water conservation in their daily lives are the most likely hotel consumers to participate in towel reuse programs (Han & Hyun, 2018). Consumers who have a greater concern for the environment are most likely to participate (Dharmesti, Merrilees, & Winata, 2020; Shang, Basil, & Wymer, 2010).*

Mercedes: – *What can City Hotel do to encourage the average hotel guest to participate in the towel reuse program?*

Roberto: – *Well, City Hotel can make sure that it is convenient for guests to participate. For example, make sure that guests can get their towels dried before the next morning's shower by having enough places for guests to hang up their damp towels or by having towel warmers (Anonymous, 2014).*

Carlos: – *I do not think that would cost much to implement.*

Roberto: – *To really increase guest participation, however, you should realize that most guests feel that they have paid for the benefit of having fresh towels each day. Guests who do not participate in the towel reuse programs face a moral dilemma, which leads to greater levels of dissatisfaction with their hotel experience. That is, they feel like they should reuse their towels, but they feel like they have already paid to have their towels replaced (Hetter, 2013). Many hotel guests don't participate in towel reuse programs because they believe the hotel is more interested in reducing their expenses (and increasing their profits) than in reducing environmental harm (Anonymous, 2014).*

Mercedes: – *The irony is that guests are probably right about the reason hotels have towel reuse programs. Still, can we do anything to change their opinions about our motivations?*

Roberto: – *Well, if you want to show guests that you really care about the environment and that you are not totally motivated by profits, you have some alternatives. Some Sheraton hotels offer guests who reuse their towels a five-dollar food and drink voucher to use at the hotel during their stay (Hetter, 2013).*

Mercedes: – *That could also encourage guests to visit our restaurant and lounge.*

Roberto: – *There has been some research which finds that the wording on the towel reuse program information card makes a difference. Using social influence theory, the idea that people are influenced by what others do, some hotels state on the card that 70 percent of hotel guests (for example) reuse their towels. A high average guest participation rate may encourage other guests to participate in the towel reuse program (Han & Hyun, 2018; Jaffe, 2014). This wording seems to motivate some guests to reuse their towels.*

Mercedes: – *Well, we could certainly print a high participation rate on our guest cards.*

Roberto: – *Save Our Planet will only participate in a collaboration with City Hotel if the information is true. Printing a false participation rate on the program card would violate our ethical code and potentially harm our reputation.*

Mercedes: – *I regret suggesting that. It was just my initial reaction to the point you were making about social influence.*

Roberto: – *No problem, Mercedes. We want to find a way to help City Hotel as well as to help preserve our environment. We understand that you are a profit-making business. Honestly, the research shows that the best way to convince guests that City Hotel is not solely interested in saving money in having the towel reuse program is by sharing the savings. Sharing the savings helps to increase guest participation (Shang et al., 2010).*

Helena: – *How would you suggest we share the savings?*

Roberto: – *We realize that most hotels participate in towel reuse programs to save money and increase profits (Wymer, 2014). However, hotels can substantially increase guest participation rates (and make a greater difference for the environment) by being willing to give up some of the savings. We discussed the guest voucher program that Sheraton implemented. If City Hotel is willing to donate all or part of its cost savings to a charity, like Save Our Planet, the research shows that guest participation increases (Shang et al., 2010). You could print information about your donation program on the guest towel reuse card. Once guest participation increases, you could also print the guest participation rate on the card to encourage even more guests to participate in the towel reuse program.*

Helena: – *Well, Roberto, you have certainly given us a great deal to consider. We will take a week or so to consider how we will proceed.*

Roberto: – *Please let me know what you decide and how Save Our Planet can help.*

Helena: – *Thank you Roberto.*

(Roberto leaves.)

Helena: – *Carlos and Mercedes, please think about what we have discussed in this meeting. In a couple of days, I would like to have your recommendations on what we should do. Then I will make my decision about what I will recommend to our corporate headquarters.*

? Discussion Questions

1. What recommendations do you think Carlos and Mercedes will present to Helena?
2. What recommendations do you think Helena will present to City Hotel's corporate office?
3. What influence will a short-term perspective (how profits will be affected in the year before the break-even point is reached) or long-term perspective (the effects of the changes on profits in future years) have on the final decision?
4. What is the most ethical decision for the company?
5. How would the company's decision differ if its goal for the program was to increase profits than if its goal was to increase brand attitudes?

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Santos Motors

Walter Wymer

Contents

- 24.1 Introduction – 294**
- 24.2 Development of the Case – 295**
 - 24.2.1 Business Goals – 295
 - 24.2.2 Support Single or Multiple Charities? – 296
 - 24.2.3 Selection of Community Organization – 296
 - 24.2.4 Duration of the CRM Campaign – 296
 - 24.2.5 CRM Campaign – 297
 - 24.2.6 Promotion – 297
- References – 299**

Learning Objectives

1. To better understand the complexities of setting goals for a CRM program
2. To better understand the need to fit the type of CRM program with the business partner's goals
3. To better understand the issues pertaining to the fit between the business and the potential charity partner
4. To better understand relevant issues that influence how best to communicate the business's support of the cause

24.1 Introduction

CRM is a business's marketing program that supports a charity or other cause while also seeking returns for the business (Samu & Wymer, 2001). This relationship between a business and a charity or cause is developed by both partners for mutual benefit. From the business's perspective, a CRM program is a way to be socially responsible and to support its community, while benefitting the interests of the business (Weeden, 1998). From the perspective of the partnering charity, a CRM program provides a donation from the business partner. The business, promotion of the CRM program also increases the community's familiarity with the charity (Wymer & Samu, 2003).

A CRM relationship between a business and a charity (or other nonprofit organization) can have a variety of forms, depending on the goals of the partners. A typical format for a CRM program is having the business donate an amount per customer purchase, usually with a maximum donation limit, to a partnering charity. The outcomes or benefits businesses typically receive from a CRM program include improved brand attitudes from target audiences, increased brand familiarity (from the promotion of the CRM campaign), and perhaps a modest increase in sales. The outcomes charities typically receive from a CRM program include the donation from the business and increased public familiarity with the charity as a result of the business's promotion of the CRM campaign (Wymer & Samu, 2003).

For a CRM campaign to be successful for both partners, the selection of partners needs to be carefully considered (Samu & Wymer, 2009). The campaign needs to be developed and implemented so that the partners both attain their goals, and the partners need to effectively manage the campaign and their relationship (Wymer & Sargeant, 2006). The fit between the business and its charity partner and the way in which the business's support of the charity is communicated to target audiences are important considerations in determining the CRM program's success (Samu & Wymer, 2014).

To help students better understand some of the key issues involved in developing a CRM program, a fictitious case is described below. Any similarity to actual persons or organizations is unintended. A fictitious case enables its writer to bring a fuller range of issues into a manager's decision process.

24.2 Development of the Case

Santos Motors is a local car/truck dealership in Lethbridge, Alberta, Canada. It sells Chrysler, Dodge, Jeep, and Fiat brand vehicles. Carlos Santos, the owner, is looking for various ways to differentiate his business from his key competitor, Lethbridge Autos. Although there are other car/truck dealerships in the city, Lethbridge Autos is the main competitor because it sells the same brands and models of vehicles as Santos Motors.

Lethbridge Autos differentiates itself from Santos Motors in its marketing communications by claiming to offer the lowest priced vehicles and the easiest-to-acquire financing for vehicle purchases. Carlos Santos does not believe there is a meaningful pricing difference between the two competitors, Santos Motors and Lethbridge Autos. Nevertheless, because of Lethbridge Auto's consistent positioning in its advertising as a low-price car/truck dealer, it enjoys a larger market share than Santos Motors.

Santos Motors tries to differentiate itself in ways other than claiming to offer the lowest prices (Carlos believes there is not a real price difference between the two competitors). Santos Motors' core message in its advertising varies from year to year as the dealership tries to take market share away from Lethbridge Autos. Santos Motors' messages have emphasized its long history in the community, its community involvement, and its transparency in communicating with its customers. Santos Motors is notable in the areas of employee and customer retention, retaining both groups much longer than average. This year, Carlos wants to develop a CRM campaign to demonstrate Santos Motors' community involvement.

24.2.1 Business Goals

Carlos would primarily like to take customers away from his chief competitor, Lethbridge Autos (a brand switching strategy). However, Carlos understands that it would be unrealistic to use a CRM campaign to stimulate sales directly (Barone, Miyazaki, & Taylor, 2000; Sloan, 2017). While such direct benefits from a CRM campaign are unrealistic, some indirect benefits may result from supporting a community organization in a CRM campaign. Participating in a CRM campaign may help improve the overall reputation of Santos Motors and help to differentiate the Santos Motors brand from Lethbridge Autos (Bloom, Hoeffler, Keller, & Meza, 2006).

Carlos would like to gain favorable publicity from his community involvement (Till & Nowak, 2000). This should improve the public's attitudes (brand attitudes) toward Santos Motors (Andreasen, 1996). His community involvement should also improve the community's familiarity with his business (brand familiarity) (Mescon & Tilson, 1987).

Hence, after careful consideration, Carlos has determined that his goals for the CRM campaign are the following:

- To increase brand familiarity for Santos Motors in the Lethbridge community
- To improve brand attitudes for Santos Motors in the Lethbridge community

Carlos believes that by increasing brand familiarity and brand attitudes, people will be more likely to consider buying their cars and trucks from him than they were before the CRM campaign. Carlos believes that the more familiar consumers are with his brand, the more likely they will be to include Santos Motors in their search for a car or truck. This is especially true if Santos Motors enjoys favorable brand attitudes.

24.2.2 Support Single or Multiple Charities?

24

Carlos is considering whether it is best to focus his support on a single charity or to distribute his support among multiple charities. If he supports multiple charities, he could please different groups of consumers who care for those charities. However, perhaps it would be best to direct his charity support in a more committed manner to a single charity, becoming more strongly associated as a supporter of that charity.

24.2.3 Selection of Community Organization

Carlos is undecided about which local nonprofit organization or charity to support in the CRM campaign. A major consideration is the degree of fit between the charity and Santos Motors (Wymer & Sargeant, 2006). It may be difficult to locate a charity that has some similarity to an auto retailer. Instead, it might be advisable to support a well-known charity that his highly respected.

Carlos has been reading about CRM campaigns on the Internet and has learned that when consumers are very familiar with a charity, the fit between the charity and partnering business supporter becomes less important (Guerreiro, Rita, & Trigueiros, 2016). It is probably best to support a charity that the community cares most about (Lafferty, 2007). Consumers get the most satisfaction from participating in a CRM campaign when the supported charity is one that they really value and, possibly, already support (Galan-Ladero, Galera-Casquet, & Wymer, 2013).

Carlos is considering partnering with Boys & Girls Club of Lethbridge. It is a long-established charity that supports community youth. It enjoys a good reputation, has never had a scandal, and does not have any programs that would be considered controversial. Moreover, a charity which helps children may enjoy a slightly more favorable attitude from female (compared to male) consumers (Galan-Ladero, Galera Casquet, & Singh, 2015). Supporting a youth charity helps Santos Motors perceived to be a compassionate business, a business that is concerned about the youth in the community.

24.2.4 Duration of the CRM Campaign

Carlos must decide how long his CRM campaign should last. His research revealed that most benefits to a business are the result of a long-standing supportive relationship with the charity (Arendt & Brettel, 2010; Perez, Salmones, & del Bosque,

2013). Carlos does not want to have an open-ended commitment to support the youth charity. He wants the flexibility to make changes over time. Yet for the CRM campaign to improve the brand familiarity and brand attitudes of Santos Motors, the CRM campaign needs to last sufficiently long so that consumers develop a perception of Santos Motors as a supporter of Boys and Girls Club of Lethbridge.

Hence, to balance the desire to be flexible and have the ability to make changes with the desire to be known as a supporter of the youth charity, Carlos believes that the best approach is to give this CRM campaign a duration of 1 year, while continuing to support the youth charity in various ways for several years after the current CRM campaign has concluded.

24.2.5 CRM Campaign

Carlos must decide how best to communicate Santos Motors' support of the youth charity. He believes there are three basic options:

Option 1	Give a specific monetary amount to the charity for each product sale. For example, donate \$100 to the youth charity from the sale of each vehicle.
Option 2	Give a percentage amount to the charity for each product sale. For example, donate 1 percent of the sale of each vehicle.
Option 3	Give a percentage of the profits to the youth charity. For example, Santos Motors will donate 1 percent of its profits to the youth charity.

The advantage of framing the donation in a dollar amount (Option 1) is that it sounds like a sizable sum. However, would car buyers feel like they are being charged \$100 too much; in essence, being forced to donate? Some research suggests that for a high-priced product, like a car or truck, framing the donation in percentage terms (Option 2) sounds more generous to customers (Chang, 2008). Carlos suspects that stating the donation in percentage terms may help the customer to avoid the feeling of paying a higher price in order to donate to the charity.

Option 3, stating the donation in terms of a percentage of profits, is less appealing to Carlos. He would prefer to link the donation to a product sale. Also, linking the donation to a product sale involves the customer in the charity support more than if the business linked the donation to profits at the end of the year.

After considering the three options, Carlos has decided to frame his support using Option 2. In the CRM program's messaging, Carlos will tell customers that for each vehicle sale, Santos Motors will donate 1 percent of the sale price to Boys and Girls Club of Lethbridge.

24.2.6 Promotion

To attain an increase in brand attitudes, Carlos will have to communicate his support for the youth charity regularly to target audiences. In the process of promot-

ing his CRM campaign, brand familiarity of Santos Motors will also increase. Overtime, these efforts should help Santos Motors to become a stronger brand.

Brand strength refers to the degree to which target audiences become more familiar with Santos Motors, brand attitudes are favorable, and Santos Motors is perceived to be remarkable compared to its competitors. As target audiences become more familiar with Santos Motors, the degree to which they have more favorable attitudes toward Santos Motors and the degree to which they believe Santos Motors is superior to its competitors will determine how strong the Santos Motors' brand becomes (Wymer, Gross, & Helmig, 2016).

Promoting the CRM campaign will help to increase brand familiarity and brand attitudes for Santos Motors. Consumers' perceptions of how remarkable, exceptional, or superior Santos Motors compares to its competitors (largely driven by their experiences with Santos Motors and its competitors) will combine with brand familiarity and brand attitudes to determine how strong the Santos Motors brand becomes.

In conclusion, Santos Motors is using a CRM campaign to improve brand attitudes toward Santos Motors. This is accomplished by the support of Santos Motors for a popular charity. The association between the business brand and the charity brand stimulates positive attitudes in target audiences. The promotion of the association increases target audiences' familiarity with Santos Motors. If Carlos can provide his customers with a superior brand experience than his competitors, then Santos Motors is on the correct path to become the dominant brand in its product category and market.

Conclusions

Carlos's CRM programmatic decisions are thoughtful and, if the program is implemented effectively, should be successful. It is very important for managers to have realistic expectations regarding the suitable outcomes from a CRM campaign. Carlos does not appear to erroneously believe that a CRM campaign will stimulate a sales surge. He appears to understand that a well-publicized CRM campaign is most suited to improve brand attitudes. Furthermore, Carlos understands that consumers are primarily motivated by perceived value such as product features and price. Hence, Carlos's CRM campaign is directed at improving brand attitudes. His promotion of the campaign will also have the benefit of increasing his brand familiarity in his community.

Carlos can expect that through his promotion of the CRM campaign, customers will become more familiar with his dealership (his brand). When they are shopping for a car or truck, they will be more likely to think of his brand and include his dealership in their shopping.

Carlos can also expect consumer brand attitudes for his dealership to improve. Like familiarity, this will also help to ensure that customers will include his dealership in their shopping. The improvement in brand attitudes can serve as a tiebreaker. That is, if customers are deciding between two similar choices (product and price are the same), then they are likely to choose the brand for which they have the most favorable attitudes. Thus, if products and prices between Santos Motors and its key competitor, Lethbridge Autos, are the same, then Carlos can expect to see an increase in market share over time.

? Discussion Questions

1. Are Carlos's expectations for benefits his business will experience from the CRM campaign realistic? What adjustments to his goals would you recommend?
2. Is it reasonable for Carlos to believe that if consumers find that the prices between Santos Motors and Lethbridge Autos are the same, they may choose Santos Motors because of its CRM campaign?
3. Do you believe that the selection of a charity supporting youth was a good choice for a partner in the CRM campaign? What type of charity would you have chosen?
4. Do you believe Carlos should commit all his charitable support to one charity or distribute his support to multiple charities?
5. Do you believe that Carlos' decision to frame the donation according to Option 2 was best? What do you believe would be the best way to frame the donation?

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Choosing CRM

Valerie Manna

Contents

- 25.1 Introduction – 302**
- 25.2 CRM: Why Not? – 303**
- 25.3 Case Development: Fernglen Farm – 305**
 - 25.3.1 So How Does One Decide? – 307**
- References – 308**

Learning Objectives

By working through this case, students should be able to:

1. Understand different ways that companies support social causes.
2. Analyze the relationship between priority setting on societal impact or sales, and the choice to implement a CRM program.
3. Discuss whether a start-up business already supporting social goals through their CSR practices should implement a CRM program.

25.1 Introduction

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Businesses embracing the concept of corporate social responsibility (CSR) are conscious of their impact on economic, social, and environmental aspects of society. Managers in these businesses are challenged to balance being financially viable themselves and positively contributing to their country's economic performance, with supporting social goods. Striking this balance can take many forms, with each option involving a decision on how to best use money given the potential competing applications for those funds. In making a choice, the manager needs to examine operational and marketing strategies as they relate to the larger picture of the business strategy and the values of the firm.

Within the broad adoption of a CSR perspective, managers look for concrete ways they can operationalize the concept of being a good corporate citizen (Sheikh & Beise-Zee, 2011). A CSR mandate can shape an organization's decisions regarding whether to do good voluntarily, engage in doing-better-by-doing-good activities or, as one type of doing-better-by-doing-good, choose cause-related marketing (Varadarajan & Menon, 1988).

Voluntarily doing good (VDG) involves a willingness to reduce profit by investing resources to provide for social needs. Examples include the use of environmentally based best practices or philanthropy not linked to a marketing strategy (e.g., matching employee donations to a nonprofit organization (NPO)). Through these programs, the company may be fulfilling its vision of a social contract and, in doing so, derive a meaningful self-image fuelling employee recruitment, engagement, and loyalty. While these efforts do not exclude a benefit accruing to the for-profit company, in VDG supporting the cause has value apart from any benefits the company may derive from engaging in those actions.

Doing better by doing good (DBBDG) is the pursuit of "enlightened self-interest" wherein the "enlightened" part looks to provide a social good while the "self-interest" includes achieving business goals such as improving competitive advantage, profitability, and sales. In DBBDG, social interest and business interests are aligned. One example is corporate sponsorships in which companies give financial support to an NPO. This is then publicly acknowledged, generating brand awareness. These types of charitable events emphasize the promotion of the company's goodwill rather than its products (Liu & Ko, 2011). While sponsorship efforts may not be linked to sales, another DBBDG method (cause-related market-

ing) is defined by a direct link between the purchase of a company's products and fund-raising for the cause.

Cause-related marketing (CRM) helps effectively communicate a company's CSR stance to the public. Sheikh and Beise-Zee (2011) conceive of CRM being a concrete "signifier" of the more ambiguous concept of CSR. In CRM, the amount of funds raised directly relates to the number of revenue-producing transactions with the firm during a specified time. Activating a positive impact on the social issue is "outsourced" to an NPO; the NPO mediates the relationship between a company and a social cause. The pursuit of a CRM initiative necessitates a choice of social cause, the NPO (including donation proximity), and negotiating the structure of the fund-raising relationship (Liu & Ko, 2011). There is considerable evidence of the importance of firm-cause fit and the need to assess whether consumers identify with both the brand and the cause (Goldsmith & Yimin, 2014; Gupta & Pirsch, 2006; Kuo & Rice, 2015). Yet other research indicates that the level of congruency between a cause and the business (Hoek & Gendall, 2008; Sheikh & Beise-Zee, 2011) or the cause and the consumer (Grau & Garretson Folse, 2007) does *not* necessarily affect consumer behavior.

Donation proximity – the distance between the organization receiving a donation and the consumer – can be national, regional, or local (Varadarajan & Menon, 1988).

To summarize:

- In VDG, consumer behavior becoming more favorable toward the company may occur but is not a driving factor for this choice.
- In DBBDG, socially responsible actions can improve business areas outside of sales.
- In CRM, there is a direct connection between sales and the level of support given to the social cause.

25.2 CRM: Why Not?

Considering possible combinations of social causes to support, NPOs to work with, and rules governing the relationship between the commercial operation and NPO can involve a significant amount of managerial effort. Each form of relationship between NPOs and companies yields different benefits and drawbacks. Focusing on CRM, negative consequences can accrue to society, companies, and charities. One macro-issue involves devaluing the "moral core of philanthropy by making virtuous action easy and thoughtless... obscure(ing) the links between markets—their firms, products, and services—and the negative impacts they can have on human well-being" (Eikenberry, 2009; p. 52). Such negative impacts have been cited in instances of "pinkwashing" in which companies attempt to position themselves as supporting issues such as LGBT rights (Dahl, 2014) or breast cancer research (Sulik, 2011) when their actual business practices are antithetical to these causes. In contrast to consumers not giving enough thought to the authenticity of CRM programs is the situation in which the consumer discovers that amounts expended in CRM promotions may often be "substantially higher than their prom-

ised maximum contribution to the cause” (Varadarajan & Menon, 1988, p. 59), triggering consumer cynicism toward both brands and charities. Cynical consumers may punish firms perceived as exploiting the cause or being insincere in their social involvement (Becker-Olsen, Cudmore, & Hill, 2006). Thus, managing the public face of a CRM program becomes another managerial task. The financial implication of a CRM program for a micro SME (having sales of less than \$2.6 million USD) is an important one. Inefficient use of financial resources is a critical risk, with “micro-sized” firms representing the largest category of SMEs experiencing financial distress or bankruptcy (Gupta, Barzotto, & Khorasgani, 2018). For charities, funding inequities may be exaggerated based on how marketable a charity is. Overall, despite the many reasons justifying the implementation of a CRM program, it is not a given that these initiatives will benefit country, company, or cause.

As in many nations, the competition between charities for donations and the competition between firms for sales are high in New Zealand. This small nation of under five million people is estimated to have one community organization for every 39 residents and one charity for every 169 (Project Periscope, 2018) – see ■ Table 25.1. Community organizations that are not inherently charitable (like schools, sports clubs, or hobby groups) compete with those that are when it comes to affiliating themselves with potential sources of funds. The types of organizations that can classify themselves as serving charitable purposes have broadened under the Charities Act of 2005, thus increasing the competition with other registered charities for CRM relationships.

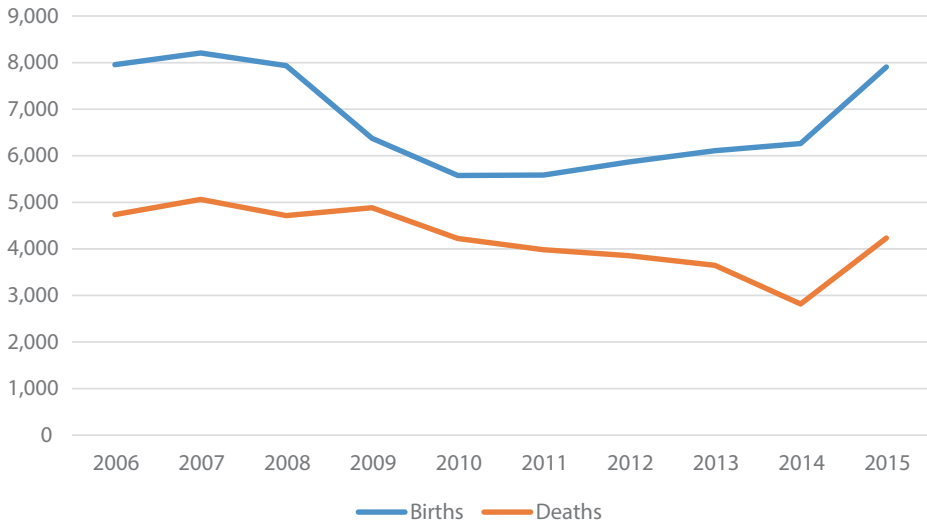
Complementing the charitable and community organizations that might want to be in a CRM relationship are the 97% of businesses in New Zealand that are small and medium-sized enterprises (MBIE, 2016) – see ■ Fig. 25.1. And while the number of New Zealanders starting businesses is regaining a pre-global financial crisis level, the number of SMEs failing has also increased.

Thus, the New Zealand population is relatively small, the number of potential partners for a CRM initiative is relatively large, and the risk of inappropriately spending frugal marketing budgets is ever-present.

■ Table 25.1 Population per registered charity

	Population	Registered charities	Equivalent population per charity
New Zealand	4,700,000	27,800	169
United Kingdom	64,100,000	160,000	401
Australia	23,100,000	53,500	432
USA	324,000,000	500,000	648
China	1,357,000,000	600,000	2,262

Source: Project Periscope (2018)



■ Fig. 25.1 SME (1–19 employees) starts and failures (2006–2015). (Source: MBIE (2016: page ii))

25.3 Case Development: Fernglen Farm

Accounting for roughly 4% of GDP (Stats, 2019), New Zealand relies heavily on agriculture. According to KPMG’s global head of agribusiness Ian Proudfoot, farmers need to counter negativity regarding agriculture’s effect on water quality, greenhouse gas emissions, and the like by seizing the initiative in telling their stories (Pidcock, 2018). Fernglen Farm has an authentic basis for this story to be told. Their sustainable farming practices protecting water quality, planting trees, and managing fertilizer applications won the farm the Beef + Lamb Livestock Farm Award at the 2011 Ballance Farm Environment Awards, while their great tasting products earned a silver in the 2019 Outstanding NZ Food Producer Awards.

The Fernglen story started in November 2015 when Jeff Ravenwood gave an article about sheep milking to his family. As children Ben, Baeley, and Cameron looked further into the nutritional quality of the milk, they found that “sheep milk ticked all the boxes as far as health and nutrition went, but just as importantly the lower environmental impact sheep have compared to other farmed animals, such as cattle, was the icing on the cake for our attraction to the concept” (Ravenwood, n.d.).

The desire to produce high-quality sheep milk products fits perfectly with the family’s shared passion for the agriculture industry, the environment, health, and living life well. In the words of youngest son Cameron, “We had to become a part of the change that is needed to help secure the future of an industry New Zealand relies so heavily on” (Periam, 2019).

- Within the agriculture industry, animal welfare is an important issue. Fernglen’s sheep graze on open pasture while having shelter from the elements. Ewes snack while being milked to help keep them relaxed. Unlike many milking operations where offspring are removed from their mothers within 48 hours, Fernglen’s

lambs stay on their moms for a full month to ensure they have a healthy start to life. This practice allows the ewes to display the same maternal behaviors they would in the wild. The milk contains no pregnancy hormones as “we do not milk our girls while they are pregnant, unlike other milking systems such as bovine dairy.” The farm does not use antibiotics, genetically modified organisms (GMOs), or added hormones in milk production.

- Protection of the environment as a farm value extends from farming production practices (e.g., the choice to focus on sheep was influenced by their relatively low contribution to greenhouse gases) to packaging choices. One example is in the use of recyclable 450 ml plastic PET1 bottles. While more expensive than alternatives, this packaging choice is one way that the company minimizes its environmental footprint.
- The qualities of sheep milk support consumer health. Sheep’s milk contains nearly twice the protein and calcium and all essential amino acids at a higher concentration than cow’s milk. Many who are otherwise lactose intolerant easily digest sheep milk. Athletes, the elderly, and children may especially benefit from the high levels of micro and macronutrients in sheep’s milk.

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This focus on animal welfare, the environment, and consumer nutrition is summed up in their mission “To create opportunities and a positive impact on the planet: from the farmers and their communities, to consumers and theirs” (Ravenwood, *n.d.*).

The farm’s vision was to have their three flavors of sheep milk (chocolate, vanilla, and coffee) extend from being available in cafés and supermarkets throughout the North Island of New Zealand to being in every main area of the country within the next year. Getting to this point had already involved repositioning the brand from highlighting the protein performance/muscle recovery side of the product to emphasizing the origin on a family farm (C. Ravenwood, personal communication, June 11, 2019). Pricing the product at \$4.99 for a 450 ml bottle put it above many of the products in this competitive market (regular, flavored, and protein-enhanced milks, nut milks, etc.). Active Facebook and Instagram accounts, as well as a website, provide product information and updates and give consumers a chance to interact with the producers.

The family members running the farm now face a decision whether to implement a CRM program as a way to follow Proudfoot’s advice and take their brand’s message to the rest of New Zealand. If so, who should they affiliate with? Should this be a national charity or should it be with regional or local community organizations? Before starting the sheep milk side of the business, Fernglen, as with many other farms, already carried a high level of debt (New Zealand Farm Environment Trust, 2011). Was now the right time to implement a CRM program, or should they wait until this fledgling company had a firmer financial footing before they began to support an NPO? SMEs like Fernglen are often privately held. While owners have a great deal of discretionary power over the choice to support social causes, being small imposes constraints from competing priorities, time, money, and human resources. Owners have to carefully consider their values and priorities with each decision made. For example, is it better for Fernglen to spend their next dollar to plant a tree whose roots will mitigate soil slips into waterways on the

farm, or would it be better to invest that same dollar into developing a relationship with a waterway conservation-related NPO? Alternatively, as a start-up, should that dollar be spent in expanding its distribution network as, without access to the product, any CRM effort is not likely to have the reach needed to generate a meaningful level of funding for any chosen charity? The decision is complex with good cases to be made for different recommendations.

25.3.1 So How Does One Decide?

Liu (2013) examines this decision from both instrumental and relational strategic perspectives. Aligned with CRM's definition, the instrumental perspective challenges the manager to examine the degree to which a CRM program has the potential to generate *incremental* sales compared to those likely to come from alternatives. The manager considers what inputs are necessary to implement an effective CRM program – for both additional sales and the amount of money generated for the cause. Alternatively, a relational perspective examines the potential to build ties with stakeholders who may be attracted to the firm because of their social contributions. This potential benefit is evaluated against alternative means to enhance stakeholder relations.

Director Cameron Ravenwood asked himself these same types of questions as to whether a CRM campaign would add anything to the farm's CSR and other marketing activities. At this stage in their development, the answer is no. What Fernglen has done and is doing is laying a framework to build a future CRM program.

In terms of instrumentality, before growing sales through a CRM program, Fernglen is more formally defining their target market and how to best get products to them. As one example, Ravenwood is investigating distribution possibilities with health institutions serving the elderly. Geographically, the farm is working toward expanding distribution from the North Island of New Zealand to the South Island. Building a robust distribution network is a necessary precursor of a CRM program. A limited distribution network limits the possibility that the level of *incremental* sales generated would be meaningful for both the company and the cause. Returns on the effort need to balance both hard and soft costs associated with program development. In relational terms, being positioned to make a substantial donation to a cause mitigates the potential criticism of being insincere in the CRM effort. In addition, a market development focus allows Fernglen to gain a deeper understanding of what local or regional community organizations may make good CRM partners.

Directors want the organization to directly and positively impact social issues by continuing investment in CSR-related production (e.g., protecting waterways through plantings) and distribution (e.g., making the product accessible to a physically vulnerable population) initiatives. Implementing a CRM program now may detract from the types of activities needed to achieve financial stability. Without that focus, Fernglen could become part of the increased number of failed SMEs that national statistics give evidence of.

Conclusion

In the context of the company's current marketing environment, managers considering implementing a CRM program should evaluate the potential to strengthen purchase intentions, generate revenue and profit, positively impact a social cause, build brand awareness, and communicate social performance to build and strengthen stakeholder relationships. These outcomes cannot be assumed as "givens" for any organization. Rather a rigorous analysis of both the company and its environment is warranted. As Fernglen is still a young company, they can foresee revisiting the CRM decision when the business' financial footing becomes more stable.

