

## Cause Related Marketing (CRM): A Brief Overview of Successful CRM Campaigns in India

**Dr. Harsandaldeep Kaur\***

Associate Professor

University School of Financial Studies, Guru Nanak Dev University, Amritsar, Punjab, India

Email: harsandal.usfs@gndu.ac.in

**Dr. Nidhi Sabharwal**

Assistant Professor

PG Department of Commerce & Business Administration, Khalsa College, Amritsar, Punjab, India

Email: nidhisabharwal\_ns@yahoo.com

---

### ARTICLE DETAILS

#### Research Paper

#### Article History

Received : September 14, 2023

Accepted : September 28, 2023

---

#### Keywords :

*Cause related marketing (CRM), Social Causes, Campaigns, India.*

---

---

### ABSTRACT

Companies now-a-days use variety of strategies to create a competitive advantage. Many companies partner with charity organizations to build unique image in the consumers' minds. Cause related marketing (CRM) is the strategy in which profit organizations partner with non-profit organizations and provide donations for altruistic causes. CRM helps companies to support social causes and also enhances image of the company. Consumers stay loyal to companies which invest in social responsibility projects. The aim of the present research is to offer a brief overview of CRM campaigns in India.

---

### Introduction

Customer loyalty is a highly significant strategic goal for any organization. Customers who are loyal to a company offer a variety of advantages to the company, such as increasing their purchases, paying higher prices, and spreading positive reviews about the company's products or services. Past research has also shown that serving loyal customers is less expensive than recruiting new customers. Many companies employ various strategies to maintain a loyal customer base. One such strategy is cause-related marketing (CRM). The current research aims to offer a brief overview of concept of CRM and successful CRM campaigns by Indian brands.

In the marketing field, the concept of CRM has attracted the attention of academicians and practitioners. In the arsenal of strategic tools employed by marketers, the term CRM has become a must inclusion (Lafferty, 2009). The increased focus on CRM is driven by heightened public awareness of social and environmental matters, which has prompted businesses to link their products with a range of well-known causes associated with social and environmental issues and to communicate them to their customers (Chang and Cheng, 2015).

The concept of CRM owes its origin in year 1983 when a CRM program was launched by American Express Company in support of the renovation of the Statue of Liberty (Varadarajan & Menon, 1988; Lafferty et al., 2016). American Express (“AmEX”) pledged to donate one penny for every charge card used and one dollar for every new card issued within the United States in the fourth quarter (Varadarajan & Menon, 1988). In just three months, \$1.7 million was raised, and the average usage of AmEx credit cards rose by 27% and the average new subscription rate increased by 45%. (Luigi et al., 2011). Cause-related marketing has experienced a remarkable surge in popularity since its inception, as businesses strive to combine CSR with core marketing goals such as boosting sales, fostering customer loyalty, and enhancing corporate and brand identity (Baylin et al., 1994; Lafferty, 2009).

The academic research into cause related marketing (CRM) began with the publication of a groundbreaking study by Varadarajan and Menon (1988). CRM is defined as a process of formulating and executing marketing activities that are characterized by a proposal from the firm to invest a specified amount to a designated cause when customers participate in revenue-providing exchanges that satisfy organizational and individual objectives”. Since then, the term has received different conceptualizations in literature. Hajjat (2003) defines CRM as the association of company’s identity to nonprofit organizations, noble causes, and significant social concerns through corporate marketing and fund-raising programs. Hawkins (2005) viewed CRM as a popular ethical consumption model in which a profit-making company donates money to a nonprofit organization every time a consumer buys a product in support of a specific cause. As per Business in the Community (1995), CRM is defined as “a commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit”. Business for Social Responsibility (1992) suggests that cause marketing is the way through which a profit and non-profit companies or a similar entity markets an idea, product, service, or message for the mutual benefit.

CRM provides a win-win situation for everyone involved i.e. charity, consumers and company (Adkins, 1999). A study by Business in the Community (2004) states that CRM campaigns are effective since they have a affirmative influence on brand affinity, brand equity, consumers' perception, brand loyalty and actual buying behaviour. Additionally, the study found that CRM campaigns can be more effective in generating loyal customer spending than more traditional point of sale (POS) promotions. A CRM campaign can be really beneficial for businesses. A CRM campaign can help companies increase sales and market share; improved corporate image, better employee retention; enhanced employee productivity, morale and loyalty, reduced operating costs, tax incentives, and differentiate your company from competitors (Kotler and Lee 2005; Galan –Ladero et al. 2013; Siebert 2014). In a recent study, Howie et al. (2018) summarized that organizations that utilize Customer Relationship Management (CRM) systems are seen as more ethical, innovative, and competitive, as they are able to acquire customers from competitors. The benefits to non-profit organizations are increased funding, expanded publicity and recognition (Wymer and Samu, 2003; Wymer and Sargeant 2006). The customers benefit from a CRM relationship with increased satisfaction of being a responsible citizen.

CRM encompasses a broad array of activities, ranging from straightforward arrangements to donate a portion of the purchase of an item to a charitable organization for a particular purpose, to more intricate and comprehensive arrangements (Galan–Ladero **et al., 2013**). **CRM is of three types: transactional, promotion-based and licensing. Transactional CRM** a involves a company contributing a percentage of its revenue to a charitable cause for every unit of goods or services sold by the corporation (Eikenberry 2009). Transactional CRM represents a form of CRM in which a consumer's purchase of a product triggers the company's donation. (Moosmayer and Fuljahn 2013). A promotion-based CRM means that a corporation promotes a cause and makes charitable contributions to non-profit organizations (Eikenberry 2009). In licensing CRM, a charity licenses the usage of its name and logo to a company and in exchange, the business donates a percentage of every transaction linked with that of the licensed name and logo (Luigi et al. 2011).

