

&lt;MBA Degree Thesis&gt;

AY 2016

# STUDY OF CAUSE-RELATED MARKETING IN TAIWAN: THE IMPORTANT FACTORS OF PERFORMING CAUSE-RELATED MARKETING CAMPAIGNS IN TAIWANESE MARKET

35142344-8 YI-CHING LIN

FRONTIERS OF BUSINESS STUDY

C.E. PROF. AKIE IRIYAMA

D.E. PROF. TATSUYA KIMURA D.E. PROF. TOMOKO KAWAKAMI

## Summary

In this thesis, I examined cause related marketing (CRM, hereafter), which is a marketing tool of involving the partnership of a for-profit business and a non-profit organization for mutual benefit. Even though CRM has been used largely in Europe and the United States from 1980s, CRM is still a very new strategy in Taiwan. Most academic researches have only examined the successful cases and neglected the unsuccessful cases. Therefore, specifically I seek to find out the favorable factors of performing CRM in Taiwan through online survey and case study which including successful case and unsuccessful case. The results of online survey indicate the significant interactions between brand image, brand loyalty, personal involvement and purchase intention, and the findings of case study have similar results, such as the vivid message can build clear brand image, and strategic CRM is more effective than tactical CRM on keeping the loyal customers. Moreover, personal involvement, such as level of interested in the society issue which the CRM campaign support and local cause, could increase customers' purchase intention as well. Furthermore, the online survey shows the exposure rate could increase customers' awareness of the society issue, and the case study support this point by showing the ongoing causes are more favorable than one-time causes of performing CRM. The major overall finding of this study is that the strategic long-term CRM are more effective than short-term tactical CRM on increasing the purchase intention and the

awareness of the society issue in Taiwanese market, and personal involvement of the cause is positively related with purchase intention as well.

<Inside Cover>

**STUDY OF CAUSE-RELATED MARKETING IN TAIWAN:  
THE IMPORTANT FACTORS OF PERFORMING  
CAUSE-RELATED MARKETING CAMPAIGNS IN  
TAIWANESE MARKET**

**35142344-8 YI-CHING LIN**

**FRONTIERS OF BUSINESS STUDY**

**C.E. PROF. AKIE IRIYAMA**

**D.E. PROF. TATSUYA KIMURA    D.E. PROF. TOMOKO KAWAKAMI**

## Table of Content

<b>CHAPTER 1 INTRODUCTION</b> .....	<b>5</b>
SECTION 1.    RESEARCH BACKGROUND.....	5
SECTION 2.    RESEARCH MOTIVATION.....	6
<b>CHAPTER 2.    LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT</b> .....	<b>7</b>
SECTION 1.    BACKGROUND OF CRM.....	7
SECTION 2.    FOR-PROFIT ORGANIZATIONS AND CRM.....	8
SECTION 3.    CONSUMER AND CRM.....	9
2.3.1. <i>Benefit Benefit for Consumer of involving CRM</i> .....	9
2.3.2. <i>Consumer's Respond toward CRM</i> .....	9
2.3.3. <i>Consumer Involvement</i> .....	13
SECTION 4.    NON-PROFIT ORGANIZATIONS AND CRM.....	14
2.4.1. <i>Benefit for Non-profit organizations of involving CRM</i> .....	14
2.4.2. <i>Challenges of Partnership of Non-profit and Corporate</i> .....	15
<b>CHAPTER 3.    ANALYSIS 1: QUESTIONNAIRE SURVEY</b> .....	<b>17</b>
SECTION 1.    SURVEY DESIGN.....	17
3.1.1. <i>The questionnaire design</i> .....	17
3.1.2. <i>Online Research Sample Selection</i> .....	18
SECTION 2.    DEMOGRAPHIC PROFILE.....	18
3.2.1. <i>Gender</i> .....	18
3.2.2. <i>Age</i> .....	19
3.2.3. <i>Education Level</i> .....	19
3.2.4. <i>Occupation</i> .....	20
SECTION 3.    DATA ANALYSIS.....	20
3.3.1. <i>Hypothesis #1</i> .....	20
3.3.2. <i>Hypothesis #2</i> .....	22
3.3.3. <i>Hypothesis #3</i> .....	22
3.3.4. <i>Hypothesis #4</i> .....	23
SECTION 4.    KEY FINDING FROM SURVEY.....	24
<b>CHAPTER 4.    ANALYSIS 2: CASE STUDY</b> .....	<b>26</b>
SECTION 1.    CASE DISCUSSION.....	26
4.1.1. <i>American Express</i> .....	26
4.1.2. <i>General Mills and School</i> .....	27
4.1.3. <i>Macy's and American Heart Association</i> .....	28
4.1.4. <i>Apple and Red Organization</i> .....	29
4.1.5. <i>Uniqlo and UNHCR</i> .....	30
4.1.6. <i>McNeil Consumer Products company and Arthritis Foundation</i> .....	31
4.1.7. <i>Frito-Lay</i> .....	32
4.1.8. <i>KFC and Susan G.Komen</i> .....	33
4.1.9. <i>Coca-Cola and WWF</i> .....	34
SECTION 2.    CASE ANALYSIS.....	35
4.2.1. <i>Strategic and tactical CRM</i> .....	35
4.2.2. <i>Type of Message</i> .....	37
4.2.3. <i>Type of Scope</i> .....	40
4.2.4. <i>Type of Cause</i> .....	41
SECTION 3.    KEY FINDINGS FROM CASE STUDY.....	42

