



All in a good cause

People are now more questioning of corporate social responsibility and cause marketing. Brands need to show that their campaigns have a real benefit to society

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We live in a world flooded with choices and glutted with messages at every turn. As brands try to connect with customers in this din, some have found new ways to distinguish themselves by undertaking efforts with a positive societal benefit.

Hard data on the impact of such meaningful marketing programmes can be elusive. The longest-running studies of efforts (as tracked by Cone Inc. in the US) tend to be long on high-minded attitudinal data and short on behavioural substantiation. Nevertheless, the trend is undeniable: more companies are engaged than ever in programmes that aim to have a positive impact on quality of life. Here we will take a look at two types of initiatives: cause marketing and corporate social responsibility (CSR).

Meaningful marketing initiatives spring from many sources. Most start from a genuine wish to do something good, while also improving brand or company image. Firms with a tarnished reputation may undertake such efforts as steps towards redemption and rebuilding public trust. Cause marketing programmes, in particular, may begin as an experiment, channelling existing resources in new ways. CSR programmes often originate through grassroots efforts within a company and spread from there.

Companies establish their own goals and success criteria for these programmes, and these may vary widely. Cause marketing programmes, for example, can often be measured in concrete terms from high-impact metrics, like units sold and dollars raised, to softer measures such as page views or Facebook 'likes.' Here our intent is to explore cause marketing and CSR as they relate to building positive differentiation for brands.

CAUSE MARKETING

Cause marketing is an initiative that links efforts between a for-profit business and a non-profit organisation for mutual benefit. Unlike corporate giving, in which a company makes a charitable donation to a cause (usually from a company fund or foundation), cause marketing is a marketing relationship.

Because it is marketing-based, marketing personnel from the brand/company side are involved in the project.

Other players are often involved as well, such as a specialist cause marketing firm to develop the programme and an ad agency to create advertising for it. Participants on the cause side vary widely, as many don't have formal marketing departments or internal expertise.

Cause marketing programmes often take the following forms (solely or in combination). In transactional programmes, the non-profit partner receives a donation with each sale of a product or service. In licensing programmes, the corporate partner pays a fee to use the non-profit organisation's logo. In message-related programmes, the corporate partner uses its marketing resources to develop awareness around an issue or cause.

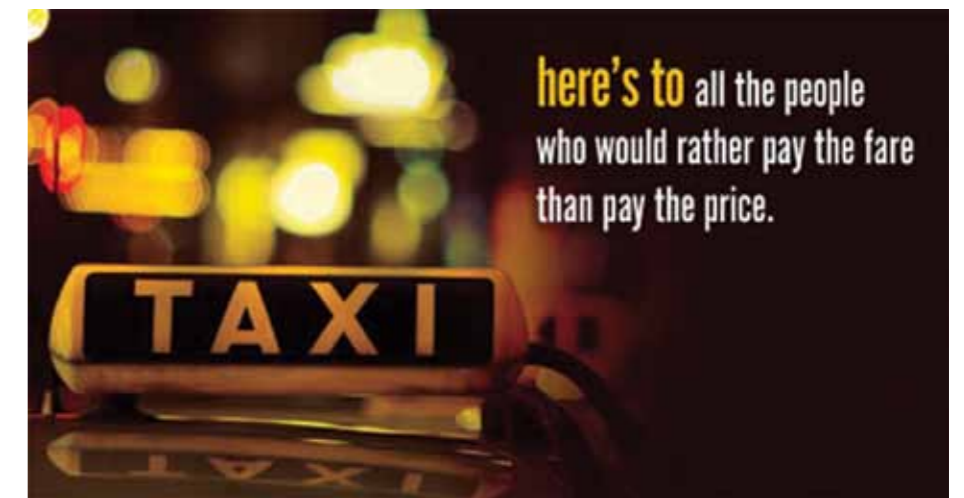
By most accounts, cause marketing as we know it was born in 1983 when American Express launched a programme to raise money to restore the Statue of Liberty. Over a three-month period, the company pledged to donate one cent for every credit card transaction and \$1 for each new card issued. The programme, backed by a large and well-executed media campaign, raised \$1.7 million to fund restoration of the Statue of Liberty and Ellis Island.

The programme also generated impressive business metrics for American Express: new card applications increased 45%, and card transactions rose 28% in the first month of the campaign. Perhaps more importantly, though, the campaign helped reshape the image of the American Express card, which had largely been perceived as an elite, speciality, travel-centred card. By associating the AmEx card with a cause that resonated deeply with all Americans, the campaign helped reposition it as a mainstream credit card.

Today, nearly 30 years later, cause marketing campaigns are everywhere. Social media has greatly expanded opportunities for consumer engagement, offering new tools with which to raise awareness and funds for causes.

INGREDIENTS FOR SUCCESS

To be effective, cause marketing programmes require thought and care, not just money and a vague wish to do good while helping the brand. The best resonate emotionally with consumers and help reinforce (or reshape) brand perception. Here are the seven essential ingredients for a successful cause marketing programme.