The CRM strategy has also been used by Indian companies to promote social awareness and raise funds for social causes such as education, poverty alleviation, etc. Table 1 shows some of the successful CRM campaigns in India.

**Table 1: Successful CRM Campaigns in India**

Brand	Campaign Tagline	Purpose
Vicks	Everyone deserves a touch of care.	The objective of the advertisement was to draw attention to the fact that transgender individuals in India are not afforded the fundamental rights they are entitled to. The advertisement was created with the assistance of transgender activist Gaurav Sawant to emphasize the plight of transgender individuals.
Tata Tea	“Jaago Re” to fight climate change. “Garam sirf chai aachi lagti hai, planet nahi”	The campaign focused on getting parents to think about how their actions could affect their kids in the long run. It also encouraged them to take care of the environment for their kids' future.
Ariel	We # See Equal #Share the Load	The aim of this campaign was to shatter the traditional gender norms in India. The advertisement highlighted the fact that women in India are expected to do all the work in the household without any assistance from men.
PregaNews	Your Second Home	The campaign focused on the issue of postpartum depression among new mothers. The ad depicted the challenges that working mothers face in the workplace after giving birth.
Dove	Real Beauty Campaign	The campaign’s focus was to shatter beauty stereotypes faced by women. The advertisement used common women to br
Jhonson Tiles	The Red Ramp Project	The advertisement highlighted the importance of making India accessible to people with physical disabilities. It featured three individuals who were unable to physically participate in activities, such

		as visiting the beach and playing in the ocean. The advertisement demonstrated how a red ramp could be constructed to facilitate access to the beach for those with physical disabilities.
Paper Boat	Float A Boat	The campaign required viewers to make paper boats and share the reels of paper beats on social media.
Panasonic India	Play for a Better World	Panasonic launched a Building Block Game, in which players participated to reach a collective goal of 1 million stacks. On achievement of 1 million stacks, Panasonic India donated electronical appliances to poor kids.

## Conclusion

To summarise the findings of the study, the paper reports some of the top CRM campaigns that have been successful in India. As can be seen, all the CRM campaigns have a philanthropic aspect. CRM campaigns benefit the company as well as the consumers. Through the implementation of a CRM campaign, companies fulfil their corporate social responsibility. Consumers who participate in a CRM campaign become more loyal and engaged with the brand.

## References

- Adkins, S. (2012). Cause-related marketing: Who cares wins. In *The marketing book* (pp. 699-723). Routledge.
- Baylin, G., Cunningham, P., & Cushing, P. (1994). Cause-related marketing: Ethical practice or exploitive procedure?. *The Philanthropist*, 12(2), 15-33.
- Chang, C. T., & Cheng, Z. H. (2015). Tugging on heartstrings: shopping orientation, mindset, and consumer responses to cause-related marketing. *Journal of Business Ethics*, 127, 337-350.

Eikenberry, A. M. (2009). The hidden costs of cause marketing. *Stanford Social Innovation Review*, 7(3), 51.

Galan-Ladero, M. M., Galera-Casquet, C., & Wymer, W. (2013). Attitudes towards cause-related marketing: determinants of satisfaction and loyalty. *International review on public and nonprofit marketing*, 10, 253- 269.

Hajjat, M. M. (2003). Effect of cause-related marketing on attitudes and purchase intentions: The moderating role of cause involvement and donation size. *Journal of Nonprofit & Public Sector Marketing*, 11(1), 93-109.

Hawkins, R. (2015). Shifting conceptualizations of ethical consumption: Cause-related marketing in India and the USA. *Geoforum*, 67, 172-182.

Howie, K. M., Yang, L., Vitell, S. J., Bush, V., & Vorhies, D. (2018). Consumer participation in cause-related marketing: An examination of effort demands and defensive denial. *Journal of Business Ethics*, 147, 679- 692.

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.

Lafferty, B. A. (2009). Selecting the right cause partners for the right reasons: The role of importance and fit in cause-brand alliances. *Psychology & Marketing*, 26(4), 359-382.

Lafferty, B. A., Lueth, A. K., & McCafferty, R. (2016). An evolutionary process model of cause-related marketing and systematic review of the empirical literature. *Psychology & Marketing*, 33(11), 951-970.

Luigi, D., Oana, S., Mihai, T. and Simona, V. (2011). Pursuing a customer-driven approach for innovation and marketing excellence. *Studies in Business & Economics*, 6(2), pp. 19-26.

Moosmayer, D. C., & Fuljahn, A. (2013). Corporate motive and fit in cause related marketing. *Journal of Product & Brand Management*, 22(3), 200-207.

Siebert, S. (2014). *Cause Related Marketing: A Substitute for Direct Donations?*. Anchor Academic Publishing.

Varadarajan, P. R., & Menon, A. (1988). Cause-related marketing: A coalignment of marketing strategy and corporate philanthropy. *Journal of marketing*, 52(3), 58-74.

Wymer Jr, W. W., & Samu, S. (2003). Dimensions of business and nonprofit collaborative relationships. *Journal of Nonprofit & Public Sector Marketing*, 11(1), 3-22.

Wymer, W., & Sargeant, A. (2006). Insights from a review of the literature on cause marketing. *International Review on Public and Non Profit Marketing*, 3, 9-15.