The Influence of Cause-Related Marketing on Brand Awareness, Depending on Type of Organisation

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Abstract

This study investigates the influence of cause-related marketing on brand awareness of business organizations and profession sport clubs. Cause-related marketing is a marketing tool in which an organization donates a part of its product sales to a specific cause. If business organizations and professional sport clubs participate in CRM programs brand awareness will increase. However, when professional sport clubs are involved in CRM programs, CRM will have a bigger influence on the increase of brand awareness in comparison with business organizations. This can be explained by the fact that professional sport clubs have unique elements, which give CRM programs, more impact in contrast with organizations from other industries. However, consumers of professional sport clubs often have a set brand attitude, whereas the attitudes of consumers of business organizations are more easily influenced.
Chapter 1: Introduction

In chapter 1 the subject CRM will be explained and an introduction of the central question of this thesis will be provided. In paragraph 1.1 the problem background will be discussed. In paragraph 1.2 the problem statement and the related research questions will be given. The theoretical framework of the problem statement will be provided in paragraph 1.3 and in paragraph 1.4 the relevance of this study will be explained. In the last paragraph the structure of the thesis will be given.

§1.1 Problem background

Cause-related marketing (CRM) is increasing in popularity as a form of promotion (Samu & Wymer, 2009). CRM can be defined as; “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specific amount to a designated cause when customers engage in revenue providing exchanges that satisfy organizational and individual objectives” (Varadarajan & Menon, 1988, p. 60). In other words, an amount of the companies’ sales of a product/service will be donated to a specific cause.

CRM is becoming a popular marketing tool because it is an excellent way to distinguish oneself from competitors, it increases sales and profit, enhances the company’s image and offers extra support for causes. Another positive effect of CRM could be an increase in organisations’ brand awareness (Varadarajan & Menon, 1988). Brand awareness can be described as the ability of consumers to identify a brand under different conditions, and is therefore related to the strength of the consumers’ connection with the brand and trace in memory (Rossiter & Percy, 1987). Furthermore consumers are more likely to buy products from companies that engage in CRM (Murphy 1997; Tate 1995). This, however, will change when cause-related products result in higher prices or when it lowers the quality of the product (Barone, Miyazaki & Taylor, 2000).

CRM is not only useful for product/service marketers, CRM can also be used as an effective marketing tool for professional sport clubs. Participating in CRM as a professional sport club could e.g., lead to a more positive image and can be used to develop stronger bonds with fans (Roy & Graeff, 2003). An example of CRM in the professional sports industry is the “Playing for a Purpose” program. The Tampa Bay Lightning of the National Hockey League started the CRM program in season 2002-2003. The team chose ten games where fans had the choice to
Professional sport clubs are a different type of organisation in contrast to business organisations. Therefore participating in CRM as a business organisation could lead to different goals and objectives in comparison with professional sport clubs. As mentioned before, participating in CRM will often have an effect on the brand awareness of the organisation. Because professional sport clubs and business organisations are two different types of organisations, the effect CRM will have on brand awareness could also be different. For example, CRM for sport clubs could result in fans seeing the club or specific players as examples, leaders or even heroes, whereas CRM in business organisations would more likely lead to a do-good feeling for the customer, which will cause them to see the organisation in a more positive way. Because CRM might have different effects on the brand awareness of professional sport clubs and business organizations, it would be beneficial to have more research done to investigate this.