<b>CHAPTER 5. DISCUSSION AND CONCLUSION.....</b>	<b>43</b>
SECTION 1. DISCUSSION .....	43
SECTION 2. CONCLUSION.....	45
SECTION 3. LIMITATION AND FUTURE RESEARCH.....	46
<b>REFERENCE .....</b>	<b>47</b>
<b>APPENDIX.....</b>	<b>49</b>

## CHAPTER 1 INTRODUCTION

### Section 1. RESEARCH BACKGROUND

Cause-related marketing (CRM, hereafter) is a marketing tool of involving the partnership of a for-profit business and a non-profit organization for mutual benefit. “CRM is 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) CRM is used to bring profit for both non-profit organization and for-profit organization. Since consumers start to aware and demand social responsible activities from enterprise, the corporate social responsibility (hereafter, CSR) become an indicator for some consumers to evaluate a company. According to WBCSD<sup>1</sup> (2004), “CSR is the commitment of a business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life.”

Meanwhile, corporates have noticed the importance of brand image, especially for B2C market, which the brand image have impact on consumers’ purchasing decisions. At the same time, NPOs are struggling with the limited funds and sustainability, they need to look for new funds all the time, and compete with other organizations for limited resource. All the conditions make CRM become the perfect solution for NPO and corporations. CRM can be considered as a sales promotion which make contributions to society at the same time. Growing number of corporates start to take corporate social responsibility (CSR) seriously, which and partner with non-profit organizations to perform CRM.

---

<sup>1</sup> WBCSD is a CEO-led organization focused on organizing the global business community to create a sustainable future for business, society, and the environment. It has 200 member companies with combined revenues of over \$7 trillion and, according to Google Scholar, it has large visibility in academic research.

## Section 2. RESEARCH MOTIVATION

Several CRM surveys have reported that consumers would like to choose a product or service that benefit a cause they care about as long as the price and quality meet their needs. Two-thirds of consumers claimed that they would favor retailers or brands associated with a good cause. (Harvey Meyer, 1999). Moreover, other survey show that consumers are willing to pay about 6 percent more, on average, when some or all of their payment goes to a charitable cause selected by a seller (Daniel and Brian, 2010). CRM has been used in America and Europe for long time, and most of the existing literature of CRM focuses on the study of American and European markets, and did not study on specific groups. Therefore, the first purpose of this paper is to test the reactions of different groups toward CRM in Taiwanese market, and find out the favorable factor of performing CRM in Taiwan.

Moreover, Henri Servaes and Ane Tamayo (2013) pointed out that low public awareness has negative impact of CSR on firm value, and CSR activities can enhance firm value with high public awareness by advertising intensity, which indicated the importance of advertising, and also lead to the question about how to make a good CRM strategy for corporate marketing and CSR department. There are tons of studies had examined the strategies of CRM, however, most of the existing literature focuses on successful cases, and limited studies talked about unsuccessful cases. The second purpose of this paper proposes to analyze the both successful and unsuccessful cases to find the favorable way of performing CRM. Survey from Taiwanese market and the analysis of case study will be examined together in the discussion session of this paper.

