

**AN INVESTIGATION IN UNDERSTANDING THE CRITICAL USAGE OF DIGITAL  
CAUSE RELATED MARKETING AMONG FMCG COMPANIES**

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**Abstract**

The majority of cause related marketing (CRM) initiatives is mainly beneficial to many charitable organisations which benefits the society and common people. Therefore, the function of donor component individual choice options was investigated in this work, as well as the underlying processes. A technique known as cause-related marketing, or CRM, may boost product sales while simultaneously motivating companies to donate more money to charity organisations. The discipline of corporate social responsibility, which was relatively new at the time, gave birth to the concept of customer relationship management (CRM). This study is grounded on the previous research on the success drivers of CRM campaigns, and it is a response to calls in the literature to further investigate the influence of different choice choices on customer responses within CRM campaigns. The outcomes of past customer relationship management research are attempted to be transferred into the realm of digital advertising in this article as well. In light of the fact that digital technologies have advanced and grown more widespread over the course of the last several years, the trend toward e-commerce now being followed offers significant commercial potential. Many businesses have already began the process of putting in place mobile channel solutions as they see the opportunities presented by this. Consumers are wary of the insurance sector owing to the industry's reputation for being difficult to understand and fraught with increased danger.

**Keywords:** Cause related marketing, Product involvement, Cause involvement, Regression analysis and Chi square

**Introduction**

Many people believe that the marketing sector is one that is socially aware. According to researchers, the term cause related marketing is "the process of developing and implementing marketing activities that are distinguished by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-producing exchanges that satisfy organisational and individual objectives." In other words, it is "the process of developing and implementing marketing activities that are distinguished by an offer from the firm to contribute a specified amount to a designated cause when customers engage In instance, it has been established that improving brand emotion and brand perception may be accomplished via better customer relationship management. Successful customer relationship management (CRM) efforts, according to the findings of some academics, may boost brand loyalty and avoid client desertion (Chang 2018). In addition, customers profit from customer relationship management (CRM) campaigns because, when they make a purchase of a CRM service, they are given access to an extra helpful feature at no additional cost. Because of this, it is not surprising that customers would choose mobile insurance policies that are connected to CRM over those that are not (Stewart 2019).

Consumers report feeling like they have greater control over a problem when they are allowed the autonomy to choose how to proceed with it. This finding is supported by research. On the other hand, the assumption that having more options to choose from is always good is coming under growing scrutiny. Individuals may find it difficult to handle the inevitably more complicated decision-making process given that the number of alternatives available increases along with the amount of information that must be searched for in order to make an informed choice (Baghi, 2017). The choice overload hypothesis was validated once again when it was shown that offering consumers an overwhelming number of choices may have a negative impact on the consumers' purchasing behaviour as well as their level of productivity. People's incapacity to completely appreciate the benefits of the multiple alternatives that are accessible to them and their lack of clarity on their preferences may cause them to

experience delay in making decisions. In addition, research has shown that customers will often delay making a purchase choice or even look for alternatives, particularly if the alternatives seem to be as alluring. This behaviour is especially common when the alternatives seem to be equally attractive. It's possible that customers won't notice much of a difference across the various alternatives, given that CRM campaigns maintain a stable average contribution amount every transaction (Woodroof 2019).

As a gesture of goodwill toward the local community, it is standard practise for businesses to form philanthropic partnerships through which monetary contributions are made to deserving charities. The formation of such a relationship is an excellent approach for a business to demonstrate its attention to CSR, which may, in turn, raise the value of the company's brand and improve its reputation (Lafferty 2016). It is a widely held belief that companies that actively collaborate on CRM initiatives achieve higher levels of financial success. In addition to this, an increasing number of organisations are being clean about the sources of their financial assistance. Consider the fact that up to 90 percent of corporations on the Fortune 500 list reveal their corporate donations in the yearly reports that they submit. It's important to remember that in the same year, businesses in the United States spent a total of \$2.14 billion on managing their relationships with customers. In 2018, it was anticipated that global expenditure on cause-related sponsorships would reach \$65.8 billion, which is an increase from the \$62.7 billion spent in 2017 (Fajardo 2018). The environment in which non-governmental organisations operate has evolved throughout the course of their existence. As there are fewer contributors giving smaller sums and more NGOs, like Covid-19, take on unique challenges, the competition for philanthropic donations is heating up. Because the credibility of a business is at stake when selecting a partner for a cause-related marketing campaign, it is critical that the product or service offering of the business be congruent with the cause that is being advocated for.