§1.2 Problem statement and research questions

Based on the problem background and the purpose of this thesis, the following problem statement can be developed:

*Does cause-related marketing have an effect on the brand awareness of an organisation and is there a difference between business organisations and professional sport clubs?*

The following research questions were developed to answer the main question:

1. What is the difference between business organisations and professional sport clubs?
2. How can cause-related marketing be defined?
3. How can brand awareness be defined?
4. How does CRM influence the brand awareness of business organisations and professional sport clubs?
§1.3 Theoretical framework

The following theoretical framework of the problem statement and its variables will be tested:

§1.4 Relevance

Academic perspective

Numerous studies have been done to research the effect CRM has on a possible increase of purchases. Yet less research has been done to show the specific effects of CRM on brand awareness. Varadarajan and Menon (1988) notified that CRM as a marketing tool could increase brand awareness. Roy and Graeff (2003) researched the attitudes that consumers have towards CRM activities in professional sports and concluded that if sport teams support a charity, consumers have a more positive image about the team. Babiak and Wolfe (2009), suggest that professional sport clubs have some unique elements and as a result of that CRM programs from professional sport clubs generate more awareness for social issues as CRM programs from organizations in other industries.

Hence, some research has been done to see what CRM will do to brand awareness of business organizations and what the difference are of CRM programs from professional sport clubs in comparison with CRM programs from other types of organizations. However the influence of CRM on brand awareness of professional sport clubs is minimum. Combining the researches about CRM, brand awareness and sports marketing will be an addition to the existing literature about the influence that CRM has on brand awareness.

Managerial perspective

Information from this study could be interesting for business organisations and professional sport clubs. The study shows the effectiveness of CRM as a marketing tool for increasing brand awareness. Besides that, participating in CRM programs as a business organisation or a professional sport club will create a more positive image of the organisation. The enhanced image and the increased brand awareness could lead to competitive advantages and might generate more sponsor incomes for professional sports clubs.
§1.5 Structure of the thesis

This thesis consists of five chapters. Chapter 1 is an introduction of CRM and contains the problem statement and the research questions. In chapter 2 the differences between business organisations and professional sport clubs will be discussed. CRM will be explained in chapter 3. In chapter 4 brand awareness and the effects of CRM on brand awareness will be described. The last chapter includes the conclusions, discussions and recommendations.
Chapter 2: Differences between professional sport clubs and business organisations

In chapter 2 the differences between professional sport clubs and business organisations will be explained. The elements that distinguish a professional sport club from a business organisation will be given in paragraph 2.1.

§2.1 Unique elements of professional sport clubs
The effects of what CRM does to brand awareness of professional sport clubs and business organisations are being discussed in this paper. To understand what CRM does to the brand awareness of the two types of organisations, the differences between professional sport clubs and business organisations need to be defined. The biggest difference between professional sport clubs and business organisations is the fact that professional sport clubs have their own sport team, which means they are organisers of sport. Smith and Westerbeek (2007) described sport clubs and their characteristics as: “Advancing towards profit or non-profit objectives that involve sport participation or spectator services.” (p.45,). Smith and Westerbeek further stated that sport clubs have some unique elements that distinguish them from business organisations. The first element is the professional sport clubs possessing mass media distribution and communication power. Professional sport clubs are able to generate this massive media attention due to the popularity of professional sport clubs among society. The communication power can then be used to show the sports’ social responsibility, because through their popularity professional sport clubs are able to reach many people. The second unique element, which distinguishes professional sport clubs from business organizations, is the fact that players of professional sport clubs are being seen as role models. People can identify themselves with these players and this increases the loyalty towards professional sport clubs. Further more, professional sport clubs are especially appealing to young adults. Almost every adolescent is involved in sports in some way; they could be spectators and/or participants of a sport club. Young adults also often feel a strong association with specific sport clubs, resulting in them buying merchandise and/or tickets. The fourth element is the positive health impact of sport clubs. Through sport, people can be persuaded to be more active and make them aware of their health. Another unique element of professional sport clubs is their contribution to social interaction among people. Professional sport clubs are able to encourage social interaction in a functional way. The sixth element is sustainability awareness. Professional
sport clubs are good platforms to create environmental and sustainability awareness, especially because of the massive media attention that professional sport clubs generate. Professional sport clubs also pay tribute to cultural understanding and integration. Via sport clubs, people can get into contact with other cultures and understand their values better (Lenskyj, 2002). The last element, which differentiates professional sport clubs from business organizations, is the fact that participating in sports provides fun and satisfaction to the participant.