File and Prince's (1998, p. 1530) observation that "little is known about how smaller organizations balance philanthropic motivations with those of corporate self-interest" in adopting CRM programs is still true. This case examines one SME's decision and, in doing so, potentially benefits other small enterprises facing the same choice.

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? Discussion Questions

1. In what ways are Fernglen's practices aligned with the categories of VDG and DBBDG?
2. If you were running Fernglen, would you focus more on having a direct impact on a social good or supporting the work of an NPO? Why is that your stance? Is your decision influenced by it being a start-up?
3. If you recommended the implementation of a CRM program, which causes would you consider? Which NPOs would you recommend?
4. What are your thoughts on donation proximity (local, regional, or national causes)?

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Teaching Notes for This Textbook

Contents

- Chapter 26 Teaching Notes – 313**
M. Mercedes Galan-Ladero1,
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Teaching Notes

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Contents

- 26.1 Chapter 1: Theoretical Background: Introduction to Cause-Related Marketing – 322**
 - 26.1.1 Questions and Answers/Quiz/
Review Questions/Discussion
Questions – 322
 - 26.1.2 Additional Activities – 324

- 26.2 Chapter 2: Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability – 324**
 - 26.2.1 Synopsis – 324
 - 26.2.2 Potential Audience and Instructor's
Material – 325
 - 26.2.3 Time Frame for Class
Discussion – 325
 - 26.2.4 Analysis – 326

26.3 Chapter 3: Villavicencio-Banco de Bosques: “Leave Your Mark, A Reserve for More Reserves.” Marketing Campaign to Recover Forests from Argentine Chaco – 329

26.3.1 Synopsis – 329

26.3.2 Potential Audience and Instructor’s Material – 329

26.3.3 Time Frame for Class Discussion – 330

26.3.4 Analysis – 330

26.4 Chapter 4: The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment – 337

26.4.1 Synopsis – 337

26.4.2 Potential Audience and Instructor’s Material – 338

26.4.3 Time Frame for Class Discussion – 338

26.4.4 Analysis – 339

26.5 Chapter 5: WWF Spain: Illustrating Factors at Play, Impacts, and Tensions in Cause-Related Marketing for Global Sustainability – 341

26.5.1 Synopsis – 341

26.5.2 Potential Audience and Instructor’s Material – 342

26.5.3 Time Frame – 342

26.5.4 Analysis – 343

- 26.6 Chapter 6: “Lighting Up Lives”:
A Cause-Related Marketing
Case to Solve Energy Poverty
and Improve Quality of Life
in Pakistan – 346**
 - 26.6.1 Synopsis – 346
 - 26.6.2 Potential Audience and Instructor’s
Material – 347
 - 26.6.3 Time Frame for Class Discussion – 347
 - 26.6.4 Analysis – 348

- 26.7 Chapter 7: Value Co-creation
in Cause-Related Marketing:
The Case of “El Turrón Solidario”
(The Solidarity Nougat) Cam-
paign by Lidl and Ayuda en
Acción Foundation – 349**
 - 26.7.1 Synopsis – 349
 - 26.7.2 Potential Audience and Instructor’s
Material – 350
 - 26.7.3 Time Frame for Class
Discussion – 350
 - 26.7.4 Analysis – 351

- 26.8 Chapter 8: Application
of the Cause-Related
Marketing in the Fight
Against Hunger: “Good
Restaurants” – 355**
 - 26.8.1 Synopsis – 355
 - 26.8.2 Potential Audience and Instructor’s
Material – 355
 - 26.8.3 Time Frame for Class
Discussion – 356
 - 26.8.4 Analysis – 357
 - 26.8.5 Postscript – 360

**26.9 Chapter 9: Project “Soup of Aid”
as a Cause-Related Marketing
Campaign – 361**

- 26.9.1 Synopsis – 361
- 26.9.2 Potential Audience – 362
- 26.9.3 Time Frame for Class
Discussions – 362
- 26.9.4 Analysis – 362

**26.10 Chapter 10: The Importance
of Target Group-Oriented
Brand Management in the
Context of Cause-Related
Marketing: The Case of Viva con
Agua – 363**

- 26.10.1 Synopsis – 363
- 26.10.2 Potential Audience and Instructor’s
Material – 364
- 26.10.3 Time Frame for Class
Discussion – 364
- 26.10.4 Analysis – 365
- 26.10.5 Analysis – 366

**26.11 Chapter 11: TOMS: “We Are
in Business to Improve
Lives” – 368**

- 26.11.1 Synopsis – 368
- 26.11.2 Potential Audience and Instructor’s
Material – 368
- 26.11.3 Time Frame for Class
Discussion – 369
- 26.11.4 Analysis – 369

26.12 Chapter 12: Cause-Related Marketing Applied to Support Education in Tanzania: The Case of Tchibo – 375

26.12.1 Synopsis – 375

26.12.2 Potential Audience and Instructor’s Material – 375

26.12.3 Time Frame for Class Discussion – 376

26.12.4 Analysis – 376

26.12.5 Analysis – 377

26.13 Chapter 13: “Buy a Pen, Donate a Pen”: A Case Study About the Power of Congruence and Simplicity in Online Cause-Related Marketing – 378

26.13.1 Synopsis – 378

26.13.2 Potential Audience and Instructor’s Material – 379

26.13.3 Time Frame for Class Discussion – 380

26.13.4 Analysis – 380

26.14 Chapter 14: Bank Positioning and Cause-Related Marketing: The Case of Contactmore by ING – 383

26.14.1 Synopsis – 383

26.14.2 Potential Audience and Instructor’s Material – 383

26.14.3 Time Frame for Class Discussion – 384

26.14.4 Analysis – 384

26.15 Chapter 15: Cause-Related Marketing in Retail E-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia) – 389

26.15.1 Synopsis – 389

26.15.2 Potential Audience and Instructor's Material – 390

26.15.3 Time Frame for Class Discussion – 390

26.15.4 Analysis – 391

26.16 Chapter 16: Cause-Related Marketing in Luxury Brands: The Case of Josefinas – 393

26.16.1 Synopsis – 393

26.16.2 Potential Audience and Instructor's Material – 393

26.16.3 Time Frame for Class Discussion – 394

26.16.4 Analysis – 394

26.17 Chapter 17: Disseminating Pet-Friendly Trends in Partnership: The Initiative "Marketing con Causa" in Mexico – 395

26.17.1 Synopsis – 395

26.17.2 Potential Audience and Instructor's Material – 396

26.17.3 Time Frame for Class Discussion – 397

26.17.4 Analysis – 397

26.18 Chapter 18: Cause-Related Marketing (CRM) of Ausonia's Campaigns – 401

26.18.1 Synopsis – 401

26.18.2 Potential Audience and Instructor's Material – 402

26.18.3 Time Frame for Class Discussion – 402

26.18.4 Analysis – 402

26.19 Chapter 19: The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania – 405

26.19.1 Synopsis – 405

26.19.2 Potential Audience and Instructor's Material – 405

26.19.3 Time Frame for Class Discussion – 406

26.19.4 Analysis – 406

26.20 Chapter 20: Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study – 409

26.20.1 Synopsis – 409

26.20.2 Potential Audience and Instructor's Material – 410

26.20.3 Time Frame for Class Discussion – 410

26.20.4 Analysis – 411

- 26.21 Chapter 21: All United Against Breast Cancer: The Solidarity Beauty of Estée Lauder – 412**
 - 26.21.1 Synopsis – 412
 - 26.21.2 Potential Audience and Instructor’s Material – 412
 - 26.21.3 Time Frame for Class Discussion – 413
 - 26.21.4 Analysis – 413

- 26.22 Chapter 22: Analysis of the CRM Campaigns on Facebook: The Case of *Menudos Corazones* – 416**
 - 26.22.1 Synopsis – 416
 - 26.22.2 Potential Audience and Instructor’s Material – 416
 - 26.22.3 Time Frame for Class Discussion – 417
 - 26.22.4 Analysis – 417

- 26.23 Chapter 23: Organizational Conflicts in CRM Planning and Implementation: City Hotel’s Towel Reuse Program – 422**
 - 26.23.1 Synopsis – 422
 - 26.23.2 Potential Audience and Instructor’s Material – 422
 - 26.23.3 Time Frame for Class Discussion – 424
 - 26.23.4 Analysis – 424

**26.24 Chapter 24: Santos
Motors – 426**

26.24.1 Synopsis – 426

26.24.2 Potential Audience and Instructor's
Material – 427

26.24.3 Time Frame for Class
Discussion – 428

26.24.4 Analysis – 428

**26.25 Chapter 25: Choosing
CRM – 431**

26.25.1 Synopsis – 431

26.25.2 Potential Audience and Instructor's
Material – 431

26.25.3 Time Frame for Class
Discussion – 432

26.25.4 Analysis – 432

26.1 Chapter 1: Theoretical Background: Introduction to Cause-Related Marketing

M. Mercedes Galan-Ladero, Clementina Galera-Casquet, and Helena M. Alves

Learning Objectives

1. To discover the importance of cause-related marketing for companies, non-profit organizations, consumers, and society in general
2. To define cause-related marketing, its main characteristics, and key aspects, distinguishing it from other terms
3. To consider different types of CRM
4. To study the main advantages and disadvantages of CRM
5. To define the main steps to follow in an implementation of a CRM campaign
6. To understand ethical dilemmas that can appear in CRM

26

26.1.1 Questions and Answers/Quiz/Review Questions/Discussion Questions

■ Questions and Answers

? 1. *What is CRM?*

✓ *It is an agreement between a company and a nonprofit organization to collaborate in a social cause and get mutual benefit. The commitment of the company focuses on contributing (financially or in kind) to the cause in terms of sales. Therefore, the donation will depend on consumer behavior.*

? 2. *What are the key aspects to be considered in CRM?*

✓ *Coherence, commitment, and communication. Code of conduct and quality in the management of the campaign are additional aspects to be considered.*

? 3. *Which are the two most relevant characteristics in CRM?*

- ✓ 1. *The link between a for-profit organization (a company) and a nonprofit organization (an NPO), in order to support a social cause, and obtaining a mutual benefit.*
2. *The donation is conditioned by sales (CRM ultimately depends on consumer behavior).*

■ Quiz/Multiple-Choice Questions

- ❓ 1. *What was the first company to develop a CRM campaign, named in this way?*
- American Express
 - Coca-Cola
 - IBM
 - McDonald's
- ❓ 2. *Currently, CRM campaign is considered:*
- A case of corporate philanthropy
 - A CSR initiative**
 - An example of sales promotion
 - A public relations activity
- ❓ 3. *Select the correct option:*
- The duration of a CRM campaign should not exceed 2 weeks to avoid tiring potential customers.
 - Communication of the CRM campaign is not important. It is only necessary to explain it well at the beginning.
 - It is not advisable to use a code of conduct in CRM campaigns, because it would affect the freedom of the company to create and launch the advertising CRM campaign.
 - The coherence between the company, the NGO, the cause, and the product is fundamental to the success of the CRM campaign.**

❓ Review Questions

- Search for a CRM campaign and analyze it.*
 - *How would you classify it?*
 - *What are the main advantages and disadvantages for the parties involved?*
 - *How are the key aspects of CRM developed in this campaign?*
 - *What steps were taken to implement this CRM program?*
 - *Do you think there are any ethical implications in that campaign?*

The idea of these review questions is to analyze a real example of a CRM campaign and review in it the main concepts and characteristics commented in the chapter.

❓ Discussion Questions

- Look for a CRM campaign with some controversial aspect (e.g., because it is linked to a problematic company, or the NGO has been involved in a scandal, or the product is considered unethical, or the cause is not actually adequate).**
Should these types of campaigns be avoided, or not – the most important thing is to raise funds for a solidarity project?

This question focuses on the students thinking and expressing their opinions about if anything is valid to obtain fundraising for a “good” social cause.

An alternative activity could be to divide the class into two groups, one in favor of any type of campaign (controversial or not) and another against this

(only ethical campaigns would be acceptable). Each group should defend its position with well-justified arguments to discuss this topic properly.

2. **Have you ever bought a product linked to a CRM campaign? If the answer is affirmative, can you describe it? What about your experience?**

This question focuses on sharing students' own experiences, comparing their feelings, attitudes, and behaviors when they ever bought a product linked to a CRM campaign.

26.1.2 Additional Activities

26.1.2.1 Role Play

Propose a CRM campaign and divide the class into different groups, representing the different actors that take part in it: company's representatives, NGO's responsible members, and consumers.

Discuss about its advantages/disadvantages, and write a proposal for the implementation of the CRM campaign.

26.1.2.2 Case Discussion

Instructor (or students) can propose other different campaigns to be discussed (a group of students has to justify the campaign, while another group has to criticize it).

26.2 Chapter 2: Green Cause-Related Marketing for Social Innovation: Helping People to Reimagine Plastic Recycling and Sustainability

Reynaldo G. Rivera

26.2.1 Synopsis

Qualia was the first start-up in Argentina that designed, produced, and distributed a line of eyeglasses 100% made with recycled plastic. In 2019, its founder, Martín Vázquez, wanted to increase the social and environmental impact of his small company. After meeting the people of ReforestArg, a program launched by the Argentine NPO "Amigos de la Patagonia" (Patagonia's Friends Association, in English), devoted to environmental education and reforestation projects in Patagonia, he decided to launch a cause-related marketing campaign to generate funds for the reforestation program and to improve consumers' attitude toward products made with recycled plastics. Qualia and ReforestArg's managers had to design and implement an effective social media strategy to drive both financial and environmental results through an innovative value proposition that highlighted the social meaning of sustainable investments and consumption.

26.2.2 Potential Audience and Instructor's Material

This case has been developed for use in Marketing Management, Integrated Marketing and Communications, as well as Entrepreneurship courses; it is also appropriate for MBA and Executive Development Programs, as well as advanced undergraduate courses. Its subject matter makes it suitable for courses that deal with holistic marketing strategies, cause-related marketing strategies, product innovation, and triple bottom-line framework, while its use of qualitative (in-depth interviews) and quantitative (experimental) methodologies also yields useful insights for the analysis of CRM strategies and their impact. This chapter offers an analysis of the design process and impact of an innovative CRM campaign, as well as some insights that can prove especially useful for start-ups, entrepreneurs, and organizations looking to create economic, environmental, and social value.

Learning Objectives

This case has been crafted with the following learning objectives in mind:

1. To understand CRM as a management to build competitive advantages and human-centered innovation
2. To learn the reasons why the success of CRM strategies depends on a strong connection with users' needs and goals
3. To analyze a case of a start-up that balances purpose, environmental impact, and profitability (B Corporation) by using design-driven CRM (focused on what the product means to users emotionally)
4. To acquire some knowledge on CRM applicable models for sustainable (green) businesses.
5. To inspire entrepreneurs to use CRM strategies in their design process and business models.

26.2.3 Time Frame for Class Discussion

This case can be taught in two 20-minute sessions.

? Suggested Discussion Questions

1. Based on the data provided by the case, please describe Qualia's value chain and show the relevance of its CRM strategy in the generation of its competitive advantage.
2. In 2020, Martín Vázquez was preparing the launch of a second line of products: sports bags made with recycled plastics. He planned to use a CRM strategy with NPOs working in the field of sports with children from poor urban areas. Please prepare a marketing campaign strategy using the matrix presented in ► Table 2.1.

3. A value proposition of a marketing offer may be analyzed from shareholders' (internal) or customers' (external) perspectives. Customer satisfaction depends on product performance, the trade-off between perceived benefits and costs, the symbolic meaning of the product, etc. Using the Qualia-ReforestArg case, please explain how an ecopreneur can increase users' interest and preference toward goods manufactured with recycled materials.
4. Please explain why CRM strategies may facilitate cutting-edge research and sustainable innovations in developing countries.
5. How do CRM strategies and ecopreneurship relate to social and economic development?

26.2.4 Analysis

26

Answer to Question 1: *Based on the data provided by the case, please describe Qualia's value chain and show the relevance of its CRM strategy in the generation of its competitive advantage.*

- ✓ After reading the question, students may immediately think of Porter's value chain notion, which refers to the set of activities and processes that serve as the basis of the organization's system, with its individual subsystems featuring their own inputs and outputs. However, the critical issue in this topic is that business as usual in the eyewear industry conditions a sustainability project like Qualia's.
- ✓ Qualia's primary activities include collecting plastic waste, turning plastic waste into raw materials (pieces of polycarbonate), figuring out the logistics to bring those raw materials to the plant that manufactures the glasses' frames and lenses, as well as the outbound logistics to the distribution system, plus marketing and sales. For more on value chains, go to ► <https://www.ifm.eng.cam.ac.uk/research/dstools/value-chain/>. However, the eyewear industry is nearly monopolistic, especially in a developing country like Argentina.
- ✓ The key purpose of this question is to help students to understand the limitations and obstacles a start-up like Qualia faces when it comes to scaling up a sustainability and green project while showing how CRM can contribute to a faster penetration of target markets.
- ✓ In order to approach this question, students may conduct a PESTEL analysis of the eyewear industry in developing countries, use a canvas framework to design the value proposition, and build a viable value chain following Porter's model.

Answer to Question 2: *In 2020, Martín Vázquez was preparing the launch of a second line of products: sports bags made with recycled plastics. He planned to use a CRM strategy with NPOs working in the field of sports with children from poor urban areas. Please prepare a marketing campaign strategy using the matrix presented in ► Table 2.1.*

- ✓ First of all, students may identify NPOs working in the field of sports among children from deprived urban areas, conduct an organizational analysis of those NPOs, and finally use the evaluation matrix like in the following example:

CRM players	Outcome types	Expected CRM outcomes	Factors influencing CRM strategy	Outcome predictor factors	Conditions
Start-up/ company	Facilitating access to sports glasses for children in poor areas Increased sales and market share	Improved positioning Penetrating new markets	Solidarity Tackling social exclusion Access to new sources of funding (like government grants)	Students may identify values shared between the start-up and the NPO, largely associated with the latter's mission and vision	Depending on the type of NPO activities, students should suggest contents, channels, key performance indicators, and processes that will enhance the CRM campaign's results and efficiency. Remember the importance of authenticity and integrated communications.
Cause/ non-profit organization	Greater social impact Fundraising	Cause funding	Children's care and positive development Poverty reduction Improved sustainability		CRM campaigns should increase nonprofits' reputation and fit in with their mission and vision

Answer to Question 3: *A value proposition of a marketing offer may be analyzed from shareholders' (internal) or customers' (external) perspectives. Customer satisfaction depends on product performance, the trade-off between perceived benefits and costs, the symbolic meaning of the product, etc. Using the Qualia-ReforestArg case, please explain how an ecopreneur can increase users' interest and preference toward goods manufactured with recycled materials.*

- ✓ Class instructors may explain the following to students:
- The innovation value chain model
 - The design-driven process

- ✔ It is particularly important to underscore how the innovation of meaning proves vital to raise the market's interest in and the positioning of products made with recycled materials. To learn more about this issue, see:
 - (a) Hansen, M. T. and Birkinshaw, J., "The Innovation Value Chain," *Harvard Business Review*, June 2007, ► <https://hbr.org/2007/06/the-innovation-value-chain>.
 - (b) On the Design-Driven Process, Prof. Roberto Verganti's website gathers his main publications at ► <http://www.verganti.com/articles/>.

Answer to Question 4: *Please explain why CRM strategies may facilitate cutting-edge research and sustainable innovations in developing countries.*

- ✔ The answer to this question is found in the following text, included in the chapter: "Eco-innovations may facilitate such a balance, if they are recognized as viable positive change-makers that bring more efficiency and value than traditional products or companies. Yet, transition economies do not offer financial support, training, and promotion instruments to foster the development of green entrepreneurship (Silajdžić et al., 2015), and failure risks are higher than in developed countries. Indeed, CRM, as a corporate social responsibility (CSR) and fundraising tool, would generate a favorable environment for green businesses and provide sustainable competitive advantages for green entrepreneurs.
- ✔ CRM implies a strong link between a business and a social cause. Their close relationship can yield a new way of communicating both a product and a social project. CRM may have the power to transform a product into a distinctive innovation relevant to some consumers, offering a new meaning for their choice of a sustainable product: by buying a green product, they support an important cause. In turn, this builds a strong relationship between buyers, producers, and NPOs. The latter can encourage bottom-up and participatory actions: their causes may mobilize consumers to adopt certain kinds of positive social behaviors (like reducing littering) and to take some risks (like buying a product made with recycled plastic). In addition, NPOs may drive governments and financial systems to support ecopreneurs. Showcasing the social relevance of a product or service, CRM strategies generate unique competitive advantages through innovation of meaning, especially in transition economies."
- ✔ Class instructors may invite students to read the references included in the chapter and analyze the setting in another developing country, using Porter's diamond model.

Answer to Question 5: *How do CRM strategies and ecopreneurship relate to social and economic development?*

- ✔ To answer this question, students may reflect upon CRM strategies from the triple bottom-line framework perspective. Ecopreneurs could scale up their business models through CRM strategies, which increase sales but also facilitate social development for other stakeholders in developing regions.

- ✓ For further useful references on this issue, see:
- Elkington, J., “25 Years Ago I Coined the Phrase ‘Triple Bottom Line.’ Here’s Why It’s Time to Rethink It,” June 25, 2018, *Harvard Business Review*, ► <https://hbr.org/2018/06/25-years-ago-i-coined-the-phrase-triple-bottom-line-heres-why-im-giving-up-on-it>.
 - Scheel, C.; Aguiñaga, E., and Bello, B., “Decoupling Economic Development from the Consumption of Finite Resources Using Circular Economy. A Model for Developing Countries,” *Sustainability*, 2020, 12(4), 1291. ► <https://doi.org/10.3390/su12041291>.

26.3 Chapter 3: Villavicencio-Banco de Bosques: “Leave Your Mark, A Reserve for More Reserves.” Marketing Campaign to Recover Forests from Argentine Chaco

Enrique Bianchi, Carolina Sanchez, and Juan Manuel Bruno

26.3.1 Synopsis

Banco de Bosques Foundation and Villavicencio, the best renowned mineral water brand in Argentina that belongs to Danone group, developed “Leave your mark, a reserve for more reserves” campaign by which, for each mineral water bottle sold, they pledge to protect a square meter of native forest in Chaco province, Argentina. With this campaign, it was not only possible to spread active messages about environmental care and save 22 million square meters of native forest, but it was also possible to create the new “El Impenetrable” National Park with an area of 120,000 hectares.

The planning of the campaign was based on a simple slogan: with the purchase of 1 bottle of Villavicencio mineral water = 1 square meter of forest is protected. The results were that the reputation of Banco de Bosques Foundation grew notably in society and that Villavicencio managed to reposition itself as a brand with a clear purpose for consumers, focused on “leaving a better world than we have found.”

26.3.2 Potential Audience and Instructor’s Material

The case is developed to be used in courses related to Marketing Management, both at MBA and Executive Development Program level and in advanced courses at grade degree level. The case is appropriate to exemplify cause-related marketing campaigns using 360 communication – online and offline – in positioning, branding, and marketing communication issues. “Leave your mark” campaign, represented in this study case, manages to capture the attention of the mass audience and the support of the green and sustainable segments. It is confirmed that the

association or alliance between the company and the NGO generates mutual benefits because, on the one hand, the company managed to reposition itself as a brand with a purpose and to increase its reputation and commercial benefits. On the other hand, the NGO achieved visibility, compliance with its social objectives, and the placement of Chaco deforestation on the national public agenda.

Learning Objectives

1. Understand that the company's sustainability strategy and cause-related marketing strategy must be aligned so that the actions carried out are credible and genuine.
2. Identify the different partners (NGOs, public sector, other companies, and consumers) as key actors for the implementation of sustainable practices of companies supported by cause-related marketing actions; and know the benefits achieved by each of the partners.
3. Analyze how to communicate the objectives of the cause-related marketing campaign in order to generate impact, notoriety, and positioning of the actors involved.

26

26.3.3 Time Frame for Class Discussion

The case can be discussed in a 75-minute session.

? Suggested Discussion Questions

1. Point out which elements or actions described in the case indicate that there is an alignment between Danone Company and its Villavicencio brand, an alignment between the company's sustainability strategies and the cause-related marketing campaign. Justify your answer and relate it to forest protection.
2. "Leave your mark" cause-related marketing campaign had the following key actors: Villavicencio and Banco de Bosques. Describe the benefits of each of them in terms of reputational, corporate, and social objectives.
3. "Leave your mark" communication campaign invited the consumer to collaborate with the cause in a simple way, generated confidence, and increased the predisposition to buy the product. Do you agree with this proposition? What were the key axes in the communication and marketing strategy? Explain why.

26.3.4 Analysis

Answer to Question 1: *Point out which elements or actions described in the case indicate that there is an alignment between Danone Company and its Villavicencio brand, an alignment between the company's sustainability strategies and the cause-related marketing campaign. Justify your answer and relate it to forest protection.*

- ✓ Argentine native forests' situation is critical. Updated data of the degradation and deforestation produced in recent years in Argentina, particularly in the Chaco forest, are presented. Although the situation is largely known, Argentina gave priority to agricultural development and expansion over the environmental problems. Here, there was undoubtedly an opportunity to strengthen awareness, make citizens more sensitive by giving an emphasis not only on flora but also on fauna that live in the forests at risk.

- ✓ **The company's commitment to sustainability**

- ✓ There are various actions developed by Villavicencio company that give an account for it. We list a few to be taken into account in the case discussion:
 - Water Quality. Villavicencio is a brand of bottled mineral water that obtains its water from the foot of the mountain range. This gives the product a “level of purity 11 times higher than the standards of the World Health Organization” (Villavicencio, 2020).
 - Environmental Commitment. The bottling plant is located within the Villavicencio Natural Reserve, which is a protected natural area in the foothills of the Andes, more than 1,700 meters above sea level.
 - Community Activity. The company carries out environmental education, tourism, research and communication activities within the Natural Reserve.
 - Communication Campaign. It has been consistent, with no promises that cannot be kept and with the aim of creating a new nature reserve in “La Fidelidad” ranch, in the middle of the Chaco forest. The objective was accomplished.
 - Certification as a B Company. The business commitment to the planet's sustainability and to generating what we could call “brand with purpose” is verifiable, since Villavicencio company has been certified as a B Company. B Companies are those companies that measure business success not only for the economic value they generate but also for the well-being that they promote to society, people, and the environment. Villavicencio is the first mass consumption company in the country to receive this certification and the third in the Danone group worldwide.

- ✓ This question may be answered by identifying the strengths and weaknesses of the campaign development. To mention just a few:
 - ✓ **Weaknesses**

 - ✓ If we analyze the physical product, it is true that there are cosmetic changes in the container to give a perception of a “green” product (green color of the mountains and green color of the lid) and that more conscious consumers like the “green segment” could argue that it is only a “green washing” campaign to deceive the consumer. A possible argument for this could be: “why the container is not glass, which is less polluting, instead of plastic.” This argument line can be used in the case discussion. Yet, the abovementioned weakness will be addressed in subsequent campaigns with the introduction of a container made of 50% recyclable

material; it is the first bottle in the Argentine market made of 50% recycled PET and 100% recyclable (► <http://www.villavicencio.com.ar/sustentabilidad.php>).

- ✓ The results indicate that the container with a green lid has been positively perceived by the majority of the Argentine audience. It also points out that the campaign has been highly “emotional” and that it manages to involve the consumer under the claim: “Leave your mark, with your purchase 1m² of forest is protected.” At the same time, it raises awareness about the clearing problem and, by purchasing the product, it stimulates to collaborate with the environmental campaign.
- ✓ To present this campaign to the students, the teacher can start by showing the video of the campaign¹ and by questioning the participants about their reactions (rational and emotional) to it and collect their points of view.
- ✓ Another critical point to discuss is the value of water: whether it should be a public good accessible to all or not, and whether it should be a private good or not.
- ✓ Others question the cost of the bottle because it is higher than those in the market and because, at some point in the campaign, the company increased it.
- ✓ More critical and ethical positions could emerge from discussions with the students. For example, they can go online and read Martín Boerr’s (2017)² article: “Does the multinational Danone (Villavicencio) company really want to help Yaguareté or is it just looking to sell more bottles of mineral water?”³, which states:
 - Danone’s campaign overflies a too light idea of the present situation of the Misionera jungle; it ignores many actions that are taken to preserve the forest and the real effectiveness that this promotion will have in “saving the jaguar,” as it pompously promises to serve an area of just 1000 hectares.
 - Yet, the idea that remains floating in this initiative is that what the brand is most interested in is in selling mineral water. As the different brands of mineral water resemble each other in flavor and price, the key lies in the differential promotional actions. The jaguar seems to be a very fashionable promotional excuse.
 - If Villavicencio made its donation keeping a low profile, there would be no other objection than the portion of forest that it can help preserve large or small. But by making so much “noise” for so little and, in exchange, promoting the sale of 17.5 million liters of water, doubts arise as to whether it is really Danone that helps the jaguar or it is the jaguar that is helping Danone.

1 ► <https://www.youtube.com/watch?v=7F1vEXdS6G8>

2 Martín Boerr (2017) ¿La multi Danone (Villavicencio) realmente quiere ayudar al Yaguareté o solo busca vender más botellas de agua mineral? Retrieved from ► <https://www.economis.com.ar/la-multi-danone-villavicencio-realmente-quiere-ayudar-al-yaguarete-o-solo-busca-vender-mas-botellas-de-agua-mineral/>

3 The article refers to “Leave your mark 3” campaign launched by Villavicencio and the Banco de Bosques Foundation to protect the forest and the jaguar in the Argentine province of Misiones. “Leave your mark 3” was developed in 2018 and was a replica of the “Leave your mark” campaign: 1 bottle of water = 1 square meter of protected forest, explained in the case study.

✓ Strengths

- ✓ The campaign had several points of coherence between the message and the verifiable tangible elements. Some of them are:
 - The advertising material at the points of sale was developed with FSC-certified paper (Forest Stewardship Council is an international organization whose objective is to promote the environmentally responsible, socially beneficial, and economically viable use of the world's forests. In order to fulfill its purpose, it has developed international and national standards and a certification system to identify and label products from well-managed forests).
 - The mobilization of citizens and the entire community in activities such as the performance of the concert “Leave your mark Festival,” with the participation of well-known artists and figures, represents the symbolic event of developing the largest Human Mark in the world (Guinness record).
 - Involve different stakeholders such as journalists and the media, the company's staff with the creation of an internal program called “brand ambassadors.”
- ✓ It is also feasible to stop the analysis of the campaign results in terms of triple impact: environmental, social, and economic.
- ✓ Finally, and to close the discussion of this question, it could be debated whether or not the process of creating and developing this “Leave your mark” campaign involved a profound rethinking of the Villavicencio brand's mission and a re-significance of social value for those who are in it, as Nazar Anchorena stated (2017, p. 30).

Answer to Question 2: “Leave your mark” cause-related marketing campaign had the following key actors: Villavicencio and Banco de Bosques. Describe the benefits of each of them in terms of reputational, corporate, and social objectives.

- ✓ “Cause-related marketing” programs refer to those campaigns in which companies collaborate with nonprofit organizations by making a contribution to a specific cause based on their sales. We can define it as a CSR initiative that consists of an agreement between a company and an NGO to collaborate in a social cause and thus obtain a mutual benefit. The company's commitment is focused on contributing (financially or in kind) to the cause in terms of sales made or on the use of a product (Santesmases, 1999⁴; Kotler and Lee, 2005⁵). In this campaign, the sale of a bottle promises the consumer the protection of a square meter of forest.