Self-education was selected as the major advantage to highlight in this research for a number of different reasons. The great majority of people also had a poor level of education as a result of the fact that the prior political system did not mandate that children from all segments of the population attend school (Chester 2021). Since that time, the present administration has made a number of suggestions, which may be seen here, to improve the number of options for students to pursue higher education. People are required to go to school until they reach a certain age, and those whose families have an annual income that is below a specific threshold are not required to pay tuition to attend college. During the process of establishing the approach for this research, a variety of factors were taken into consideration (Sneddon, 2020). To begin, it would seem that making philanthropic gifts to educational organisations is a common practise in a number of other nations as well. For example, charitable donations to educational institutions are quite prevalent in countries still on the path to economic development. Second, the researchers discovered 129 different papers that utilised the method of cause-related marketing trials. In conclusion, eighteen of the social causes that were investigated were connected to educational pursuits. Furthermore, the majority of the products that were investigated were low-cost and required only minimal participation (Pérez 2018).

Numerous empirical studies of CM have been published in the literature in the fields of marketing, psychology, business ethics, and strategic management. These studies reflect the widespread interest in the topic and make it possible to conduct a systematic meta-analysis to determine the average efficacy of CM and how to optimise CM campaigns. The vast majority of consumer research focuses on how attitudes and behaviours change as a result of exposure to advertising. Some studies investigate the effects of advertising on the workplace, while others investigate the effects of advertising on the stock market (Martins 2019).

Empirical research into the efficacy of CM is conducted in two different ways: This first group examines the differences between experimental conditions that include CM and those that do not include CM in order to determine the main effect of CM and (occasionally) tests moderators of this main effect (Howie 2018). Studies such as these shed light on the uplift that can be derived from CM, as well as on whether or not there is a positive correlation between the presence of CM and shifts in behaviour and outlook (Chaabouni 2021). These studies add up to a plethora of information about the value of CM, which managers may use to better appreciate its potential as a tool for marketing since it provides a rich of information about the value of CM. Even while some research indicate that CM

has significant beneficial benefits on brand-related outcomes, other studies find that it has only minor positive effects, and yet other studies suggest that it has modest negative effects. As a result of this, it is still unclear, based on the research that has been done, how effective CM is on average, how much variance there is, or which moderator effects may be generalised to other kinds of environments.

Participants' attention is engaged when they are given the duty of selecting the charitable organisation to support in conjunction with a purchase linked to CRM, which is likely to boost their commitment with the selected charity (not the advertised product). More information pertaining to possible causes is processed as a direct result of the increased engagement. The extensive information processing of choice options "distracts" people from the actual advertised product, which in turn reduces the amount of information processing and involvement with the product that is related to the product itself. Because both short-term memory and attention capacity are limited resources, It was discovered that involvement with the product led to a deeper appreciation of distinctive qualities, a more treasured product, and greater brand loyalty. Another direct impact that involvement has on consumer feedback is that it makes customers more loyal to the company. In addition, the findings of the Elaboration Likelihood Model indicate that a greater level of engagement is associated with more favourable brand perceptions and stronger intentions to make a purchase than a lower level of involvement (Rooney 2018).

### **Review of Literature**

The chance that a customer would make a future purchase of a certain item or service is what's meant to be referred to when using the phrase "purchase intention." This variable has been subjected to significant research as a predictor or antecedent of future purchase, and it has been recognised as one of the primary elements affecting customers' willingness to make a purchase. Independent of the kind of goods being considered, it is thought that the majority of what drives customers' intentions to purchase is their perception of how well a product meets their requirements and needs based on the information that is shown to them (price, complexity, and involvement). Numerous studies have shown that consumers are more inclined to make a purchase when the item or service in question contributes to the fulfilment of a significant goal. (Mendinia 2018)

### **Product Involvement**

The majority of individuals hold the opinion that the product that is selected has a significant bearing on how people react to the campaign as well as the level of success that it has. There is substantial evidence to suggest that purchasing and using this product may assist in raising awareness for the cause. The perceived compatibility between the product and the cause has been the topic of a great deal of research due to the substantial influence it has "both on the credibility of the campaign and the attitude toward the brand." Studies that have investigated the relationship between the kind of product and the underlying reason have mostly concentrated on dichotomies such as utility vs hedonic, product category against cause, luxury versus non-luxury, and the compatibility of product and cause. Despite this, there has been a surprising lack of study conducted on the function that items play in CAREMs. This research was carried out with the intention of better evaluating the function that product engagement plays, as well as the influence that it has on purchase intent, as well as other desired CRM campaign results (Sneddon 2020).