The above-mentioned elements are factors, which distinguish professional sport clubs from business organisations. In addition to these elements, the impact that the two types of organisations might have on a city is also relevant. Blair (1997) came to the conclusion that professional sport clubs and business organisations have the same goals concerning making a profit and positively impact the cities’ economy in which they are established. Most sport clubs do not have a lot of employers, but fans however, do spend money on sport clubs’ merchandise and tickets, which will still create a substantial economic impact on cities. Professional sport clubs also have a positive impact on the image of the area where the sport clubs are established. Professional sport clubs are able to promote their city on a national level, because their games are being broadcast on national television (Rosentraub, 2006). Another important difference between the two types of organizations is the way the two organizations are valued. Where business organizations are criticized on their cash flow and assets, sport clubs are valued for their revenues.

Hence, the above-mentioned elements are the main factors in which professional sport clubs and business organizations are distinguished. These elements are also the reason why participating in CRM might have different effects on professional sport clubs’ brand awareness in comparison with business organizations. However, this will be discussed more deeply in the upcoming chapters.
Chapter 3: Cause-related marketing

In this chapter the independent variable CRM of the theoretical framework will be clarified. In paragraph 3.1, information will be given about what CRM exactly is and in paragraph 3.2 the benefits of CRM will be explained. What consumers think of CRM will be clarified in paragraph 3.3. Information about professional sport clubs, which participated in CRM, will be given in paragraph 3.4. In the last paragraph, the elements of professional sport clubs that give CRM campaigns more impact in comparison with business organizations will be discussed.

§3.1 Cause-related marketing

Smit and Alcorne (1991) defined CRM as: “a marriage of corporate philanthropy and social responsibility” (p.21.). The goal of CRM programs is to increase sales for the for-profit organization and to raise money and awareness for the cause (Ptacek & Salazar, 1997). CRM differentiates itself from other promotional tools, because an amount of the purchase price will be directly donated to the cause (Varadarajan & Menon, 1988). CRM first emerged in the 1980’s. American Express started a marketing campaign in 1983 to support the State of Liberty’s restoration. Every time an American Express credit card was used, $0,01 cent was donated to the restoration (File & Prince, 1998). The expenditures on CRM programs have increased from $1.7 million in 1983, to $500 million in 1997 (Ptacek & Salazar 1997) and to $1.52 billion in 2008 (IEG Sponsorship Reports, 2009). Nowadays CRM is one of the most growing and popular marketing tools for for-profit organisations and causes to use (Samu & Wymer, 2009).

Many organizations are finding it difficult to distinguish themselves with their products or services from their competitors, because they are facing an increase in competition. A CRM program, therefore, could help the organization set themselves apart from their competitors (Cunningham 1997; Kotler & Andreason, 1996; Polonsky & Macdonald, 2000). Companies are also investing more in CRM programs because customers are becoming more critical in choosing products and services considering price, quality and a companies’ social responsibility (Cunningham, 1997; Ptacek & Salazar, 1997; Sen & Morwitz, 1996).
§3.2 Benefits

CRM program have different impacts on organizations objectives. Varadarajan and Menon (1988) describe a whole range of corporate and marketing objectives that can be realized by having a CRM program. A result of participating in CRM is the increase of sales; CRM can lead to higher sales and an increase in trial purchases and repeat purchases. Participating in CRM also results in enhancing corporate image. The initial concept of CRM is an organization donating an amount of money to a specific cause. The donations are seen as a good action by consumers, which will lead to a more positive image. Another outcome of participating in CRM is the increase of brand awareness. Participating in a CRM program as an organisation is a way to differentiate oneself from the competitors, because consumers will be able to remember a specific brand better when it is involved in CRM.