## **CHAPTER 2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT**

### **Section 1. BACKGROUND OF CRM**

In this section, the history and definition of caused-related marketing (CRM) will be introduced. CRM is a strategy introduced in the 1980s that combines consumer purchase transactions with a company donation. (Caesar, 1986) Although many companies claimed of being the first CRM initiator, the American Express supported the restoration of Statue of Liberty in 1983 is one of the first well known case of CRM campaign, and through the campaign, American express achieved to raise \$1.75 million and increased transactional activity by 28% in 4 months. Caused Related Marketing (CRM) is about using marketing money, techniques and strategies to support worthwhile causes while at the same time building the business. It is defined by Business in the Community as a commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit. (Adkins, 1999) CRM could be referring a communication tool that helps companies to show their corporate social responsibility and involvement in specific causes. More specifically, typical CRM need consumer to buy a specific product or service, which the company will make a donation to a specific cause. However, money donation is not the only way to do CRM, for example, product donation, education, and medical support could also use for CRM campaigns. CRM is post purchase giving, whereas sponsorship is given pre-purchase, and philanthropy is unrelated to sales. In CRM programs, firms focus on targeting causes that match their existing or potential consumer base and use these charities as the incentive or hook for consumers to buy the firms' product (Osterhus, 1997). Therefore, CRM is a transaction-based marketing tool, which relies on consumers purchasing a product from a for-profit company, which donates a proportion of the product's purchase price to the associated cause (Davidson, 1997).

## Section 2. FOR-PROFIT ORGANIZATIONS AND CRM

CRM could be a good marketing strategy for company, the benefits of performing CRM will be discussed in this section. CRM is a good tool for companies to build reputation and gain profit by offering products with social cause. There are many incentives for for-profit organizations to perform CRM, according to American Marketing Association (Deborah and Lois, 1998), CRM can be used to realize a broad range of corporate and marketing objectives, the benefits are as follows:

- (1) gaining national visibility,
- (2) enhancing corporate image,
- (3) reducing negative publicity,
- (4) pacifying customer groups,
- (5) generating sales,
- (6) promoting repeat purchases,
- (7) promoting multiple purchases,
- (8) promoting more varied usage,
- (9) increasing brand awareness and recognition,
- (10) enhancing brand image,
- (11) reinforcing brand image,
- (12) broadening customer base,
- (13) reaching new market segments and geographic markets, and
- (14) increasing level of merchandising activity at the retail level for the brand.

From the benefits mentioned above, we know that CRM have good impact on brand image and consumer base could be enlarged by it. Surveys from RSW (1996) The Green Gauge Reports, have shown that 76% of USA participants are more likely to switch to a brand which support a cause if the price and quality are equal. Therefore, CRM activity would be a huge incentive for for-profit organizations to be involved for the positive impact on brand image, brand loyalty and purchase intention.



## Section 3. CONSUMER AND CRM

### 2.3.1. Benefit Benefit for Consumer of involving CRM

CRM not only bring benefit to NPO and for-profit organization, but also consumer who purchase product from CRM campaign. According to the Journal of Security and Sustainability (M. Mercedes, C. Galera, Victor V, and M. Jesus, 2013), the benefits for consumers who purchase CRM related products are as follows:

- (1) New value added to the product.
- (2) Ability to participate in charitable causes.
- (3) Knowledge about the situation of certain groups and populations from other countries.
- (4) More awareness of the purchase.
- (5) Feel good when purchasing.

Therefore, CRM can bring values and meanings for consumers by purchasing activities. The products are not only about price, but with a story or a purpose to be known. Consumers have the chance to participate in the causes by shopping. Moreover, shopping is not only about buying things, but also experience. The situations of certain groups and populations from other countries could add new value on the shopping experience, and consumers can decide what to support by their purchasing decision.

