



The Sudden Disaster in Cause Affiliated Marketing amid the Industries

KEYWORDS

Cause Related Marketing, Cause Acuteness, Cause Familiarity, Corporate Image

R. Kanthiah Alias Deepak

Doctoral Research Scholar (Full Time), Department of Business Administration, Annamalai University, Annamalai Nagar, Chidambaram - 608001, Cuddalore District, Tamilnadu, India

Dr. C. Kathiravan

Assistant Professor, Department of Business Administration, Annamalai University, Annamalai Nagar, Chidambaram - 608001, Cuddalore District, Tamilnadu, India

G. Sriram

Doctoral Research Scholar (Full Time), Department of Business Administration, Annamalai University, Annamalai Nagar, Chidambaram - 608001, Cuddalore District, Tamilnadu, India

ABSTRACT

The main purpose of the study is state the role of cause related marketing in sudden disasters in Uttarakhand flood disaster. Further the research aim is to find and analyse the various sectors contributed to the disaster and their role in cause-related marketing activity. The data was collected from 69 residents working in various sectors and 112 students from different B-schools and colleges in Chennai, India by using convenient sampling method. The Uttarakhand Sudden Disaster cause has been taken for the study and has elaborated in research. The research outcome reveals that Sudden Disasters are influencing positively and significantly on the Consumers' Cause identification and cause Supportive Decision. Also sudden disasters are influencing positively on corporate image and consumer's purchase intention. Further the nature of corporate are positively influences Cause identification and cause Supportive Decision

1. Introduction

Corporate social responsibility has become the watchword for the new millennium as more and more companies initiate programs to demonstrate their social consciousness. Cause-related marketing (CRM) occurs when a corporation promotes or assists a non-profit cause by publicising that a percentage of corporate profits or sales will be donated to the cause. The charitable impulse-reaching out to help another in need-is recognized as a universal human value.

2. Cause Related Marketing

Marketing literature defines cause-related marketing (CRM) as "the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives" (Varadarajan and Menon 1988).

3. Uttarakhand Flood – Sudden Disaster in India

In June 2013, a multi-day cloudburst centred on the North Indian state of Uttarakhand caused devastating floods and landslides in the country's worst natural disaster since the 2004 tsunami. Some parts of Himachal Pradesh, Haryana, Delhi and Uttar Pradesh in India, some regions of Western Nepal, and some parts of Western Tibet also experienced heavy rainfall, over 95% of the casualties occurred in Uttarakhand.

4. Review of Literature

4.1 Cause Acuteness

Ross et al. (1990-1991) People tend to offer support for causes aimed at sudden disaster relief rather than those that work on on-going tragedies. Skitka (1999) argues that disasters might provide the strongest opportunity to examine whether people would abandon their typical responses of self-interest and respond to the affective or situational needs. Ellen et al. (2000) we expect consumer identification with a cause to be greater when the events are sudden, dramatic, and easily imaginable.

4.2 Consumer-Cause Identification

Consumer- cause identification, with a basis in social identity theory (Laplanche and Pontalis 1973; Lewisch 2004; Reed 2002), implies that a consumer feels a psychological connection

to a cause. If we transform a definition from consumer-organization identification literature, consumer-cause identification is the degree of overlap in consumers' self-concept and their perception of the cause (Lichtenstein et al. 2004).

4.2.1 Prior attitudes toward a cause

Several interesting observations emerge from a synthesis of the growing body of the literature. First, attitudes towards CRM vary by the structural elements of a CRM offer such as the type of cause and cause distance, which represents the relative geographic proximity of the cause or the organization supporting cause (Varadarajan and Menon 1988; Ross Patterson and Stutts 1992; Cui, Trent, Sullivan and Matiru 2003). Second, attitudes towards the cause impact on attitudes towards the brand (Aaker 1996; Webb and Mohr 1998; Lafferty and Matulich 2002; Lafferty and Goldsmith 2005). Third, attitudes towards the cause have a positive impact on attitudes towards the CRM advertisement (Ross, Patterson and Stutts 1992; Berger, Cunningham and Kozinets 1996; Dacin and Brown 1997).

4.2.2 Cause Familiarity

According to Fazio, Powell, and Williams (1989), familiarity can moderate the attitude behaviour relationship. Attitude accessibility theory suggests that the stronger the attitude, the more easily it is accessed from memory. Therefore, it can be inferred that the more familiar the cause, the easier and quicker it will be retrieved from memory when the cause-brand alliance cue is presented. Kathiravan. C et. al., (2013), Cause Influencing Variables are positively and significantly influence the Consumers' Cause Supportive Decision on Pre-dominant Causes.