4 Santesmases Mestre, Miguel (1999): Marketing. Conceptos y Estrategias. 4th edition. Pirámide, Madrid

5 Kotler, P., & Lee, N. (2005). Best of breed: When it comes to gaining a market edge while supporting a social cause, “corporate social marketing” leads the pack. *Social Marketing Quarterly*, 11(3–4), 91–103

- ✓ We know that one of the challenges for NGOs is being able to meet the expectations of their beneficiaries and donors to maintain and improve their image. At times, such expectations imply the search for livelihood funds, so divergence fundraising actions are carried out like the development of cause-related marketing campaigns (Bianchi et al., 2015).⁶ This is one of the reasons why Banco de Bosques Foundation gets involved with Villavicencio. Yet, it is not the only one (the economic) since Banco de Bosques Foundation has also been benefited from associating itself with a company with a good image, reputation, and track record, which protect her in the face of her donors and society.
- ✓ The perception of the campaign success will depend on the values and the consumer's attitude toward the cause-related marketing, commitment, involvement, and the credibility of the company. As Barroso-Méndez et al. (2013)⁷ argue, the success of the relationship between companies and NGOs in such cause-related marketing actions is associated with shared values (MacMillan et al. 2005⁸), trust and commitment between the parties (Morgan and Hunt, 1994),⁹ the disposition to shared learning (Selnes and Sallis, 2003),¹⁰ and cooperation (Anderson and Naurus, 1990).¹¹
- ✓ This campaign may be analyzed in light of the proposal of a measurement scale of the perception of the objectives of the campaign-alliance of a cause-related marketing campaign proposed by Barroso-Méndez et al. (2015)¹² which is grouped into three dimensions: (a) reputational goals, (b) corporate goals, and (c) social goals. The case has several elements to determine to what extent both Villavicencio and the Banco de Bosques Foundation manage to meet some of the following campaign objectives:

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- 6 Bianchi, E., Gracia Daponte, G., Bruno, J., Giorgis, M. (2015). "Los vínculos de cooperación entre las OSC y empresas para el fortalecimiento institucional en el marco de la Responsabilidad Social (RSE)," XXIX Encuentro de Docentes de Comercialización de Argentina y América Latina, 17–19 September 2015
 - 7 Barroso Méndez, M. J, Galera Casquet, C. & Valero Amaro, Víctor (2013). "Alianzas entre Empresas y ONGs en el ámbito de la RSC: proposición de un modelo de éxito," AEMARK 2013. Available in ► <http://www.aemark.es/XXV-CONGRESO-AEMARK-2013.zip>
 - 8 MacMillan, K.; Money, K.; Money, A. Y Downing, S. (2005). "Relationship Marketing in the Not-For-Profit Sector: An Extension and Application of the Commitment-Trust Theory," *Journal of Business Research*, Vol. 58, pp. 806–818
 - 9 Morgan, R. M. y Hunt, S. D. (1994). "The commitment-trust theory of relationship marketing," *Journal of Marketing*, Vol. 58, July, pp. 20–38
 - 10 Selnes, F. Y Sallis, J. (2003). "Promoting Relationship Learning," *Journal of Marketing*, Vol. 67, pp. 80–95
 - 11 Anderson y Naurus (1990). "A Model of Distributor Firm and Manufacturer Firm Working Partnerships," *Journal of Marketing*, Vol. 54, January, pp. 42–58
 - 12 Barroso Méndez, M. J., Galera Casquet, C., Valero Amaro, V. & Galán Ladero, M. (2015). "Diseño y validación de una escala para medir el éxito de procesos de Asociación entre Empresas y ONGD," Aemark 2015. Disponible en: ► <http://www.aemarkcongresos.com/congreso2015/PDF/9788416462513%20XXVII%20Congreso%20AEMARK%202015.pdf>

- Reputational (visibility, greater acceptance by the community, improved public relations)
 - Corporate (loyalty, increased resources/sales, more clients/donors)
 - Social (awareness of the cause, motivation of volunteers and staff, funds for projects)
- ✔ Finally, we can summarize that the case states the following main achievements of the cause-related marketing campaign:
- To Villavicencio:
 - 22 million square meters (sales).
 - The spontaneous remembrance of the Villavicencio brand grew to 33%.
 - Position itself as a “brand with purpose.”
 - To Banco de Bosque Foundation:
 - Visibility of the website grew from 2,500 to 20,000 followers.
 - To donors/consumers:
 - Increased awareness of the problem of clearing
 - Greater involvement from the generation of activities with high public participation (concerts, events of the Human Mark)
 - To society:
 - The creation of a national park in “La Fidelidad” ranch lands for the enjoyment of future generations
 - Increased biodiversity by safeguarding flora and fauna
 - The reduction of the carbon footprint by capturing 220,000 tons of CO₂

Answer to Question 3: *“Leave your mark” communication campaign invited the consumer to collaborate with the cause in a simple way, generated confidence, and increased the predisposition to buy the product. Do you agree with this proposition? What were the key axes in the communication and marketing strategy? Explain why.*

- ✔ We do agree with the statement that the campaign has invited the consumer to collaborate with the cause in a simple way, generated confidence, and increased the predisposition to buy the product. The Argentine consumer has been able to perceive the objectives that led the NGO and the company to form an association or alliance to develop a cause-related marketing campaign. We believe that it has perceived coherence in the objectives – noble and clear – for which the campaign has been successful and, as a consequence, it has supported, disseminated, and increased the perceived reputation of Villavicencio and the Banco de Bosques Foundation. Proof of this are the results analyzed in the answer to Question 2.
- ✔ We can hypothesize that the success of the campaign is largely due to the fact that the parties took advantage of the opportunity to install in the public opinion the problem of deforestation in the Greater Argentine Chaco. In addition, the proposal to the consumer was clear: through its purchase, the consumer makes donations that allow the preservation of the native forest and that will transform “La Fidelidad” ranch into a protected national park.

- ✓ We can summarize the axes of the communicational message as follows:
 - ✓ **The cause:** protection of the Chaco forest against deforestation
 - Environmental protection, being of general interest, is a noble cause with positive consequences to struggle climate change.
 - ✓ **Target market:**
 - Young generation, who are expected to be the protagonists of the change in environmental awareness
 - ✓ **The promise:**
 - On the real level: to build a national park to take care of wild fauna and flora, protecting 10 million square meters of forest
 - On the psychological level: to be part of the process by contributing in something quantifiable and precise
 - ✓ **The slogan:** “Leave your mark”
 - Appeals to everyone’s sense of transcending, of leaving something to others beyond life, of transforming their own individuality into a social cause.
 - There is a psychological game between the personal mark and the ecological one. Although it is an emotional appeal more individual than collective, it is effective in mobilizing the donor-consumer.
 - The question would be: is there anyone who does not want to leave a mark? In fact, there is not; that is why the proposition is highly motivating.
 - ✓ **Mechanism: 1 bottle = 1 m²**
 - With the purchase of a Villavicencio bottle, 1 m² of protected forest.
 - The mechanism is simple. It does not require the consumer to do more than to choose that brand when buying.
 - ✓ **Guarantees:**
 - Banco de Bosque Foundation, with a recognized background in the enhancement of parks and reserves as well as in the conservation of natural resources, but with low visibility.
 - Villavicencio, a recognized, leading brand of the French international Danone group committed to the planet’s sustainability. Its product – mineral water – comes from a natural reserve that it protects and, therefore, it is committed to this cause.
 - ✓ As regard the actions taken from the marketing program, we synthesized the keys ones in:
 - ✓ **Product:**
 - Modification of the colors on the container and on the label in two of its presentations, 1.5 and 2 liters

✓ Pricing:

- Keep the price of bottled water.

✓ Place:

- Sales through the usual channels: hypermarkets, supermarkets, and local stores
- Support to the channel with POP communication that reinforces the sustainability message

✓ Promotion:

- Communication development with FSC paper
- Campaigns in strategic public spaces such as bus stops, places with high circulation of people
- Campaigns from the fanpage and replicated on social networks
- Public relations campaign with journalists and the mass media
- Interventions with massive citizen participation: “Leave your mark” Festival, “Human Mark”
- Internal marketing actions in Villavicencio: Ambassador Program
- Feedback on the results achieved while the campaign is being developed

? Suggested Assignment Question

From your point of view:

1. How will “Leave your mark” campaign evolve in the future?
2. How will the relationship between Villavicencio and Banco de Bosques Foundation evolve?

26.4 Chapter 4: The Triodos Bank Pension Plan: A Case of Solidarity-Based Investment

Antonio Chamorro-Mera and M. Manuela Palacios-González

26.4.1 Synopsis

As citizens, slowly but increasingly, we are translating our concerns about social and environmental problems into our purchasing and consuming behaviors. These concerns must also be taken into account when making decisions about how to invest the money we save, that is, in which bank and in which financial instrument to deposit our money.

This chapter analyzes the case of Triodos Bank, a benchmark of ethical banking worldwide, and, specifically, the case of one of its investment tools: the ethical and solidarity-based pension plan. It is an ethical investment product because it only invests the assets it accrues in companies and projects of the so-called real economy. In addition, to make it more attractive to customers, it has been designed

to be a solidarity-based financial product, that is, a product with a social cause. Based on the amount of money that the pension plan participants contribute, Triodos Bank and Caser, the managing entity, donate a sum of money annually to a social or environmental project.

26.4.2 Potential Audience and Instructor’s Material

The case has been developed for use in “Marketing Management” course and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for the courses that deal with “cause-related marketing,” “corporate social responsibility,” or “financial marketing.”

A real case of cause-related marketing is analyzed through a solidarity-based financial product, specifically a pension plan launched by an ethical bank. In this way, the student can learn about another type of financial institution and different types of financial tools that can be classified as socially responsible. From the results obtained by these financial instruments, students can reflect on (a) the role that depositors and investors play in promoting social change, (b) the market potential that this type of financial product may have, (c) the profile of the people most likely to enter into such a plan, and (d) the decision process of the individual when the dilemma of contributing to social and environmental benefits to the detriment of personal economic benefits arises.

26

Learning Objectives

The case is structured to achieve the following objectives:

1. To reflect on the social and environmental implications of our savings and investment decisions
2. To understand the concepts of sustainable finance, ethical banking, socially responsible investment, and a solidarity-based financial tool through one of the benchmark entities in the field of ethical banking, Triodos Bank
3. To learn about different ways of linking donations to social, cultural, and environmental projects with financial products
4. To analyze a real example of cause-related marketing campaigns through a solidarity-based financial product: the Triodos Bank’s pension plan in Spain
5. To generate discussion about people’s predisposition to invest their savings based on ethical and environmental criteria

26.4.3 Time Frame for Class Discussion

This case can be taught in a session of between 60 and 90 minutes. Its duration depends on the number of students participating in the discussion activities.

? Suggested Discussion Questions

1. Search other ethical banking or conventional banking entities for solidarity-based financial tools. Discuss their similarities and differences with those of Triodos Bank. You can consult other ethical banks on the web: ► www.gabv.org.
2. Form a discussion group with colleagues or other acquaintances to consider under what conditions you would be willing to donate all or part of the interest obtained through a financial savings or investment plan.
3. Form a discussion group to consider which type of nonprofit organization you would choose to allocate donations from a solidarity-based financial plan. To do this, take into account two characteristics of the organizations: object of action and geographic scope of action. In the first case, consider three types of organization: environmental, social, or cultural. In the second case, also consider three types: those that act in your local community, those that act in your country, and those that act in other countries (e.g., in developing countries).

26.4.4 Analysis

Answer to Question 1: *Search other ethical banking or conventional banking entities for solidarity-based financial tools. Discuss their similarities and differences with those of Triodos Bank. You can consult other ethical banks on the web: ► www.gabv.org.*

- ✓ This is an activity that the student can perform outside of the classroom. Subsequently, each student, or a group of them, can present their activity in the classroom.
- ✓ To describe the financial instrument, you can fill in a form like the following:
 - Name of bank.
 - Name of financial instrument.
 - Financial elements (interest, commissions, etc.).
 - Characteristics of the donation made (explain what makes it a solidarity-based instrument). Among other aspects, it can be indicated if the amount donated is fixed or variable, to what type of organization the donation is made, whether that organization is chosen by the bank or by the client, etc.
 - Contribution to social or environmental improvements.

Answer to Question 2: *Form a discussion group with colleagues or other acquaintances to consider under what conditions you would be willing to donate all or part of the interest obtained through a financial savings or investment plan.*

- ✓ This is an activity of reflection and debate, so there are no correct and incorrect opinions. The goal is for students to simulate a real situation in which they have to make those kinds of decisions. This activity can be done in two ways:

- ✓ *Face-to-face modality.* If this activity is carried out in person in the classroom, the ideal is to form groups of three to six people. A possible organization is as follows:
 - The instructor acts as a moderator and explains the activity. The instructor can propose a specific financial product, providing information on profitability and the format of the donation, and can ask what type of financial institution offers the product.
 - Groups of students are allotted a set amount of time for discussion, about 10–15 minutes depending on the size of the groups.
 - The teacher then adds another 3–5 minutes for the groups to summarize the opinions raised. One of the students of each group acts as spokesperson and records this summary.
 - Afterward, the students all get together, and the spokespersons comment on the ideas generated in their respective groups.
 - The instructor concludes the activity by summarizing the most noteworthy opinions and ideas.

- ✓ *Non-face-to-face mode.* Each student is asked to form a group of three to six people outside of class to collect their ideas and opinions in a manner similar to that described above. Or, a student can interview individuals separately. Then, the student gives the instructor a report containing:
 - A brief description of the group: number of people, age, sex, etc.
 - Summary of the most noteworthy ideas and opinions. It is recommended that students be asked to directly quote the actual phrases and expressions used by the participants.

Answer to Question 3: *Form a discussion group to consider which type of nonprofit organization you would choose to allocate donations from a solidarity-based financial plan. To do this, take into account two characteristics of the organizations: object of action and geographic scope of action. In the first case, consider three types of organization: environmental, social, or cultural. In the second case, also consider three types: those that act in your local community, those that act in your country, and those that act in other countries (e.g., in developing countries).*

- ✓ This activity can be carried out in the same manner as activity 2.

- ✓ In addition, the instructor can ask students to use the following matrix to indicate their preferences. They can indicate the first three preferences or arrange the nine cells in order of preference. Then they must justify their decision in a reasoned way.

		Type of nonprofit organization		
		Environmental	Social	Cultural
Scope of action	Local			
	National			
	Third World			

- ✓ The activity can be carried out face to face, or the following game can be substituted:
 - (a) The teacher gives each student a slip of paper, which simulates a ticket for a certain amount of money. That amount is the interest received from a financial investment.
 - (b) Three images or textual descriptions are used to represent three donation options, for example:
 - (a) Option 1: Donation to an environmental group for a repopulation project of a forest in another area of the country
 - (b) Option 2: Donation to a development cooperation NGO to create a school in a poor country
 - (c) Option 3: Donation to a cultural association in the locality where the student lives, for a project of cultural activities in a disadvantaged neighborhood
 - (c) Each student must either leave his/her ticket next to the image that represents the project one wants to support or else keep the ticket (with the return on the investment).
 - (d) The instructor tallies the support that each project has received and the percentage of students who decided not to donate their interest earned.

26.5 Chapter 5: WWF Spain: Illustrating Factors at Play, Impacts, and Tensions in Cause-Related Marketing for Global Sustainability

Sergio Belda-Miquel, M. Eugenia Ruiz-Molina, and Irene Gil-Saura

26.5.1 Synopsis

The chapter focuses on the strategy of cause-related marketing (CRM) in the current context of the deployment of the new global Agenda 2030 for global sustainability. This Agenda has put at the center the role of partnerships between different stakeholders, thus generating new interest (and concerns) regarding relations between environmental organizations and firms.

The chapter specifically addresses the case of recent CRM campaigns of WWF Spain, one of the most relevant environmental organizations worldwide. The organization has developed CRM campaigns with very different companies across sectors, including postal services, fashion, food, and retailing, among others. These actions seem to have had uneven impacts in the organization, the involved firms, and the consumers and on the cause itself. The case explores the importance, drivers of success, limits and contradictions of the experience of WWF Spain, as well as of CRM more in general. For this aim, a critical perspective is adopted.

26.5.2 Potential Audience and Instructor's Material

The case has been developed considering its use for marketing, social corporate responsibility, or business ethics courses in business and/or management studies. It may also be useful for courses in international development studies. The case is designed for students of master's level or for advanced undergraduate courses.

Learning Objectives

The case is structured in order to attain the following learning objectives:

1. To understand the role of firms and of collaboration between firms and non-profit organizations, in the context of the current global sustainability challenges and the Agenda 2030
2. To reflect on the importance of cause-related marketing (CRM) on this regard
3. To explore key aspects of CRM actions for global sustainability, illustrated by the case of WWF Spain
4. To explore the impacts of the actions and the factors underlying them, in the case of WWF Spain
5. To critically examine WWF Spain actions, in order to unveil the limits, tensions, and contradictions of CRM actions of WWF, and of CRM more in general, for addressing the global sustainability challenge

26

26.5.3 Time Frame

The discussion of the case needs a session of 75 to 90 minutes.

? Suggested Discussion Questions

6. Do you believe that companies should have more commitment and responsibilities regarding global sustainability challenges?
7. Which impacts and which factors of success do you find more relevant or interesting for explaining the alleged success of WWF Spain? Do you find some other impacts or factors which have not been identified in the case?
8. Do you agree with the warnings toward CRM and the particular case of WWF Spain and with the arguments provided?
9. Which changes or which new kind of actions could be undertaken in CRM campaigns like those of WWF Spain in order to address the tensions and contradictions explained?

26.5.4 Analysis

Answer to Question 1: *Do you believe that companies should have more commitment and responsibilities regarding global sustainability challenges?*

- ✔ There is not a closed answer to the question. Responses may vary and move between more conservative and liberal positions to more progressive ones. Here we mention some of the main arguments that can emerge or can be used:
- ✔ The more conservative positions may be illustrated by Milton Friedman (1970) and his classical text *The Social Responsibility of Business Is to Increase Its Profits*. He used three main arguments against the social responsibility of corporations: only human beings have a moral responsibility for their actions; it is managers' responsibility to act solely in the interests of shareholders; social issues and problems are the proper province of the state rather than corporate managers (Crane and Matten, 2010). For Friedman, companies going beyond their objectives of increasing profits are in fact acting irresponsibly and risking the performance of the economic system.
- ✔ Nevertheless, the actual facts regating the situations caused by corporations in the last decades has discredited these positions, which has been widely criticized using a number of distinct but related arguments. Some of these arguments consider the "enlightened" self-interest of the corporations: for example, brands perceived as being socially responsible might be rewarded with more satisfied customers and with more interest and commitment from its employees; making a positive contribution to society can be considered as a long-term investment in better communities, which also benefits the corporations. Other arguments are more purely moral: corporations cause social problems, so they have a responsibility to solve them; corporations are powerful social actors and using a lot of social resources, all this implying having responsibilities; all corporate activities have social impacts (from the provision of products to employment), so they cannot escape the responsibilities regarding these impacts; and corporations rely on the contributions of a very wide set of constituencies (from suppliers and consumers to local communities), so they all can also be considered as shareholders they have to take into account (Crane and Matten, 2010).

Answer to Question 2: *Which impacts and which factors of success do you find more relevant or interesting for explaining the alleged success of WWF Spain? Do you find some other impacts or factors which have not been identified in the case?*

- ✔ For addressing the first part of the question, students may go into the sources of each of the cases in order to explore which of these impacts and factors may be of more interest and importance in each WWF Spain partnership. For example, as mentioned in the case, long-term commitments and the development of comprehensive marketing partnership strategies have been particularly relevant in the case

of Eroski and Correos. In these cases, partnerships combine different marketing strategies, as CRM and co-branding. Also, the partnership included training and awareness-rising activities. In the case of Correos, for example, employees made reforestation activities with the support of WWF. In the case of Eroski, WWF Spain contributed to the activities of the *Programa Educativo sobre Alimentación y Hábitos Saludables* (Educative Programme on Healthy Nutrition and Healthy Habits), oriented to local schools. Including very different stakeholders is another factor of success which was not explicitly mentioned in the text.

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- ✔ Some other factors are common to every case, as the focus in clear visual messages entailing charismatic animals in nice gestures or at risk. This emotional approach to the message can be easily explored in the pictures and texts at the WWF Spain site. Moreover, the written message is based on a positive approach, focused on the solutions and on actions of environmental restoration and rarely on addressing deep causes nor pointing at those responsible of the situation of global unsustainability and risk. An example is the treatment, both in the linguistic message and in the images, of the disaster created by the fires in Australia in 2019 and 2020, as we can see in the site (WWF Spain, 2020).
- ✔ For the second part of the questions, students may reflect on the impacts of the CRM campaigns on some stakeholders which are not directly mentioned in the text of the case. For example, it would be relevant to mention the impacts in the broader community, that is, in the people living in the Spanish cities and towns in which these brands operate. These communities may benefit from the environmental actions developed by WWF Spain thanks to the support received through CRM. However, these campaigns are focused in the consumers and in the act of consumption, so communities may receive the controversial message that “if I do not buy you do not contribute to positive change,” thus creating frustration and confusion, as well as encouraging problematic consumerist attitudes and models. This last aspect connects with Question 3.

Answer to Question 3: Do you agree with the warnings toward CRM and the particular case of WWF Spain and with the arguments provided?

- ✔ Considering that there is not a unique answer for this question, some new data and sources can be introduced after the reading of the case in order to foster the discussion.
- ✔ Regarding the *effects on the cause and mission*, the text mentioned that critics of CRM consider that CRM actions may reinforce the existing unsustainable global model of production and consumption, so they do not really contribute to the causes. For example, fast fashion industry (which participates in CRM campaigns frequently) has been heavily criticized for promoting an intrinsically unsustainable model. For Greenpeace (2020), fast fashion “has accelerated the traditional business model in the fashion industry, encouraging people to buy more clothes by offering low prices and increasing the number of new seasons per year.” Students may read and discuss some of the

environmental effects of this model in Greenpeace (2020), as the rise in CO₂ emissions of the industry or the increasing use of land and water. Moreover, some organizations have denounced that some changes introduced by some brands (as H&M) for making the model more sustainable do not really work. For example, organic cotton may be more respectful for the environment, but cotton still needs a huge amount of land. Increasing demand of land causes deforestation or the occupation of areas which are not dedicated anymore to local crops which were the bases of local (and sustainable) economies and communities (Greenpeace, 2020).

- ✓ Regarding the *effects on consumer giving behavior and attitude toward the cause*, the case mentioned that solutions offered in CRM campaigns may be demobilizing and counterproductive, as they deepen into unsustainable attitudes and discourage other attitudes as reusing. As an example and as mentioned by Greenpeace (2020), the time an item of clothing is worn has been decreasing by 36% in the UK in the last 15 years, due to the advance of the fast fashion model. This illustrates the need of deeper transformations in the productive models that are not the focus of CRM campaigns. In this regard, events as Black Friday, also mentioned in the case as part of some CRM campaigns, have also been heavily criticized by activists, who denounce its effects in terms of overconsumption (Euronews, 2019).

Answer to Question 4: Which changes or which new kind of actions could be undertaken in WWF Spain in order to address the tensions and contradictions explained?

- ✓ There is not a unique answer to the question nor a single approach for answering. The debate can be focused in the more specific aspects of the campaigns that have been discussed in the previous questions. Here we enclose some questions that can be used to think about how to go beyond the criticisms and limits of CRM discussed, as well as some examples of answers.
- ✓ On the kind of products used: which kind of products in the industries mentioned (fashion, information, post, etc.) could be promoted in a CRM campaign, without being incoherent? For example, *Marca* could use digital subscription as the product promoted in CRM campaigns and not the physical newspaper, in order to be more consistent regarding the conservation of forests.
- ✓ On the message: how can the messages be reframed, so they are still clear and engaging, but which can promote habits which can better contribute to the cause? For example, messages can focus not only on buying products to economically contribute to the cause but to buy more sustainable products and to recycle and reuse products as possible (as clothes or food packaging).
- ✓ On the images: which kind of images can be used, which can be engaging without being misleading? For example, WWF could show images of charismatic animals but also showing the specific risks they face and the specific causes on the bases of the problems. This could be the case of showing the menace to specific animals in certain habitats due to the expansion of crops for export (as soja, sugar, or cotton).

- ✓ On the kind of possible actions to complement CRM: which other socially responsible business practices actions can be used together with CRM campaigns, so these campaigns cannot be accused of greenwashing? For example, a robust corporate policy regarding the raw material used for fashion products may be relevant. Fashion manufacturers doing CRM could guarantee that they are using organic and locally produced raw material which is not substituting local crops or forests.

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26.6 Chapter 6: “Lighting Up Lives”: A Cause-Related Marketing Case to Solve Energy Poverty and Improve Quality of Life in Pakistan

Hina Y. Bhatti, Mercedes Galan-Ladero, Clementina Galera-Casquet

26.6.1 Synopsis

Partnerships between businesses and nonprofit organizations, in general, and cause-related marketing (CRM) campaigns, in particular, are becoming popular in Pakistan in the past years, especially in the holy month of Ramadan.

In 2015, Pepsi Company Pakistan – in collaboration with Active Citizen Engagement (ACE) Welfare Foundation, a nonprofit organization that develops the “Liter of Light Pakistan” project in this country (committed to provide affordable, sustainable solar light to people with limited or no access to electricity) – launched a pioneer CRM campaign in the country, titled “*Lighting Up Lives*.” The campaign announced that PepsiCo would donate Rs. 1 to the “Liter of Light” project for each purchase of a 1.75 L Pepsi bottle. The amount donated went toward providing eco-friendly lighting to underprivileged communities and controlling the energy poverty. As this CRM campaign became very popular, it was repeated for the following 2 years, also in the time of Ramadan.

The aim of this case study was to analyze this successful CRM initiative, which provided eco-friendly solar light to more than 70,000 people and 100 villages in Pakistan, significantly improving their quality of life.

26.6.2 Potential Audience and Instructor's Material

This case has been developed for use in the framework of Marketing and Corporate Social Responsibility (CSR) courses in general and CRM seminars in particular.

The potential audience for this chapter is twofold:

- Undergraduate students pursuing degrees in business administration or marketing
- Graduate students pursuing MBA and masters in marketing or in CSR; or Executive Programs and Seminars (about CSR in general and CRM in particular).

Learning

1. To understand the CRM concept through the purchase of an FMCG¹³ product (a soft drink)
2. To discover the importance of the key factors in the development and success of a CRM campaign: coherence, commitment, and communication
3. To study how CRM is implemented in a developing country such as Pakistan
4. To analyze in depth the campaign “Lighting Up Lives” in Pakistan, considering its main results and its specific impact on Pakistani society
5. To highlight the importance of the chosen moment, the time of year to develop the CRM campaign. Discover its meaning in Pakistan

26.6.3 Time Frame for Class Discussion

This case can be taught in one session of 60–100 minutes, depending on the number of students participating in the discussion activities, as well as the previous work that students have done before class.

? Suggested Discussion Questions

1. What do you think of this CRM campaign? Highlight its main strengths and weaknesses (pros and cons).

13 FMCG is the acronym of “Fast Moving Consumer Goods.”: FMCG are products that have a high turnover in the store and their prices are relatively low. Their purchase is frequent, with low engagement. They are usually sold packed in convenience stores, supermarkets, hypermarkets, and/or department stores, e.g., food, beverages, cleaning and drugstore products, and other consumables.

2. Should a multinational enterprise (MNE) adopt just a global cause? Or, on the contrary, should it adopt a different cause in each country to adapt itself to the local problems of each one?
3. Do you think this CRM campaign would have succeeded in your country? If not, what type of CRM campaign do you think would be successful in your country?

26.6.4 Analysis

Answer to Question 1. *What do you think about this CRM campaign? Highlight its main strengths and weaknesses (pros and cons).*

- ✓ This is a question with a free response (there are no correct or incorrect answers). Each student can give their personal opinion. The most important aspects of this question are that students strongly argue their opinions, whether they are favorable or unfavorable toward this CRM campaign, and that they reflect on what the strengths and weaknesses might be (or pros and cons).

Answer to Question 2. *Should a multinational enterprise (MNE) adopt a global cause? Or, on the contrary, should it adopt a different cause in each country to adapt itself to local problems of each one of them?*

- ✓ It is also a question with a free answer. The most important thing is that students think and know how to raise the advantages and disadvantages of each strategy and, finally, they can make a decision and choose the one that they consider the most appropriate in each case.
- ✓ Some ideas to work this question could be the following:
- Globalized/standardized strategy (single cause): for example, as Avon does (“fight against breast cancer”).
 - Some advantages:
 - The company is identified with a specific social cause, worldwide.
 - The company could obtain synergies and economies of scale when applying the same social cause in different countries.
 - Some disadvantages:
 - The cause may not have the same importance in all countries, and its acceptance also may vary according to different cultures.
 - Adapted/segmented strategy (a different social cause in each country): for example, as PepsiCo in this case (it adopted the cause of energy poverty in Pakistan but not in European countries).
 - Some advantages:
 - The company embraces a social cause that is important locally.
 - It is better suited to the consumers’ needs and wants in each country.
 - It is better adapted to the cultural values of each society.

- Some disadvantages:
 - It cannot get synergies nor economies of scale (the company has to design and implement a different CRM campaign in each country, which increases the costs).
 - The company does not identify itself with a “great” global cause and it may seem “dispersed” (without a clear and coherent line of social cause with which it is committed in the long term).

Answer to Question 3. Do you think this CRM campaign would have succeeded in your country? If not, what type of CRM campaign do you think would be successful in your country?

- ✔ This is also a question with a free response. The idea is that students think about whether this CRM campaign would have succeeded (or not) in their countries to discover if the degree of development of a country could influence the outcome of this campaign.
- ✔ Thus, for example, if students live in a developed country where practically the entire population has access to electricity, they may not see much sense in applying this specific CRM campaign in their country (the cause would be neither significant nor relevant). However, if students live in a developing country where there is a similar problem of access to electricity for a significant part of the population, then they could consider that the cause is very relevant and could have a significant importance in the improvement of the people’s quality of life in that country.

26.7 Chapter 7: Value Co-creation in Cause-Related Marketing: The Case of “El Turrón Solidario” (The Solidarity Nougat) Campaign by Lidl and Ayuda en Acción Foundation

Yolanda Díaz-Perdomo, Luis Ignacio Álvarez-González, and M. José Sanzo-Pérez

26.7.1 Synopsis

Lidl, a leading supermarket chain in the European food distribution sector, has developed with Ayuda en Acción Foundation “El Turrón solidario” (The Solidarity Nougat) project. This Christmas campaign aimed to fight child poverty in Spain and has been carried out for 5 consecutive years. Specifically, this cause-related marketing action consisted of raising five euro cents for each DOR solidarity nougat bar sold. Thus, various projects have been developed with the funds raised (“Here Too”; “The Best Recipe”), in order to meet the needs of a large number of beneficiaries. In fact, with the launch of the Christmas campaign, the expected social and organizational benefits have been achieved, which shows the success of the cause-related marketing action carried out jointly by both organizations.

Likewise, the adoption of the value co-creation strategy and its key dimensions (participation, reciprocity, learning, and engagement) has been essential to formulate and manage the projects jointly developed by both entities. In addition, key aspects of the marketing mix (product, price, place, and promotion) characterize the design and implementation of the “The Solidarity Nougat” campaign.

26.7.2 Potential Audience and Instructor’s Material

The potential audience for this case is twofold: on the one hand, students following degrees in business administration, so that they have a first contact with the meaning of cause-related marketing and its practical application, and, on the other hand, postgraduate students in business administration or, specifically, in retail business management, so that they have a starting point for the design and actual implementation of cause-related marketing actions.

In this way, students could see how one of the most current strategies in marketing, the value co-creation, can contribute to the development of successful cause-related marketing campaigns by companies. In this context, students would perceive cause-related marketing as an extremely valuable management tool when marketing and CSR co-create to generate value for the customer.

26

Learning Objectives

The case is structured to achieve the following objectives:

1. Identify the characteristics of cause-related marketing actions that companies, particularly the retailers, can develop within their corporate social responsibility (CSR) strategy.
2. Analyze the activities carried out and the benefits obtained from the launch of the cause-related marketing campaign “El Turrón solidario” (The Solidarity Nougat, in English) by Lidl and Ayuda en Acción Foundation.
3. Define the strategy of value co-creation that Lidl and Ayuda en Acción has adopted to develop the cause-related marketing action “The Solidarity Nougat.”
4. Describe the importance of applying the marketing mix variables (product, price, place, and promotion) to develop the “The Solidarity Nougat” campaign.