Brown and Dacin (1997), Barone et al., (2000) and Gupta and Pirsch, (2006) also researched the objectives that are reached through a CRM program. They suggested that CRM is a way to ensure a consumer preference for both the organization as well as the cause the organization supports. Other research studies (Barone et al., 2000; Webb & Mohr, 1998) have verified that CRM has a positive effect on the perception, which consumers have of organizations that participate in CRM and that it can lead to behaviour change by consumers. Behaviour change means that consumers that would normally buy product A will now change their mind and buy product B, because of the organizations’ involvement in CRM.

The mentioned benefits can only be achieved when there is a right fit between the cause and the brand (Adkins, 1999; DeNitto, 1989; Higgins, 2002; Lewis, 2003). The fit affects the successes of CRM programs (Strahilevitz & Myers, 1998). A right fit is present when consumers have affinity with the involved cause and brand. In addition, it is important that the consumer can identify itself with the cause, because this leads to a better fit (Cone, 1996). Having a right fit between the brand and the cause could increase the market share of the organisations’ brand with a five-time greater impact in comparison with a low fit (Pracejus & Olsen, 2004). But the relationship between organization and cause needs constant care and management to generate the most publicity, donations and sales (Murphy, 1997).

§3.3 Consumers and CRM

Research suggests that most consumers think CRM is a good way to raise money for charities (Ross, Patterson & Stutts, 1992). Consumers are also willing to buy cause-related products, however a cause-related product must not have a higher price or lower product performance as a non cause-related product, because this will result in a decrease of sales (Barone et al.,
Besides considering price and product performances, there are more factors that will influence consumers buying behaviour concerning cause-related products when consumers have the choice between cause-related products and non cause-related products. One of the aspects that consumers take in mind is the importance a cause has to them. Duncan and Moriarty (1997) concluded that the level of importance of a cause influences response, because consumers will sooner buy cause-related products when the cause is important to them. It is therefore important for organizations to realize what kind of causes are important to their target market and use this information to create an increase in sales and brand awareness. A second aspect which consumers consider when they have the choice between a cause-related product and a non cause-related product is the type of product. Consumers are more willing to buy a cause-related product when it is a luxury item in contrast to a necessary item. This can be explained by the fact that consumers feel guilty for buying a luxury product, which they do not actually need, and donating to the cause can compensate that guilty feeling (Strahilevitz & Myers, 1998).

§3.4 CRM and professional sport clubs
It is very important to meet social responsibilities as a professional sport club. A study done by Roy and Graeff (2003) confirms this. Their study showed that 90% of the consumers expect professional sport clubs to support a charity. Because of the high expectations that consumers have of professional sport clubs supporting a charity, it would be a poor decision from professional sport clubs to not support any charities. Not supporting a charity could have a negative effect on their image and it could eventual lead to e.g., fewer supporters, a reduced amount of merchandise income, and less sponsor income (Roy & Graeff, 2003).

Professional sport clubs feel the pressure to support charities because consumers expect them to do so. Yet, not only consumers expect them to support charities, stakeholders of professional sport clubs (fans, employees, corporate sponsors, various levels of government, and local communities) are also expecting them to support charities (Babiak & Wolfe, 2009). One of the reasons why stakeholders expect professional sport clubs to support charities is to generate positive publicity and to avoid negative publicity. These expectations are even increasing because professional sport clubs and their players are seen as role models and examples of behaviour. Professional sport clubs and their players also have to be aware of the fact that their action are constantly in the public eye, which means that their behaviour will have a great impact on their image as well as that of the cause (Seth & Babiak, 2009).
There are many options for professional sport clubs to support causes, a CRM program is one of these options. When professional sport clubs choose to support a specific cause by participating in a CRM program, it creates a positive corporate image for professional sport clubs. This is being confirmed by the research that Roy and Graeff (2003) have done, concerning the attitudes of consumers towards sport clubs. The research showed that consumers have a more positive image towards sport clubs if they support a charity. However, fans (people who already identify with the sport club) in comparison with non-fans will feel more strongly connected to a sport clubs’ CRM activities. A reason for this might be that specific causes that have been chosen by professional sport clubs are more relevant to their fans; fans will be able to identify more strongly with the specific cause. So in other words, fans have a better fit between brand (professional sport club) and cause in comparison with non-fans and therefore CRM programs have a greater impact on fans. Participating in CRM programs, as a professional sport club does not only lead to enhance of corporate image, it is also an effective way to meet social responsibilities. It is a way to ‘give back’ to society and to help people who are not that privileged (Williams, 2002). Further more, a study done by Babiak and Wolfe (2009) suggested that having a CRM program could be beneficial for professional sport clubs to attain their strategic position. The strategic position would be improved because having a CRM program generates awareness and interest in professional sport clubs and their players. And as a result of the increased interest, the sport clubs’ fan base might increase. These new fans are then more likely to become more involved with the club and become actual life-long fans, which could lead to a rise in merchandise sales and ticket sales of professional sport clubs. Moreover, participating in CRM has a positive effect on the image of the club, because it can be used to lose the stereotypes athletes have of being selfish and not having a good connection with fans (Roy & Graeff, 2003).