4.3 Corporate image and Purchase Intentions

Webb and Mohr (1998) as well as Anselmsson and Johansson (2007) argued that customers' purchase intentions are influenced by the corporate image of a company involved in cause related marketing. Kanthiah alias Deepak .R et. al., (2013), CRM became the vehicle by which companies indirectly propagandized their brands and it has provided companies with a new tool to compete in the market.

5. Research Framework



6. Problem of the study

CRM became a successful marketing strategy for developed countries and the same has been widely accepted. This study has been initiated with the aim of understanding the behaviour, attitude, involvement of consumer while choose and support the cause. In India, Chennai has most diversified consumers and to understand their attitude towards cause is challenging activity. Either sudden disaster or on-going tragedy corporates are started to address the causes.

7. Objectives

1. Role of Sudden Cause while consumer deciding to support a specific cause
2. Analyse the influence of Nature of Corporate while consumer deciding to support a specific cause
3. Elucidate the influence of Nature of Corporate on Consumer Cause Identification with a cause
8. Research Methodology

8.1 Sample Size

We have given our questionnaire to 212 people consists of 90 residents and 127 students from various colleges in Chennai. We have received back the 69 filled questionnaire from the residents and 112 from students. All 69 public participants are working in various sectors and residing in Chennai and all 112 students are from top exclusive B-Schools and Department of Business Administration comes under Engineering Colleges which are situated in Chennai, Tamilnadu, India.

8.2 Sample Selection Procedure

Samples were selected by using Chunk Sampling method. This method of sampling involves using convenient method without going through the rigor of sampling method. Samples were selected while they were doing shopping in malls and while there was an external Job fair in Chennai. The residents and students selected from Chennai because it has high level of diversity of the respondents hailing from different areas of India.

8.3 Hypothesis

1. Consumers will evaluate a CRM offer more positively if it supports a Sudden disaster rather than if it supports an ongoing cause.
2. Nature of Corporate positively influences while consumer deciding to support a specific cause
3. Nature of Corporate positively influences Consumer Cause Identification with a cause.

8.4 Results

With reference to Table: 1, People judged Sudden Disaster ($M = 4.27$, $SD = 0.65$) was found to be relatively higher than other variables with respect to Service Sector. People judged Prior Attitude towards Cause ($M = 4.89$, $SD = 0.69$) was found to be relatively higher than other variables with respect to Financial Sector. People also judged Prior Attitude towards Cause ($M = 4.62$, $SD = 0.74$) was found to be relatively higher than other variables with respect to Manufacturing Sector. People judged Cause Familiarity ($M = 4.52$, $SD = 0.66$) was found to be relatively higher than other variables with respect to Automobile Sector. People judged On-going Tragedy ($M = 4.67$, $SD = 0.79$) was found to be relatively higher than other variables Miscellaneous Sector.

Also the level of Prior Attitude towards a Cause was found to be slightly higher than Cause Familiarity, On-going Tragedy and Sudden Disaster. All the scales showed accepted levels of reliability.

Correlation Analysis

Table 2 provides the correlation among the variables. Sudden Disaster was highly and positively correlated with Cause Familiarity, while it was unrelated to Corporate Image and Purchase Intention. Prior Attitude towards a cause was moderately and negatively correlated with Cause Familiarity and Corporate Image, and positively correlated with Purchase Intention.

Regression Analysis

Hypothesis: 1 Consumers will evaluate a CRM offer more positively if it supports a Sudden disaster rather than if it supports an ongoing cause.

The table 4(a) shows that the R square value was (0.653) that means the present of (62.5%) from variance in CRM because of Consumer's on Service Sector. Table 4(b) shows that the level of significant ($Sig=0.000$), and the value of ($F=196.58$), which means that there is statistical significant correlation at the level of significance ($p \leq 0.05$) in Service Sectors to apply CRM.

Hypothesis: 2 Nature of Corporate positively influences while consumer deciding to support a specific cause

To test the second hypothesis we will use Linear Regression between the dependent variable Consumer's Cause Supporting Decision and the independent variable Nature of Corporate.

The table 4(a) shows that the R Square value was (0.509) that means the present of (50.8%) from variance in Consumer's Cause Supporting Decision because of Nature of Corporate. The table 4(b) shows that the level of significant ($Sig=0.000$), and the value of ($F=121.86$), which means that we accept the hypothesis that there is a significant correlation at the level of significance ($p \leq 0.05$) in CCSD and Nature of Corporate.