### 2.3.2. Consumer's Respond toward CRM

According to the research from American Marketing Association (Deborah and Lois, 1998), there are four types of consumer response to CRM, the key factors of each group are concluded as follows:

#### 1. Skeptics

Skeptics' responses to CRM campaign ranged from outright disbelief to questioning the fairness of the campaign. There are four concerns for skeptics: (1) distrust the company actually would donate anything they promised; (2) assumed slight amount dollar donated; (3) perceived inequity of the amount donated compare to the total gain for the firm; (4) use the CRM campaigns to

influence consumers to buy overpriced or not needed product. To sum up, this group are afraid of being taken advantage. They assume CRM as a “gimmick” trick from companies to manipulate consumers. They choose to pay little or no attention on CRM offers, and refuse to change their view of the company or purchase their product. However, none of the participate from this group gave any dishonest CRM campaigns example, Deborah and Lois (1998) speculate their skepticism is based on distrust of advertising in general.

## 2. Balancers

For balancers, they are more positive than skeptics, the positive attitudes resulted from their perceptions that firms were contributing a certain amount of money to a good cause, this group of consumers responded to CRM offers. They regarded the companies which perform CRM are willing to give back to society, which improved their image toward the firms. In spite the positive image toward CRM, balancers were not involved in the issue of CRM highly, when it comes to purchase decision, they focus more on price, quality and convenience.

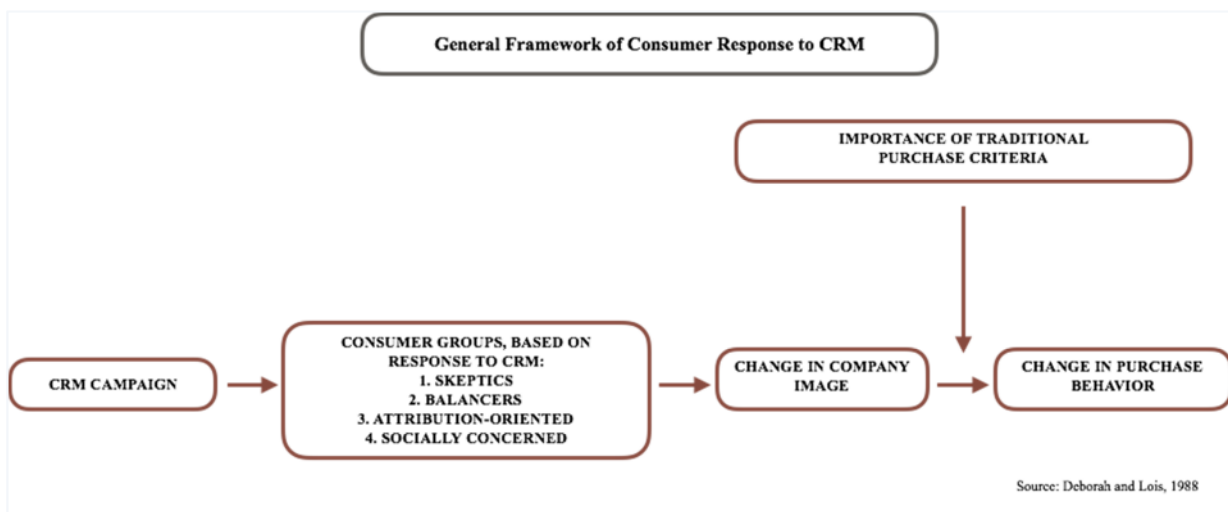
## 3. Attribution-oriented

This group considered the motivation behind a firms’ involvement of CSR importantly, and questioned about the honesty of the promotion. Unlike the skeptics, they did not deny all the firms which involved CRM, and they are willing to consider firms have at least some unselfish motives. However, the improved image of firms did not change most attribution-oriented consumers’ purchase behavior.

## 4. Socially concerned

Socially concerned consumers have positively response to CRM offers about the issue they care, and set their suspicions and concerns aside, and support CRM programs actively. They are only group who are fully supported CRM. We can see the framework of four type of consumer response to CRM from figure.1 below.