26.7.3 Time Frame for Class Discussion

This case can be taught in a 90-min session.

? Suggested Discussion Questions

1. Describe the main characteristics of the cause-related marketing action developed, “The Solidarity Nougat,” as well as its objectives, activities carried out, duration, and social and organizational benefits achieved.

2. What are the main advantages and disadvantages of “The Solidarity Nougat” campaign for Lidl and Ayuda en Acción?
3. Define other possible cause-related marketing actions that Lidl and Ayuda en Acción Foundation could develop in the future to continue the co-creation of joint projects.
4. Design an online communication plan on social networks that contributes to enhancing the scope of “The Solidarity Nougat” campaign.

26.7.4 Analysis

Answer to Question 1: *Describe the main characteristics of the cause-related marketing action developed, “The Solidarity Nougat,” as well as its objectives, activities carried out, duration, and social and organizational benefits achieved.*

- ✓ The cause-related marketing action “The Solidarity Nougat” has been developed by the company Lidl in collaboration with Ayuda en Acción Foundation, with the aim of fighting against child poverty in Spain. This charity campaign has been characterized by collecting Lidl’s part of the sales of its white brand DOR nougat and donating this money to Ayuda en Acción. Specifically, five euro cents have been raised for each solidarity nougat bar sold. The cause-related marketing action has been carried out for 5 consecutive years, from 2014 to 2019, and has allowed Lidl to make annual donations to develop various social projects whose main objective is to improve the living conditions of Spanish families with a lower income. In total, the donation made to Ayuda en Acción for the implementation of the projects was 540,000 euros.
- ✓ In this way, the “Aquí también” (“Here Too,” in English) project has been carried out to promote the well-being of the most vulnerable families by improving food conditions and quality education for children, as well as access to employment for young people and adults in households with a lower and more unstable income. This project consisted of carrying out a series of activities that have helped to meet the needs of a total of 21,157 people throughout the campaign:
 - Educational inclusion: scholarships for school supplies, educational reinforcement, psychotherapy or speech therapy, extracurricular activities, excursions, and summer camps.
 - Healthy living conditions: grants for school meals, snacks, and breakfast, healthy lifestyle courses, and ophthalmological examinations. It is also worth noting that the project “La Mejor Receta” (“The Best Recipe,” in English) aimed at training families in cooking, nutrition, and home economics techniques. In fact, the company has been involved in these initiatives since December 2017.
 - Educational innovation: technology (projects to fight the digital and gender gap, choral music projects, etc.) and gastronomy (learning through cooking projects).
 - Work with families: literacy for foreign parents, training and employment projects, and support for entrepreneurship and income generation.

- Support for the creation of networks: volunteering and mentoring to encourage reading and connection project between Spanish **secondary school students** and young people from southern countries.

- ✓ Furthermore, the results achieved by the launch of the campaign reveal different organizational and social benefits obtained during the 5-year alliance between the two entities.
- ✓ Firstly, as a consequence of the donation made annually by Lidl to Ayuda en Acción Foundation, from the money raised through the solidarity campaign, the nonprofit organization has been able to more effectively fulfill its social objectives. In fact, with the development of the solidarity campaign, enough funds have been raised to serve a large number of Ayuda en Acción users.
- ✓ Secondly, the distribution company Lidl has found a direct channel to effectively develop its CSR strategy through a 5-year collaboration with Ayuda en Acción Foundation projects, which shows its long-term commitment with the NPO social cause. This form of direct collaboration has contributed to reinforce Lidl's customer trust, as well as its image and social reputation in the different geographic markets in which it regularly interacts.

26

Answer to Question 2: *What are the main advantages and disadvantages of “The Solidarity Nougat” campaign for Lidl and Ayuda en Acción?*

- ✓ The main advantages of the cause-related marketing action “The Solidarity Nougat” are the following:
- ✓ Lidl can take advantage of tax incentives (tax deductions and exemptions that can be obtained by carrying out this type of campaign). Likewise, there has been an increase in sales due to the higher purchase motivation of responsible consumers with solidarity values. Furthermore, it has been possible to increase the visibility of the DOR brand, Lidl's private label for marketing its nougats and Christmas products, and to improve Lidl's image and reputation.
- ✓ Ayuda en Acción has been able to diversify its sources of financing due to the development of the “The Solidarity Nougat” campaign, which has become a new source of income for the entity. By gaining greater access to the media, it has also been possible to enhance their image and participation in society, which has resulted in an increase in the number of partners, donors, and volunteers.
- ✓ Moreover, consumers have had the opportunity to participate in the solidarity cause, by purchasing products with ethical values in line with their own principles, such as solidarity nougats.

- ✓ However, the development of the cause-related marketing action jointly developed by Lidl and Ayuda en Acción has had some disadvantages. As the campaign was carried out only at Christmas time, when the number of donations tends to increase, some consumers might have considered that the solidarity campaign has a purely commercial objective. Despite the fact that the “The Solidarity Nougat” campaign was carried out periodically during Christmas for 5 consecutive years, the fundraising and the social and organizational benefits achieved were less than in the case of a solidarity campaign carried out continuously over time.

Answer to Question 3: *Define other possible cause-related marketing actions that Lidl and Ayuda en Acción Foundation could develop in the future to continue the co-creation of joint projects.*

- ✓ Lidl could, for instance, implement a cause-related marketing action by donating a percentage of the sales of its own-brand products to Ayuda en Acción Foundation, so that the nonprofit organization carries out its projects and activities.
- ✓ Lidl’s own-brand products are highly demanded by consumers of this company, who recognize its good value for money. Thus, Lidl offers more than 30 own-brand products at its different points of sale: Bio Organic (organic products), Bellarom (coffee), Chef Select (ready meals), One hundred (creams, gels, etc.), Deluxe (discounted high-quality products), Formil (detergents), My Best Veggie (vegetarian and vegan products), Milbona (dairy), Silvercrest (electrical appliances), W5 (household products), DOR (nougat), etc.
- ✓ The campaign could be carried out indefinitely, with the donation of 1% of the selected product purchase to a project that aims to fight economic inequalities in various regions. For example, through the development of a solidarity campaign with the name “1% Together-Equals,” Lidl could collaborate in several Ayuda en Acción projects by donating 1% of the selected own-brand product sale to carry out the necessary activities to achieve the objective of the campaign.
- ✓ It is important to highlight that Ayuda en Acción Foundation is a Spanish NGO that has been working over 38 years in more than 20 countries in Latin America, Asia, Africa, and Europe, including Spain and Portugal. Ayuda en Acción fights against poverty and inequality, supporting more than 1.4 million people. In this way, the collaboration with this nonprofit organization has great relevance to achieve the objective set out in the campaign.
- ✓ The adoption of the value co-creation strategy in the implementation and management of the campaign could make it possible to achieve the expected results more effectively with the cause-related marketing action developed. The NPO-business value co-creation strategy would imply (1) the effective participation of the company in the different stages of the collaboration process; (2) the application of reciprocity in their actions, giving and receiving in the same proportion as the

other party in the relationship; (3) promoting the learning of organizations through the acquisition of knowledge; and (4) encouraging the effective engagement of the company with the nonprofit organization to achieve a long-term relationship.

- ✔ In this context, through the launch of the “1% Together-Equals” campaign, different organizational and social benefits could be achieved. On the one hand, the NPO could fulfill its organizational mission more effectively, raising enough funds to serve a large number of beneficiaries of the Foundation. On the other hand, the distribution company Lidl could obtain a greater return on its CSR investments, reinforce the customers’ trust in the organization, improve the reputation and commitment to the brand, as well as increase the social reputation of the organization.

26

Answer to Question 4: Design an online communication plan on social networks that contributes to enhancing the scope of “The Solidarity Nougat” campaign.

- ✔ The promotion of the “The Solidarity Nougat” campaign on Facebook can effectively publicize the cause-related marketing action developed, since this social network is popular in all demographic groups.
- ✔ Specifically, the promotion of the solidarity campaign on Facebook could be done with Ad Sequences, which show the different characteristics of a product or explain a process step by step.
- ✔ In this way, a carousel of images or videos could be shown on the social network, making it possible to publicize the development of the campaign in its different stages:
 1. Images of both partners (Lidl and Ayuda en Acción Foundation)
 2. The cause-related marketing action implemented (“The Solidarity Nougat”) and the way consumers of solidarity nougat participate in the campaign (Lidl contributes five euro cents for each solidarity nougat bar purchased)
 3. The project jointly developed by both organizations (“Aquí también”)
 4. Images or videos of the campaign results
- ✔ Sequential announcements can also be made on Instagram, a social network that is currently used by a large number of users and organizations to advertise their products.
- ✔ Therefore, Ad Sequences on Facebook or Instagram could reveal the real characteristics of the solidarity campaign carried out by Lidl and Ayuda en Acción to a wide public interested in buying responsible products. Therefore, advertising the characteristics of the campaign, objectives, organizations involved, and benefits achieved could increase the scope of the cause-related marketing action developed.
- ✔ Specifically, the communication campaign is mainly addressed to Spanish families and aims to reach adults between 30 and 65 years old.

- ✓ The campaign is carried out with the objective of increasing social media followers. It is also intended to achieve greater visibility of the solidarity project carried out by Lidl and Ayuda en Acción.

- ✓ This initiative wants to reflect the help that the beneficiaries of the solidarity project can obtain (“Aquí también”) through the cause-related marketing action. In this way, the information provided on social networks about the project would allow participants committed to this type of initiative to collaborate. Likewise, information on social networks could also be obtained through other channels, such as Lidl and Ayuda en Acción websites.

26.8 Chapter 8: Application of the Cause-Related Marketing in the Fight Against Hunger: “Good Restaurants”

Azucena Penelas-Leguía, José María López-Sanz, Pablo Gutiérrez-Rodríguez, and Pedro Cuesta-Valiño

26.8.1 Synopsis

The eradication of hunger in the world is one of the most important causes for humanity. According to the Food and Agriculture Organization (FAO) report “The State of Food Security and Nutrition in the World 2019,” one in nine people on the planet goes hungry. Climate change and warfare are two key factors in this increase and causes of serious food crises. The case developed here focuses on the cause-related marketing (CRM) campaign carried out by the nonprofit organization (NPO) “Action Against Hunger” and a group of restaurants, under the name “Restaurants against hunger,” in order to obtain funds to collaborate in the fight against this scourge. In 2019, the tenth anniversary of this collaboration was celebrated in Spain, where for each dish included in this action, between € 0.50 and € 2 were allocated to combat hunger. Each of these restaurants are called “Good Restaurants.” This initiative is not only carried out in Spain. It has also spread to various Latin American countries including Colombia, Peru, and Guatemala.

26.8.2 Potential Audience and Instructor’s Material

The case has been developed for use in “Marketing Management for Nonprofit Organizations” course and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for the courses that deal with “cause-related marketing” (CRM) and even in the specialized modules focusing on product positioning and promotion.

The case develops an application of the CRM between the nonprofit organization (NPO) “Action Against Hunger” and a group of restaurants that will be called

“*Good Restaurants*.” It seeks to collaborate and find financing in the fight against hunger and child malnutrition. The case allows discussing the need for affinity and coherence between the company, the social cause, and the NPO, so that satisfactory collaborations can be established for all parties. On the other hand, it allows discussion of the various communication methods used in this action, whether on/offline, which have allowed the dissemination of this cause among restaurants as well as among end consumers.

Learning Objectives

The case is structured to achieve the following objectives:

1. Understand the current situation of hunger and malnutrition of millions of people in the world, as well as the main reasons that cause this world scenario of famine.
2. Through a case study, analyze what cause-related marketing (CRM) is and its usefulness, as well as its determining factors to achieve its objectives.
3. Learn about the activities of the nonprofit organization (NPO) Action Against Hunger to combat child malnutrition, specifically in the application of CRM “*Good Restaurants*” initiative.
4. Examine the application of different promotional instruments applied by the NPO, offline and online, in this CRM campaign.

26

26.8.3 Time Frame for Class Discussion

This case can be taught in one session of 75 min.

? Suggested Discussion Questions

1. Do you consider that the private sector and consumers must collaborate to eradicate a cause like hunger in the world?
2. Can CRM be a financing alternative for NPOs? Indicate the parties involved in a CRM action in general and, in particular, in the CRM action “*Good Restaurants*,” as well as the benefit that each of the parties involved achieves.
3. Do you consider that “*Good Restaurants*” is a coherent CRM action? Why? Do you think there is a lasting commitment between Action Against Hunger and restaurants?
4. Which are the two target audiences of the promotional activities carried out in the “*Good Restaurants*” case? What are the messages of these activities?
5. Do you think that the participation of prestigious chefs as godparents is appropriate? What types of media have been used to promote the analyzed cause?
6. Do you consider that this application of CRM is exportable to other countries? If so, should they be adapted to the conditions of each country?

26.8.4 Analysis

Answer to Question 1: *Do you consider that the private sector and consumers must collaborate to eradicate a cause like hunger in the world?*

- ✔ World hunger and malnutrition are one of humanity's greatest threats. Just over 820 million people suffer from hunger or malnutrition, that is, one in nine people in the world. Therefore, achieving the number two goal of the United Nations Sustainable Development Goals by 2030 ("zero hunger") is a huge challenge. For this reason, it is essential that not only the states but the private sector and the population in general be aware of the importance of their collaboration. The application of CRM actions such as the one exposed in this case offers a means of collaboration especially to these two groups, the lucrative companies in the private sector and the population in general.

Answer to Question 2: *Can CRM be a financing alternative for NPOs? Indicate the parties involved in a CRM action in general and, in particular, in the CRM action "Good Restaurants," as well as the benefit that each of the parties involved achieves.*

- ✔ The CRM is proposed as a financing alternative in the NPOs, which in most cases are highly dependent on public funds, to obtain resources in the private sector. The decrease in public financing, the greater "competition" to obtain it, and the feeling of greater independence are some of the factors that have led the NPO to search for new sources of financing in the private sector. CRM is an example of this collaboration between profit and nonprofit sector against a social cause.
- ✔ CRM provides competitive advantages for all parties involved in the relationship: for-profit companies, the NPO, the consumer, and the social cause itself. In the specific case analyzed:
 - Profitable companies that do so will see their image and motivation to buy their products improved, in addition to obtaining tax advantages. In the case analyzed, the restaurants that participate will contribute a part of the proceeds obtained with the so-called solidarity menus to finance the NPO's activity in its fight against hunger and child malnutrition. In return, they are recognized for their collaboration in a life-saving activity. They also obtain a motivating effect on their team, which is involved in the process. Furthermore, the adjective "Good" of the participating restaurants refers not only to their gastronomic offer but also to their commitment to the cause of a world without hunger. With this objective, the publication of a guide to "Good Restaurants" is carried out. As indicated in different media, they are considered *Good Restaurants* in every way, which means an improvement in their image, a greater notoriety for the promotion of the action, and a differentiating element for the consumer.
 - To the NPOs, the CRM allows them to obtain resources, whether monetary or in kind (goods, services, etc.) from for-profit companies, to carry out their activity,

in addition to achieving greater visibility. The NPO of the case is “Action Against Hunger.” It is an international humanitarian organization that fights against the causes and effects of hunger. Their mission is to save lives by eliminating hunger through the prevention, detection, and treatment of malnutrition. They act both in emergencies and in the long term, addressing the consequences and causes of hunger. The CRM “*Good Restaurants*” action provides him with funding from this group for its cause, partially reducing its dependence on public funds. It also achieves greater notoriety as NPO and in its action in the fight against hunger, favoring the recruitment of collaborators and volunteers.

- The consumer of a CRM also shares benefits. You will feel that you are collaborating in an important cause and that the product you purchase incorporates greater added value. In the case of the consumer who goes to these *Good Restaurants* and asks for a solidary menu, they will also obtain a greater reward. You are not only receiving a quality gastronomic service, but you are also collaborating in the fight against hunger and child malnutrition, feeling solidarity with it and increasing your personal satisfaction.
- Finally, because of the aforementioned relationships, the cause by which it operates will be better known, acquiring greater social recognition, in the case analyzed, the fight against hunger and child malnutrition.

26

Answer to Question 3: Do you consider that “*Good Restaurants*” is a coherent CRM action? Why? Do you think there is a lasting commitment between Action Against Hunger and restaurants?

- ✓ Yes. For the CRM activity to work, there must be a correct relationship between all the protagonists: restaurants, the NPO Action Against Hunger, consumers, and the cause, since finally the donation obtained by the NPO depends on the success of the campaign. Therefore, the existence of coherence between the different parties involved is very important, and in this case, they are met. There is an affinity between the company, the social cause, and the NPO, so satisfactory collaborations can be established for all parties. That the activity of the companies is the restaurant business, and that part of the profit generated with that activity is reflected in alleviating hunger and malnutrition in other groups through an NPO dedicated to it, represents a strong link between all parties.
- ✓ For society, the motivations of restaurants to join this activity can be questioned, so CRM programs must be credible. This can be achieved by assuring consumers, among other conditions, that there is a serious and long-term commitment between the NPO and restaurants. In the case analyzed, the gradual increase in the number of restaurants that have joined the cause (more than 7,400 throughout all editions) and especially the continuity of the editions that have been carried out uninterruptedly for 10 years (in 2019 the tenth edition was held) indicate that in this initiative, there is a lasting commitment between NPO and restaurants.

Answer to Question 4: *Which are the two target audiences of the promotional activities carried out in the “Good Restaurants” case? What are the messages of these activities?*

- ✔ To make this initiative known, various promotional activities are carried out on the cause, serving the different target audiences: on one hand, restaurants that are invited to participate and collaborate by registering for the campaign and, on the other, consumers, so that they go to these restaurants where they not only eat well but also are supportive.
- ✔ In order to obtain the collaboration of the restaurants, the NPO Action Against Hunger carries out various promotional activities, appealing with messages about the importance and leading role of their participation in saving lives and its motivating effect on their team while facilitating their registration in this solidarity initiative.
- ✔ They also send messages to the consumer, making them a participant in the cause. The consumer will obtain a greater reward when eating in these *Good Restaurants*, since in their performance, they not only obtain a restaurant service but are also collaborating with the cause, feeling solidarity with it.

Answer to Question 5: *Do you think that the participation of prestigious chefs as godparents is appropriate? What types of media have been used to promote the analyzed cause?*

- ✔ Yes. The image of experts in the catering sector has been very positive in all editions. This initiative has always had the collaboration of great chefs with numerous Michelin stars, which has given the campaign great notoriety. In each edition, these chefs have been sponsoring the campaign, being a source of encouragement and prestige for it. Through various media, with their appearances and interviews, they have transmitted the objective of the campaign, also promoting new additions from the restaurant sector.
- ✔ As for the media used in the “*Good Restaurants*” campaign, they have been diverse, including both conventional and unconventional.
- ✔ In conventional media such as television, press and radio (off- and online), the aim of the most frequent messages was to promote awareness of the campaign in general and to encourage restaurant registrations to it, being the chef collaborators the ones who promoted the news on numerous occasions.
- ✔ Unconventional media were also used in a massive way, with gastronomic bloggers to reach a more specialized audience and social networks, both from professionals and people related to the initiative (mainly blogs, Facebook, Instagram, Twitter, and YouTube). This digital communication strategy is having great relevance in the campaign.

Answer to Question 6: *Do you consider that this application of CRM is exportable to other countries? If so, should they be adapted to the conditions of each country?*

- ✓ Yes, it is exportable. Actually, the good result of this CRM initiative between “Action Against Hunger” and restaurants has favored its subsequent development in various countries such as Colombia, Peru, and Guatemala, which have also wanted to join it.
- ✓ The initiative is similar, although adapted to the differential characteristics of each of the countries.
- ✓ In the case of Peru, in 2019 the eighth edition was held and, as in the case of Spain, it had the participation of renowned chefs in the country such as Betzi Albornoz and Moma Adrianzén, among others. In this case, for each dish consumed in the promotion, 2 pesos (€ 0.48) were donated to the NPO. In addition to developing various projects nationwide, that year, everything that was raised goes to the child malnutrition reduction project in the Santiago de Lucanamarca District, in Ayacucho. Since 2018, the work of the organization has reduced chronic malnutrition in this district by 2.4% in children under 5 years of age and anemia by 11% in children under 3 years, all this thanks to a comprehensive work articulated with the families of the community and the support of public and private institutions, collaborating to end malnutrition in the country itself.
- ✓ In Colombia, the fifth edition had international exceptional sponsors such as Quique Da Costa and national sponsors such as Charlie Otero and Diana García, chefs of recognized prestige. The money raised is used to promote child malnutrition projects in the country. Following similar characteristics with other campaigns, the amount to contribute is a percentage of the price of the dish.
- ✓ Regarding Guatemala, during the year 2019, the famous Guatemalan chef Mirciny Moliviatis joined this initiative, being the ambassador, in addition to other famous chefs such as Roberto de la Fuente or foodie Karen Ascoli. The proceeds were donated to Chorti communities of origin in the municipalities of Jocotán, Camotán, Olopa, San Juan Ermita, and Chiquimula, to bring water to the so-called dry corridor. A total of 750 families benefited from this initiative. In this case, each restaurant will decide independently how much it will donate and what products will participate in this initiative. According to NPO sources, Guatemala is the Latin American country with the most chronic malnutrition, 49% of the population, reaching 80% in the Department of Chiquimula.

26.8.5 Postscript

World hunger and child malnutrition are causes of difficult extinction, which is not an impediment to continue fighting against them and the causative factors. This is

why the NPO Action Against Hunger, in addition to public funding, is looking for ways to obtain private funds and thus continue fighting in this field.

The initiative studied is characterized in that it is favorable to all parties. It enables the NPO to obtain funds for the fight against world hunger. Specifically, it is used to carry out campaigns against child malnutrition in the countries most affected by famine. Restaurants also obtain a series of benefits, among which stand out promoting the image of the restaurant, obtaining a differentiating element compared to other restaurants, increasing employee motivation, obtaining promotional material on the free initiative to attract and retain customers, and advertising and promoting themselves through different online and offline media, in addition to tax advantages. Customers of these restaurants also benefit and feel that they are not only obtaining a restaurant service, but they are collaborating with this important social cause, the fight against hunger and child malnutrition – cause that, in turn, will acquire greater recognition and notoriety in society.

To make this initiative known, it must be properly promoted in two target segments: restaurants and consumers. In the case of restaurants, they are invited to participate and collaborate by registering for the campaign, and in the case of consumers, they go to these *Good* Restaurants where they not only eat well, but they are also supportive. The study shows that the collaboration of prestigious people in this field (chefs) who join the cause and the deployment carried out both in offline and especially online media with the use of social networks allow this greater approach.

This CRM activity, which in Spain reaches the tenth edition, has been successfully extended to other countries such as Peru, Colombia, and Guatemala.

26.9 Chapter 9: Project “Soup of Aid” as a Cause-Related Marketing Campaign

Katarína Vitálišová, Kamila Borseková, Anna Vaňová, and Darina Rojilková

26.9.1 Synopsis

The case study depicts the example of cause-related marketing campaign of the Slovak local company – restaurant RAK that is realized in strong cooperation with the Healthy City Community Foundation (HCCF). It is a local pioneer and best practice example of CRM campaign in the central part of the Slovak Republic. In the presented CRM campaign, an important role is played by a participative approach and building partnerships with the stakeholders in the local community. It is oriented toward the local community, namely, supporting families in need through the “Soup of Aid.” The campaign invites people to give up their lunch every second Monday in the month and come for a bowl of good soup in a local restaurant. People donate the amount they would pay for their usual lunch to a family in need. The selection procedure for the Soup of Aid usually includes those families that need targeted one-time financial support with the potential for social inclusion. Through the cause-related

marketing campaign shared via social media and direct mail, donors can learn about the story of a specific family in advance or while having lunch.

26.9.2 Potential Audience

The case study can be used as learning material for the courses in Marketing and Marketing Management, but because of the special orientation on the application in community development, it can also be used in several other courses, like Public Economics, Regional Development, Public Sector Marketing, and Places Marketing.

Learning Objectives

The pedagogical aims of the case study are:

1. To understand the core of cause-related marketing and its specificities in cooperation with the stakeholders from private, nonprofit, and public sectors
2. To analyze crucial factors of successful cause-related marketing campaigns
3. To promote discussion on new forms of cause-related marketing campaigns

26

26.9.3 Time Frame for Class Discussions

This case can be taught in one session of 80 min.

? Suggested Discussion Questions

1. What are the differences between cause-related marketing realized solely by private sector and cause-related marketing realized in cooperation with the nonprofit and public sectors?
2. What are the main steps in implementation of a cause-related marketing campaign?
3. Which new forms of marketing tools could strengthen the presented cause-related marketing campaigns?

26.9.4 Analysis

Answer to Question 1: *What are the differences between cause-related marketing realized solely by private sector and cause-related marketing realized in cooperation with the nonprofit and public sectors?*

- ✓ All CRM campaigns realized in cooperation with the nonprofit and public sectors are more difficult to be organized. This type of campaign is based on a partnership with more relevant stakeholders, donor, public funds, and volunteer work; therefore, the public control is more detailed. On the contrary, cause-related marketing

in the private sector is usually realized by well-developed companies with enough resources and relevant knowledge and experience how to realize a campaign as a part of corporate social responsibility.

Answer to Question 2: *What are the main steps in implementation of a cause-related marketing campaign?*

- ✓ The first step is to define the aim of the campaign – to choose a related cause and the target group to which the campaign will be addressed. The chosen cause should be relevant and valuable also for all involved stakeholders. Subsequently, it is necessary to create a simple but memorable message of the campaign and prepare an action plan (responsible employees, time framework, fundraising activities oriented at potential donors, etc.). The campaign should be supported by strong promotion activities. It mainly includes promotion via the Internet – the websites of organizations, websites of all involved partners, social media, and other relevant platforms which are relatively easy available. Cause-related marketing campaigns can be extremely effective in creating more emotive and compelling communications by acting upon shared values and a shared goal with all involved partners. The last but not least important step of the campaign is to share the impact of the related cause. All donors and stakeholders should be informed about the real results of the campaign due to their support. If they are fulfilled in one campaign, they will be more likely to support another campaign again in the future.

Answer to Question 3: *What new forms of marketing tools could strengthen the presented cause-related marketing campaigns?*

- ✓ In cause-related marketing, the great potential of social media should be used. They help to reach the target groups, but also to raise awareness for company activities and commitment to social responsibility. Creating hashtags and posting photographs or advertising events on social networks for relatively low costs are good tips.

26.10 Chapter 10: The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua

Answin Vilmar

26.10.1 Synopsis

This example case highlights the possibilities that a national NGO has to support the global fight for the right to clean drinking water and sanitary conditions. The nonprofit company Viva con Agua draws its success from consistent brand man-

agement and 360-degree communication, which is specifically aimed at the target group of Generation Z and their interests.

Originally started on the initiative of a former professional football player as a single aid project, Viva con Agua has now established itself thanks to a concise brand positioning as a successful brand in the highly competitive German mineral water market.

This hard-won success has encouraged Viva con Agua to think about other product ideas that are in line with the original idea of improving the drinking water, sanitation, and hygiene situation in less developed countries. In this sense, the portfolio of products has been expanded to include toilet paper, which is sold under the Goldeimer brand. And in this case, too, a trendy lifestyle brand should help the cause to succeed.

26.10.2 Potential Audience and Instructor's Material

This case study can serve as a source of inspiration to show that supposedly interchangeable products (i.e., commodity goods) with the right (cause-related) marketing concept and consistent brand management can bring the desired success – even in highly competitive consumer good markets.

Learning Objectives

The case is structured to achieve the following objectives:

1. To understand that safe drinking water is an effective lever which can significantly improve the living conditions of many persons in less developed countries
2. To be able to describe the role that Viva con Agua plays in supporting efforts to secure safe drinking water and sanitation in these countries
3. To recognize the importance of a concise brand positioning and a target group-specific brand management in the context of cause-related marketing (CRM) and the use of further multiplier effects
4. To be able to identify the possibilities and value of integrating off- and online activities within the CRM

26.10.3 Time Frame for Class Discussion

This case can be taught in a session of 90 min. However, it is recommended to divide it with additional homework into at least two sessions to deepen the learning effect.

? Suggested Discussion Questions

1. What was Viva con Agua's recipe for success? Would this recipe work in other countries? What conditions would be necessary for this?

2. Considering other Sustainable Development Goals (SDGs), in which other fast-moving consumer good (FMCG) market segments such business case might be conceivable and could be similarly economically successful?
3. How could Viva con Agua's CRM further be developed in order to generate additional growth and establish the offer as a social top-of-mind brand in a highly competitive market? Short term and in the long term?

26.10.4 Analysis

Answer to Question 1: Viva con Agua's success factors.

What was Viva con Agua's recipe for success? Would this recipe work in other countries? What conditions would be necessary for this?

- ✔ In addition to the cooperation with a recognized NPO (World Hunger Aid) as well as the consistently pursued brand strategy and credible positioning as mineral water, which not only tastes well but also achieves good results, the target group-specific 360-degree communication has also contributed significantly to the success of the brand. Thus, in order to reach the younger target group of Generation Z, classic television advertising or print ads were deliberately omitted. Instead, unconventional off- and online CRM activities in "iconic" environments in the fields of sports and music have achieved a high level of brand awareness and high identification. In this way, numerous volunteer supporters of the project were recruited. This approach was accompanied by numerous social media activities. In similar market constellations and framework conditions, this concept has already been successfully implemented in several other countries.

Answer to Question 2: Transferability to other FMCG market segments with other SDGs.

Considering other Sustainable Development Goals (SDGs), in which other fast-moving consumer good (FMCG) market segments such business case might be conceivable and could be similarly economically successful?

- ✔ In addition to the support of the Sustainable Development Goal (SDG) No. 6 "Clean water and sanitation for all," possibilities can be found also for some other SDGs to proceed in the same way. The decisive factor here is that the selected product first fits the content of the target to be supported and then the offer is positioned accordingly uniquely but credibly. For example, in order to support the SDG No. 4 "Quality education for all," learning aids such as textbooks, vocabulary books, calculators, or language courses for a young target group could be branded in a trendy way and supported with appropriate CRM measures. Or the SDG No. 14 "Life below water" – or more precisely "to conserve and sustainably use the oceans, seas, and marine resources for sustainable development" – can be brought into the consciousness of younger target groups by, e.g., a fresh, young ice cream, cola, or sweets brand.

- ✔ Although the possibilities seem unlimited, success ultimately always depends on the respective competitive situation as well as the own consistent and target-group-oriented implementation of the measures.

Answer to Question 3: Further development of CRM for Viva con Agua.

How could Viva con Agua's CRM further be developed in order to generate additional growth and establish the offer as a social top-of-mind brand in a highly competitive market? Short term and in the long term?

- ✔ Several alternatives could be considered in order to achieve further growth for Viva con Agua and to support additional projects. On the one hand, e.g., the geographical scope could be further expanded, i.e., the internationalization strategy which has already started will expand to other countries. On the other hand, an increase in the distribution rate within the markets already worked on could also contribute to further growth. Finally, an additional expansion of the product portfolio – whether as additional flavors of the mineral water offer or as further diversification even beyond the toilet paper brand Goldeimer (gold bucket) – would be conceivable. The latter, however, is rather a long-term approach.

26

? Suggested Work Assignments

1. Explain why Viva con Agua has been so successful so far?
2. Develop expansion options (e.g., product offering and/or CRM activities) for Viva con Agua to support the UN SDG of better drinking water supply even more powerful than before.
3. Analyze whether Viva con Agua's approach could also be successful in other countries than Germany.
4. Write a one-page statement for another NPO that you know which would be able to develop its activities for a similar target group.

26.10.5 Analysis

■ To assignment No. 1: Food for thought

Often success has many fathers. However, the following can be named as the main reasons for the success of Viva con Agua.

On the one hand, the founding idea is already suitable for being told credibly. With the initiator, the ex-professional footballer Benjamin Adrion, many of the first customers were able to identify themselves, especially since his former football club 1. FC St. Pauli has a cult status in the region.