Molson: invests heavily in responsible programmes such as TAXIGUY

1 Research and planning
Companies must do their homework, not only in vetting potential cause partners, but in probing their internal environments to ensure they can get effective support and engagement throughout the company.

2 Alignment
The best programmes make intuitive sense, because they align brand, audience and cause. One example of an ideal match is Home Depot, a leading US retailer of home improvement and construction products, and its longtime partner Habitat for Humanity, an international NGO dedicated to building simple, affordable housing. Ideally, the programme will appeal not only to core consumers, but also any new segments the brand is targeting.

3 Long-term commitment
Companies seeking a brand-building benefit from cause marketing must take the long view. Bumps along the way are inevitable in the beginning of any programme (and relationship), and staying the course will help both partners, while allowing programmes to evolve naturally over time.

Companies that are dabbling in short-term initiatives may be able to 'buy' a little fleeting interest from consumers, but only sustained commitment will affect brand perception. Consumers are increasingly savvy: they want authentic commitment and can smell short-term opportunism.

4 Mutuality
Companies and causes have very different cultures and structures. Both parties must understand and respect their potential partners. Arrogance by a richly-resourced corporation that behaves as if it is bestowing largesse on an underling can fatally undermine a relationship, even though the cause may be in dire need of funds. Nor are some non-profit organisations strangers to righteous disdain of corporations. Organisational and legal constraints may limit what support a non-profit can offer, despite best intentions on all sides. Mutual consideration must be present for a successful alliance.

5 Employee engagement
An underappreciated benefit of cause marketing is the power to energise employees. Aligning with a cause can offer a major morale boost and fuel enthusiasm for the company. Avon's early support of breast cancer research 20 years ago, for example, resonated powerfully with its female sales force as well as its customers. Meaningful opportunities for participation can add to the impact. One such example: a new programme in the Home Depot/Habitat partnership, Repair Corps, engages the company's volunteer group, Team Depot, to help repair homes for US veterans.

6 Specific, tangible impact
Clarity and transparency are vital ingredients for cause marketing programmes. Consumers want to know what impact their purchase or support will



Häagen-Dazs: has given \$620,000 to support research and education around honey bees

have, and vague promises to donate a 'portion of proceeds' are far less effective than a specific, measurable result.

7 Distinctiveness

The best cause marketing programmes are also distinctive. Brands that opt for alliances with big, bland organisations fail to harness the full potential of a cause connection. In addition, a *cause du jour* may generate a short-term lift in interest and sales but nary a ripple of impact on consumer perception.

Sadly, even long-term supporters of a cause can be swamped by clutter as a cause grows in popularity. Yoplait yoghurt, for example, was innovative 13 years ago with its 'Save Lids to Save Lives' alliance with a leading breast cancer organisation (the Susan G. Komen for the Cure), but its competitors have since jumped on the bandwagon.

Its rivals Dannon and Stonyfield Farm yoghurt now both have major tie-ins with breast cancer organisations.

CASE STUDY: SUBARU

Using those criteria, let's examine a major programme by Subaru of America, which has run an annual end-of-year cause marketing programme called 'Share the Love' since 2008.

Subaru donates \$250 for every new vehicle sold or leased during the promotion period, up to \$5 million in total support. In its first three years, it raised nearly \$15 million for designated causes. In its most recent programme, the company added a fifth 'People's Choice' charity based on Facebook votes before the promotion. In addition to the potential \$5 million for this year, Subaru announced it would add up to an extra \$250,000 in support based on Facebook votes during the promotion.

The causes eligible for donations during the most recent programme in 2011/12 were American Forests, The ASPCA (The American Society for the Prevention of Cruelty to Animals), Meals on Wheels Association of America, Special Olympics,

and the Make-A-Wish Foundation, the People's Choice winner.

Results from the programme's first year (2008, the only year for which data are readily available) appear solid. At the 2009 Chicago Auto Show, Subaru's chief marketing officer, Tim Mahoney, explained that the campaign, funded out of the company's incentive budget, actually saved money, generating higher sales at a lower cost.

The \$20 million raised over four years is a lot in absolute terms. In relative terms, Subaru isn't overly generous, donating roughly 1% of the price of the average Subaru vehicle. But \$250 sounds big, and few consumers are likely to do the maths.

While little is known about the relationship between Subaru and its cause partners, Subaru was thoughtful in curating a list of charities eligible for 'People's Choice' votes on Facebook. Without such constraints, organisations may strain valuable resources trying to activate their social networks when they have a

slim chance of being picked. However, the changing array of charity partners (discussed below) reflects inconsistent support, which is insensitive at best. Large swings in income can be devastating to non-profits.