**Figure.1: General Framework of Consumer Response to CRM**



From the result of this study, both balancers and socially concerned group of participants shows positive attitudes toward companies sponsoring CRM. The studies of consumer attitudes to corporate support of causes indicates that most of Americans believe CRM is an effective way to help the social problems, and that can influence what and where they buy the products (Peggy.s and Albana.b, 2001). From the research of Consumer Responses to CSR Initiatives from Journal of Advertising, the experiment of Xiaoli and Kwangjun (2007) found that participants who were exposed to an ad with CRM held more favorable attitudes compares with a regular ad without CRM message. All findings show that participants have positive attitude toward CRM activities.

Moreover, when it comes to purchase intention, consumers with a more positive evaluation of a CRM offer have greater purchasing intent than those with a less positive evaluation. (Yanli, Elizabeth, Pauline, and Grace, 2003) Many researchers believe that CRM campaign has a positive effect on participants’ purchase intention. Ross, Patterson, and Stutts (1992) stated: “Consumers tend to believe that companies sponsoring CRM are socially responsible.” In addition, the company’s CRM activities can positively influence the willingness of consumers to purchase a company’s product. (Smith and Alcorn 1991)

Therefore, CRM campaign seem as a tool for helping corporate to gain positive reputation, and good brand image. From the research of Fombrun and Shanley (1990), the empirical evidence

shows that the greater a company's contribution to social, the better its reputation. Moreover, the results of Cone and Roper consumer survey (Cone Inc., 2004) show approximately 80 percent of participants agree that a corporation who support a cause generate greater trust. Researcher suggest the positive attitude towards the brand or product could increase purchase intention. "The strength of an attitude has a positive effect on attitudes and behavior in the way that more a positive attitude towards the brand or product leads to a more positive impact on purchase intention." (Pratkanis and Turner, 1994) Therefore, we can conclude from the exciting literature that consumers are positive toward CRM activities, and CRM activities have positive impact on brand image, loyalty, and purchase intention.

Therefore, the set of first hypotheses states that:

- Hypothesis #1: A consumer's purchase intention of CRM product is positively associated with her/his loyalty to the brand, image of the brand, and her/his attitude toward CRM campaign of that brand.
- H1a: A consumer's brand loyalty is positively associated with her/his purchase intention of CRM product of the brand.
- H1b: Brand image is positively associated with customers' purchase intention of CRM product of the brand.
- H1c: Attitude toward to the CRM campaign is positively associated with customers' purchase intention of CRM product of the brand.

However, from the study of Deborah and Lois (1998), both skeptics and attribution-oriented participants questioned about the honesty of the corporation which involved in CRM activity, they distrust the advertising and the companies which perform CRM will actually donate the money they promised. According to Eikenberry (2009), Consumers are not sure about how much money actually gets donated. Moreover, consumer is confused about donation amounts showed either as a percentage of the sales price, a percentage of profit, or in vague terms (Olsen and Norman, 2003). All the findings show the importance of demonstrating the follow up report after CRM campaign. Based on Cone Communications' (2004) research, 82% participants prefer to purchase a product that

clearly demonstrates the results of the company's CSR initiatives than one that does not, and 40 percent of the participants say they will not purchase a company's products or services if CSR results are not communicated. (2012 Cone Communications Corporate Social Return Trend Tracker<sup>2</sup>). All the statements indicate the importance of the follow up report of CRM activity. Since many studies have done the research between female and male, we would like to know how different generations react to the follow up report of CRM. Therefore, the hypothesis states that:

- Hypothesis #2: Consumers who are under or equal the age of 30 are more interested in the follow up of the CRM activity after they purchase the product than participants who are above the age of 31.

### 2.3.3. Consumer Involvement

Many studies show the emotional level of individual involvement is a key factor in consumer's awareness, perception and response to CRM campaigns. For making a successful advertisement, consumer involvement is always the goal for marketer to achieve. According to Andrea and Paul (2003), there are 5 forms of involvement as follows:

- (1) personal connection to the illness, (2) social benefits, (3) supporting the cause or community obligation, (4) fitness, and (5) fundraising.