In addition, there is a content-related fit between the offered product mineral water and the supported projects, all of which follow the call “Drinking water for all!”. Welthungerhilfe, as an experienced NPO partner at its side, provides the necessary additional credibility for such projects. But also the cooperation with Drink and Donate has also made its contribution to success.

Another important success factor is certainly the consistent focus on rather younger target groups (here, Gen Z), which are hardly reached through conven-

tional charity programs. The trendy lifestyle brand positioning, which is precisely tailored to this target group, as a hip product alternative to conventional mineral waters from the large global players, and their adequate communication, both offline and online, hit their nerve. In addition, the use of bottle labels as carriers of the communicative core message, i.e., the interplay of bottle, contents, and bottle label, and therefore the use of the bottles as “liquid flyers” have further facilitated Viva con Agua’s success.

As a result, a larger number of volunteer supporters of this project could be found relatively quickly, who, as multipliers and testimonials, carry on the message of Viva con Agua. In this respect, the commitment of multipliers and the viral effects thus generated can be described as the actual recipe for success of Viva con Agua.

■ To assignment No. 2: Food for thought

In order to expand further, additional product offerings as well as other CRM activities can be made. Of course, both can also be combined. Without claiming to be complete, the following examples of additional product offerings might be considered: more taste and design variants of the offered product mineral water. But also – following the example of Goldeimer – product offers from other product categories that address the topic of WASH would be conceivable, e.g., hygiene products from soap and shower gel to toilet cleaner and disinfectant. However, the further away the product category from the topic of water, the less recommended it would be to sell this offer under the original Viva con Agua brand.

But also additional CRM measures could potentially lead to further growth. For example, an attempt could be made to attract other major sporting events and cultural events to the sale of Viva con Agua in addition to football and music events. But also further cooperations could be made, e.g., with gastronomy chains with a healthy claim (for burger, pizza, etc.) where available. However, it would be important to ensure that the necessary brand fit is given when selecting the right cooperation partners – because nothing would do more harm to the Viva con Agua brand than to lose its cult status because it goes too close to the conventional food industry, for example.

■ To assignment No. 3: Food for thought

Proven instruments such as PESTEL analysis, as well as the STP model, can be used for the country-specific market analysis. The acronym PESTEL stands for the analysis of political, ecological, social, technological, economic, and legal influencing factors. The abbreviation STP, on the other hand, stands for segmentation, targeting, and positioning. In order to be able to assess whether marketing or CRM concepts are ultimately also transferable to other countries, it is particularly important to carry out a sufficient target group analysis as well as a market or competition analysis in the respective country and, if possible, to identify relevant customer needs, which are not yet (sufficiently) satisfied.

■ To assignment No. 4: Food for thought

In this assignment, it is important to show a good understanding of the target group – not only in sociodemographic terms but also and above all in psychographic terms – and thus to establish a connection between existing NPOs or NGOs and younger target groups. As long as the student belongs to the younger target group, NPOs which he or she can identify with may of course also be taken into account.

26.11 Chapter 11: TOMS: “We Are in Business to Improve Lives”

M. Victoria Carrillo-Duran and Ana Castillo-Diaz

26

26.11.1 Synopsis

This case focuses on the TOMS company as a paradigm of application of the “buy one give one” model. TOMS has applied this model since the firm’s creation (2006). Throughout its history, there has been a clear evolution in three phases: initial phase of classical application of the “buy one give one” model (making donations of products based on sales), a phase of a slight evolution from the initial model (starting in 2014) in which new products are included and the unit sold does not always coincide with the unit donated, and the current phase (starting in 2015) in which the model is made more flexible through the creation of a donation fund that provides aid based on the profits the firm obtains. Currently, TOMS is successfully managing to combine the classical “buy one give one” model with more sophisticated formulas.

26.11.2 Potential Audience and Instructor’s Material

This case has been developed to be used in the context of the book *Cause-Related Marketing: Case Studies from a Global Perspective*. Its contents are suitable for the study, with a real and paradigmatic example, of cause-related marketing and, more specifically, the model of “buy one give one.” It can therefore be useful for undergraduate or graduate courses in Economics, Business, Marketing, or Advertising, among others.

Learning Objectives

The case is structured to attain the following objectives:

1. Reflect on the possible effect of the implementation of cause-related marketing actions oriented to the reduction of poverty, especially in underdeveloped and developing countries.
2. Identify the main advantages and disadvantages for firms of the “buy one give one” strategy.

3. Point out the main advantages and disadvantages for NGOs of the “buy one give one” strategy.
4. Analyze the application of the “buy one give one” strategy as an essential part of cause-related marketing for the TOMS firm.
5. Explore the evolution of the model applied by TOMS in its approaches to cause-related marketing and, in particular, of the “buy one give one” model.

26.11.3 Time Frame for Class Discussion

This case can be taught in one session of 75 min.

? Suggested Discussion Questions

1. From the context of cause-related marketing, would you say that the “buy one give one” model is a useful strategy to eradicate poverty? What other approaches to solving this problem might firms consider?
2. What would you say are the main advantages and disadvantages for firms of the “buy one give one” model? Do you think this is a valid model for any type of firm whatever? Is there a profile of firms that are better suited to this type of initiative?
3. What would you say are the main advantages and disadvantages for NGOs of the “buy one give one” model? Do you think this is a valid model for any type of NGO whatever?
4. What do you think are the main difficulties for the development of the “buy one give one” model implemented by TOMS? And the main advantages?
5. Do you consider the model’s evolution that was implemented by TOMS to have been fortunate? Reflect on the main reasons for that evolution.

26.11.4 Analysis

Answer to Question 1: *From the context of cause-related marketing, would you say that the “buy one give one” model is a useful strategy to eradicate poverty?*

- ✓ As analyzed, most of TOMS’ actions are carried out in underdeveloped or developing countries. In these cases, the “buy one give one” model can be useful to reduce poverty in the short term since it involves donating products (depending on sales), but it cannot fight poverty in the long term since it is not possible to guarantee the sustainability of the actions if the firms do not obtain sufficient benefits – in the case of TOMS, a minimum of 30%. Furthermore, poverty depends on other legal, political, and social factors that hinder more decisive actions.
- ✓ Therefore, in general terms, the contribution of TOMS usually counteracts the effects of poverty, but not its causes. These are actions that do not focus on the essence of the problems which trigger poverty, and the model is therefore often criticized in this regard.

- ✓ *What other approaches to solving this problem might firms consider?*
- ✓ In the case studied, the model has evolved into the creation of a donation fund that is nourished by the profits of the firm (1 out of every 3 dollars earned is donated) and that translates into investments which, with the support of partners who know the context well, contribute to alleviating poverty by addressing some of the root problems (such as aid for the access to electricity or to drinking water). With these types of initiatives, these countries are offered aid, not products (such as the basis of the traditional “buy one give one” model), specific solutions to tackle the base of the problems detected – lack of financing, lack of infrastructure, etc.
- ✓ Lastly, the donation fund also helps to alleviate other social problems linked to populations liable to social exclusion or victims of social problems indirectly linked to poverty, although not in underdeveloped countries.
- ✓ Firms like TOMS are not going to solve the problem of poverty without the help of governments and without a commitment to maintaining investments or to long-term supervision, maintenance, and control. These may be incompatible with TOMS’ profit motive, and which it has openly recognized as a limitation to its task of helping, in terms of giving while it continues to earn.

26

Answer to Question 2: *What would you say are the main advantages and disadvantages for firms of the “buy one give one” model?*

- ✓ The main advantages that firms can obtain from applying the “buy one give one” model are fundamentally the following:
 1. A priori it is a versatile model, easily adaptable to firms with different profiles, although it tends to be more easily applied to large firms that market consumer or fashion products where it is possible to obtain a significant margin. Therefore, firms with strong and consolidated brands can obtain higher margins than less well-known brands. Moreover, such a major brand can many times become a reflection of the causes supported by its customers and therefore enhance its customers’ identification with it and consequently the sales of these products.
 2. The “buy one get one” model is easy to explain, and, in general terms, stakeholders usually have positive responses to this type of action due to its direct application. For each unit sold, another is offered to some social cause, with the assistance of an intermediary organization. Sometimes, the donation-based models may be more complex for stakeholders to understand. In this regard, TOMS moved to this donation-based model when the application of the simplified model had been internalized by its customers, thus avoiding their complaining that the rules of the game had been changed. It must be kept in mind that it could be risky to eliminate the application of the traditional “buy one give one” model, since the customers may feel cheated if they lose the benchmark of why they buy a certain product.

3. Although a significant logistical effort is necessary, when a firm has partners with great knowledge and experience in managing the problems to be tackled, it may find it relatively easy to integrate its own resources into programs previously put into operation by those partners.

✓ Nevertheless, there are a number of issues that may be considered to be drawbacks, or at least difficulties, in the application of the “buy one give one” model for firms:

1. First, firms must ensure that the supported cause is consistent with their brand. A wrong selection of the cause could lead to efforts with futile, or even counterproductive, results for the firm.
2. The model involves some loss of total control of the aid, as it is managed through intermediaries (partners) already operating in the area. Therefore, a rigorous selection of partners is key in this model.
3. Another issue mentioned in the case is the difficulty of maintaining long-term profitability in this model. In this sense, some firms choose to make their products more expensive, reduce profit margins, or lower the quality of the donated products. In the first case, the public may not be willing to pay that extra amount to purchase the usual product. In the second and third cases, long-term sustainability might be compromised. In the case of TOMS, the evolution of the model prevented any decline in business profitability.

✓ *Do you think this is a valid model for any type of firm whatever? Is there a profile of firms that are better suited to this type of initiative?*

✓ Although, a priori, the versatility of the model makes its application possible for any firm, it is true that its implantation is commoner in large firms which sell consumer products or fashion and can obtain significant margins. As indicated, support for certain social causes can be a reason for the identification between the customer and the firm. Identifications of this kind occur more in the type of firms referred to above.

Answer to Question 3: *What would you say are the main advantages and disadvantages for NGOs of the “buy one give one” model?*

✓ NGOs can benefit from the application of the “buy one give one” model. These advantages include the following:

1. The aid received contributes to supporting their actions and may lead to improved attention in the areas (and problems) in which they operate.
2. The communication efforts firms make to promote their “buy one give one” actions can also benefit NGOs, giving greater visibility to the actions carried out in their various fields. Therefore, these alliances could serve to improve awareness of the NGOs and of the causes they are working for.

3. Beyond that, this visibility can serve for NGOs to attain a greater number of resources and volunteers, as well as to establish different types of association with other organizations working on similar causes or simply for those organizations to see fit to join forces.

✓ Despite all the advantages described, the model may entail some difficulties for NGOs:

1. Sometimes, it is possible that the NGOs, the entities who know in detail the context where the aid is being provided, have to work to resolve certain impositions on the part of the firms regarding the management of the aid.
2. Just as the NGOs can benefit from the results of corporate communication actions, it is true that an unfortunate action by the firms could also have negative consequences for the image and reputation of the NGO (although this may occur in either direction).
3. NGOs must submit themselves to the firm's control processes, which can cloud the number of resources allocated to this control, and increase the pressure on them.

26

✓ *Do you think this is a valid model for any type of NGO whatever?*

✓ In principle, any NGO which works with social causes and which can integrate into its aid model the product donations per unit sold could be suitable for participation in this type of initiative. However, as described in the case, organizations must have a number of features that each firm sets down and must also accept the particular rules of each firm. This limits the scope of the collaboration to large, broad-focus NGOs.

Answer to Question 4: *What do you think are the main difficulties for the development of the “buy one give one” model implemented by TOMS?*

✓ The main difficulties of TOMS are in the line of maintaining the model unchanged in the long run. As described in the text, because of the logistical difficulties, among others, implied in the continuity of the traditional model as the areas of aid expanded, TOMS has had to evolve toward a more flexible model involving a donation fund. Moreover, the donation of shoes (the initial axis of the model) is not an effective way to resolve the poverty of the receiving areas, and it is in that sense that TOMS has received criticisms.

✓ Another difficulty inherent in the model is to rigorously identify, select, and monitor the intermediary partners. TOMS works with more than 200 partners who collaborate in different aid areas (shoes, sight, water, safe births, electricity supply, and sundry types of aid). This large network obviously makes managing its donations more complex. To do this, TOMS has had to dedicate some of its own resources to the creation of a donations department that deals with all aspects related to these activities that the firm carries out.

- ✓ *And the main advantages?*
- ✓ As for the advantages that the “buy one give one” model brings to TOMS, one can highlight that the simple model was initially perfectly well suited to its business purpose (the sale of espadrilles). Likewise, the model allowed it to start its association with social causes that it has diversified over the years and that have allowed it to gain recognition and corporate reputation – intangible assets of great value for its brand and that continue to be made use of, even though the model has changed.
- ✓ Additionally, the products that were the object of donations following the pure “buy one give one” model (shoes, glasses, and water) were easily integrable into programs already set up by different NGOs with which TOMS partnered to make its donations.
- ✓ Finally, it should be recalled that the classic model was applied by TOMS ever since the firm’s beginnings (2006). This early and large-scale application by TOMS has allowed the firm to become the paradigm of application of the model. Despite this, as can be seen in the development of the text, the firm has evolved significantly to other forms of donation that deviate from the simplicity of “buy one give one” with which they still coexist.

Answer to Question 5: Do you consider the model’s evolution that was implemented by TOMS to have been fortunate? Reflect on the main reasons for that evolution.

- ✓ As indicated above, the “buy one give one” model has to face a fundamental criticism – this is the lack of impact it has on the roots of the problems it is trying to help solve, because of being so much on the symptomatic side. In this sense, in the third stage indicated in the text, TOMS began on a process of diversification while maintaining its “buy one give one” actions (shoes, water, and glasses). Thereafter (the announcement was made in 2019 although diversification was already appreciable from 2015 onward), it has focused on the creation of a donation fund (one-third of the net profits) and giving its customers a voice in deciding the destination of the donations. The modus operandi then shifted to the next chain: identify the problem, select the partner NGO, and offer an annual donation to the chosen cause.
- ✓ TOMS’ evolution seems to be appropriate because its system has progressed, without losing profitability, toward a model that allows action on the axis of the problems rather than just on their consequences. Neither has TOMS abandoned its original “buy one give one” actions which made it popular and are part of its brand identity.
- ✓ Another successful aspect of the evolution is the diversification of actions; although they correspond not to cause-related marketing but rather to social responsibility, they demonstrate the firm’s commitment to society and to its employees by giving its staff the possibility to choose and even participate in aid actions. This invitation

can without doubt have positive consequences for the firm's business culture, allowing workers to, at their own request, associate themselves with the causes that the firm supports, thus reaching its internal stakeholders.

- ✓ Finally, the fact of polling its customers to decide on the destination of the donation fund is itself a decision that brings it closer to its stakeholders and to the causes that they identify as being truly important. This approach can help to strengthen the link between the firm and its stakeholders through the brand and enhance brand loyalty.

■ Suggested Assignment Questions

❓ *1. What can application of the “buy one get one” model contribute to a firm like TOMS?*

- ✓ (a) It allows the firm to associate itself with certain social causes. This generates a strong emotional bond with the organization. Although the model is criticized because of addressing only the symptomatic part of the problems, it benefits the organization's image and improves its social dimension especially in the short and medium terms.
- (b) This usually has good stakeholder acceptance and is a simple model to explain since the benefit is direct and clearly seen.
- (c) The fact of working with partners who are knowledgeable about the supported causes and their context guarantees success and visibility. In addition, it allows the firm to more safely integrate new forms of the model such as the incorporation of aid that comes from a donation fund rather than from the direct delivery of goods.

❓ *2. What do you consider to be the great milestones in the evolution of the model put into practice by TOMS?*

- ✓ One could say that the first milestone in this evolution was the actual launch of the “buy one give one” model in 2006. Since its foundation, the TOMS footwear firm represents one of the best known cases of the application of that model. At that time, following the visit of its founder, Blake Mycoskie, to Argentina, the firm launched the donation of a pair of espadrilles for each pair sold.
- ✓ The second milestone is the evolution from the traditional donation model based on the direct sale of products toward the creation of a donation fund, to which the firm allocates a third of its annual net profits. This makes TOMS' contributions much more flexible for adaptation to the different supported causes.
- ✓ This is the main change from the pure “buy one give one” model to a new version of the model within cause-related marketing, which above all involves the firm's customers in the selection of causes to support.

- ✓ Today, a large part of the monetary contributions to the donation fund are made based on the units sold, but the distribution of money to each cause is no longer always directly linked to a product line, as was initially the case with shoes, for example.

26.12 Chapter 12: Cause-Related Marketing Applied to Support Education in Tanzania: The Case of Tchibo

Answin Vilmar

26.12.1 Synopsis

Improving education and training opportunities for the population of less developed countries is one of the most important Sustainable Development Goals (SDGs) of the United Nations. Together with the aid organization Save the Children, the German coffee roaster and retailer Tchibo initiated an educational project for younger people, living in the Mbeya region in southwestern Tanzania.

This region is known for its numerous coffee plantations, but also for its very limited opportunities for young people to develop and train in a future-oriented manner. That is why this project supports to improve the general quality of primary schools and their teaching methods in the region. But it also aims to enable young people to train on site, for example, as carpenters or tailors.

As part of a cause-related marketing (CRM) campaign and to finance this project, 10 cents for every pound of coffee sold – the normal size of coffee packs in retail stores in Germany – will be transferred to a specific training program into the region.

26.12.2 Potential Audience and Instructor's Material

This case study is suitable for deepening special marketing applications. In particular, it can be used to illustrate the social role that marketing can play beyond the usual 4Ps or 7Ps model approach. The case study can be used in marketing-oriented bachelor's and master's programs.

Learning Objectives

The case is structured to achieve the following objectives:

1. To understand some of the peculiarities in Tanzania's school education compared to more developed countries such as Germany and other countries
2. To understand the contribution a fast-moving consumer good company such as Tchibo can make to support the families in Africa and to improve the educational conditions for their children

3. To be able to identify relevant success factors for cause-related marketing campaigns (CRM) in general
4. To understand the different added values of CRM campaigns for the various stakeholders involved

26.12.3 Time Frame for Class Discussion

This case can be taught in a session of 90 min but with additional homework positions can also be spread over several sessions.

? Suggested Discussion Questions

1. In 2010, Tchibo was accused of not doing enough against child labor on the plantations of its suppliers (Müller, 2019, p. 94). Could the engagement in Tanzania therefore seem like “green- respectively whitewashing”?
2. How could the optimal donation amount per unit of “Privat Kaffee” be calculated respectively set by Tchibo?
3. Which additional aspects of the campaign described can be further optimized in the future, if necessary?

26.12.4 Analysis

Answer to Question 1: *In 2010, Tchibo was accused of not doing enough against child labor on the plantations of its suppliers (Müller, 2019, p. 94). Could the engagement in Tanzania therefore seem like “green- respectively whitewashing”?*

- ✓ The accusation of greenwashing would be substantiated if the company’s CRM activities were geared, in particular, to the broad perception in the target group in the home market, if the measures themselves were to be implemented only very superficially and if they did not also keep an eye on the long-term success of the educational recipients. In the present case, however, both the long period of support and the transparent reporting of the results of success plus the cooperation with a recognized NPO are likely to quickly disprove this suspicion.

Answer to Question 2: *How could the optimal donation amount per unit of “Privat Kaffee” be calculated respectively set by Tchibo?*

- ✓ As a rule of thumb, it has proven to be a maximum of approx. 5% of the product price for CRM measures for products of daily use. The following applies: the lower the absolute product price, the sooner the donation amount should be stated as a percentage of the total price. The higher the absolute product price, the more likely it is to show the donation as an absolute amount. In the example above, 10 cents will be donated from the retail price of 5.99 euros. This corresponds to a share of just under 1.7%. In this respect, the amount of donations – if you only take the view of the CRM – could also be increased to up to 30 cents. That would corre-

spond to approximately 5% of the selling price. In addition, pricing and its communication can be decisive for success if the measure financed by the respective donation is specifically identified by the consumers. For example, with the purchase of three coffee packages, one textbook can already be financed in the supported project.

Answer to Question 3: *Which additional aspects of the campaign described can be further optimized in the future, if necessary?*

- ✔ The following options can be considered as optimization suggestions – without claiming to be complete:
 - Reporting on individual learning practices in the region, which can lead to an even greater identification with the CRM measure
 - Extension of CRM activity to other coffee-growing regions (Note: This is already done by Tchibo, but can further be extended)
 - Expanding communicative activities in other media channels (not just print), in particular increasing the use of additional social media measures to increase consumer engagement with CRM activities

🔍 Suggested Work Assignments

1. Describe what conditions must be met within the framework of CRM activities, so that consumers can draw an additional “moral added value” (good feeling, pure conscience, etc.) from it.
2. Explain what should be taken into account when selecting suitable partner companies or partner organizations in order to make planned CRM campaigns successful.
3. In spite of the success of the CRM case study described, discuss where further potential for optimization can be seen.
4. Write a short (about ten lines) statement about how the two cooperation partners Tchibo and Save the Children could possibly further expand their joint CRM activities in the future.

26.12.5 Analysis

To Assignment No. 1: *Describe what conditions must be met within the framework of CRM activities, so that consumers can draw an additional “moral added value” (good feeling, pure conscience, etc.) from it.*

- ✔ Credibility, transparency, and comprehensibility of a CRM activity are decisive factors in ensuring that the target groups addressed can not only derive the de facto benefits of the original range of services but also additional moral added value from the overall offer. After all, people who are open to CRM activities do not act according to a homo economicus cold benefit calculus, but want to identify with the measure. In times of “green- respectively whitewashing” and embellished appearance of marketing, a basic honesty of the offer and authenticity in communication are important success factors.

To Assignment No. 2: *Explain what should be taken into account when selecting suitable partner companies or partner organizations in order to make planned CRM campaigns successful.*

- ✓ The results of numerous studies on brand alliances and cooperation marketing suggest that the creation of a project-related requirement profile and the systematic pre-selection of suitable partners contribute significantly to success. Such a profile may include Dos and Don'ts, which a future cooperation partner must bring with him. Furthermore, the requirements of potential partner companies should be neatly identified in terms of their customer benefit, brand/image, strategy/target group, and culture/cooperation. In addition, the willingness to develop a common concept in detail facilitates further cooperation and ultimately the success of the CRM campaign.

26

To Assignment No. 3: *In spite of the success of the CRM case study described, discuss where further potential for optimization can be seen.*

- ✓ In addition to the previous communicative activities, e.g., at the point of sale, and an extension of the CRM campaign in social media channels, a price demand elasticity test could explore the optimal pricing in the sense of maximum price readiness of the target group.

To Assignment No. 4: *Write a short (about ten lines) statement about how the two cooperation partners Tchibo and Save the Children could possibly further expand their joint CRM activities in the future.*

- ✓ An initial Internet search quickly reveals that the partnership between Tchibo and Save the Children was not limited to Tanzania, but also includes other coffee-growing regions such as Guatemala. In addition, further joint projects would be conceivable, even beyond education and training. Provided that the same target groups or groups of beneficiaries are taken into account, this also facilitates their implementation, because it can be built on what already exists.

26.13 Chapter 13: “Buy a Pen, Donate a Pen”: A Case Study About the Power of Congruence and Simplicity in Online Cause-Related Marketing

Daniel Belanche

26.13.1 Synopsis

“Buy a pen, donate a pen.” Using this simple slogan, BIC, the French pen and stationery product manufacturer, has contributed to the education of children at underprivileged schools around the world since 1958. This case study analyzes a

cause-related marketing campaign developed by BIC and Red Cross Spain in summer 2019. The campaign was undertaken entirely online, through the company's e-commerce site on the Amazon platform. For each pack of pens bought by Spanish-based customers, BIC donated a pen to children in poverty in Spain.

This chapter highlights the key aspects of the campaign that contributed to its success. The congruence between the brand's core business (i.e., pens) and the cause (i.e., education), which fits within a wider corporate social responsibility plan, helped increase its authenticity and credibility. The simplicity of the slogan favored its understanding across a wide spectrum of potential customers. In turn, collaborating with big allies such as the Red Cross and Amazon enhanced the brand's image. Finally, conducting the campaign entirely online helped in its management in terms of how long it lasted and in reduced costs in promotional materials and stock control.

26.13.2 Potential Audience and Instructor's Material

The case study has been developed for use in undergraduate courses on "Communications" or "Nonprofit Marketing" in Marketing or Business Programs, but it could be also appropriate for students of MBA and Executive Development Programs introducing cause-related marketing. The case introduces cause-related marketing from its basics and describes how to manage these kinds of marketing campaigns; thus, the case focus is on strategic marketing and communication management.

The case discusses a recent example of cause-related marketing, the BIC Iberia 2019 "Buy a pen, donate a pen" campaign. The document describes the main features of the campaign and how they contributed to its success. The case can be used to both introduce cause-related marketing to students unaware of this type of campaign and to focus on the specific aspects that need to be managed when undertaking these campaigns to better achieve brand positioning and sales goals.

Learning Objectives

The main learning objectives to be achieved in this case study are the following:

1. To understand the concept of cause-related marketing (CRM) as a sales campaign based on solidarity values that benefit its various stakeholders
2. To examine and describe the details of the BIC Spanish 2019 "Buy a pen, donate a pen" campaign, a prototypical modern example of online CRM
3. To analyze the congruence between CRM and a firm's core business as a strategy useful for integrating the CRM into company positioning and corporate social responsibility
4. To analyze how the simplicity of a campaign message and a focus on a specific cause can contribute to the success of CRM communications
5. To explore how establishing alliances with reputable partners benefits brand image
6. To analyze how the use of the online Amazon store as an exclusive distribution channel affects the management of, and increases control of, this type of campaign

26.13.3 Time Frame for Class Discussion

This case can be taught in one 90-minute session.

? Suggested Discussion Questions

1. Was BIC committed to educational causes before creating their formal corporate social responsibility plan? What other initiatives to improve children's education is BIC carrying out?
2. Do you consider that CRM-based in-kind donations are more effective than monetary donations? Why? In which cases should monetary donations be the preferred alternative?
3. Do you think that firms should continue using simple CRM slogans? Think about a different slogan that fits well with the BIC Spanish campaign or with a similar campaign in your country.
4. What type of allies should companies choose when collaborating in CRM campaigns? Why?
5. What are the benefits of conducting CRM campaigns exclusively in an online store? Would these advantages exist if the campaign was conducted exclusively in an offline channel?

26

26.13.4 Analysis

Answer to Question 1: *Was BIC committed to educational causes before creating their formal corporate social responsibility plan? What other initiatives to improve children's education is BIC carrying out?*

- ✓ Yes, the company's commitment to the education of unprivileged children started in Africa in 1958. Interestingly, BIC's contribution to education at that time was already using the slogan "Buy a pen, donate a pen," indicating that this initial cause-related marketing campaign may be the origin of the company's current commitment to education. Indeed, its corporate social responsibility plan is relatively new, having been launched in 2011. There are many; they involve employee voluntarism and money and in-kind donations to improve the education of needy children. BIC aims to donate a 1% of its profits to educational programs by 2025.
- ✓ Every year the company celebrates "Global Education Week" simultaneously in different countries. During that week, various actions are carried out in each country (collecting and distributing books, refurbishing libraries and classrooms, career fairs, and raising thousands of dollars for children in need).
- ✓ BIC also created the BIC Corporate Foundation in 2017. This Foundation annually finances projects to support local institutions developing innovative social initiatives to promote education worldwide.

Answer to Question 2: *Do you consider that CRM-based in-kind donations are more effective than monetary donations? Why?*

- ✓ In-kind donations may be more effective than monetary donations because they help customers to observe the direct help provided to the beneficiaries (i.e., they do not receive money, but specific items, food, etc.). In addition, they avoid the negative connotations related to money given as charity from richer to poorer people. In other words, in-kind donations identify the customer with the beneficiaries (the purchase of an item results in the donation of the same item to a person who may need it, but cannot afford it). In the case of BIC, the donation of pens (a basic stationary product that everyone should have access to) represents a clear action to improve the educational and development opportunities for underprivileged children. Moreover, the name and brand logo appear on the donated material, and thus consumers and others may become aware of the company's support to the cause.
- ✓ Thus, in-kind donations may be more effective when a company produces goods or services that are needed by specific underprivileged groups (e.g., food, energy, educational materials, health materials, etc.). If these companies' customers are consumers of the donated products, the purchase of the product could be seen by them as linked to the donation of a similar item, which can create identification with the donee, and the very simplicity of the exchange could evoke in the customer perceptions of effectiveness. Alternatively, in-kind donations may be perceived as more appropriate when the campaign goal is to address a specific problem that needs a particular product (e.g., vaccines).
- ✓ *In which cases should monetary donations be the preferred alternative?*
- ✓ Monetary donations might be more appropriate when the company produces goods and services unrelated to the specific needs of potential beneficiaries (e.g., luxury products). Monetary donations are also useful when they contribute to a general program requiring funds and are appropriate in circumstances where help cannot be provided by donating a specific product (e.g., research funds needed to combat a disease). In these cases, donating a percentage of the product price could be an appropriate alternative. The transportation costs of some in-kind donations are very high; in these cases, providing monetary help may also be a better alternative.

Answer to Question 3: *Do you think that firms should continue using simple CRM slogans?*

- ✓ The BIC slogan "Buy a pen, donate a pen" appeals because it is direct, easy to understand, palatable, and catchy. It also includes a call to action, which increases its commercial efficacy. Simple, short, direct slogans have long been used in advertising and marketing communications. Today's customers are daily exposed to many commercial stimuli, so catchy and easy-to-understand slogans are more than ever appropriate. On the other hand, today customers demand more information

about the products they are considering buying and the marketing campaigns that promote them. Despite the simplicity of slogans, detailed information must be provided on the company website to clarify any aspect of a CRM campaign or any other kinds of commercial communication.

- ✔ *Think about a different slogan that fits well with the BIC Spanish campaign or with a similar campaign in your country.*
- ✔ In the campaign analyzed in the case study, BIC donated one pen for every pack of pens bought by customers; thus, “Buy a pen, donate a pen” may be inaccurate. An alternative slogan might be “One pen for every child.” Given that the campaign was conducted during the northern summer, another alternative may be “Donate a pen to start the academic year.” The global slogan used by BIC to further their educational goals may also be effective in country-specific campaigns: “Writing the future, together.”

26

Answer to Question 4: *What type of allies should companies choose when collaborating in CRM campaigns? Why?*

- ✔ Companies should choose allies that can help them achieve the goals of their CRM campaigns. For instance, the NGO receiving the monetary or in-kind donation should be reputable and make an undoubted contribution to the well-being of society. Collaboration with an NGO brand with a low reputation might damage the image of the firm. In the BIC campaign, the principal collaborator was the Red Cross, whose reputation and work is well-known and unquestioned by society.
- ✔ Companies developing CRM campaigns may need the complementary support of big partners to help them broadcast the campaign among target customers. Lack of support from distribution or communication partners may result in campaign failure. BIC Iberia developed its Spanish 2019 campaign with Amazon, the most popular and powerful global e-retailer, which contributed to it achieving its sales goals.

Answer to Question 5: *What are the benefits of conducting CRM campaigns exclusively in an online store? Would these advantages exist if the campaign was conducted exclusively in an offline channel?*

- ✔ Conducting the activity exclusively through the online channel helps in planning and controlling campaigns. Specifically, it allows managers to set the exact period of the campaign and the quantity and kind of products they use in the activity. Using the online channel can also help companies access new customers (e.g., organizations that make their purchases online, younger technology users, etc.).
- ✔ Traditional CRM campaigning using offline channels can also be useful. However, this involves some problems, such as the costs related to the adaptation of packaging and in-store advertisement materials and handling excess campaign materials after the established time interval has elapsed.