Professional sport clubs can choose for a CRM program with a cause that suits fans the most. But another strategy is to specify the program more on non-fans, to create positive brand associations among them. The positive brand association among non-fans could lead to them becoming fans over time and spend money on merchandise and ticket sales (Roy & Graeff, 2003).

§3.5 Difference in type of organisation and CRM
In chapter 2 the differences between business organizations and professional sport clubs have already been discussed and also the unique elements of professional sport clubs that differentiates them from business organizations. These unique elements lead to CRM
programs from professional sport clubs having more impact; generating more awareness for the social issue that is involved in the CRM program. If business organizations and professional sport clubs choose to participate in CRM programs, both types of organizations can help to generate social benefits. Professional sport clubs, however, already play a huge role in society, which is often different from business organizations. Therefore, especially sport can be used as a tool to create social responsibility (Smith & Westerbek, 2007).

In addition to this, Babiak and Wolfe (2009) suggest that professional sport clubs have some unique elements, which give CRM programs more impact in comparison with CRM programs from business organizations. The first unique element is the passion and interest that fans and consumers have for the team, club and the game. This passion and interest can increase the awareness of CRM programs. For example, if professional sport clubs are involved in CRM programs they may be able to reach a larger and more involved audience than business organizations would. Consumers usually do not have a very strong passion for products of business organizations, such as shampoo, toothpaste or cleaning supplies. However, when it comes to sports and athletes there is a much larger interest and passion, which means that athletes supporting a healthful lifestyle or a certain cause would create a much larger impact on the audience than employees of the business organizations would.

The economic structure of professional sport clubs is also a unique element. Professional sport clubs receive special support and protections from governments, so that they, for example, can build stadia (Swindell & Rosentraub, 1998). Having the support and protection from governments could lead to stakeholders believing that professional sport clubs have a large responsibility to ‘give back’ to the community. These high expectations that stakeholders have of professional sport clubs supporting causes, could lead to more awareness for the social issue that is involved in the CRM program of professional sport clubs because the sport clubs now do not only have a social responsibility towards their fans but to their stakeholders as well. If they want to keep the stakeholders satisfied they will have to put a lot of effort into their CRM program.

Transparency is the third unique element. Transparency means that almost everything that is achieved by professional sport clubs (e.g., who plays, which players are on the bench, attracting new players, players salaries, teams’ strategy), as well as wins, draws and losses are available for anyone. Also, the way players act off the court is public knowledge (Armey, 2004). Business organizations, in the contrary, do not receive the same type of openness of their business practices and employees’ behaviour. A result of the openness of professional
sport clubs is that consumers are more involved with CRM programs from professional sport clubs.