Hypothesis: 3 Nature of Corporate positively influences Consumer Cause Identification with a cause.

To test the third hypothesis we will use Linear Regression between the dependent variable Consumer's Cause Identification and the independent variable Nature of Corporate.

The table 4(a) shows that the R square value was (0.516) that means the present of (51.5%) from variance in total CCI because of Nature of Corporate. Table 4(b) shows the level of significant ($Sig=0.000$), and the value of ($F=125.207$), which means that we accept the hypothesis that there is statistical significant correlation at the level of significance ($p \leq 0.05$) in CCI and Nature of Corporate.

9. Limitations

In the present study the data has been collected from only one city of India (Chennai). The respondents are only few residents and students. The research was covered only few variables. This research dealt only with consumers' end about response and support of Cause Related Marketing activities. This study has been restricted by duration which misses the close observation and in-depth study. The attitude of the participants may change from time to time; hence the result of the project may be applicable only at present. There is no measure to check out whether the information provided by the participants is correct or not.

10. Suggestions for future research

Research could be carried out in other cities of India in order to increase the value of results. The research can be extended to other variables. Further research can be carried out in other sectors and developing countries in order to do comparative study. Future research can be carried out with other variables.

11. Conclusion

The research outcome reveals that Sudden Disasters are influencing positively and significantly on the Consumers' Cause identification and cause Supportive Decision. Also sudden disasters are influencing positively on corporate image and consumer's purchase intention. Further the nature of corporate are positively influences Cause identification and cause Supportive Decision. The researcher feels that the corporates should consider the cause influencing variables while adopt and support a cause in order to get a wide coverage and mass support from the consumer group.

REFERENCE

- Adkins, S. (1999). Cause-related marketing: Who cares wins? Boston, MA: Butterworth-Heinemann. | Berger, I. E., Cunningham, P. H., & Drumwright, M. E. (2007). Mainstreaming CSR: Developing markets for virtue. *California Management Review*, 49(44), 132–157. | Deshpande, S., & Hitchon, J. C. (2002). Cause-related marketing ads in the light of negative news. *Journalism and Mass Communication Quarterly*, 79(4), 905–926. | Dowling, G. (2001). Creating corporate reputation, image and promise. Oxford: Oxford University Press. | Endacott, R. W. J. (2004). Consumer and CRM: A national and global perspective. *Journal of Consumer Marketing*, 21(2/3), 183–189. | Hou, J., Du, L., & Li, J. (2008). Cause's attributes influencing consumer's purchasing intention: Empirical evidence from China. *Asia Pacific Journal of Marketing and Logistics*, 20(4), 363–380. | Kanthiah alias Deepak .R (2013), The marketing strategy of Cause affiliated and consumer purchase persistence between the industries, *Review of Research Vol 2, Issue 11, Aug 2013*, 395. | Kathiravan. C et. al., (2013), Public Cognizance on Cause Assortment in Cause Affiliated Campaigns, *International Journal of Marketing, Financial Services & Management Research Vol.2, No. 9, September (2013)*, 35 – 45 | Kotler, P., & Lee, N. (2005). Corporate social responsibility: Doing the most good for your company and your cause. Hoboken: John Wiley & Sons. | Laplanche, J., & Pontalis, J. B. (1973). *The language of psychoanalysis*. London: Hogarth Press. | Malhotra, N. K., & Birks, D. F. (2003). *Marketing research: An applied approach*. Harlow: Pearson Education. | Trimble, C. S., & Rifon, N. J. (2006). Consumer perceptions of compatibility in cause-related marketing messages. *International Journal of Nonprofit and Voluntary Sector Marketing*, 11(1), 29–47. | Valor, C. (2005). Consumers' responses to corporate philanthropy: Are they willing to make trade-offs. *International Journal of Business and Society*, 6(1), 1–26. | Van de Ven, B. (2008). An ethical framework for the marketing of corporate social responsibility. *Journal of Business Ethics*, 82(2), 339–352. | Williams, R. J., & Barrett, J. D. (2000). Corporate philanthropy, criminal activity and firm reputation: Is there a link? *Journal of Business Ethics*, 26(4), 341–350. | Zaichkowsky, J. L. (1985). Measuring the involvement construct. *Journal of Consumer Research*, 12(3), 341–352.