26.14 Chapter 14: Bank Positioning and Cause-Related Marketing: The Case of Contactmore by ING

Belén Ruiz and Juan A. García

26.14.1 Synopsis

This case concerns cause-related marketing (CRM) in the banking industry. The specific aim is to evaluate the implementation and results obtained by ING Bank in a CRM campaign, namely, *Contactmore*. This campaign used an integrated marketing communication (IMC) strategy that included a microsite, video, social networks, blog post, publicity, and permission marketing. This case also explores to what extent the *Contactmore* campaign was successful at improving the positioning of ING as regards both corporate social responsibility (CSR) and corporate reputation and attempts to identify possible improvements that could have been made to the IMC strategy used. The data concerning estimated traffic, visitor engagement, and inbound links related to the microsite and the video views, likes, and comments show that the popularity of the *Contactmore* campaign was limited and that several strategic and operational aspects could have been improved. This last circumstance is ratified by the fact that the amount donated by ING represented less than 50% of the maximum donation planned by the bank.

26.14.2 Potential Audience and Instructor's Material

This case has been written for use on “Strategic Marketing,” “Social and Cause-Related Marketing,” or “Marketing Communications” courses and is appropriate for advanced undergraduate courses, master’s degree programs, and MBA and Executive Development Programs. The case is appropriate for those courses that deal with “brand positioning and cause-related marketing” and for specialized modules focusing on integrated marketing communications (IMC).

Learning Objectives

The main learning objectives of the case are:

1. To analyze the appropriateness of a cause-related marketing (CRM) strategy in order to attain a desired positioning in the banking industry
2. To identify possible ways in which to improve the integrated marketing communication (IMC) strategy employed to promote CRM campaigns
3. To understand how CRM can be applied and its relevance in the banking industry from a global perspective
4. To explore the utility and perception of CRM from the bank customers’ point of view

26.14.3 Time Frame for Class Discussion

This case can be discussed in one session of 90 min.

? Discussion Questions

1. What strategic objectives led ING to launch the *Contactmore* campaign? How would you evaluate the results of this campaign?
2. What contextual factors explain the results of the *Contactmore* campaign?
3. How could the integrated marketing communication (IMC) strategy employed to promote the *Contactmore* campaign be improved? What specific tools and media could be redesigned to improve the results?
4. What do you think is the utility for the bank customers participating in a cause-related marketing (CRM) campaign? How do bank customers perceive this type of social marketing actions?

26.14.4 Analysis

Answer to Question 1: *What strategic objectives led ING to launch the Contactmore campaign?*

- ✓ This case shows that ING has the worst positioning among the most important Spanish banks as regards both corporate social responsibility (CSR) and corporate reputation. It also shows the direct relationship between these intangible resources in the Spanish banking industry, in such a way that the better the CSR, the better the corporate reputation.
- ✓ With regard to the Spanish financial market, ING is recognized as the bank with the lowest commissions and that with the best interest rates on the financial market, while Triodos Bank is positioned as a transparent and ethical bank that attempts to achieve social, environmental, and cultural change. However, ING and Triodos Bank are not well positioned in terms of CSR. This could mean that helping customers during the course of their main commercial business is not sufficient for them to be seen as responsible banks, since it is necessary to make specific investments in social issues not related to the commercial advantages of bank products for customers. In this respect, the *Contactmore* campaign should have associated ING with social causes that were unrelated to its commercial activity, which should probably have improved ING's positioning as a responsible bank.
- ✓ Nevertheless, the purpose of this campaign could also have been to enable ING to boost the use of its debit/credit cards, which are not one of its most popular products owing to the following two circumstances related to the bank's development in Spain.
- ✓ First, it is interesting to note that ING came into being and grew on the Spanish market thanks to the attractive interest rates provided for savings and credit prod-

ucts, but it has experienced difficulties in becoming the only bank for its customers owing to the absence of brick and mortar branches that facilitate operations at automated teller machines (ATMs), among others. Although ING has alliances with other physical banks that allow the use of ING's debit/credit cards at their ATMs, ING's clients apparently prefer to use the debit/credit cards from other financial institutions to carry out their usual ATM operations at branches clearly associated with their debit/credit cards. ING customers are consequently not used to using ING cards, either at ATMs or when making other transactions.

- ✔ Second, ING acted as a second bank for its customers when it began its activity in Spain. ING used to offer credit and debit products, but its clients had to have another bank to carry out the usual operations, such as those related to the debit/credit cards. This dependence on the other bank is linked to the small extent to which ING introduced the use of the Internet and smartphones for the first half of the 20 years that it has been present on the Spanish market. As new technologies and purchasing habits have advanced, ING has attempted to progress in order to become its customers' main bank, but for this to occur, its oldest clients would have to change their habits related to the use of bank cards from other banks. This is another reason why ING, therefore, currently stands out as regards its debit (especially mortgages) and savings products and not so much for the introduction of its debit/credit cards.
- ✔ **How would you evaluate the results of this campaign?**
- ✔ The results of the *Contactmore* campaign did not seem to be very satisfactory for ING owing to the fact that its capacity to achieve the objectives discussed above was limited. The achievements of the *Contactmore* campaign were generally modest, especially when considering that once the campaign was over, the amount donated by ING, which was linked to the 1% of the purchases made by customers (i.e., 56,347 euros), represented 49% of the maximum donation planned by the bank (i.e., 115,000). This indicates that the customers who participated in the *Contactmore* campaign spent about 5.6 million euros with their ING credit/debit cards between December 2, 2019, and January 15, 2020.
- ✔ With regard to the integrated marketing communication (IMC) strategy designed by ING, ■ Table 26.1 shows a summary of the key performance indicators (KPIs), presented throughout the case, regarding the marketing communication activities, tools, and media employed to promote the *Contactmore* campaign. From an operational point of view, the data concerning estimated traffic, visitor engagement, and inbound links related to the microsite were poor. Video results in terms of views, likes, and retweets/times shared also indicated limited popularity and engagement levels, especially on Twitter and Facebook. Third-party content generated on social media and in the form of press releases was also sparse, and almost all of it was published at the beginning of the campaign.

Table 26.1 KPIs of the IMC strategy employed to promote the *Contactmore* campaign

Marketing communications activity/ tool/medium	Key performance indicator (KPI)	Performance at the end of the campaign
Microsite	Position in Alexa rank	2,561,391
	Inbound links	67
Video (YouTube)	Views	1.3 million
	Likes	16
	Dislikes	1
Video (Twitter)	Views	8,500
	Likes	22
	Retweets	8
Video (Facebook)	Likes and loves	50
	Dislikes	29
	Times shared	20
Social networks (content generated by users, media, and UNICEF)	Posts made by users	23
	Posts made by media	4
	Posts made by UNICEF	1
	Likes/posts	1.85
	(retweets + times shared)/posts	0.70
	Comments/posts	0.07
	Sentiment: persuasive	64%
	Sentiment: informative	29%
Sentiment: negative	7%	
Blog and publicity	Press release published	9
Permission marketing	Call to action clicks	Not available

Answer to Question 2: What contextual factors explain the results of the *Contactmore* campaign?

- ✓ Regardless of the IMC strategy designed, several contextual factors could explain why the results of the *Contactmore* campaign were not as expected. Firstly, the banking industry in general has serious reputational problems, which may lead consumers to distrust cause-related marketing (CRM) to a certain extent. It should be borne in mind that ING used this campaign principally for its own commercial interests (i.e., to increase the use of credit/debit cards). In fact, some comments on

social networks pointed in this direction and criticized, for example, the insignificant percentage donated by ING for each purchase. Secondly, the use of CRM is not common in the banking industry, at least in Spain at the present time, and the consumer is not familiar with this type of campaign. For example, CaixaBank, Santander, and BBVA carry out their social and philanthropic activities through their own foundations, which are separated from their main business activities. Third, many of the credit/debit cards are linked to loyalty or partnership programs (e. g., service stations, hypermarkets, or airlines), and this supports a situation in which those consumers who are less concerned about social problems choose which credit/debit card to use according to their own interest. Additionally, there is an intense competence in the banking industry with regard to payment products, and ING's market share is limited.

Answer to Question 3: How could the integrated marketing communication (IMC) strategy employed to promote the *Contactmore* campaign be improved?

- ✔ The *Contactmore* campaign included a cohesive combination of marketing communication activities, tools, and media. Nevertheless, several of the strategic and operational aspects of the *Contactmore* campaign could have been improved.
- ✔ Possibilities for improvement have been detected in the media plan of the IMC strategy, particularly as regards owned media (i.e., ING's level of activity with regard to the *Contactmore* campaign was very low as regards both the corporate blog and corporate social networks) and earned media (i.e., the content generated in social networks by users, media, and UNICEF was extremely scarce, and the ability to generate publicity was also limited). Nor should it be forgotten that (1) the IMC strategy was based principally on online media, with little presence in traditional mass media (e.g., television or newspapers), and (2) the creative proposal employed a play on words as a slogan or claim, consisting of an English word (*Contactmore*) and a technological term (contactless), in a country whose main language is not English. These circumstances could have limited the population reached to a younger segment. It would, therefore, be advisable to review both the media plan and the creativity of the campaign to reach a wider audience.
- ✔ **What specific tools and media could be redesigned to improve the results?**
- ✔ Some of the improvements that could be made to redesign the different tools and media are the following:
 5. Microsite: create a more interactive website; include information in real time about the amount collected; publish messages for consumers thanking them for their collaboration; and include more details on how the campaign contributes to UNICEF's *Power for Youth* program.
 6. Video and social networks: interact more with users on social networks (liking, sharing, and commenting on their posts related to the *Contactmore* campaign) and involve UNICEF in the campaign to a greater extent.

7. Blog and publicity: use the “En Naranja” blog more intensively (by, e.g., reporting how *Power for Youth* improves children’s quality of life or publishing partial reports on the evolution of donations), and publish a press release concerning the results of the campaign.

Answer to Question 4: *What do you think is the utility for the bank customers participating in a cause-related marketing (CRM) campaign?*

- ✔ Customers participating in this campaign may have felt satisfaction about having contributed to a social cause without making any personal effort and with a minimum amount of economic spending, as usually occurs with CRM campaigns.
- ✔ The satisfaction of the customers participating in the *Contactmore* campaign may have been owing to their familiarity with a social cause focused on children. The context of the social action could have helped the success of this campaign among these customers, since it took place at Christmas when people are more sensitive toward others, especially children. At Christmas, people tend to feel a certain amount of guilt related to spending too much money, and those of ING’s customers who paid with an ING card might have felt less guilty during their excessive consumption if they thought that it was also contributing to improving the lives of the most disadvantaged.
- ✔ Familiarity and the customers’ identification with UNICEF may also have been another reason for the customers’ willingness to participate. It is important to highlight that the NPO collaborating in this campaign is one of the best known, both in Spain and worldwide.
- ✔ **How do bank customers perceive this type of social marketing actions?**
- ✔ There are two kinds of reactions. On the one hand, there are the positive reactions from customers who feel satisfied about being the customers of a bank that is collaborating with a particular social cause. Of these customers, there are those who decide to participate in that social action and those who do not participate in the campaign. The first group decides to participate actively and is probably particularly satisfied about having the opportunity to be socially responsible thanks to the means provided by their financial institution. The second group may not be willing to pay the initial donation or they are not willing to spend the time required to arrange this initial operation. In both cases, the campaign would have a positive influence on the customers’ attitude toward the bank, and in the first case, it would also have an influence on the customers’ behavior.
- ✔ On the other hand, there are the neutral or negative reactions from customers who do not feel satisfied about being asked to participate in the campaign. Of these, there are those who are indifferent to socially responsible actions and those who are skeptical as regards the campaign. In both cases, their attitudes are not positive, and the campaign would not have an influence on their behavior since none of

them would participate in the campaign. The skeptical customers may doubt the credibility of this social initiative since they may not understand the fit between the cause and their bank. In the case of ING, these types of customers could have perceived that the motivation behind this campaign was ING's business interests. They could, therefore, have reacted negatively because they considered that it was not ethical but opportunistic, given that the more ING's debit/credit cards were used, the greater was the contribution to the cause. Another possibility is that some of them may not have felt familiar with the cause or did not like the nonprofit organization participating in this campaign.

- ✔ Unlike the *Contactmore* campaign carried out by ING, CaixaBank launched a social campaign in the same period that had no relationship with its commercial products. This campaign, called the *Tree of Dreams*, was an initiative that was intended to enable more than 21,000 children at risk of social exclusion to receive a gift during the Christmas holidays. Each *Tree of Dreams* was made of recycled cardboard, was about two meters high, and contained 20 balls. Each ball had the name and age of a child written on it. All these children had written a letter asking for a gift, a toy, clothes, etc., and that would be the gift that would be bought for the child. That is, each child would receive the gift they had asked for. The Trees of Dreams were installed in many of CaixaBank's offices and the gifts had to be left under them. The customers had to spend a maximum of 40 euros on each gift. This entity develops its own social action within its socially responsible banking model, in which it promotes volunteering and channels solidarity. This campaign was not linked to the use of any of the bank's commercial products, and the business interest behind this campaign was not, therefore, as evident as that of ING. The CaixaBank campaign was, therefore, able to leverage the advantages of the ING campaign and reduce the possible negative effects on the most skeptical customers.

26.15 Chapter 15: Cause-Related Marketing in Retail E-Commerce as Support for the Sustainability of the University: The Case of Amazon and University of the Andes (Colombia)

Anibal E. Toscano-Hernandez, Luis I. Alvarez-Gonzalez, and M. Jose Sanzo-Perez

26.15.1 Synopsis

In the race to improve productivity and competitiveness in world markets, businesses have increased its interest in becoming more and more involved in higher education. In this sense, the strengthening of the university-business relationship has been identified as a priority for higher education, given its potential to improve competitiveness and sustainability of universities.

In effect, given the importance of universities as a strategic engine of economic development of any country, this case focuses on the specific relationship between Amazon and the University of the Andes, located in Bogotá (Colombia), and demonstrates the opportunity to position the university as a reference partner in the use of cause-related marketing (CRM) for businesses.

This case aims to show how CRM can implement actions of profit-seeking business toward the promotion of sustainability in higher education, by using as an incentive the link between the money donated by the business to a nonprofit organization (NPO) and the purchase of products and services by the customer.

26.15.2 Potential Audience and Instructor's Material

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This case may play a dual role. Firstly, it serves as a practical example of a cause-related marketing (CRM) strategy for business administration students. Secondly, it acts as the starting point for more in-depth work by postgraduate students related to the design and implementation of a CRM action as a way of channeling the social commitment of businesses.

In both cases, it could be taught in strategic design courses of commercial management actions. In this area, it is extremely important for businesses to incorporate social values and commitments into their positioning axes that go beyond the common functional parameters of commercial offers.

Learning Objectives

The case is structured to achieve the following objectives:

1. Encourage the debate concerning the effective implementation of business strategies to promote sustainability worldwide.
2. Strengthen the use of the university-business relationship as a tool to promote sustainability in universities.
3. Show how cause-related marketing is an encouraging tool for companies to implement actions toward the improvement of competitiveness and sustainability in universities.
4. Stimulate the critical thinking of those interested in the study of the university as a reference partner in CRM strategies.

26.15.3 Time Frame for Class Discussion

This case can be taught in a 90-min session.

? Suggested Discussion Questions

1. What is the potential contribution of cause-related marketing strategies to the development of sustainability actions worldwide?
2. What are the effects of using cause-related marketing strategies in the sustainability of the university?

3. What are the relative effects of using cause-related marketing strategies for the university-business relationship?
4. Are the economic incentives implemented by businesses cause-related marketing strategies that take the university as a reference partner?

26.15.4 Analysis

Answer to Question 1: *What is the potential contribution of cause-related marketing strategies to the development of sustainability actions worldwide?*

- ✔ In recent years, the relationship between corporate social responsibility (CSR) and sustainable development has been widely discussed, as evidenced by the increased interest of companies to engage in CSR actions. However, the long-term business sustainability requires the effective cooperation of many stakeholders, such as customers, the community, governments, and suppliers, among others.
- ✔ Nowadays, CRM is a for-profit corporate strategy that implies the business' commitment to donate money to a social or environmental cause (including NPOs), when customers purchase its products or services. Therefore, CRM allows to overcome various converging pressures of social, environmental, and economic nature, with the aim of creating wealth and well-being for businesses, customers, NPOs, and the community.
- ✔ CRM certainly uses the link between the money donated by the business and the purchase of products or services by the customer as an incentive, promoting a business vision that supports the creation of long-term value and sustainable development. Indeed, CRM can be used as a tool to plan profit-seeking activities toward the implementation of sustainability actions worldwide.

Answer to Question 2: *What are the effects of using cause-related marketing strategies in the sustainability of the university?*

- ✔ The implementation of CRM strategies in business, with the university as the reference beneficiary organization, can contribute to the transformation toward a more sustainable and equitable global society. In fact, given the potential of higher education to drive economic growth and productivity, these strategies facilitate the university's collaboration with its external actors.
- ✔ Specifically, business and universities make a valuable contribution to sustainability, through their role as employers and producers of goods and services, their involvement in promoting innovation, the capacity for future growth, and the development of a workforce with greater capacity and knowledge. Given that most universities are still quite traditional and many of them lag behind business organizations and governments in terms of making societies more sustainable, CRM

strategies serve as a tool to promote coherence between theoretical discourse and practice, as well as sustainability management in higher education.

Answer to Question 3: *What are the relative effects of using cause-related marketing strategies for the university-business relationship?*

- ✔ The university-business relationship is a key element of the competitiveness of knowledge-based economies and societies. In fact, the interest of businesses to become more involved with universities has recently increased, in their race to improve productivity and competitiveness. In this sense, the relative effects of using CRM strategies for the university-business relationship have the potential to help face important individual challenges of organizations (universities and businesses), such as the university research financing or the need for business innovation, which would have a significant impact on the regional economies where they are implemented.
- ✔ However, the university-business relationship is defined as an abstract concept, which is particularly difficult to measure and manage. In fact, most scientific research that has been developed on specific issues barely considers the university-business relationship as a global and interconnected system. Indeed, more empirical scientific research adopting a relative approach is needed, in order to compare the use of CRM strategies whose beneficiary is the university as a reference partner. This allows evaluating the relative effects on the university-business relationship and could provide potential guidance in identifying the beneficiary organizations of CRM strategies.

Answer to Question 4: *Are the economic incentives implemented by businesses cause-related marketing strategies that take the university as a reference partner?*

- ✔ Although the available scientific evidence has shown that the customer's response to the use of CRM strategies tends to be positive and therefore generates economic incentives for business, it is necessary to consider the potential advantages of adopting this strategy that takes the university as a reference compared to other organizations.
- ✔ In recent years, there has been an increase in the demands of society concerning the role of universities toward the economic development and sustainability of countries. In fact, given the greater awareness of social actors about the fundamental importance of the university, the effective implementation of CRM strategies could contribute to a more sustainable and equitable global society. In any case, this analysis should consider the relationship between the brand associated with the sponsoring business and a specific university, since this relationship could influence the customers' purchase responses to the implementation of CRM strategies.

26.16 Chapter 16: Cause-Related Marketing in Luxury Brands: The Case of Josefinas

Diana Pereira, Beatriz Casais, Marisa R. Ferreira and João F. Proença

26.16.1 Synopsis

The Portuguese luxury brand *Josefinas* is a handmade shoe designed for women and aimed toward creating comfortable shoes without heels that entail quality and elegance and that can also be worn by women in a professional context. *Josefinas'* main collections include ballet shoes and chic sneakers. The brand assumes to be not only a shoe brand but also a brand with a feminine identity strongly linked to the support of women's rights and highlights the importance for women in fulfilling their dreams free from oppression.

The *Josefinas* brand arose in the digital environment and is presented exclusively online through social media and digital influencers. The brand consistently uses a storytelling technique and uses distinctive storylines for each product line with stories adapted to focusing on models of inspiration, emotions, and attributes connected to the feminine world and lifestyle and links these narratives to *Josefinas'* support for APAV, the Portuguese association supporting victims and "Women for Women International."

26.16.2 Potential Audience and Instructor's Material

The case has been developed for use in the cause-related marketing course and is appropriate for master's level courses as well as advanced undergraduate courses. The case is appropriate for not only courses that deal with nonprofit management but also with marketing management and corporate social responsibility (CSR) since the approached topics include partnerships between firms and nonprofit organizations (NPOs), materialization of CSR politics through CRM, communication mix, branding, positioning, targeting, and segmentation.

The case provides a suitable replication environment of a luxury brand while building a partnership with an NPO in creating awareness of CRM and CSR. In more advanced programs, the discussion may also lead to the use of CRM by a luxury brand and the potential ethical constrains.

Learning Objectives

The case is planned to accomplish the following objectives:

1. Deepen the role played by cause-related marketing and to learn how this applies to the case of violence against women in a specific country.
2. Discuss the purpose and results of cause-related marketing in luxury brands.
3. Understand the relevance of a link between the related cause, the brand positioning, and the target audience.
4. Identify the communication mix of the cause-related marketing campaign.

26.16.3 Time Frame for Class Discussion

This case can be taught in a session of 60 to 75 minutes.

? Suggested Discussion Questions

1. Do you think that cause-related marketing can be used by a luxury brand? Is there any ethical constraint?
2. Is the cause of violence against women acceptable and adequate to this specific brand? Is it coherent with the brand positioning and target?
3. Is it possible to identify the communication mix of this specific campaign? Are there any flaws?
4. What type of campaigns related to violence against women has been conducted in your country? Is there a brand linked with it? How long did they last or have lasted so far? Is there any one such campaign ongoing at present?

26

26.16.4 Analysis

Answer to Question 1: *Do you think that cause-related marketing can be used by a luxury brand? Is there any ethical constraint?*

- ✓ First, it is important to identify why *Josefinas* can be considered a luxury brand so we should analyze the following:
 - Product quality
 - Product production process
 - Price
 - Targets
- ✓ At the same time, the brand demonstrates strong concerns with “savoir faire” and uses artisans in the product production, respects manual production, and gives enormous importance to all product details, saving any questions related to ethics.
- ✓ In some collections, the brand has partnerships with a special fashion designer, and, for example, in the Bukky Baldwin X Josefinas, the designer is specialized in print, illustration, and embroidery, considering that the items are handmade by refugees and marginalized communities that need work with a fair wage. Again, we see an ethical behavior of the brand, and it eliminates doubts that may arise between CRM, a luxury brand, and ethics.

Answer to Question 2: *Is the cause of violence against women acceptable and adequate to this specific brand? Is it coherent with the brand positioning and target?*

- ✓ The chosen NPO is coherent with central marketing concepts. The brand underlines feminine identity and is strongly linked to the support of women’s rights and free from oppression so APAV matches quite well with the nuclear marketing

concepts since APAV helps women suffering from domestic violence. For a number of products sold, the company supports women in the APAV shelter for 1 month.

- ✔ The brand positioning and target is linked with the feminine and feminist universe and underlines the belief that by helping one woman, the brand is contributing to a better and more just world and thereby empowering women. The name of this specific collection is “You Can Leave,” and the collection underlines stories of abused women and reflects several meanings written inside the shoes: no controlling, no guilt, no intimidation, no shame, and no violence. And it also has a #proudtobeawoman hashtag. So, the cause is completely adequate and helps the brand strengthen their core marketing concepts.

Answer to Question 3: *Is it possible to identify the communication mix of this specific campaign? Are there any flaws?*

- ✔ The “You Can Leave” campaign was communicated on the websites of both the mentioned nonprofit organization and the luxury brand *Josefinas* through a video of the campaign (available here: ► <https://josefinas.com/you-can-leave>) and certain facts about domestic violence that are dynamically emerging. The campaign received wide publicity by public figures not only in Portugal but also in the USA with brand equity outcomes for the brand that reinforced its positioning as a feminist luxury brand.

Answer to Question 4: *What type of campaigns related to violence against women have been conducted in your country? Is there a brand linked with it? How long did they last or have lasted so far? Are there any happening at present?*

- ✔ Each class or group of students should answer this question using examples that they know as well as trying to find a parallel with this case study.

26.17 Chapter 17: Disseminating Pet-Friendly Trends in Partnership: The Initiative “Marketing con Causa” in Mexico

Luis Manuel Cerda-Suarez and Jesús Alberto Valero-Matas

26.17.1 Synopsis

LovePet Mexico, a small retailer located in Mexico City, is implementing the initiative “Marketing con Causa” focused on a pet-friendly narrative for its consumers and animal activists in general. Working together with the nonprofit organization Asociación Anti Maltrato y Abandono Animal, Asociación Civil (AMAA A.C., Association Against Animal Abuse and Neglect, Civil Association, in English),

and its creative partner MKT Total, LovePet Mexico uses social media such as Facebook, Twitter, YouTube, and Instagram to spread its messages. By appealing to consumers' emotions, LovePet Mexico fosters a solid relationship with its consumers illustrating the use of social causes as a viable strategy in emotional branding. However, LovePet Mexico has to consider how different forms of communications create value in a cause-related marketing campaign and decide on the essentials and attributes in messages that will increase brand awareness, trust, and distinction by touching customers' heart.

26.17.2 Potential Audience and Instructor's Material

The case has been developed for use in "Marketing Management" course and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for the courses that deal with cause-related marketing and even in the specialized modules focusing on social marketing, communication, and environmental analysis.

This case provides a detailed description of a specific communication initiative implemented by LovePet Mexico, a Mexican small retailer in partnership with MKT Total, its creative partner and the Asociación Anti Maltrato y Abandono Animal, Asociación Civil (Association Against Animal Abuse and Neglect, Civil Association, AMAA A.C.), a relevant nonprofit organization (NPO) in Mexico. They struggle with the challenges posed by the sociocultural environment related to pet-friendly trends in general while launching a cause-related marketing campaign to build a positive image toward adoptions and donations. In particular, in the executive programs, the discussion may also lead to relationship marketing and issues related to the stakeholder value approach, nonprofit partnership, sponsorship, and developing creative cause-related marketing initiatives via social media.

Learning Objectives

The case is structured to achieve the following learning objectives:

1. To examine aspects of cause-related marketing and its good practice.
2. To consider how different forms of communications create value in a cause-related marketing initiative.
3. To examine how recent pet-friendly trends have led to an increasing preference for adoptions and donations in particular.
4. To suggest that marketers should focus on the essentials when implementing a cause-related marketing initiative: build a positive image toward their campaign and find a cause that has a high degree of fit with their institution.

26.17.3 Time Frame for Class Discussion

This case can be taught in one session of 75 minutes approximately.

? Suggested Discussion Questions

1. Discuss how cause-related marketing might be developed on a grand scale to counter the problems met in this case. What actions do you think the Asociación Anti Maltrato y Abandono Animal, Asociación Civil (Association Against Animal Abuse and Neglect, Civil Association, AMAA A.C.) should consider?
2. What is meant by creating value in a cause-related marketing initiative? How might a nonprofit sector organization such as AMAA A.C. make use of such an approach? And LovePet Mexico?
3. What cause-related marketing strategy should be employed to make sure that customers' needs and preferences with respect to pet-friendly trends are best met?
4. Do you think cause-related marketing campaigns have a positive influence on consumer purchase intentions in general?

26.17.4 Analysis

Answer to Question 1: *Discuss how cause-related marketing might be developed on a grand scale to counter the problems met in this case. What actions do you think the Asociación Anti Maltrato y Abandono Animal, Asociación Civil (Association Against Animal Abuse and Neglect, Civil Association, AMAA A.C.) should consider?*

- ✓ In a political and cultural context focused on pet-friendly trends and environmental issues, society in general expects from companies and organizations not only performance but also a clear ethical conduct. In light of these social needs and demands, organizations have started to adopt practices oriented to satisfy these requests and review the entire corporate strategy according to this new managerial philosophy. Obviously, part of this situational context is cause-related marketing (CRM), that is, a marketing area aiming to integrate solidarity and business objectives through a solid partnership, validated by a formal agreement between a for profit organization and a nonprofit institution. According to this approach, nonprofit organizations receive support and the for-profit organizations respond to the immaterial and emotional needs of the consumers on the basis of ethical evaluations.
- ✓ If CRM is considered as a strategic tool to achieve objectives such as increasing sales, improving corporate reputation, and brand loyalty, the results of CRM actions must be linked to the communication strategies used in the campaigns to promote social initiatives. In short, in terms of what actions the Asociación Anti Maltrato y Abandono Animal, Asociación Civil (Association Against Animal Abuse and Neglect, Civil Association, AMAA A.C.) should consider, the effective-

ness of cause-related marketing as a relevant communication tool for nonprofit organizations results from the following:

1. Cause specificity
2. Targeting
3. Customer involvement

- ✓ The essential goal of the initiative “Marketing con Causa” between LovePet Mexico and AMAA A.C. was to associate the commercial firm with a fair cause in the minds of their targets and audiences. Additionally, for AMAA A.C., relevant actions might be the following:
 1. To awake positive sentiments, emotions, and so on through video
 2. To allocate some budgets promoting content on social media
 3. To add a “Donate” button in its landing page
 4. To invest in email marketing
 5. To get network, partnership, and relationship marketing

26

Answer to Question 2: *What is meant by creating value in a cause-related marketing initiative? How might a nonprofit sector organization such as AMAA A.C. make use of such an approach? And LovePet Mexico?*

- ✓ By definition, the aim of any organization is to create value for consumers and stakeholders in general and in so doing to satisfy their needs and wants. This in turn requires that the firm/organization/institution first identify the various specific interests of different groups.
- ✓ In order to satisfy the different interests of the stakeholders, it is necessary to create value for them. In this specific context regarding cause-related marketing, value is a term that can be interpreted in many different ways but in particular as the ability of a thing to serve a purpose or cause an effect.
- ✓ Implementing cause-related marketing campaigns, companies must decide not only how much to donate but also the form by which they will contribute. For purposes of this case study, contributions were categorized into two types: monetary and in kind.
- ✓ On the one hand, there were two suggested donation levels set for the initiative “Marketing con Causa”: the first was 15 Mexican pesos of each sale, and the second level was a 10% of sales from LovePet Mexico during the campaign and a complementary website annual subscription for 4 weeks to MKT Total.
- ✓ On the other hand, nonprofit organizations are in the business of evoking emotions. In this case study, through the CRM program, AMAA A.C. received financial resources in terms of in kind (i.e., food, clothing, and toys for stray dogs) and with these resources contributed to the improvement of the society. Additionally,

AMAA A.C. engaged principally in educational or awareness building actions and activities. For a nonprofit organization such as AMAA A.C., creating value in a cause-related marketing campaign should permit marketing managers to answer questions such as:

1. Does the proposed marketing program create value for the nonprofit organization's interested groups?
2. Would alternative marketing programs create more value?
3. How sensitive is the marketing initiative to the assumptions and to changes in the environment?

- ✓ For a nonprofit organization, the main areas that led to success are the following:
 1. The cause. That is, choosing a cause or program that everyone can relate to, not just a select few. This is because of people donate and share causes that move them in general.
 2. The set donation suggestion.
 3. The short time frame. That is, it is necessary to create a sense of urgency, and a deadline can help make this happen.
 4. Focus. The main call-to-action might be to donate.
- ✓ In a managerial sense, CRM implies a communication strategy that organizations adopt to show their direct involvement in social policies but, at the same time, to improve the corporate image, differentiate the products, and increase profits. Corporations and retailers can obtain benefits related to reputation and image, which are considered valuable assets. That is, the company improves its competitive and financial results and the goods and services acquire a greater value for consumers interested in ethical and social values. For this reason, a commercial brand is actually the result of a set of factors such as functionality, ethics, and social commitment.
- ✓ In general, having a pro-social agenda means having a powerful marketing tool that can build and shape the reputation of a company and help create a competitive advantage. For commercial firms such as LovePet, this concept may be thought of as how various interested groups find particular worth, reward, utility, or benefit in exchange for their respective contributions to the business, that is, the development or a value proposition requires an approach to providing the required values through differentiation.
- ✓ Partnerships with the private sector can produce differences of opinions and conflicts of interest since, with exceptions only multiyear, long-term campaigns can produce relevant changes, but managers always want immediate results. For this reason, cause-related marketing initiatives and campaigns vary in their design, scope, and the nature of the relationships between organizations and their partners.