Andrea and Paul (2003), states that "The mode of participation and level of personal involvement with the cause impact the story told and the marketing implication". They emphasized that social marketer needs to pay attention to the benefits to the participants besides the charity and the sponsor. Consumers are the key factor of a successful CRM campaign. Marketer's mission is to analyze the key factors which could attract consumers' attention. Till and Nowak (2002) indicate that marketer must go to customers to find out which causes will create the desired consumer reaction. Freedman (1964) analyzes involvement as interest in, concern about, or commitment to a particular position on an issue. According to Douwe, Gaby and Pieter (2006), personal involvement with an issue is defined as "the level of perceived personal importance and/or interest evoked by a stimulus

---

<sup>2</sup> <http://www.conecomm.com/2012corporatesocialreturntrendtracker>

within a specific situation” The degree of involvement refers to the degree of perceived personal relevance of an issue.” Additionally, Lafferty (1996) finds that consumers' responses were more positive when the cause was important to them.

CRM, links with a product or a company to a core value which their consumers care about, can generate bonding and trust which influence the consumption decision. Most of the study shows the level of involvement or engagement is crucial for customers when they evaluate a cause-related activity. Therefore, the statements lead us to the hypothesis as follows.

- Hypothesis #3: Consumers who are interested in the issue which the CRM campaigns support will have more purchase intention than those who are not.

#### Section 4. NON-PROFIT ORGANIZATIONS AND CRM

##### 2.4.1. Benefit for Non-profit organizations of involving CRM

With the growth of non-profit organizations, more and more NPO are competing the available money with each other. It's getting harder and harder for non-profit organization to get funding nowadays. Therefore, partner with for-profit organization through CRM become a reasonable method for non-profit organization to sustain and expand. According to the Journal of Security and Sustainability (M. Mercedes, C. Galera, Victor V, M. Jesus, 2013), the benefits for non-profit organizations perform CRM campaigns are as follows:

- (1) Diversify the funding sources.
- (2) Spreading the cause or mission.
- (3) Visibility.
- (4) Image and participation are enhanced.
- (5) The number of partners, donors and volunteers can increase.
- (6) Learning from the company.
- (7) Gaining awareness.
- (8) Improving the relations with society.

For non-profit organizations, the CRM campaigns can raise more funds, and bring the public

awareness. Awareness raising is one of the most important goal for NPO. The importance of awareness could be demonstrated by the activity called “ice bucket challenge”, which is an activity involving during a bucket of ice water on head to promote awareness of the disease amyotrophic lateral sclerosis and encourage donations to research in 2014. The ice bucket challenge was a huge success campaign, according to Wikipedia<sup>3</sup>, the hits to English Wikipedia’s article on amyotrophic lateral sclerosis grew from an average of 163,300 views per month to 2.89 million views in August 2014. Moreover, the ALS association announced that their total donations since July 29 had exceeded \$100 million which never happen before the ice bucket challenge. From the case of “ice bucket challenge”, we know the awareness of the society issue could bring attention and support. However, study from Deborah and Lois (1998) stated that if the company don't say enough about the charity links, consumers will assume the companies are hiding something. If they did too much, consumer will believe the charities are being exploited by company. The promotion of such schemes become the most delicate jobs in marketing. (f. O'Sullivan, 1997) Since raising awareness is one of the most important goals for NPO, we like to know would promotion activities help the cause to gain awareness or not. Therefore, the hypotheses #4 is stated as follows.

- Hypothesis #4: For non-profit organizations, the customers’ awareness of the society issue which the CRM campaign support is positively associated with the exposure rate of the CRM campaign.

#### 2.4.2. Challenges of Partnership of Non-profit and Corporate

Corporate and non-profit organization have totally different way of running business, the challenges of corporation are not easy to overcome. From the research of Hebb,T (2002), the challenges of partnership of NPO and corporate are as follows:

- (1) Difficult to choose a perfect fit.
- (2) Different time scales for work.
- (3) Need to face the skepticism and criticisms who questions about the corporation.
- (4) Campaign move from an obvious platform to a complex one.

---

<sup>3</sup> [https://en.wikipedia.org/wiki/Ice\\_Bucket\\_Challenge](https://en.wikipedia.org/wiki/Ice_Bucket_Challenge)

(5) Monitoring by each other.

(6) NGO must keep moral force.