Throughout the course of human history, there have been many distinct approaches of putting "product participation" into practise. If a product is perceived as having a low level of relevance to the consumer, then it is seen as having a high level of involvement; on the other hand, if it is seen as having a high level of relevance to the customer, then it is seen as having a high level of involvement (Martins, 2019). Customers' levels of involvement in not just the purchase process but also the items themselves have a significant bearing on the manner in which they respond to marketing. A high-involvement product, as opposed to a low-involvement product, will often launch a process that gathers more information to be employed in considerable cognitive information processing. This is in contrast to the low-involvement product. A consumer's inclination to engage in extensive study before to making a

purchase may be proportionate to the perceived value or risk of the object that is the subject of the investigation. (Stewart 2019).

### **Cause related involvement**

Digital CRM advertisements from companies like P&G, indicate that contribution amounts can range from very little to fifty percent of the product price. Many companies are now donate a percent of sales to the Trust, and other example is Arena Flowers donates twenty-five percent of the selling price of flowers to Cancer Research. When a client uses this transactional technique of customer relationship management, a contribution is made on their behalf to a charitable organisation each time they make a purchase. According to the findings of this study, the number of a gift may reflect the degree of sincerity, fairness, and validity upon which an ad's claim of authenticity may be established. Because of this, the size of a gift is a significant signal of authenticity in digital CRM marketing. Because marketers are tasked with determining how to balance lower revenues with support for a charitable cause, the contribution amount in digital CRM ads and conventional CRM promos is an essential part of the campaign design (Sneddon, 2020). It is reasonable to infer that a larger amount would produce a more favourable authenticity evaluation, a "warm glow" sense, and a more positive feeling toward the advertisement, despite the fact that the influence of the quantity on a social cause in digital advertising has not been studied in the literature. This is because the literature does not contain any studies on the topic. The engagement of a non-profit organisation (NPO) in the marketing of a brand is contingent on their being a chance of monetary benefit for the organization's associated charitable purpose.

### **Perceived altruistic attribution and attitudes**

Consumers' thoughts are the incubators for the formation of opinions on the causal attribution of a brand and the justifications for including social responsibility into advertising. These attributions have a one-to-one relationship with how real or authentic the responsible behaviour is considered to be. Activities of social responsibility that are consistent with the identity of the brand have a greater chance of winning over consumers than those that are not compatible with the brand. Consumers are more likely to have unfavourable opinions of a brand when there is a disparity between the public claims made by the firm and the activities that the company really does, according to research (Chaabouni 2021). Value-driven motivations, strategic-driven motivations, ego-driven motivations, and stakeholder-driven motivations are the four components of selfless reasons that motivate consumer reactions to advertising. Value-driven motivations are the most important component of selfless reasons. This study makes use of two theoretical frameworks to establish an understanding of the effects of attributed altruistic motivations on consumer reactions to digital CRM advertising. Despite the fact that attributional altruistic motives have not been the subject of many investigations in extended models like the one used here, this study is significant because it seeks to shed light on the topic.

### **Methodology**

Researchers intend to conduct a descriptive study in order to collect data and information in order to characterise the phenomenon or population. This will enable them to evaluate the significant impact on the effect of digital cause related marketing. The researchers propose to use a descriptive study technique. Research designs that are descriptive allow for a diverse range of answers to be gathered in addition to the ability to do multiple comparisons. In order to gather and examine the data for the research, both primary and secondary sources were used. The major source of the data was a questionnaire that they designed making use of a 5-point Likert scale. The questions were closed-ended. Secondary data sources are utilised by researchers to better comprehend earlier research that was performed on the same issue. Some examples of secondary data sources are Google Scholar, EBSCO, and other associated websites. The researchers interviewed a total of 140 participants and analysed the resulting data using SPSS.