Answer to Question 3: *What cause-related marketing strategy should be employed to make sure that customers' needs and preferences with respect to pet-friendly trends are best met?*

✓ Every day, people around the world get a pet via acquisitions or adoptions. With so, there is a variety of options from which to obtain a pet, but this process can be very complex in general. Often, developing a value proposition requires a marketing strategy because of there may be different strategies and actions available for each value proposition.

✓ The strategies are developed with specific goals in mind, and all are carefully planned in such a way that they provide the best opportunity for their successful implementation. An example of the strategy valuation process in terms of its executive summary is as follows:

1. Strategic objectives. That is, to create value by establishing leadership in this pet-friendly area of opportunity, the service definition would provide information to the public.
2. Strategic focus. The specific focus would be by attracting customers to this value proposition.
3. Marketing mix. Although the traditional 4Ps are proposed in cause-related marketing, some authors mention the relevance of the 7Ps in terms of the experiences that causes provide, adding people, processes, and physical evidence to product, promotion, price, and distribution¹⁴ – (A) Product: The service facilitating donations should comprise an online service and a call center that can be accessed by people over the telephone. (B) Promotion: The service will be promoted through posters on display in the streets and on the NPO's website. (C) Price: Service will be made available free to all interested consumers, but consumers pay the donations. (D) Distribution: Users will be able to access the service from any place. (E) People: Those who have expert knowledge in pets will be trained in how to handle customers. (F) Processes: Guidelines will be laid down regarding how interested consumers will be handled. (G) Physical evidence: The manner in which staff will interact with interested groups will be of key importance. All staff will receive training in this aspect. Across the different stages of pet acquisition, there is potential for practices that may promote or difficult canine happiness and/or welfare.

14 Ayyildiz, H., Akmermer, B., & Akyüz, A. M. (2017): Chapter 8. Marketing Approach for Non-Profit Organizations. In Potocan, V., Ungan, M. C., and Nedelko, Z. (editors): *Handbook of research on managerial solutions in non-profit organizations*. Hershey, PA, USA: IGI Global, 156–181

Answer to Question 4: *Do you think cause-related marketing campaigns have a positive influence on consumer purchase intentions in general?*

- ✔ This case study provides evidence that cause-related marketing campaigns positively influence the consumer purchase intentions in Mexico in particular, which is the main contribution of this chapter. Contributing to the body of knowledge regarding cause-related marketing, our case results indicate that cause-related marketing campaigns influence on consumer purchase intentions through the image of the company.
- ✔ In terms of the initiative “Marketing con Causa,” this conclusion provides very important recommendations for the development of different strategies to make the cause-related marketing campaigns successful in many countries such as Mexico. The evidence described in our case study suggest that the commercial firms must concentrate on increasing the brand image among the customers, and particularly, the effective use of social media for cause-related marketing campaigns plays a relevant significance matching the main objectives of the company and the particular campaign design.
- ✔ Furthermore, this digital strategy results vital to increase the brand awareness among the customers. For LovePet Mexico, the initiative “Marketing con Causa” highlights that selecting an opportune cause can increase the interest of customers, and obviously, this interest can lead to improve the influence of cause-related marketing campaigns on sales.
- ✔ In this study, a real case regarding LovePet Mexico, a pet-friendly business, was used to understand the importance of cause-related marketing campaign, but similarly, this chapter suggests that although cause-related marketing campaigns help the firms to improve their image, the selection of the particular nonprofit organization is an aspect that really matters. For this reason, LovePet Mexico selected AMAA A.C., that is, an appropriate institution from the target’s perspective. Furthermore, working together with MKT Total, the appropriate selection of the specific cause and main message can impulse the firm in terms of sales and positive image, attitudes, and feelings from the consumer.

26.18 Chapter 18: Cause-Related Marketing (CRM) of Ausonia’s Campaigns

Estela Núñez-Barriopedro, Cristina Blanco González-Tejero, and Laura Flores-Lario

26.18.1 Synopsis

Ausonia, one of the many Procter and Gamble brands, uses the cause-related marketing (CRM) not only to promote their products but also contributes very actively

in cancer research with the Spanish Association Against Cancer (AECC). Every year, Ausonia launch strong awareness campaigns with celebrities who have overcome cancer. They share their overcome stories and try to create awareness about the importance to invest in cancer research. However, the most important message in the end is the fact that every time you buy an Ausonia pack, you are contributing with 1 minute of cancer research.

26.18.2 Potential Audience and Instructor's Material

The case has been developed for use in “Marketing Management” course and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for the courses that deal with “new product development” and even in the specialized modules focusing on product positioning, targeting, segmentation, and promotion.

26

Learning Objectives

The case is structured to achieve the following objectives:

1. Identify what does the cause-related marketing campaigns developed by Ausonia consists of.
2. Define who the target audience of this campaign is.
3. Analyze the initiatives carried out by Ausonia to encourage social collaboration with cause-related marketing (CRM).
4. Study how public relations through celebrities involved with the cause can help to further promote the campaign.
5. How to build brand value through CRM campaigns.

26.18.3 Time Frame for Class Discussion

This case can be taught in one session of 45 minutes.

? Suggested Discussion Questions

1. Ethical limits. Where do you think is the ethical limit in this kind of campaigns? Is this a real strategy designed for the benefit of society? Are they simply a good fit for your brand values?
2. Positioning of the brand image. If Ausonia has not used celebrities as their campaign images, would have had the same success?
3. Can cause-related marketing increase customer loyalty and trust?

26.18.4 Analysis

1. **Answer to Question 1:** *Ethical limits. Where do you think is the ethical limit in this kind of campaigns? Is this a real strategy designed for the benefit of society? Are they simply a good fit for your brand values?*

- ✓ *This is a win-to-win formula.*

 - ✓ *In principle, there are no objections to this type of initiative. This formula can be qualified as win-to-win, i.e., everybody wins. On the one hand, the country, association, or NGO in need of help or visibility wins and the company that created the campaign wins. Finally, the consumer also wins by contributing to a good cause without an extra outlay, just by buying the product or enjoying the service. For all this, it is a formula that allows the realization of projects that otherwise would not achieve the same funding or visibility.*

 - ✓ *Specifically, Ausonia through their top campaign of cause-related marketing program “With 1 pack of AUSONIA you collaborate in 1 minute of research against breast cancer. Join in. Lots of packaging. It’s many minutes” is supporting the project “Neo-synthesis of Fatty Acids in the Pathogenesis of Breast Cancer,” led by Dr. Javier Menéndez and endowed with € 996,992.00 (AECC, 2020). Likewise, Ausonia gives visibility to its brand which generates more product sales, and the consumer gains double satisfaction on the one hand by enjoying the characteristics of the product and on the other by contributing to the social cause.*
- 2. Answer to Question 2: Positioning of the brand image. If Ausonia had not used celebrities as their campaign images, would it have had the same success?**
- ✓ *There is no way of knowing if in this case, the company would have achieved the same branding. What we can say is that the brand image would be different and would not be linked to its social impact. Therefore, this strategy is materialized and made visible in a solidarity advertising, in which the company announces that the purchase of its products means the delivery of a part of its amount to a project promoted by a non-profit organization.*

 - ✓ *Likewise, Ausonia does not select just any celebrity for this campaign but those who have been very close to the cause (in this case, the cause is the fight against cancer) either because they have suffered from the disease in the first person or because one of their most prominent relatives has suffered from it.*

 - ✓ *For example, in November 2015, campaign was sponsored by Marta Sánchez, Shaila Dúrcal, Terelu Campos and her sister Carmen Borrego, model Bimba Bosé, and Charlie Centa under the slogan “I give you my hug” (► Fig. 18.2). It should be highlighted that all these celebrities have experienced the illness themselves or their closest relations and collaborate very actively in all the initiatives carried out by this company and even tell their personal experiences in the “pink book.”*

 - ✓ *So, the objectives behind all these initiatives and campaigns are to promote the idea that the support of loved ones is key to dealing with this disease.*

3. Answer to Question 3: *Can cause-related marketing increase customer loyalty and trust?*

- ✔ *The choice of cause is fundamental to the success of the program.*
- ✔ *The campaign must be consistent with the company and the organization, as well as with the chosen cause. It must respect the various existing ethical codes of conduct, and it must offer transparency. The communication must be total and offer the opportunity for further information. In conclusion, creating a positive impact among your customers can strengthen your business' image.*
- ✔ *Among the many consumer-related factors that can affect the effectiveness of CRM programs, the motivations felt by companies when designing the action are the most significant. Overall, it is recommended that causes be chosen with which the target audience feels involved (Berger et al., 2006).*
- ✔ *Ausonia has linked each of the brand's products with the cause, taking into account its potential target, women, so the brand has been strengthened its positioning within its target. Some of the advantages of this cause marketing program are among many others:*
 - *Consumers have a positive influence on purchasing decisions in terms of this packaging, over others, as it fulfills the consumer's need and at the same time helps a good cause.*
 - *It improves the corporate identity previously given by Ausonia since any social action in which an organization is involved will enhance its position with regard to its competitors.*
 - *It reinforces the emotional bond with consumers, thus building consumer loyalty and providing a brand alliance.*
 - *It generates a great interest in the media, which benefits Ausonia, since its name is connected to this type of solidarity action, and it is promoted in any of the events that are performed against breast cancer since Ausonia develops an extensive promotion and collaboration work with the AECC.*
 - *The active participation of consumers is ensured so that by purchasing this product they support a social cause.*
- ✔ *Ausonia goes further and bets on the role and relationship of the consumers to make them conscious of the fight against breast cancer. To this end, it has designed two symbols: "the Pink Ribbon" and "the pink scarf." Ausonia implements a planned and rigorous communication strategy in order to be truly effective.*

26.19 Chapter 19: The Role of Cause-Related Marketing in the Case of Breast Cancer in Romania

Ani Matei, Corina-Georgiana Antonovici, and Carmen Săvulescu

26.19.1 Synopsis

The case presents and analyzes a cause-related marketing campaign on the fight against breast cancer in Romania, the campaign of Avon Cosmetics Company. The products of the company devoted especially to the cause-related marketing (CRM) campaign represent solidarity products with a distinct symbol, known for the cause supported, more precisely with a *pink bow* (brooches, pens, notebooks, necklaces, scarves, wallets, etc.). In Romania, this type of campaigns related to corporate social responsibility (CSR) and it is approached as a CSR program, the companies being committed to donate an amount (to a NGO, other partner with legitimacy for the cause and capacity to manage the financial resources) in favor of a cause depending on the sales of certain solidarity products, designated especially to this campaign.

26.19.2 Potential Audience and Instructor's Material

This case has been developed in view to be used in the framework of Marketing and Public Marketing courses, and it is suitable both for master and bachelor programs at marketing specialization. The case is suitable for the courses approaching the concept of cause-related marketing.

Learning Objectives

The case is structured to achieve the following objectives:

1. To present the sequential presentation of the cause-related marketing campaign for supporting the fight against breast cancer of Avon Cosmetics Company in Romania in order to identify aspects regarding the improvement of the health of the population and the consequences of the lack of such campaign
2. To present the importance of a cause-related marketing campaign on the behavior of consumers of solidarity products
3. To deeply approach the elements specific to CRM campaign (methods, messages, etc.)
4. To identify the role, benefits, and impact of CRM campaign

26.19.3 Time Frame for Class Discussion

This case can be taught in one session of 75 min.

? Suggested Discussion Questions

1. In your country, is the fight against breast cancer a similar tough problem? Compare with the case of Romania.
2. What CRM campaigns have been developed in view to support the successful fight against cancer in your country?
3. In your opinion, which are the successful elements in a CRM campaign? What strategy do you approach?
4. How important is the consistency of a company in supporting a cause? Do you think the causes should always be changed?
5. In your country, should Avon Cosmetics Company develop campaigns against breast cancer and domestic violence? Identify the campaigns against breast cancer by achieving a comparison with the campaigns from Romania.

26

26.19.4 Analysis

Answer to Question 1: *In your country, is the fight against breast cancer a similar tough problem? Compare with the case of Romania.*

- ✓ According to the International Agency for Research on Cancer, in Romania, in 2018, breast cancer was in top with a weight of 25.1% new cases (9,629), at high distance to colon cancer (11.9%; 4,576 new cases) and cervical cancer (8.6%; 3,308 new cases).
- ✓ In Romania, the fight against breast cancer is achieved through policies, strategies, action plans, European and national programs by public authorities, and various campaigns of NGOs and private organizations. However, taking into consideration the worrying campaigns concerning this disease, one may assert that those measures, especially those at national level, are not enough. Precisely:
 - Worldwide, the World Health Organization promotes comprehensive programs for the control of breast cancer as component of National Programmes for Cancer Control.
 - The European Commission has adopted in 2006 the *European Guidelines for Assurance in Breast Cancer Screening and Diagnosis* in view to promote best practices in regional and national breast cancer screening programs and to establish a protocol for certification of diagnostic and screening units.
 - The European Parliament has adopted in 2015 a statement on the fight against breast cancer, which specifically recognizes metastatic breast cancer (MBC). The document requires the European Council and the European Commission to implement measures in view to combat this disease, the main cause of death among women aged 35–59 in Europe.

- At national level, the *National Oncology Programme* is implemented in Romania, whose structure comprises the *breast reconstruction subprogram after oncological diseases through endoprosthesis*.
 - At national level, in 2018, the project for the implementation of the *Pilot Programme for the early detection of breast cancer* was started. The program of prevention, detection, diagnosis, and early treatment of breast cancer will be developed for a period of 5 years and involves testing over 30,000 women, half being from socio-economically vulnerable categories: disadvantaged areas, rural environment, unemployed, and vulnerable ethnic groups. According to the Ministry of Health, the Pilot Programme will provide guidelines and protocols for testing, diagnosis, and treatment of breast cancer, will train medical staff, and will develop infrastructure so that testing can be expanded at national level.
- ✔ It is worth to mention that at national level, the measures are quite recent and few. The lack of population screening in Romania until 2018 was reflected in the high mortality rate of women due to this disease. The lack of such a program was caused by the lack of budget. In 2017, the annual total costs corresponding to breast cancer in Romania represented about 0.16% of GDP (Deloitte Study, 2017). Also, Deloitte study (2017) reveals that annually about 70% of breast cancer costs are indirect economic and societal costs and only 30% are medical costs.
- ✔ Ninety percent of the new cases of breast cancer in Romania are diagnosed in advanced stages of the disease (II, III, IV). By contrast, in countries where organized population screening is implemented for a period of more than 10 years, 70–80% of new cases of breast cancer are detected in the initial stages of disease (0, I, and II) (Deloitte Study, 2017).
- ✔ Although the costs of such a program are currently high for the Romanian budget, its implementation would have a positive impact on the health status of the population.
- ✔ Students should look for similar information in their countries and compare it with the Romanian situation.

Answer to Question 2: *What CRM campaigns have been developed in view to support the successful fight against cancer in your country? Present a campaign.*

- ✔ Starting with CRM campaign in light to support breast cancer presented in the case of Avon Romania, you should identify and present a campaign in your country that supports this cause, trying, as far as possible, to include the same information as for that in Romania, namely, the type of company that did the campaign (you can even identify an Avon Cosmetics Company campaign); message/slogan; the way of communicating the message (e.g., in media (through stars or persons in the target group, by promoting on TV and radio), in print format (magazines, etc.), in the online environment, in the internal environment of the company, and in other modalities (various events, etc.)); and results/impact (fundraising, PR impact, and campaign audience).

- ✓ Students should analyze the results and compare them.

Answer to Question 3: *In your opinion, which are the successful elements in a CRM campaign? What strategy do you approach?*

- ✓ After you have answered Question 2, please analyze the elements used in the communication strategy in your country and highlight the key elements for success. Would you change anything in this campaign?
- ✓ We consider Avon's CRM campaign in Romania was successful according to the results obtained (see the results in the case), and we would not change anything.
- ✓ We consider that the strategy was successful as it has used several elements that complement very well such as celebrities/public persons, simple people in the target group (affected by the disease) who tell their cases, as well as representatives of the company, in the framework of the communication strategy in view to promote the message.
- ✓ A CRM campaign to be successful should be characterized by elements such as clear objectives; transparency; maintaining the balance between the expenses of promotion and the actual investments; direct, simple, and sincere communication; and suitable "ambassadors" for promoting the campaign, using the beneficiaries in the communication strategy by telling their stories as such, and recognizing the merits of the involvement of volunteers and partners in the campaign (if applicable).

26

Answer to Question 4: *How important is the consistency of a company in supporting a cause? Do you think the causes should always be changed?*

- ✓ Consistency in conducting a campaign in view to support a cause is important for credibility, and credibility builds over time. It depends on the aims and objectives of the company, which is developing the campaign for the support of a cause. If it wants to be visible, precisely to draw attention for a few months or a year, it may support these campaigns for various causes through a communication project.
- ✓ But, if the company wants to be directly associated with a cause, more precisely to think about a particular cause, when its name is mentioned, such as Avon, the company needs constant communication and consistency in the message. For example, Avon has created a company image that you can rely on when you face a problem associated with breast cancer or domestic violence.
- ✓ We consider that if people know the company and know that for several years it has fulfilled all the promises in the campaigns and donated significant amounts of money for the cause, then they will be confident to join the company campaigns also in the future. So, we think that the consistency of a company in supporting a case is important.

Answer to Question 5: *In your country, should Avon Cosmetics Company develop campaigns against breast cancer and domestic violence? Identify the campaigns against breast cancer by achieving a comparison with the campaigns from Romania.*

- ✓ In view to answer, please consider the following steps:
- See the Appendix of the chapter – ► Table 19.1. History of breast cancer prevention campaigns in Romania by Avon, in order to identify all campaigns in Romania from 2002 to 2019.
 - Identify Avon’s breast cancer campaigns in your country by presenting them in a table:

Year	Campaign
....

- Compare the Appendix of the chapter with your table.
- Present the similarities and differences between them (e.g., the year the campaigns started and their names, and identify if the “Campaign of Promises” took also place in your country; if so, compare the two campaigns in all aspects).

26.20 Chapter 20: Digital Communication as a Vehicle for Cause-Related Marketing in Cancer Prevention: Lactogal Case Study

Bruno B. Sousa and Daniela B. Soares

26.20.1 Synopsis

Cause-related marketing (CRM) has become one of the main initiatives in corporate social responsibility (CSR). The initiative “Pink October” was considered in 2019, specifically the actions carried out on social networks by the Portuguese brand Matinal (Group Lactogal). Matinal (a milk brand) and the Portuguese League Against Cancer (LPCC – Liga Portuguesa Contra o Cancro) joined in a strong CRM campaign – Matinal Alert – sensitizing consumers about breast cancer from September 9 to November 30. In 2019, the LPCC intended to establish synergies again in order to enhance the impact of this movement, reinforcing the established partnerships, but also looking for new ones. Participating in this Wave was easy and available to everyone, individually or in groups, and promoted an activity for organized groups. For every unit of selected Matinal Milk sold, the brand donated to the LPCC. The focus of this initiative was to recall the importance of screening and early diagnosis in order to minimize the impact of the disease and increase the likelihood of cure. Using the hashtag #PorqueEuCuidoDeMim (it means “Because I take care of myself,” in English), both institutions invited everyone to play an active role in the fight against this form of cancer by raising

awareness among women around them. The results of the campaign show a favorable and growing trend in the population's awareness of breast cancer prevention. From an interdisciplinary perspective, this case presents contributions to the CRM area and to prevention in the health care of the population.

26.20.2 Potential Audience and Instructor's Material

The case has been developed for use in “Marketing Management” courses and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for the courses that deal with “cause-related marketing” and even in the specialized modules focusing on best practices in digital communication. The main focus of this initiative is to recall the importance of screening and early diagnosis in order to minimize the impact of the disease and increase the likelihood of cure. From an interdisciplinary perspective, this case presents contributions to the CRM area and prevention in the health care of the population.

26

Learning Objectives

1. To gain a deeper understanding of cause-related marketing campaigns in specific health contexts (e.g., preventing and fighting cancer)
2. To present and discuss a cause-related marketing campaign that has been developed by Lactogal Group (in specific, Matinal brand, in Portugal, during 2019) in collaboration with Portuguese League Against Cancer (LPCC – Liga Portuguesa Contra o Cancro, in Portuguese)
3. To explore this case study from the scoping and research stage to evaluation, providing the reader with knowledge on how these can be applied to the real context of the fight against cancer and, in particular, breast cancer

26.20.3 Time Frame for Class Discussion

This case can be taught in one session of 75 min.

? Suggested Discussion Questions

1. How can cause-related marketing contribute to the well-being of society in specific health contexts?
2. How can digital communication influence breast cancer prevention behaviors?
3. Do you consider the communication elements of the Lactogal Group (Matinal) adequate for the proposed objectives?
4. What recommendations would you give to Lactogal Group (Matinal) to minimize the effects of breast cancer and improve this cause-related marketing campaign?

26.20.4 Analysis

Answer to Question 1: *How can cause-related marketing contribute to the well-being of society in specific health contexts?*

- ✔ Cause-related marketing allows private brands to associate themselves with social causes, through donations and the participation of consumers and citizens for a common benefit. Cause-related marketing contributes to a redistribution of support, minimizing risks and promoting the well-being and quality of life of the population (i.e., if there is greater prevention of breast cancer, there will be a better quality of life and less health-care expenses).

Answer to Question 2: *How can digital communication influence breast cancer prevention behaviors?*

- ✔ Digital communication is very relevant in the sense of informing, raising awareness, and alerting the population to the prevention of breast cancer. Digital communication on social networks (e.g., Facebook) facilitates the rapid sharing of information, as well as the interaction between the various users, promoting warning signs and greater knowledge of the phenomenon being shown (for the benefit of health and social well-being). The reinforcement of the message and the importance of breast cancer prevention was welcomed in the virtual community. The different generations seem to appreciate the type of communicational approach of the institution. This public seems to be better able to understand the meanings of the messages in the publications and to understand that there is preventive work.

Answer to Question 3: *Do you consider the communication elements of the Lactogal Group (Matinal) adequate for the proposed objectives?*

- ✔ Yes. The digital communication strategy used by the Portuguese brand Matinal provided great visibility of the communication elements, which resulted in a donation of € 20,000 in favor of the Portuguese League Against Cancer. In fact, the initiative was highly valued (by the community, by Internet users, and, in particular, by consumers who joined the campaign and purchased the milk of the Portuguese brand) and was repeated in March 2020. In parallel, this partnership and the digital communication strategy contributes favorably to the brand image and (spontaneous) brand awareness.

Answer to Question 4: *What recommendations would you give to Lactogal Group (Matinal) to minimize the effects of breast cancer and improve this cause-related marketing campaign?*

- ✔ The proposal presented will be to renew this partnership over several years, as well as to associate public figures to this cause. It will be interesting to extend this initiative to other brands of the Lactogal Group (in addition to Matinal), since it is a

Portuguese group of reference in the dairy sector, but also with other products from various market segments (e.g., Pleno and Mimosa).

26.21 Chapter 21: All United Against Breast Cancer: The Solidarity Beauty of Estée Lauder

M. Soledad Janita-Muñoz and M. Manuela Palacios-Gonzalez

26.21.1 Synopsis

The number of companies incorporating social awareness into their business strategy and practices is steadily increasing. This chapter analyzes the corporate social responsibility (CSR) policy of the Estée Lauder Companies, focusing specifically on the *Breast Cancer Campaign*, a cause-related marketing (CRM) campaign that the company has been carrying out for almost three decades to support the fight against breast cancer. The study of this campaign reveals some key factors that have contributed to its success. Among them, one feature that stands out is the fact that the company has managed to integrate this charitable cause into its business strategy and maintain it successfully over time. Another relevant aspect is the international dimension, with which it has managed to reach a wide target audience. Also noteworthy is the great involvement of different stakeholders with this cause, not only its employees but also its suppliers and collaborators, as well as its customers. In addition, the message used in the campaign has been clear and stable over time, which has facilitated a strong connection with its target audience. Finally, it should be noted that a strong point of his campaign was to create the iconic *Pink Ribbons* and make them a global symbol of the fight against this disease, being used not only by Estée Lauder but by other competing companies that are also fighting against breast cancer.

26.21.2 Potential Audience and Instructor's Material

The case has been developed for use in “Marketing Management” courses and is appropriate for MBA and Executive Development Programs as well as advanced undergraduate courses. The case is appropriate for courses that deal with “cause-related marketing” or “corporate social responsibility.”

A real case of CRM through beauty products is analyzed, specifically those activities carried out by some of the brands that make up the prestigious Estée Lauder Companies. After reading this case, students can reflect on the following themes:

- The importance of collaborating with companies that support institutions that finance research to advance the treatment of breast cancer
- The need to meditate on the social implications of the decision to purchase certain products that one regularly purchases

- The consumer decision-making process when the dilemma arises over whether to contribute to social causes at the expense of personal economic benefits, such as discounts or promotions

Learning Objectives

The case is structured to achieve the following learning objectives:

1. To be familiar with the corporate social responsibility (CSR) policy carried out by the Estée Lauder Companies
2. To analyze in detail the marketing campaign known as the Breast Cancer Campaign and discover what have been its key factors
3. To discuss and reflect on the benefits that CRM campaigns, both strategic and tactical, can bring to the different parties involved

26.21.3 Time Frame for Class Discussion

This case can be taught in a session of between 60 and 90 minutes. Its duration depends on the number of students participating in the discussion activities.

? Suggested Discussion Questions

1. The Estée Lauder Companies devised the Pink Ribbon and ceded its rights of use to any company wishing to utilize it. Do you think the companies that currently use it are doing so appropriately, or are they using it to cleanse or improve their corporate image when they collaborate in campaigns to fight breast cancer? Search for CRM campaigns on the Internet to support your arguments.
2. Based on the information from the previous activity, indicate which campaign(s) has/have a tactical or specific focus and which one(s) carries/carry out a strategic focus. What are the pros and cons for a company of following each of these approaches, and how do they affect the image of the company?
3. Indicate whether you have collaborated in a CRM campaign against breast cancer. If yes, identify the campaign and indicate the main reasons that prompted this collaboration. What were the elements of the marketing mix (product, price, distribution, and communication) that most influenced your decision?
4. As a marketing expert, design a new CRM campaign that can be carried out by cosmetic companies in the future.

26.21.4 Analysis

Answer to Question 1: *The Estée Lauder Companies devised the Pink Ribbon and ceded its rights of use to any company wishing to utilize it. Do you think the companies that currently use it are doing so appropriately, or are they using it to cleanse or improve their corporate image when they collaborate in campaigns to fight breast cancer? Search for CRM campaigns on the Internet to support your arguments.*

- ✔ This is an activity that the teacher can instruct the students to prepare outside of the classroom session. Subsequently, each student, or a group of them, can present their activity in the classroom.
- ✔ To describe the CRM campaigns and list the arguments about the use of the iconic Pink Ribbon by companies, the student can fill in a table like the following:

Company	Brand	Product/s	Name(s) of campaign(s)	Years	Percentage of donation	NGOs	Reasons for arguments of appropriate/inappropriate use

26

Answer to Question 2: *Based on the information from the previous activity, indicate which campaign(s) has/have a tactical or specific focus and which one(s) carries/carry out a strategic focus. What are the pros and cons for a company of following each of these approaches, and how do they affect the image of the company?*

- ✔ This activity must be carried out during the classroom session. Discussion groups are created in the classroom to debate for 15 minutes. Subsequently, a representative of each group is chosen and the results are pooled to select the main ideas.
- ✔ The objective is for students to learn to distinguish which CRM campaigns, from those described in activity 1, have a tactical or specific focus and which have a strategic focus. In addition, the second part of this activity is for reflection and debate, so there are no right or wrong opinions.
- ✔ In order to collect this information, the student can fill in a table like the following:

Campaigns	Pros of the strategic approach	Cons of the strategic approach	Effects of the strategic approach on the company's image	Campaigns	Pros of the tactical approach	Cons of the tactical approach	Effects of the tactical approach on the company's image

- ✔ By way of guidance for the teacher on the different approaches that companies can follow when carrying out CRM campaigns, the following is offered: the strategic approach involves carrying out marketing activities that are planned and embedded in the overall strategy of the company, generally developed over the long term. In contrast, the tactical approach involves carrying out specific marketing mix actions, normally without prior strategic planning, and carried out during shorter periods of time.

26.22 Chapter 22: Analysis of the CRM Campaigns on Facebook: The Case of *Menudos Corazones*

Araceli Galiano-Coronil

26.22.1 Synopsis

Menudos Corazones is a foundation that supports children and young people with heart problems (congenital or acquired heart diseases) and their families. The work of the foundation is carried out in hospitals and their support centers.

One of the most critical objectives is to raise awareness in society. Several actions are carried out to achieve this goal:

- Participating in conferences.
- Organizing its campaigns such as International Day of Congenital Heart Diseases.
- Participating in campaigns with several companies, such as cause-related marketing campaigns.

26.22.2 Potential Audience and Instructor's Material

The case has been developed for use in subjects related to nonprofit organizations, non-lucrative marketing, social marketing, as well as business management. It is also appropriated for a master's degree related to Social and Digital Marketing as well as advanced undergraduate courses. The case provides a way to know the effectiveness of cause-related marketing campaigns on social networks, specifically Facebook. The student is also introduced in the analysis of data mining.

Learning Objectives

The case is structured to achieve the following objectives:

1. To raise awareness of the importance of cause-related marketing on congenital heart diseases in children
2. To identify the cause-related marketing campaigns on Facebook carried out by *Menudos Corazones* in collaboration with different businesses
3. To introduce students to the application of social media analysis in the field of cause-related marketing
4. To detect the terms more published on Facebook mentioned above, using data mining to detect trends about CRM campaigns
5. To carry out a comparative analysis of the impact of campaign messages between *Menudos Corazones* and the collaborating companies

26.22.3 Time Frame for Class Discussion

This case can be taught in one session of 75 min.

? Suggested Discussion Questions

1. In your opinion, do you think CRM campaigns are effective on social networks?
2. Do you think that nongovernmental organizations (NGOs) take advantage of social media's interactive potential for publishing their campaigns in general and CRM campaigns in particular?
3. Select a CRM campaign related to health, identify the characteristics, and determinate the impact.

26.22.4 Analysis

Answer to Question 1: *In your opinion, do you think CRM campaigns are effective on social networks?*

- ✔ Both companies and NGOs are aware of the benefits of collaborating in marketing activities such as CRM campaigns. CRM involves mutually beneficial cooperative efforts between a company and an NGO designed to promote the company's sales and the NGO's cause. Companies engage in CRM for several reasons, such as improving their image, enhancing consumer's attitudes, and increasing customer loyalty (Melero & Montaner, 2016). The effect of CRM strategy on consumer responses (e.g., perceived brand distinctiveness/credibility/attractiveness, customer-brand identification, brand attitude, customer loyalty) has significant consequences for companies, products, and brands (Lee & Johnson, 2018).
- ✔ Moreover, for NGOs CRM campaigns represent new ways to obtain financing with which to fulfill their objectives (Penelas-Leguía et al., 2004).
- ✔ If NGOs and companies exploited the full potential of social media to promote CRM campaigns, these could be more effective, since the penetration of social networks is 49% of the world population, that is, 3.8 billion people, practically half of the global population uses one or more social networks in 2020 (Marketing Ecommerce, 2020).
- ✔ Social media are defined as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content” (Kaplan & Haenlein 2010, p. 61). Another definition of social media is as follows: “web-based services that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection, and view and traverse their list of connections and those made by others within the system” (Boyd & Ellison, 2007). As the definitions suggest, social media provides a venue

for individuals to form networks to enhance the interactive participation of consumers and promoting co-creation. Also, social networks generally create weak ties among members that are casual acquaintances. These characteristics make social media to be useful for the marketing strategy of companies and other organizations such as NGOs.