Now in its fourth year, the programme has some longevity, but the mix of charities has varied considerably over time. Only two charities (ASPCA and Meals on Wheels) have been part of the programme for all four years. Habitat for Humanity received support for three years. The others (in for one or two years), appear to have been selected because of the category they represent: Environment (American Forests, Ocean Conservancy, National Wildlife Federation) or Children (Special Olympics, Big Brothers Big Sisters, Boys and Girls Clubs of America). It can be tricky to pick the right cause partner(s). Causes dearest to the hearts of consumers are usually local, not big national groups. Subaru had to select organisations with a national presence and sufficient organisational capacity.

Subaru's 'Share the Love' programme is more of a charitable donation programme with a marketing overlay than a true cause-marketing programme. While admirable in terms of absolute funds raised, it has fallen substantially short of its potential as meaningful marketing for the Subaru brand.

CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility integrates business operations with social values. Instead of viewing financial performance as the sole criterion for success (and shareholders as the only relevant stakeholders), CSR maintains that societal and environmental impact must be considered as well. In CSR, the public interest is deliberately factored into corporate decision-making.

Unlike cause marketing, which has fairly clear origins and intrinsic links to marketing, CSR is much more diffuse. It also has no commonly accepted criteria, so activities ranging from strict accounting of environmental and social impacts to charitable efforts and volunteering can all claim to wear the CSR label. Moreover, there is no single natural 'home' for CSR with a company: it may reside in marketing, human resources, a special CSR department or any number of other places.

Our intent here is not to survey the field of CSR, but to guide marketers toward

meaningful initiatives with impact for their brands.

With this in mind, we will focus on two effective CSR programmes to illustrate ways they can positively affect both public interest and the brand. CSR is often associated with small entrepreneurial companies, founded with strong values at their core. Large companies have succeeded in the CSR arena too, and we draw our examples from this category.

CASE STUDY: MOLSON COORS CANADA

Many alcoholic drinks companies have run advertising to promote responsible choices around drinking. Molson Coors Canada has taken a more active approach. During the holiday season of 2008, the city of Toronto cancelled its free taxi service on New Year's Eve because of budget constraints. Molson initiated a campaign to engage the private sector to fund the programme, starting with its own \$20,000 contribution. Backed by a savvy social media campaign, Molson's efforts drew widespread attention and acclaim.

Molson was an original founder of TAXIGUY (in 1998) and has been a supporter ever since. A network of 425 taxicab companies covering 700 cities in Canada, TAXIGUY is accessible nationwide via a single memorable phone number (1-888-TAXI-GUY). In 2010, just before Canada Day, Molson launched a free TAXIGUY app for Android, iPhone and BlackBerry phones. Molson invests heavily in other ways, reportedly spending more on responsible drinking education than alcohol-related events.

Molson Coors directly addresses real problems caused by its products. Its programme benefits more than its own customers, providing valuable public education and services to the communities in which it does business. In addition, its marketing uses leading-edge tools (Twitter in 2008, apps in 2010), allowing it to connect with a key audience of young consumers.

CASE STUDY: HÄAGEN-DAZS

Ice-cream maker Häagen-Dazs has a modest, but pitch-perfect, CSR programme to address a little-known problem: the honey bee crisis. In the US, honey bees have been disappearing at an alarming rate. One in three bee colonies has died in the past three years. This problem affects much more than honey production, as one-third

of the US food supply relies on pollination by honey bees. The brand's CSR programme contains several elements. Häagen-Dazs has given \$620,000 over three years to support research, education and outreach around honey bees. By partnering with targeted programmes in two esteemed research universities, Pennsylvania State University and University of California at Davis, Häagen-Dazs has helped support important efforts, from research on Colony Collapse Disorder and sustainable pollination, to certification programmes for gardeners creating bee-friendly environments.

A cause-marketing programme runs alongside the research programme, with donations triggered by certain 'bee-built' flavours. Häagen-Dazs has set up a microsite that provides information, including an opportunity for bee lovers to showcase their enthusiasm. Among supporters is a boy scout petitioning the National Boy Scout Council for reinstatement of the Beekeeping merit badge, which was discontinued in 1995.

Key success factors: the Häagen-Dazs programme focuses on a societal and environmental impact that goes well beyond its own brand and category. It's big – and yet it's small as well. As an early supporter, the brand can arguably own the issue. Yet, instead of trying to create a brand-centric institute, for example, Häagen-Dazs targets existing efforts more geeky than glamorous: a conference on Pollinator Biology, Health, and Policy, improved nutrition for native honey bees, and the like.

Marketing elements are low-key and charming: a playfully designed website and understated language that avoids traditional high-volume marketing hype. Underlying it all, the honey bee cause itself aligns brilliantly with Häagen-Dazs's own positioning as a simple brand with all natural ingredients. It's a safe bet that marketplace clutter and noise will intensify, as will consumer expectations of corporations.

More brands and companies are likely to engage in cause marketing and CSR. Those who do so will find consumers more discerning and demanding of those making the attempt. The winners will be those embracing the largest and highest view, finding authentic and generous ways to connect what they do with human aspirations for a better world.

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