**Research hypothesis**

Null 1: There is no major association among the application of digital cause related marketing and customer intention towards product involvement of procuring the products.

Null 2: There is no major association among the application of digital cause related marketing and cause related involvement of purchasing the products.

Null 3: There is no major association among the application of digital cause related marketing and enhancement in perceived altruistic attribution and attitudes.

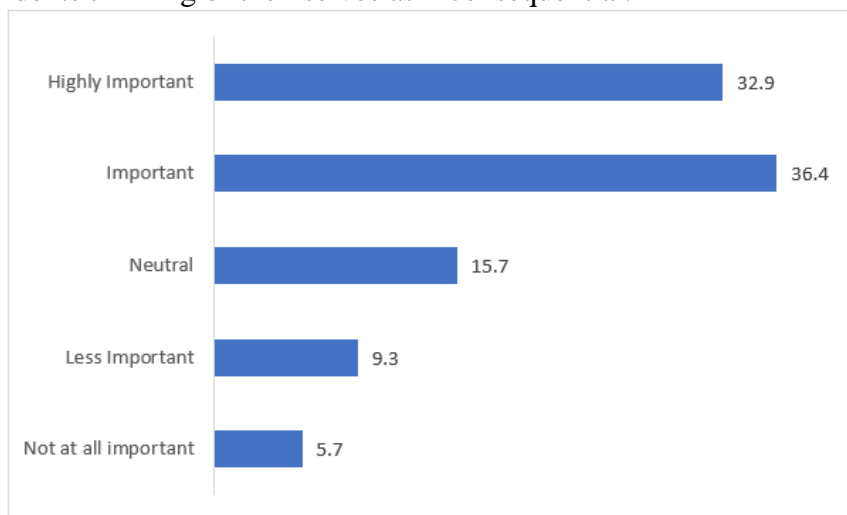
**Critical Analysis and Interpretation**

In this section of the research, we conduct an in-depth examination of the data that was gathered from the respondents. The key analyses that we do are a percentage rate analysis, a regression analysis, and a Chi square analysis.

**Table 1: Support in enhancing sales**

Support in enhancing sales	Frequency	in %
Not at all important	8	5.7
Less Important	13	9.3
Neutral	22	15.7
Important	51	36.4
Highly Important	46	32.9
Total	140	100

As can be seen in the table that follows, 32.95 percent of respondents believe that it is vital to use digital cause-related marketing in order to generate a greater amount of income. Additionally, 36.4% of those who participated in the survey believe that it is highly essential for companies to employ these techniques since it enhances their sales and profits. There was an indifference rate of 15.7%, with the remaining respondents thinking of themselves as inconsequential.

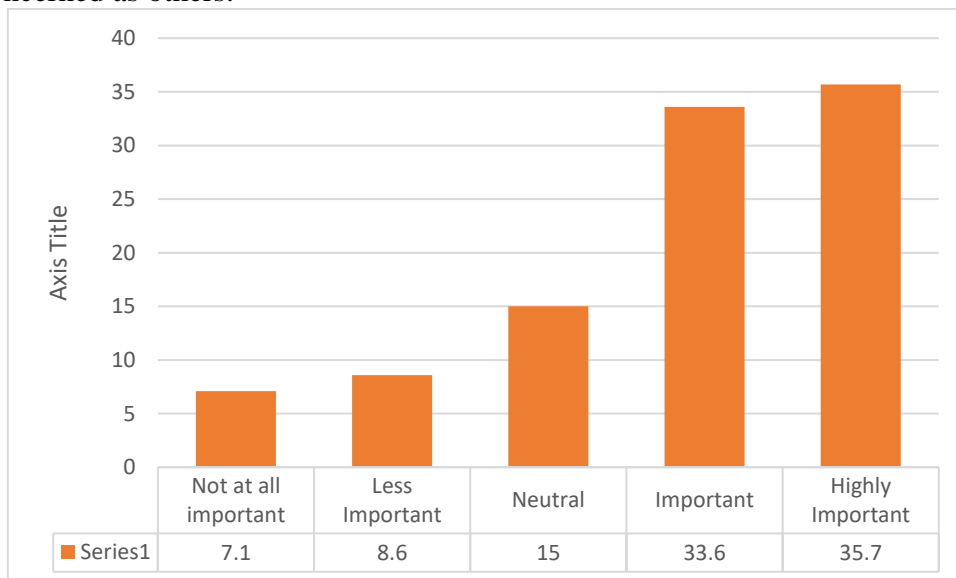


**Chart 1: Support in enhancing sales**

**Table 2: Address societal concerns**

Address societal concerns	Frequency	in %
Not at all important	10	7.1
Less Important	12	8.6
Neutral	21	15
Important	47	33.6
Highly Important	50	35.7
Total	140	100