From NGO perspective, the process of working is totally different with corporates, for example, the non-profit organizations are more concern about the cause which they support, and for-profit organization need to focus on the profit for stakeholders. Moreover, the time scales for work will be a challenge for NGO to catch up, since NGOs are used to work for people, and each process take time to go through, corporations are more result orientated. Both NPO and corporates need time to reach trust and respect, and not losing their own focus.



## CHAPTER 3. ANALYSIS 1: QUESTIONNAIRE SURVEY

Since most existing studies only focus on quantitative research, in this study, for getting more realistic strategies of performing CRM, I conducted two different analyses to have better understanding of the important factors of performing CRM. The two analyses are quantitative questionnaire survey and real business case study. Quantitative questionnaire survey was conducted for Taiwanese consumers to find out how they react to CRM and what is the favorable factor of performing CRM in Taiwan. Other than that, the business case analysis in next chapter will discuss the favorable factors of each case. The questionnaire was distributed to Taiwanese only. The questionnaire for this study is consisted of 15 closed-ended questions, including 6 basic information questions, and 9 CRM perception questions. “Product Red” from Apple was chosen as an example for CRM related questions to understand how consumers react to CRM campaigns. The brief introduction of “Product red” in the survey are as follows:

“Product Red, styled as (PRODUCT)RED, is a licensed brand that seeks to engage the private sector in raising awareness and funds to help eliminate HIV/AIDS in Africa. It is licensed to partner companies including Nike, American Express (UK), Apple Inc., The Coca-Cola Company, Starbucks, Converse, Electronic Arts, Head, Bugaboo, Penguin Classics (UK & International), Gap, Armani, Hallmark (US), SAP and Beats Electronics.” (Wikipedia: Product red, 2016)<sup>4</sup> The concept was founded in 2006 by U2 frontman and activist, Bono, together with Bobby Shriver of the ONE/DATA. The Global Fund to Fight AIDS, Tuberculosis and Malaria is a recipient of (RED) money.”

### Section 1. SURVEY DESIGN

#### 3.1.1. The questionnaire design

The questionnaire consisted of two pages. A brief explanation of the purpose of this survey, and 6 basic information questions were showed on the first page. Basic information questions

---

<sup>4</sup> [https://en.wikipedia.org/wiki/Product\\_Red](https://en.wikipedia.org/wiki/Product_Red)

included respondent's demographic, gender, educational level, age, occupation, user of Apple or not, interested in the social issue or not, budget for allowance, and budget for purchasing computer, communication and consumer electronics related product. Second page briefly explained the CRM campaign "Product Red" which perform by Apple, and followed with 9 questions to check the willingness of supporting the brand, and campaign. Moreover, the awareness of the campaign was also checked by this questionnaire. All the closed questions were measured on a 5 points scale: 1="Strongly disagree/ support" to 5=" Strongly agree/ support". Since this research aim to understand the reaction of Taiwanese toward CRM campaign, all the material was translated into Mandarin and distributed to Taiwanese.

### 3.1.2. Online Research Sample Selection

- (1) Selection method: Random Sampling
- (2) Targeted population: Taiwanese
- (3) Distribution channels: Facebook and online forums
- (4) Collection period: 1 week
- (5) Sample size: 306 samples
- (6) Web survey is conducted with Google forms.

## Section 2. DEMOGRAPHIC PROFILE

### 3.2.1. Gender

The survey received 126 male respondents and 180 respondents, which is 41% and 59% of total respondents respectively.

Chart .1 Gender Profile		
Gender	Number of Respondent	Percentage
Male	126	41%
Female	180	59%
Total	306	100%

### 3.2.2. Age

The survey received most respondents from the group of age 20 to 29, and age 30 to 39 is accounted for second most received response, indicates these two groups are the main Internet users.

Chart. 2 Age Profile		
Age	Number of Respondent	Percentage
Under 19	6	2%
20-29	154	50%
30-39	57	19%
40-49	27	9%
50-59	51	17%
Above 60	11	4%
Total	306	100%

### 3.2.3. Education Level

As for the education level of respondents, the survey received most responses from bachelor's degree education group, and the second most received group is master/doctoral education group.