At last, Babiak and Wolfe suggest that stakeholder management is a unique element. Professional sport clubs cannot perform without the help of many organizations, their successes largely depend on stakeholder relationships. CRM programs from professional sport clubs have more impact, because stakeholders from professional sport clubs can benefit from the cause-related activities (Wallace, 2004). For example, the positive image of the professional sport club that is created by CRM activities will reflect positively on the stakeholders as well. As a result, most stakeholders are willing to help professional sport clubs with their CRM program and this support could lead to more donations for the cause and more awareness for the professional sport club and the cause.

Headlee (2006) also concluded that sport clubs have some advantages that give CRM programs more impact in comparison with CRM programs from organisations in other industries. CRM programs of professional sport clubs have more impact, because professional sport clubs have the use of celebrity athletes. These athletes can use their celebrity power to increase the awareness and effectiveness of CRM programs. Another advantage is the media exposure of the leagues, clubs and athletes themselves. This media exposure could also lead to an increase in impact of CRM programs from professional sport clubs.
Chapter 4: Brand Awareness

In chapter 4 the dependent variable brand awareness of the theoretical framework will be clarified. In paragraph 4.1, theory about brand awareness will be discussed. More information about the influence of brand awareness on the decision-making process of consumers will be given in paragraph 4.2. In the last paragraph the relationship between CRM and brand awareness will be discussed.

§4.1 Brand awareness
Brand awareness is defined by Aaker (1991) as “the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category” (p.61). Keller (1993) describes brand awareness as “… related to the strength of the brand node or trace in memory…” (p.3). Brand awareness will improve when consumers are more exposed to a brand name or brand symbol (Hoeffler & Keller, 2002). Brand awareness consists of two terms: brand recall performance and brand recognition. Brand recall performance is a measurement for the consumers’ probability to pick the brand when confronted with the product category. Which means that brand recall is the likelihood for consumers to correctly remember the brand from memory. Brand recognition can be described as the ability of consumers to recognize the fact that they were exposed to the brand before. They should be able to discriminate the brand as being seen or heard before. Most brand awareness can be obtained when there is both brand recall performance and brand recognition.

§4.2 Different aspects that influence decision-making process
When consumers consider a brand, brand awareness plays an important role in the decision-making process. When consumers think about a product category, the first aspect that needs to come in mind is a specific brand. For example, a product category could be coffee and the brand is Douwe Egberts. Raising brand awareness enlarges the possibility that consumers think of that specific brand (Douwe Egberts) when they are considering the product category (coffee) in comparison with other brands (e.g., Senseo, house brand) (Baker, Hutchinson, Moore & Nedungadi, 1986; Nedungadi, 1990). Furthermore, decisions made about brands in the considered product category can be affected by brand awareness. For instance, several studies have showed that consumers only buy familiar, well-established brands (Jacoby, Syzabillo & Busato-Schach, 1977; Roselius, 1971). Hence, raising brand awareness is
important, because it enlarges the possibility that a specific brand will be bought by consumers.

Brand awareness does not only play an important role in the decision-making process of consumers, brand attitudes are also useful for predicting consumers’ behaviour towards products or services (Mitchell & Olson, 1981). Brand attitude can be described as “a buyer’s overall evaluations of a brand with respects to its perceived ability to meet a currently relevant motivation” (Percy & Rossiter, 1992, p. 266). In other words, consumers have a certain opinion towards a product, whether the product satisfies their needs or not, this opinion will be an important factor in their buying behaviour. When consumers have positive brand attitudes towards a specific brand, the chances are higher that consumers buy the specific brand (Percy & Rossiter, 1992). For example, a cheaper house brand might have the same or even better qualities than a certain A-listed brand, but because of the more positive brand attitude the consumer has towards the A-listed brand, the consumer will more likely buy the A-listed brand.