It is noted that a total of 35.7% of respondents are of the opinion that firms may contribute to the solution of social issues by participating in digital cause-related marketing. the fact that the overwhelming majority of initiatives in this arena are geared on improving environmental conditions, increasing access to clean water, and educating the general public. A little less than one in sixteen respondents said they didn't care either way, and a little more than one in seventeen indicated they weren't as concerned as others.



**Chart 2: Address societal concerns**

**Regression Analysis**

The second part of the investigation is a testing technique that is known as a regression analysis. This provides the opportunity to evaluate the relationship that exists between the variables that are dependent and those that are independent. The major independent variables are: customer intention towards product involvement; cause related involvement of purchasing the products and enhancement in perceived altruistic attribution and attitudes, whereas the dependent variable is : application of digital cause based marketing

**Table 3: Regression Analysis**

Model	B	t	P Value
(Constant)	0.26	1.631	0.11
Product Involvement	0.343	3.967	0.00
Cause Involvement	0.288	3.422	0.00
Perceived altruistic attribution	0.288	3.96	0.00
F	206.073		
Sig.	.000b		
R	0.905		

Based on the analysis it is noted that the F value is 206.073, whereas the p value is 0.00 hence the variables possess strong influence on the dependent variable.

The regression equation is stated as

Blockchain influenced business model:  $0.260 + 0.343 \times \text{product involvement} + 0.288 \times \text{cause involvement} + 0.28 \times \text{perceived altruistic attribution}$ .

Hypothesis analysis

In the last part of the investigation, chi-square tests are used in order to validate the hypotheses that were presented earlier.

Null 1: There is no major relationship between product involvement and application of digital cause related marketing

**Table 4: Chi square analysis between product involvement and application of digital cause related marketing**

Chi-Square Tests	Data	P Value
Chi-Square	289.594a	0.00
LH Ratio	211.596	0.00
Linear-by-Linear	105.152	0.00

Based on the above analysis it is noted that the p value 0.00 which is less than 0.05 significance value, hence it is stated that there is a major relationship between product involvement and application of digital cause related marketing

Null 2: There is no major relationship between cause involvement and application of digital cause related marketing

**Table 5: Chi square analysis between cause involvement and application of digital cause related marketing**

Chi-Square Tests	Data	P Value
Chi-Square	293.401a	0.00
LH Ratio	201.169	0.00
Linear-by-Linear	105.429	0.00

Based on the above analysis it is noted that the p value 0.00 which is less than 0.05 significance value, hence it is stated that there is a major relationship between cause involvement and application of digital cause related marketing.

Null 3: There is no major relationship between perceived altruistic attribution and application of digital cause related marketing

**Table 5: Chi square analysis between perceived altruistic attribution and application of digital cause related marketing**

Chi-Square Tests	Data	P Value
Chi-Square	294.757a	0.00
LH Ratio	188.364	0.00
Linear-by-Linear	100.255	0.00

Based on the above analysis it is noted that the p value 0.00 which is less than 0.05 significance value, hence it is stated that there is a major relationship between perceived altruistic attribution and application of digital cause related marketing

### Conclusion

Clients report feeling more in control when empowered to choose how to proceed. Research supports this finding. On the other hand, more attention is paid to the idea that it is always good to have more options. Individuals may have difficulty managing more complex decision-making processes as the number of available options increases beyond the information needed to make an informed choice. Digital CRM campaigns from companies like P&G show that offers can range from a small percentage of the product price to as much as 50 percent. Many companies now donate a percentage of flower sales to fairs, another example is Arena Flowers which donates 25 percent of flower sales to cancer research. When a customer uses this customer relationship management business model, they make a donation to a charity on their behalf every time they make a purchase. This study shows that the use of digital marketing provides insight into consumers' product intentions, factors and other attributes. Hence, companies can focus in using the digital media for effective cause related marketing and support communities.

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