✓ However, despite these advantages of social media to carry out CRM campaigns, a question to ponder is what the messages that have received the most likes and comments have in common. It is essential to know how to analyze the messages to know what they are talking about and the characteristics that provoke a greater public reaction. For example, in the case analyzed on *Menudos Corazones*, the messages with photos about activities in which people are seen participating are those that have achieved the greatest impact, such as the Ikea auction. It is also noteworthy that, according to user's comments, the campaigns have been widely accepted, as it can be seen in the most mentioned words, which are of thanks. Some of Citroën's comments talk about children who have been helped thanks to these campaigns. In the Cortefiel campaign (the solidarity market), the people demanded more similar activities, asking that they are carried out in more locations to have a higher possibility of attending. The most outstanding thing is that in this case of *Menudos Corazones*, most of the messages express gratitude; therefore, they encourage conversation.

✓ Therefore, it is crucial to know how to analyze the effectiveness of the messages. Authors such as Saxton and Waters (2014) focused on the purpose of the message: if they are informative, conversational, or action-oriented, but the format used (photo, videos, or images) and how to approach the subject are also important to know the campaigns' effectiveness.

Answer to Question 2: *Do you think that nongovernmental organizations (NGOs) take advantage of social media's interactive potential for publishing their campaigns in general and CRM campaigns in particular?*

✓ From a marketing point of view, it is important to think about how NGOs use social networks, since the success or failure of a social media campaign (including CRM campaigns) not only depends on the development of the campaign. Rather, it may be because NGOs do not take advantage of the potential of these tools. It may be due, among others, the following causes: Not knowing how digital social networks work, lack of knowledge about carrying out a marketing strategy in digital social networks, and not being aware of the usefulness of these digital platforms. Therefore, students need to reflect on this issue since the use of social digital networks is an important issue today that can affect CRM initiatives but all kinds of actions that these organizations intend to undertake.

- ✓ Social digital networks (SDN) have become powerful tools that have not gone unnoticed by NGOs. It is due to the advantages such as the low cost and its effectiveness as a communication channel. Furthermore, knowledge is not required for online communication, and the reduction of costs favors the increase in communication flows between users. Thanks to the tools mentioned above, not only large organizations with sizeable revenues have access to resources to carry out communication activities. A significant number of NGOs that have traditionally allocated little funding to communication now can promote relations with the public through the use of SDN (Baños & Rodríguez, 2011).

- ✓ Despite the multiple advantages derived from the use of SDN, there is evidence that NGOs do not take advantage of their full potential. This means that these entities cannot maintain an adequate online strategy. Some of the causes may be as follows (Henley & Guidry, 2008):
 6. They do not feel the need to set goals or achievements in their digital activities.
 7. They have unrealistic expectations about audience participation.
 8. They do not adequately manage the time for these activities.
 9. They do not have appropriate online marketing strategies.

- ✓ In this sense, the work carried out by Nos and Santolino (2015) on communication in NGOs showed clear indications of organizational deficiencies, many of them marked by accelerated and inadequate incorporation of social networks. According to the authors mentioned above, these new tools do not constitute an alternative communication model in themselves. Despite their potential, due to lack of resources or focus, there are still no general social media plans or enough specific personnel to design or carry them out.

- ✓ On the other hand, most NGOs publish informational messages and talk about the activities they carry out, events, or reports on social media. However, they do not publish many messages about the campaigns they carry out in collaboration with the companies participating in the campaign.

Answer to Question 3: *Select a CRM campaign related to health, identify the characteristics, and determinate the impact.*

- ✓ Access to health and well-being is a human right. It is one of the Sustainable Development Goals, specifically number three: to ensure healthy lives and promote well-being for all ages. Health is one of the fundamental pillars of social change in developed and developing countries or poverty situations, and many initiatives are needed to tackle several issues related to this social issue. That is why various companies have joined a health cause by carrying out collaborative campaigns with nonprofit organizations called cause-related marketing (CRM). Thus, for example, the characteristics and the impact of a health CRM campaign cancer are presented below (▣ Table 26.2).

Table 26.2 Campaign “Baby Pelones (Baby Pelones are hairless dolls) are supportive”

Company	Arias Dolls. Arias Dolls is a company that manufactures dolls, trolleys, and other toys that takes maximum care of quality and offers exclusive designs
NGO	Juegaterapia Foundation. Juegaterapia was born in 2010 with the mission of brightening the lives of children with cancer in hospitals. Children in harsh chemotherapy treatments can barely go out into the hallway to do something typical of their age as it is to play. So if they could not go out to play, the Foundation decided to bring them the game to their rooms
Description of the campaign	Baby Pelones is an original idea of the Juegaterapia Foundation for raising awareness about childhood cancer through dolls that show one of the most visible signs of this disease, such as hair loss. They wear a headscarf, with designs by Ricky Martin or Shakira. All proceeds from the sale of the dolls are for the Foundation to finance humanization projects in hospitals and research in childhood cancer
Duration of the campaign	2014 to currently in force
Results	Over 1,000,000 dolls have been sold since the campaign began
Slogan	“Happiness also cures” (2020)
The approach of the campaign	The kids with cancer cover the “Hymn of Joy” to the rhythm of jazz. A spot that remembers how important the state of mind is during the long path toward healing. From a room full of magic, they cross jungles, oceans, deserts, and mysterious cities accompanied by the Baby Pelones. They are hairless dolls like the little ones who suffer from the disease and have become the children’s symbol of the fight against cancer
Advertisement style	Children Emotionally affected Based on the musical rhythm
Emotional connotation	Positive
People	Children undergoing chemotherapy treatment appear. They want to show the world the vitality they have and how singing and having fun face cancer
Celebrities	Alejandro Sanz, Ricky Martin, Shakira
Impact of the messages that speak about the campaign from January 11th, 2011 to September 6th, 2020, on Facebook	Arias Dolls’ Facebook page No. of likes..... 65,493 No. of comments... 55,509 Juegaterapia’s Facebook page No. of likes..... 577,904 No. of comments... 30,252

Source: Own elaboration, from Juegaterapia’s and Arias Dolls’ webs and Facebook pages (2011–2020)

- ✔ The “Baby Pelones” campaign focuses on children. It has a positive emotional connotation and is based on a health approach, promoting happiness and hope despite the situation due to the disease. It is intended to convey a message of confidence as science progresses, and research can advance cancer care through the development of research. Another point to note is the collaboration of celebrities.
- ✔ Concerning the results obtained, it can be verified that in the case of the “Baby Pelones” campaign, there are more likes in the NGO but more comments in the company. It is noted that there are 269 messages, 1,698.55 likes, and 31.65 comments per message and in Arias Dolls 12 messages, 246.5 likes, and 15.33 comments per message.
- ✔ As a conclusion, we could say that companies’ Facebook pages are much less active than NGOs’ Facebook pages.

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26.23 Chapter 23: Organizational Conflicts in CRM Planning and Implementation: City Hotel's Towel Reuse Program

Walter Wymer

26.23.1 Synopsis

26

Helena, City Hotel's General Manager, is considering the implementation of a guest towel reuse program at her hotel. The program would also involve a collaboration with an environmental charity. The setting for the case is a planning meeting in which various viewpoints are represented: Helena, City Hotel's General Manager; Carlos, City Hotel's Director of Finance and Accounting; Mercedes, City Hotel's Director of Marketing; and, Roberto, Executive Director of Save Our Planet. While Helena must consider what is best for the hotel, Mercedes is more focused on the public relations benefits, and Carlos is more focused on the financial implications of the towel reuse program. Roberto takes the perspective of the charity partner.

In the discussion, Helena soon learns that the hotel's motives for developing the program will strongly influence how the program is structured as well as the outcomes from the program. Conflicting interests of the hotel, the charity partner, and those of the managers become salient during the discussion. Various ethical issues surface during the discussion. Current research on CRM is embedded in the case. This case presents instructors with an opportunity for discussing a variety of topics.

26.23.2 Potential Audience and Instructor's Material

The case has been developed for use across course subjects. It is most relevant for marketing courses, but it is also well suited as part of an ethics unit in management courses. The case was developed for students at all levels. An instructor can alter the class discussion to suit the student profile of a class and course topics.

This case was developed to help students understand the complexities inherent when individuals from diverse organizations collaborate. CRM is distinct from co-branding collaborations between consumer brands in that the partner motivations are not aligned as congruently.

CRM programs generally produce more favorable results for the business partner when its goals are more directed toward improving brand attitudes to the business brand. When the business goals are akin to evoking a positive association between the business brand and the charity/cause, the business is free to simply promote its support for the cause and frame its support in a manner that will be perceived favorably by target audiences. When business goals in developing a CRM program are profit-related, then the business faces the risk of being perceived by target audiences to be self-interested, evoking a negative attitude toward the business brand and reducing consumer participation in the CRM program.

The case demonstrates that the charitable partner has its own objectives for involving itself in a CRM program. A business should take the charity's goals into account and help its charity partner to attain its goals. When both the business and the charity partners communicate their goals and have reasonable expectations, the likelihood of a successful CRM program is much greater and much more likely to be repeated by the partnering organizations.

The case demonstrates that managers from different functional areas of the organization may have different perspectives. The business' leader is likely to take the response of its parent company into account and adjust the CRM program in a manner that is more acceptable to the parent company. In the case, the marketing manager viewed the CRM program as an opportunity to improve public relations, while the finance/accounting manager viewed the CRM program as a means to reduce expenses. Presumably, the marketing manager should be more knowledgeable about CRM programs and should help others to understand the purpose of a CRM program and its likely benefits and dissuade other managers from being opportunistic and viewing the CRM program as a means of achieving a goal for which it is not well suited.

The case also shows how a company's reward and incentive system can create a situation in which managers' self-interests may not be linked to the company's interests. In the case, the company's long-term profitability would benefit from adopting several water and power conservation improvements. However, managers would have to sacrifice their bonuses. Students should consider how the company could change its reward system so that managers would never be punished (e.g., sacrificing pay) to further the company's interests.

Students should also discuss the way in which Helena has to take into consideration how her supervisors will react to her decisions. This is an opportunity for students to explore the role of organizational culture in shaping the decisions of managers. Helena did not refer to her company's mission statement. Instead, she must anticipate how her company will respond to her recommendations. Hence, Helena wants to please her supervisor and will adjust her recommendations so that they are received favorably. An organization's reward system and culture should support innovation and improvements and not discourage them.

Not embedded in the case was the company's ethical code and culture with respect to sustainability and environmentalism. Students should consider how a company's emphasis on profitability (short term and long term), and its values on sustainability will influence its decisions. If the instructor chooses, he or she could

take the discussion further to the need for regulation of business practices versus the ability of the “free market” to be virtuous.

Learning Objectives

1. To better understand how furthering a business’ interests can conflict with the pro-social aims of the nonprofit partner
2. To better understand how emphasizing a business’ interests can affect consumers’ attitudes and behaviors with respect to the CRM campaign
3. To better understand the multiple motivations a business partner may have in participating in a CRM campaign
4. To better understand the need to balance stakeholder interests in developing a CRM campaign

26

26.23.3 Time Frame for Class Discussion

Time frame for class discussion is approximately 45 minutes.

? Suggested Discussion Questions

1. What recommendations do you think Carlos and Mercedes will present to Helena?
2. What recommendations do you think Helena will present to City Hotel’s corporate office?
3. What influence will a short-term perspective (how profits will be affected in the year before the break-even point is reached) or long-term perspective (the effects of the changes on profits in future years) have on the final decision?
4. What is the most ethical decision for the company?
5. How would the company’s decision differ if its goal for the program was to increase profits than if its goal was to increase brand attitudes?

26.23.4 Analysis

Answer to Question 1: *What recommendations do you think Carlos and Mercedes will present to Helena?*

- ✓ Carlos takes a financial perspective. His recommendations to Helena will likely emphasize a program that will provide the hotel with cost-saving benefits. Mercedes, however, takes a marketing perspective. Her recommendations will emphasize the public relations benefits of the towel reuse program to the hotel. Students are encouraged to consider how perspectives from different functional areas of an organization can lead to different motivations for diverse outcomes. Managers from different functional areas can have different perspectives that can lead to quite different decisions. Unlike a math problem which has a single correct solu-

tion, managerial problems do not lend themselves to optimal solutions because different perspectives and motivations are influencing decisions. To complicate matters further, we do not know how much self-interests with respect to salary bonuses will influence Carlos and Mercedes' recommendations.

Answer to Question 2: *What recommendations do you think Helena will present to City Hotel's corporate office?*

- ✔ We cannot know what Helena's recommendations will be. We can predict that she will probably recommend some balance between Carlos and Mercedes' recommendations, balancing the public relations emphasis and the cost-saving emphasis in developing a moderate towel reuse program. Helena's own education and experience will exert an influence. For example, if Helena had formerly been marketing manager or a financial/accounting manager before being promoted to general manager, would her decision be different? Also, the potential to lose a salary bonus will likely have some level of influence on her recommendations to the corporate office.

Answer to Question 3: *What influence will a short-term perspective (how profits will be affected in the year before the break-even point is reached) or long-term perspective (the effects of the changes on profits in future years) have on the final decision?*

- ✔ A company's emphasis on short-term outcomes or long-term outcomes will exert a strong influence on its managers. Often the short-term versus long-term emphasis will be manifested in a company's reward system. Are managers rewarded for short-term gains or long-term gains? A company might give end-of-year salary bonuses to managers for attaining profit goals for the year or it might give managers stock options that can be traded after 5 years. A company's reward system should provide managers with self-interested incentives to further company objectives.
- ✔ In this case, we are told that managers are given some type of end-of-year bonus that is linked to profits. It does appear that the company is emphasizing short-term profits over long-term growth. Because of this, Helena is unlikely to make cost-saving recommendations that would increase the hotel's profits and reputation in 2 years. Instead, she is likely to provide more moderate recommendations that preserve her and her staff's bonuses in order to enhance reported profits in a 1-year time frame.

Answer to Question 4: *What is the most ethical decision for the company?*

- ✔ This is not a simple issue because of the different ethical perspectives one can adopt. One can attempt to balance the interests of the various stakeholder groups. This perspective would result in a decision that considers both the interests of stockholders as well as the community. Given the short-term profit emphasis on

the company (see Question 3), the company will likely implement a towel reuse program without adopting the Roberto's other environmentally friendly recommendations.

- ✓ Another ethical perspective would not look at the self-interest of stakeholder groups but would instead avoid harming anyone. This perspective would result in a full implementation of Roberto's water and energy conservation recommendations.
- ✓ It is quite interesting to note that if the company had a long-term perspective instead of a short-term perspective, its profitability and ethics would be aligned and congruent instead of oppositional. Full implementation of Roberto's recommendations would result in less environmental harm, greater long-term cost savings, and higher brand attitudes.

26

Answer to Question 5: *How would the company's decision differ if its goal for the program was to increase profits than if its goal was to increase brand attitudes?*

- ✓ This question is somewhat related to the first question in that the influence of different perspectives on outcomes is considered. It is important for managers to be specific and precise regarding their goals because the goals influence the development of plans that will be implemented. If the goal was to increase brand attitudes (a marketing outcome), then the company will want to encourage high hotel guest participation in the towel reuse program. The hotel will provide guests with incentives for participation. It will be sensitive to how its program is perceived by guests. The hotel will promote the program in such a manner to stimulate favorable reactions from target audiences.
- ✓ If the goal is to increase profits, the towel reuse program will help it attain the greater cost savings with the least investment. Hence, little consideration will be given to how the program will be perceived by guests or external audiences.

26.24 Chapter 24: Santos Motors

Walter Wymer

26.24.1 Synopsis

Carlos Santos owns a local car/truck dealership. He has decided to partner with Boys and Girls Club of Lethbridge, a local charity, in a CRM program. He believes the youth charity is well-known and has a very favorable reputation. As he communicates his support for the youth charity, Carlos thinks that Santos Motors will become a more familiar brand in the community and the support of the popular

charity will enhance brand attitudes for Santos Motors. He feels that the increased brand familiarity and brand attitudes will influence more customers to consider Santos Motors when selecting their next car or truck. Carlos believes that when customers learn that there is little if any price difference between Santos Motors and Lethbridge Autos, they will choose Santos Motors. They will choose Santos Motors when the prices are equal because of Santos Motors' more favorable brand image (by being associated with a popular charity) and because customers can gain the additional benefit of supporting a worthy cause.

Carlos believes it is best if he continues to support the youth charity for the long term, even after the initial CRM campaign is concluded. Over time, Santos Motors will be known for its support of the Boys and Girls Club of Lethbridge. He wants to limit the duration of the initial CRM campaign to 1 year and support the youth charity in various ways after the conclusion of the campaign. Perhaps other CRM campaigns that support the youth charity can be developed.

Carlos is going to communicate or frame his support to the youth charity in the CRM campaign by a percentage amount donated to the charity for each product sale. In Option 2, the chosen framing alternative, Santos Motors will donate 1% of the sale price of a car or truck to the youth charity.

26.24.2 Potential Audience and Instructor's Material

The case has been developed for use across course subjects. It is most relevant for marketing courses, but it is also well suited as part of a small business management course or a nonprofit management course. The case was developed for students at all levels. An instructor can alter the class discussion to suit the student profile of a class and course topics.

The case takes the perspective of a small business owner. The narrative escorts students through the various managerial issues associated with developing a typical CRM program. Instructors can generate classroom discussions at several points as Carlos makes various decisions.

Learning Objectives

1. To better understand the complexities of setting goals for a CRM program
2. To better understand the need to fit the type of CRM program with the business partner's goals
3. To better understand the issues pertaining to the fit between the business and the potential charity partner
4. To better understand relevant issues that influence how best to communicate the business' support of the cause

26.24.3 Time Frame for Class Discussion

This case can be taught in one session of 75 minutes.

? Suggested Discussion Questions

1. Are Carlos' expectations for benefits his business will experience from the CRM campaign realistic? What adjustments to his goals would you recommend?
2. Is it reasonable for Carlos to believe that if consumers find that the prices between Santos Motors and Lethbridge Autos are the same, consumers may choose Santos Motors because of its CRM campaign?
3. Do you believe that the selection of a charity supporting youth was a good choice for a partner in the CRM campaign? What type of charity would you have chosen?
4. Do you believe Carlos should commit all his charitable support to one charity or distribute his support to multiple charities?
5. Do you believe Carlos' decision to frame the donation according to Option 2 was best? What do you believe would be the best way to frame the donation?

26

26.24.4 Analysis

Answer to Question 1: *Are Carlos' expectations for benefits his business will experience from the CRM campaign realistic? What adjustments to his goals would you recommend?*

- ✓ His goals are certainly realistic. If Carlos chooses a popular charity and effectively promotes his support of the charity, he should enjoy an increase in brand familiarity and more positive brand attitudes.
- ✓ It is notable that Carlos did not choose an increase in sales as a goal for his CRM program. An effective CRM program can indirectly influence sales because an increase in brand familiarity and an improvement in brand attitudes should influence sales. The instructor can discuss with students that many marketing activities influence sales through a marketing intermediary variable (mediation variable) like brand familiarity.
- ✓ In a high involvement and expensive consumer product like cars and trucks, consumers are most concerned about primary issues like price, reliability, and product features. Consumers won't consider a car dealer unless they have some level of familiarity. Increasing brand familiarity and brand attitudes will help to ensure that Santos Motors is included among the set of retailers consumers consider. If the car and the price between two competitors are equal, then the car dealer that is most well-known and enjoys the best reputation will most likely be chosen.

- ✓ Instructors may also want to discuss with students the goal statements in the case. A properly stated goal will have three components: (1) the variable, (2) the magnitude, and (3) the deadline. For example, Santos Motors wants to increase brand familiarity (the variable) by 10% (the magnitude) in 12 months (the deadline). Instructors may want to discuss the implications of a properly stated goal versus an improperly stated goal.

Answer to Question 2: *Is it reasonable for Carlos to believe that if consumers find that the prices between Santos Motors and Lethbridge Autos are the same, consumers may choose Santos Motors because of its CRM campaign?*

- ? Yes, it is reasonable to believe that if consumers have a choice between two retailers in which the product and price are the same, then the CRM campaign may serve as a tiebreaker. When the consumer choice between two retailers is the same, then the retailer with the better reputation will generally be chosen. The CRM campaign may improve a retailer's brand familiarity and brand attitudes.

Answer to Question 3: *Do you believe that the selection of a charity supporting youth was a good choice for a partner in the CRM campaign? What type of charity would you have chosen?*

- ✓ The fit between the business and charity partner is probably the most researched CRM topic in the academic literature. Carlos could choose almost any local charity that enjoys a good reputation in the community and experience positive outcomes. However, managers should try to be as effective as possible in their decisions. Hence, the issue is which charity would help Carlos experience the greatest effects on brand familiarity and brand attitudes.
- ✓ What is meant by the fit between a business and a charity? Is it the degree of similarity between the produce/service of the business and the mission of the charity? Is it a similarity between business' customers and charity's supporters? The research of Guerreiro, Rita, and Trigueiros (2016) finds that these considerations lessen in importance as the popularity of a charity increases. The best choice would probably be to select a charity in a community that is very well-known and enjoys an excellent reputation.
- ✓ Instructors can generate a discussion about a possible situation in which another local business is already partnering with the most popular charity. If another business is a well-known supporter of a charity, then it may be best not to select that charity. It would be best to avoid partnering with a popular charity if another business already enjoys this association. In selecting an alternative charity partner, a local business should consider how well-known the charity is within the community and how favorably the charity is perceived by the local business' customers.

Answer to Question 4: *Do you believe Carlos should commit all his charitable support to one charity or distribute his support to multiple charities?*

- ✔ This is an important topic and instructors have an opportunity to discuss brand image and brand associations in their classes. Is it best to distribute a business' charity support across multiple charities or to concentrate that support to a single community charity?
- ✔ Distributing support to multiple charities may help the business appeal to different groups of consumers who support the various charities supported by the business. If the business distributes its charity support to multiple charities, it will be known as a local business that supports local charities.
- ✔ If the business concentrates all its charity support on a single organization, like Boys and Girls Club of Lethbridge, it will be known as a supporter of Boys and Girls Club of Lethbridge. Santos Motors' brand will be more closely associated with Boys and Girls Club of Lethbridge. If Boys and Girls Club of Lethbridge is well-known and has an excellent reputation, then the association with Santos Motors will enhance the car dealer's brand image and brand familiarity.

26

Answer to Question 5: *Do you believe Carlos' decision to frame the donation according to Option 2 was best? What do you believe would be the best way to frame the donation?*

- ✔ Option 2 appears to be the best decision. Option 1 and Option 2 link the charity donation to a product sale. These two options involve the customer and allow customers to feel like they are helping to support the charity. Linking the donation to year-end profits separates (Option 3) customers from the donation and lessens the benefit to customers of having donated to the charity.
- ✔ Giving a dollar amount of the selling price as the donation may be perceived by customers as a forced donation. Customers may prefer a reduction of the dollar amount to be donated from the price they pay. Option 2, donating a percentage amount of the selling price to the charity, lessens the customer's perception of paying for the donation by incurring an inflated price. Furthermore, for a higher priced product, stating the donation in percentage terms is perceived to be more generous to customers than if the donation was stated in a dollar amount (Chang, 2008).
- ✔ Instructors may ask students to suggest some other ways to frame the donation and discuss each advantages and disadvantages.

26.25 Chapter 25: Choosing CRM

Valerie Manna

26.25.1 Synopsis

Located on the North Island of New Zealand, Fernglen Farm produces sheep milk for grocery retail. As a start-up, their brand awareness and distribution network are both growing, but are not yet stable. Reflecting the unique nature of their product and the higher costs per unit associated with small batch production, their product's price is higher than that of the competition.

One of the reasons the farm expanded into producing sheep milk is because of how well it supports consumer health. The farm also upholds high environmental and animal welfare standards because of the directors' authentic belief that this is the right approach to business. Therefore, the very issues that their production practices benefit are the same types often supported through cause-related marketing (CRM) programs. The directors are considering whether now is a good time to implement a CRM initiative, to both support the causes they are passionate about and cement an authentic brand image in the minds of the consumers. Given the many competing uses for their revenues at this point in their development, the answer is not an easy one.

26.25.2 Potential Audience and Instructor's Material

The case is appropriate for undergraduate or masters courses in marketing, especially those with a particular focus on small and medium-sized enterprises (SMEs) and agribusiness. Discussion may touch upon topics such as the challenges that start-up companies face.

Learning Objectives

By working through this case, students should be able to:

1. Understand different ways that companies support social causes.
2. Analyze the relationship between priority setting on societal impact or sales, and the choice to implement a CRM program.
3. Discuss whether a start-up business already supporting social goals through their CSR practices should implement a CRM program.

26.25.3 Time Frame for Class Discussion

This case can be taught in one session of 50 minutes.

? Suggested Discussion Questions

1. In what ways are Fernglen’s practices aligned with the categories of VDG and DBBDG?
2. If you were running Fernglen, would you focus more on having a direct impact on a social good or supporting the work of an NPO? Why is that your stance? Is your decision influenced by it being a start-up?
3. If you recommended the implementation of a CRM program, which causes would you consider? Which NPOs would you recommend?
4. What are your thoughts on donation proximity (local, regional, or national causes)?

26

26.25.4 Analysis

Encourage students to learn more about this agribusiness by visiting ► <http://fernglenfarm.co.nz/>.

Answer to Question 1: *In what ways are Fernglen’s practices aligned with the categories of VDG and DBBDG?*

- ✓ This question aims to ensure students can apply the basic definitions used in the case to Fernglen’s current operations.
- ✓ To begin the session with, ask students what they think a social good is. Students may take a utilitarian view by explaining that a social good is something that benefits the largest number of people in the most significant possible way.
- ✓ After a general discussion of the topic and before getting into categorizing the farm’s efforts, ask for examples of how Fernglen Farm supports social goods. Drill down a level deeper by asking whether supporting animal welfare would fit the student’s conception of a social good. Typically a “social good” is defined as an action that provides a benefit to the general public – with this public usually being human! Yet more contemporary definitions of “social good” focus on activities designed to change the world for the better. Under this lens, animal welfare would be a social good.
- ✓ Next, ask whether all donations to NPOs contribute to supporting a social good. Hopefully, students will realize that most NPOs have overhead costs like any other business. Donations coming from a CRM program may well not go to the designated social good but, instead, may be used to cover operational costs.

- ✓ With this introduction, students can understand that businesses contribute to social goods in many ways and that organizations dedicated to supporting social goods still have to cover their costs.
- ✓ Voluntarily Doing Good (VDG) involves a willingness to reduce profit by investing resources to provide for social needs. As one example, the farm goes beyond mandated support of animal welfare standards. Actions like making sure their ewes are relaxed during milking are done because the family believes that practices like this are the right thing to do. VDG practices often align with the owner's values and priorities. The farm's approach to sustainability also encompasses VDG in that helping improve the environment overall is a high priority, even in ways that do not directly relate to their business. Their desire to take more carbon out of the atmosphere than they put in is one example of this.
- ✓ Doing Better by Doing Good (DBBDG) is the pursuit of "enlightened self-interest." The firm is "enlightened" in the sense that it looks to provide a social good. The concurrent goal of providing for one's "self-interest" includes achieving business goals such as improving competitive advantage, profitability, and sales. DBBDG is a pragmatic, business-oriented view of how to implement a CSR philosophy. A current example of Fernglen's DBBDG approach is how their brand tightly links with their production choices: Fernglen has moved its branding from being positioned as a sports recovery drink to one focused on the family farm origin of the products. The authenticity of branding messages is essential to consumers.

Answer to Question 2: *If you were running Fernglen, would you focus more on having a direct impact on a social good or supporting an NPO's work? Why? Is your decision influenced by it being a start-up?*

- ✓ Now that the class has covered Fernglen's current situation, this question moves the discussion into the future and encourages students to examine their options critically.
- ✓ Start by measuring students' responses to this question with a vote. Depending on the size of the class, student teams can be chosen based on responses, with each side presenting the rationale for their stance in an open discussion. Doing this helps each side understand the opportunity costs of investing or not investing in a CRM program.
- ✓ The team advocating for having a direct impact is agreeing with the approach taken by the farm now. Ask for an example of what is meant by direct impact just to make sure the team understands the idea. Examples might include keeping the lambs on their mothers as a way to impact their animals' welfare directly. This authentic approach (the company is "walking the talk") gives giving credibility to

their branding message. While they cannot measure the direct effect on sales, that is not why they are engaged in these types of practices. Given the farm is watching their finances, there is a benefit in revenue not being split with an NPO. The owners influence how to spend each dollar available and, thus, can ensure that resources are used to operationalizing their values.

- ✓ The team who might want to work with an NPO may cite that this relationship has the potential to raise brand awareness if it can differentiate this new product offering from the many competitors on the market now. NPOs have the power to have a broader impact on a social issue than one small producer would. Also, being present in a location via a connection with regional or local NPOs or community organizations might pave the way for the farm to strengthen its distribution network in an area.
- ✓ Going forward, DBBDG could take the form of a CRM program. CRM programs may donate a percentage of profits or give a set amount with every unit sold up to a specified cap. Others may use a BOGO (Buy One, Get One) model in which one unit is donated for each unit purchased.
- ✓ Fernglen's products are entering a competitive market. While the market is growing, the potential of a CRM program to differentiate a product is an important one to consider. In addition, having a percentage of profits or a set amount per sale being donated to an NPO has financial implications for this start-up. Whether those implications are positive or negative is based on assumptions about how much margin supermarket distributors will take and the CRM program's potential to generate incremental sales. A BOGO approach may be especially fitting for a start-up aiming to get its products tried by its potential market.
- ✓ One of the biggest challenges that start-up organizations face is financial management and stability. The question regarding whether a student's stance is influenced by it being a start-up is asked as a way to encourage students to think about the potential financial consequences of their stance.
- ✓ Case facts suggest a slim profit margin. Distribution is primarily through retail grocery (who will take a percentage cut). As a small producer, economies of scale are not yet achieved. If they were to donate a percentage of profits, then the total donation amount is likely to be less than if they gave a certain amount per unit. If they gave a certain amount per unit and the total donation is capped, consumers may still make purchases if they are unaware that the cap is reached. Fernglen's product prices are already relatively high; raising them further to cover their CRM program outlays is not an option.

Answer to Question 3: *If recommending the implementation of a CRM program, which causes would you consider? Which NPOs?*

- ✔ The choice of cause and NPO and the need to negotiate contractual obligations of the CRM relationship will be a significant draw on management's time. In addition, the wrong choice could result in consumers viewing the branding messages through cynical eyes. These choices need to be well considered.
- ✔ This question could be used as a brief research assignment asking students to investigate specific charitable or community organizations within New Zealand that they think would be good prospects for a future CRM program. Students may think of health, environment, or animal welfare initiatives if they are considering issues tightly affiliated with Fernglen's practices. Yet this conceptual link is not a necessary qualifier for an NPO or community organization to be a potential CRM partner. For example, the products had been positioned as a means of quick recovery after sports. While the brand is now more farm-focused, the products themselves still deliver muscle recovery benefits to consumers. Thus, students may want to consider CRM partnerships with nonprofit sports organizations, among other options.
- ✔ The directors have a keen interest in following Ian Proudfoot's advice to tell the story of all the good that agribusinesses provide for New Zealand. In addition, students should consider both the instrumental and relational strategic potential of their options.

Answer to Question 4: *What are your thoughts on donation proximity (local, regional, or national causes)?*

- ✔ Local options are likely to be centered on community groups. For example, one bottle of sheep milk might be donated to children playing in local rugby teams for every bottle bought by consumers in a local grocery store, generating brand recognition among parents when grocery shopping. The concepts of family and farming may resonate with carefully chosen local groups. Yet more effort might be needed to vet the myriad of options for which organization(s) to affiliate with at the local level.
- ✔ Regional organizations are likely to be located in one or more of New Zealand's 53 districts. These organizations are less likely to be embedded in local communities and are potentially less well funded than national organizations. Districts may serve a combination of rural and urban communities, a possible impediment to targeting and positioning efforts.
- ✔ Like regional organizations, national organizations would serve communities where Fernglen does not yet have a presence. The amount that Fernglen may be in a position to donate maybe be less meaningful to a large national NPO, which is likely to have a larger donation base overall, than a smaller one. To the positive, centralized decision-making that may be found in national organizations might result in a more streamlined negotiating process for Fernglen's directors.