

Cause Related Marketing: A Path Maker to Doing Socially Responsible Business

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According to the United Nations and the European Commission, Corporate Social Responsibility leads to 'triple bottom line' - profits, Planet and People. This article tries to focus on the difference between CSR and CRM and to understand how companies use the concept of CRM as a marketing strategy. A Number of Corporations are incorporating CSR as the prime policy of their business. AS CSR identifies the core area of operating business while simultaneously implementing some socially relevant policies and principles that achieve these triple bottom benefits. In India many companies have been successfully practising CSR activities for decades and helping towards issues like child labour, child education, energy efficiency, water pollution, Women empowerment.etc. This article is written on the secondary data basis.

Keywords: Corporate Social Responsibility, Cause Related Marketing, Child Education, Social Issues.

Cause Related Marketing: Prologue

**“Business in partnership with charities and causes can play a vital role in the regeneration of communities.”
The Prince of Wales II**

Cause Related Marketing is “A Commercial activity by which business and charities or cause form a partnership with each other to market an image, product or service for mutual benefit”(Business in the Community,2004). Cause related marketing is a part of corporate social responsibility as this is the most asked question that, Is CSR is a marketing or not? The answer might be hidden in the concept of CRM (Cause related marketing). Cause related marketing is the one the way to communicate the audience about the causes. Cause related marketing as a part of organizations CSR activities, It is a type of program in which an organization committed to donate an amount that depends on the sales they achieved in certain period time for a cause (kotler and Lee 2006) The main objective of the cause related marketing is to increase the corporate image, leveraging the brand equity and earning the market profit.

'The objective of the Business in the Community Campaign is to generate awareness and understanding of Cause Related Marketing promoting a greater quality, extent and excellence of programmes... In the first four years (of the campaign) the focus has been on defining and scoping Cause Related Marketing and beginning to establish Cause Related Marketing as a legitimate pan of the marketing, corporate affairs, community affairs and corporate fundraising mix'. (Sir Dominic Cadbury, 1999)

The evidence shows that CRM is an effective way to

communicate the mass audience where common man itself feels included to help in particular cause.

Differentiate between CSR and CRM

Corporate social responsibility is the hot term now a day each and every organization is doing something responsible in the society. It is the one of the mandatory way as per the law to show how the organizations are engaging their social responsibility through their value delivery system corporate social responsibility or corporate citizenship works towards the triple bottom line such as people, planet and profit. CSR means giving back something not the same thing. It begging by the socially investment for the society it operates.

On the other side of the coin “CRM is defined as the process of formulating and implementing marketing activities that are characterized by contributing a specific about to a designated non-profit efforts that in turn, causes customers to engage in revenue-providing exchanges”(Mullen,1997). Cause related marketing is the tool to communicate the marketing efforts of the organization attached with some on doing social cause. It is the combination of both marketing and CSR. CRM (Cause Related Marketing) advocates the long term partnership between the corporation and community. The primary goal of CRM is too associated with specific cause related or social campaign ads to contribute the real beneficiaries by donating into the charities while promoting the product towards the consumer. CRM is strong association between the non-profit organizations and the profit organization for the specific 'Cause fit'.

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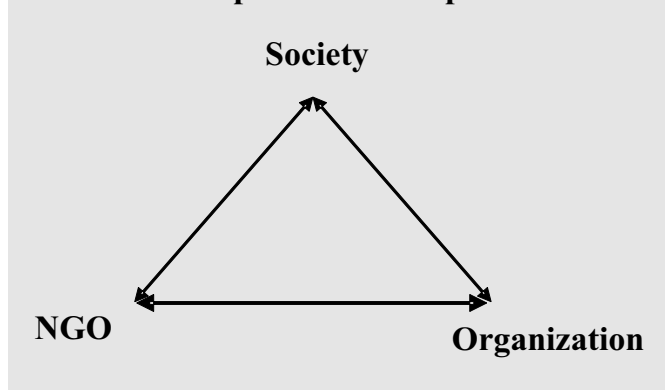
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A BIG QUESTION: Why Cause Related Marketing

Cause Related marketing is the hot term for the most of the organizations as it has lot of the benefits for Society, Organization and off-course for the Cause itself..

CRM is a partnership between a profit generating organization and non-profit organization .In which one party is experienced and one use the name and logo of the organization for the sack of good causes. Various practicenaires raised the question that does CRM works; According to Ropher Strach polls in year 1998 for Boston based cone communication say's that four out of five respondents thought that there should be definitely a marketing agreement for profit and non-profit organization to do cause related marketing is good for their business. Following are the benefits of CRM as follows:

1. Triple Win Concept



CRM is always tries to do better for the society as well as for cause with some sort of profit earnings. Number of the social issues are raised by the Non-profit organizations but to support them very less profit organization is working for and hereby once an organization is associated with some cause related program to support the financially support the NGO or to particular Cause.

2. Consumer partnership

Cause related marketing directly or indirectly invites their buyers to participate in the cause. As this is the strategy implies to consumers that once they buy the product of the company which is engaged in the cause related program like child education, P&G –Shiksha, HZL-Midday meal etc; Consumer will more voluntary come to support the particular cause and buy the company's product or services

3. Attracting new customers

Cause Related Marketing is one of the way to retain the existing customer and attract the new customers for purchasing of their product and services. Once it is clearly understand by the company about which cause they are focusing and motivated their customers to participate in particular cause; this short term

strategy have the impact to retain customers for long lasting.

