



## Identification with a Socially Responsible Apparel Company: Role of Cause-Related Marketing Strategy in Building Brand Loyalty

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Corporate social responsibility (CSR) includes actions that further the interests of society as a whole and extend beyond the interests of the firm. As one type of CSR, cause-related marketing (CRM) brings several benefits to companies such as enhancing consumer's attitudes towards a brand and increasing customer's purchase intent. Consumers can also benefit as they fulfill self-definitional needs by linking their identity with a brand that engages in a CRM strategy (Curra's-Pe'rez, Bigne'-Alcan~iz, & Alvarado-Herrera, 2009). Organizations have recognized that different strategies exist (e.g., sponsorship marketing) but despite the growing cause-related marketing literature, there is limited empirical research investigating types of cause-related business strategies (CRBS) and their impact on consumer response. The purposes of this study were threefold; First, we identified and defined different types of CRBS. Second, we investigated the impact of four different types of CRBS on consumer perceptions of an apparel brand. Third, we assessed the effectiveness of different types of CRBS on consumers.

To facilitate this research the following CRBS were identified and defined: sponsorship-linked marketing, transaction-based CRM, cause-related event marketing, and cause-related experiential marketing. Sponsorship-linked marketing is a non-conditional donation. Brands engaged in sponsorship-linked marketing donate resources to a social cause. An example is American Apparel, a U.S. apparel brand, donating 5,000 pairs of socks to the victims of the Haitian earthquake in 2010. Transaction-based CRM is the practice of a brand making a donation to a social cause as a result of consumers' purchasing the brand's products or services. An example is BCBG MAXAZRIA, a France-based apparel brand, donating 20% of the profits from the sale of specially designed ear buds to the Susan G. Komen for the cure organization, a non-profit that works to end breast cancer. Cause-related event marketing creates a specific event to support a cause and provides a recreational value to event participants in exchange for their direct or indirect donation. An example is Clinique's Happy e-card event. Clinique donated \$1 for each e-card sent to friends through their website. Cause-related experiential marketing links an event or campaign to socially responsible causes and initiatives. An example is TOMS shoes' "One Day without Shoes" campaign. This campaign entailed asking customers to live one day without wearing shoes to experience what it is like to live like the millions of children in Africa who live without shoes.

*Conceptual framework.* As a conceptual framework, the four types of CRBS were categorized based on Pine and Gilmore's (1998) four realms of experience that identify experience using two dimensions: customer involvement (high vs. low participation) and customer connection (absorption vs. immersion'). Cause-related experiential marketing reflects high involvement and high connection since event participants are actively engaged in the cause

because they commit a significant amount of time to participation and are immersed in the experience. On the other hand, sponsorship-linked marketing involves a situation where customers are passively receiving messages about a brand's sponsorship from the mass media, thus, involvement is low and connection is low.

Curra's-Pe'erez et al.'s (2009) conceptual model of consumer identification with a socially responsible company was used to identify concepts to be measured. These researchers identified brand image, distinctiveness, brand credibility, and brand attractiveness, customer-company (CC) identification with the brand, attitude toward the brand, and customer loyalty as important antecedents to brand loyalty.

*Method.* Data was collected from consumer panels utilizing an online research company ( $n=260$ ) and from undergraduates ( $n=346$ ). Structural equation modeling was conducted to test the proposed model and to compare each type of marketing strategy.

*Participant characteristics.* In all conditions, the consumer and undergraduates participants were primarily women. The average age of consumer participants was ranged between 27.8 and 29.4 years in each type of marketing. Undergraduate participant's average ages ranged between 18 and 21 years. For all conditions, the majority of participants was Caucasian.

*Results.* For all types of CRBS, there were significant positive relationships between corporate social responsibility image, brand distinctiveness, credibility, and attractiveness, C-C identification, attitude toward the brand, and customer loyalty. If participants rated the brand as having a socially responsible image, they also rated the brand as different from other brands, credible and attractive. Also, the more participants rated the brand as attractive, the more they indicated they identified with the brand, and ultimately had a positive attitude toward the brand and reported customer loyalty (e.g., purchase intention, spreading positive word-of-mouth about the brand). Customer's identification with the brand influenced customer loyalty both directly or indirectly through attitude toward the brand.

Next, to assess the effectiveness of each type of CRBS, a total of six group comparisons was conducted between the four types of CRBS. The relationships of the variables were significantly different between each type of CRBS. Specifically, the effect of CSR image on brand distinctiveness, the effect of brand distinctiveness on brand attractiveness, the impact of brand attractiveness on customer-company identification and the impact of C-C identification on attitude toward the brand were strongest in the cause-related event marketing condition followed by transaction-based cause-related marketing, cause-related experiential marketing, and sponsorship-linked marketing conditions.

*Conclusions.* This study demonstrated that perceptual, attitudinal, and behavioral responses to different types of CRBS are different. Findings can be useful for marketers to create and select the CRBS that can generate the best marketing performance for their brand(s).

#### References

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