Another aspect that influences the decision-making process of consumer, besides brand awareness and brand attitudes, is the involvement in brands. Consumers can have low involvements or high involvements. When consumers have low involvements towards brands, a minimum level of brand awareness can affect the product choice, even when there is no well-formed attitude (Bettman & Park, 1980; Hoyer & Brown, 1990; Park & Lessig, 1981). The elaboration likelihood model (Petty & Cacioppo, 1986) suggests that consumers will choose brands based on brand awareness considerations mainly when they have low involvements. This can be explained by the fact that consumers do not have a strong interest in the brand, so there is not enough motivation to buy the competitors’ brand instead, or because consumers do not have enough knowledge about the brand. For example, when a consumer has the choice between two laundry detergents (a product with low involvement), the consumer will more likely buy the detergent that is well known from commercials. When consumers are highly involved, they become more motivated to consider different brands in the product category. High-involved consumers, therefore, base their decisions less on brand awareness and more on the features and qualities of the brand.

§4.3 CRM and brand awareness
If for-profit organizations and causes choose to participate in CRM programs the brand awareness of both organizations will increase (Varadarajan & Menon, 1988). Brand awareness will increase because a CRM program is a good marketing tool for organizations to
distinguish itself from competitors. The organizations that are involved in CRM are more noticeable for consumers and consumers will memorize the brand for a longer period of time (Polonsky & Macdonald, 2000). More over, CRM programs are useful to improve brand attitudes. When organizations participate in CRM programs consumers’ brand attitudes about these organizations will increase positively (Simonin & Ruth, 1998). Consumers value organizations that ‘do good’ and as a result consumers have more positive brand attitudes about the organizations. The improved brand attitudes could lead to more sales (Barone et al., 2000; Webb & Mohr, 1988).

CRM programs do not always have positive effects on for-profit organizations and causes, both organizations could also influence each other in a negative way. A bad designed CRM program can have a negative impact on the brand awareness and brand attitudes of both organizations (Andreasen, 1996; Donlon, 1998; Nicholls, Roslow & Laskey, 1994). An example of a CRM program, which had a negative effect on both organizations, is the relationship between Coca-Cola Foods and the National Parks and Conservation Association. During this campaign, consumers had to send in the proof-of-purchase emblem from Minute Maid products and sent 75 cents to Coca-Cola. The donations were spent on planting a tree in California’s Redwood National Park by Coca-Cola, which would have the name of the donator. However, during the campaign Minute Maid’s received enormous negative publicity about the environmental performance; there were environmental problems with the packaging and they received the ‘Waste Maker Award’ by an environmental group. Because of that, the positive environmental CRM campaign turned into a disaster for both Coca-Cola as the National Parks and Conservation Association (Coddington, 1999).

To avoid negative associations from CRM programs, the impact which CRM programs may have, should always be considered. So before entering a CRM relationship marketers of causes and for-profit organizations should consider the effects their marketing activity has on their brand. The marketers should also consider the changed brand attitudes and whether it affects the sales or the given donations. Marketers need to examine this because the long-term success of any future marketing campaign is affected by the knowledge that consumers have about a brand that has been created by short-term marketing efforts of the organization (Keller, 1993). So before participating in CRM, the two parties need to consider what the consequences are of a CRM relationship and how it affects the consumers’ perceptions of the brand, because a wrong campaign can affect brand awareness and brand attitudes in a negative way (Polonsky & Macdonald, 2000).
Chapter 5: Conclusions, discussion points, and recommendations

In this chapter the conclusions, discussions and recommendations will be given. In paragraph 5.1 the problem statement will be answered and the discussions are stated in paragraph 5.2. In the last paragraph suggestions for future research will be given as well as suggestions for marketing practice.

§5.1 Conclusions
Conclusions are made by using the information from the previous chapters and the problem statement of this study will be answered in this paragraph as well. The problem statement that will be answered is the following:

Does cause-related marketing have an effect on the brand awareness of an organisation and is there a difference between business organisations and professional sport clubs?