4. Increasing sales of products or services;

Cause Related Marketing emphasizes over the stakeholders of the company either supplier or employees, it drives a positive values and helpful in increasing of sales. As customer himself feel associated with the “for said cause” and contribute his/her share for the cause. In this way most of the organization enjoys the high sale during the short span of time.

5. Creating a positive image of a brand –

As per the studies it is found that Cause related marketing is helpful to increase the organizations Brand images. It is the creative way to make aware about the particular cause by which organization or Its Product are engaged.It helps positive impact over the customer in the purchase process decision as Cause Related Marketing provides a platform to generate the awareness about the specific cause to its customer.

6. CRM Raise funds for a social cause (Kotler & Lee,2005)

CRM is helpful to generate the funds for its social programs as in the early years of CRM it is first introduced by the **American Express** "cause-related marketing" in 1983 to describe its campaign to raise money for the Statue of Liberty's restoration. American Express donated one cent to the restoration every time someone used its charge card. As a result, the number of new cardholders grew by 45 percent, and card usage increased by 28 percent

CRM & MARKETING STRETAGY

CRM & Advertising: Advertising is that which creates attention towards the consumers and CRM is just that “Attention” means a special cause over consumer have to rethink befor their purchase. A very good ad campaign by the TATA TEA “**Jaago Re! Desh So Raha hai...**”By this social cause Tata Tea advertises its product while highlighted the social cause of Voting Rights. One more eye opening advertisement by the TATA TEA is of about the “Corruption” “**Ab Khillana Bannd or Pilana Shru**” emphasizes on the social cause like corruption, Adviertesmet by IDEA Cellular focusing for Some of the Social Cause as child education, Voting Rights, Recycling and Walk While Talk... and differentiated itself among from the other telecommunication service providers.

CRM & Donation:

Cause Related Marketing is one of the best tools to for the fore said 'Cause' itself. By the help of CRM number of the companies are engaged in generating fund for the social issues; one of the recent example of 'Satyamave Jayate' where the show

is highlighted the social issues and the Reliance Foundation supports the program wherein whatever the donation amount is received by the public is matched with the Reliance foundation and donated to the NGO for particular cause. CRM requests from its customers for donating for the sake of humanitarians. It is again beneficial for the organization is that whatever donation or gift is given by the company is not considered as tax deductible

CRM & Publicity

Cause Related Marketing is an eye opener to its local community about the cause company is working. Here company gets a positive chance to deliver a message of its product or services. As Publicity is one which is uncontrollable in nature as once the positive image of organization generates it remains long-lasting. Publicity depends on the credibility of the company that what promise had been done by the company to its community and Cause Related Marketing is the way to show that company is working for their promise. For an example Hindustan Zinc Limited is one of the leading Zinc Manufacturer Company working with various cause to remain in the mind of customers such as, Mid-Day Meal, Women Empowerment and Child Education. Thus the credibility of HZL is so high that word of mouth publicity is enough and no more marketing promotion activities are required

CRM & Common man

Cause Related Marketing is the strategy to generate mass awareness about the cause and promotes the brand while eliminating the cause by the initiative of for-profit organizations. One of the best example of involvement of common man in the cause related programme is *Aishwarya Rai's Eye Donation Campaign* appealing and creating general awareness about the problem of blindness and invite the common man to donate their eye after the death

CRM in Indian Context

- **Voltas**

One of the most renowned company which is known for its AC's is engaged with one of the ideological cause known as "Jaggamag desh hai mere" to serve its product by an energy efficient concept. With initial campaign of energy saving voltas, emphasizes its customers to purchase the Voltas AC's to participate in the campaign

- **Avon brand,**

This Brand positioned itself by recruiting, training and motivating sales force, and created a strong CRM campaign to fight against breast cancer.

- **P & G : Pampers**

As in 'One act can Save life' by **Matthew Price**, P&

G's Pamper the social partnership between UNICEF (United Nations Children Fund) for their long term goal to eliminating the **maternal and newborn tetanus (MNT)**, an infection that occurs in **unsanitary birth conditions in some of the most deprived areas of the world.** 1 Pamper = 1 Vaccination campaign makes saves 100 millions of babies and their mothers lives. Thus all three, Pampers, UNICEF and cause wins.

- **P & G : Shiksha**

In the series of doing good for the community P&G had done a lot as its one of the most promising campaign of Shiksha along with the collaboration of CRY to promote the child education. P & G promises and invites their buyers to purchase large number of quantities of any of the P&G's product and help to educate the little ones by their participation as P&G beside the irrespective sale donate one Corer rupees to CRY for child education.

TATA SALT: DESH KA NAMAK

One of the Multi Brand TATA known for its TATA SALT camping as in it directly emphasizes that TATA NAMAK – DESH KO ARPAN, DESH KA NAMAK with the effective cause of Iodinated problem, as 10 paisa of every KG of TATA SALT, spent for the under nourished child ,child education programme with partnership of CRY(Child Relief & You).

Conclusion

It is clear that Cause Related Marketing has come a long way since the days of charity and general philanthropy. Today it is a global phenomenon which has developed into the new way for business and non profit causes to joint venture to achieve mutual benefits. It supports a cause with the power of the corporate brand, marketing, and people to achieve social and shareholder value while communicating values. Thus, corporate social responsibility and cause related marketing have become the important for all companies to design their marketing communication Strategy and ,they have emerged as tool for effecting public perception which eventually leads to building strong brand image and enhancing customer loyalty.

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