Varadarajan and Menon (1988) concluded that when organizations participate in CRM programs, brand awareness will increase. Brand awareness of business organizations will increase because organizations that are involved in CRM are more distinguished from their competitors. A cause-related product is an extra element, besides e.g., price, quality, and image, to be more noticeable for consumers. A cause-related product is also an extra tool for business organizations to convince consumers to buy their product/brand, because a consumer will more likely buy a cause-related product when price and product performance are similar in comparison with non cause-related products. Another reason why organizations participate in CRM is the positive image the organization will create for itself, because of their “good-doing”. The positive image will often lead to a positive attitude from the consumer towards the organization, causing a preference for the product. Regularly, consumers do not have very strong opinions about certain products, when compared to the attitudes consumers often have towards professional sport clubs. Therefore it is easier for a business organisation to influence these consumers without a strong attitude to buy their product, because the main difference is the CRM program. Besides that, CRM programs, of course, also help causes by raising money and by helping causes being better known.

If professional sport clubs choose to participate in CRM programs it is likely that brand awareness will increase for them as well. Professional sport clubs usually already
receive much attention from the media, fans and non-fans, however if a professional sport club is involved in CRM it will likely lead to a more positive attitude from fans and non-fans. Professional sport clubs are also able to reach a wider range of people by participating in CRM programs, because the cause can draw more attention to the club, mainly by reaching out to non-fans since there already is a great amount of brand awareness among fans. These non-fans could then become life-long fans, which could result in higher merchandise sales and ticket sales. However, CRM programs will not only influence the non-fans, but the fans as well. Fans of professional sport clubs often already have a strong opinion about the club, which often results in a feeling of “being a part of the team”. CRM programs, therefore, are particularly effective towards this often-large group of fans, because now fans can be even more a part of the team by also donating money to the cause. This also relates back to the fact that professional sport clubs and their players are often seen as role models; them being involved in a good cause, will create the feeling for the fan to do the same. Besides getting the fans involved in the good cause, CRM programs will also result in a more positive image for professional sport clubs. A positive brand image can be very important for a professional sport club since they, and especially their players, are seen as role models. CRM will help in showing that a professional sport club and their players care for the community and that they find it important to create a better world.

Both business organizations’ as well as professional sport clubs’ brand awareness will increase as a result of participating in CRM programs. Professional sport clubs’ CRM programs however will probably have a greater impact on their customers (fans), while business organizations will be able to influence new consumers more easily. However, professional sport clubs will receive more increased brand awareness than business organizations. The main reason for this is the fact that professional sport clubs have unique elements, such as mass media attention and their function as role models, which will result in more effective CRM programs. This can be explained by the fact that these elements create a stronger opinion and attitudes towards the organization and their brand/product.

\section{Discussions}

The conclusions made in this study are based on previous literature. The conclusions are not based on empirical research. To investigate the influence of CRM on the brand awareness of business organizations and professional sport clubs empirical research needs to be done.

Further more, not a lot of information could be found describing what participating in CRM as professional sport clubs exactly does to the brand awareness of professional sport.
clubs. The conclusions that are made in this study are based on conclusions and research from different papers. These different papers where indirectly connected to the problem statement but no conclusions could be made by means of a study that investigates what CRM does to brand awareness of professional sport clubs.

More over, different researches stated that sport has unique elements, which give CRM programs more impact as CRM programs from organizations of different industries. However a minimum of research has been done towards what CRM does to the image of professional sport clubs and the changed attitudes from consumers. So a number of associations and conclusions are based on one paper.

§5.3 Recommendations

Future research
This study shows CRM as an interesting area for future research. Additional research can determine what CRM exactly does to the brand awareness of professional sport clubs. Future research also can be done towards investigating which type of causes professional sport clubs and business organizations should support in order for them to have the most impact on their brand awareness.

Marketing practice
The information and conclusion from this study can be used to give recommendations for marketing practice. Business organizations can use the information from this study to determine if CRM would be good marketing tool to increase brand awareness. For professional sport clubs CRM would be a good marketing tool to attract new sponsors, more members and to create more merchandise and ticket sales.
References