Chart.3 Education Level Profile		
Education Level	Number of Respondent	Percentage
Elementary school	1	0%
Junior high school	6	2%
Senior high school	33	11%
Bachelor's degree	205	67%
Master's/ Doctoral degree	61	20%
Total	306	100%

### 3.2.4. Occupation

Among the 306 respondents, 35% are corporate employees who are the major group of this survey and students are the second largest group which are 21% of respondents.

Chart. 4 Occupation Profile		
Occupation	Number of Respondent	Percentage
Student	64	21%
Service industry	56	18%
Employee	107	35%
Medical Services	9	3%
Government employee	13	4%
House wife/husband	17	6%
Others	40	13%
Total	306	100%

## Section 3. DATA ANALYSIS

### 3.3.1. Hypothesis #1

- Hypothesis #1: A consumer's purchase intention of CRM product is positively associated with her/his loyalty to the brand, image of the brand, and her/his attitude toward CRM campaign of that brand.
- H1a: A consumer's brand loyalty is positively associated with her/his purchase intention of CRM product of the brand.
- H1b: Brand image is positively associated with customers' purchase intention of CRM product of the brand.
- H1c: Attitude toward to the CRM campaign is positively associated with customers' purchase intention of CRM product of the brand.

Increasing purchase intention is one of the most important goals for corporations, in this

section we would like to examine the factors which might have impact on purchase intention. Hypothesis #1 aim to understand the relationship of brand image, brand loyalty, attitude toward to CRM and purchasing intention. The regression analysis was selected to test hypothesis#1. We set “Purchase intention for CRM product” as a dependent variable, and “Brand image”, “Attitude toward CRM campaign”, and “Brand loyalty” as independent variables.

As shown in the Table.1 below, we can see the the value of R Square is 0.413, and the adjusted R Square is 0.408, which indicates around 41% of the variance for the criterion can be accounted for by Brand Loyalty, Attitude toward CRM campaign, Brand image. Moreover, each p-value of brand loyalty, attitude toward CRM campaign, and brand image is 0.007, 0, 0.003, and 0, all of them are lower than 0.05, which indicate the predictor variables of “Brand image”, “Attitude toward CRM campaign” are all significant, and not by chance. Furthermore, the beta show that brand image is the most influencing one on purchase intention, brand loyalty is the second influencing one, and the last influencing one is the attitude toward CRM campaign.

**Table.1: Regression Analysis for Hypothesis #1**

Dependent Variable: Purchase intention for CRM product from the brand.	Brand image	Attitude toward CRM campaign	Brand Loyalty
Beta	0.309	0.201	0.292
t-value	4.520	2.962	6.266
p-value	0.000	0.003	0.000
Number of Observation	306	306	306
R Square	0.413		
Adjusted R Square	0.408		

### 3.3.2. Hypothesis #2

- Hypothesis #2: Consumers who are under or equal the age of 30 are more interested in the follow up of the CRM activity after they purchase the product than participants who are above the age of 31.

In this hypothesis, we would like to know the attitude of different generations about the follow up report of CRM. For testing this hypothesis, we divided observations into two group which are the group of under or equal the age of 30, and the group of over the age of 31 to test their interests of the follow up about CRM activity. From Table. 2, we can see the observations of two groups are 160 and 146, and the mean of the group under or equal the age of 30 is around 4 and the mean of the group over the age of 31 is around 3.3. The observations are similar, and there is 0.7 different between the mean. The question for knowing their interest of follow up report was “I would like to know the follow up report of this campaign.” The answers are rated from 1 to 5, which presented the willingness of understanding and follow up report of the CRM campaign, from have no interested to strongly interested. As table 2 shown, the p-value is 0.000, which is less than 0.05, meaning that there is a statistically significant difference between two groups.

**Table.2 t-Test Analysis for Hypothesis #2**

t-Test : Equal variances assumed		
	Under or equal the age of 30	Over the age of 31
Mean	4.019	3.329
Observation Number	160	146
p-value	0.000	
t-value	5.674	

### 3.3.3. Hypothesis #3

- Hypothesis #3: Consumers who are interested in the issue which the CRM campaigns support will have more purchase intention than those who are not.

Hypothesis #3 can help us to have deeper understanding of the relationship of purchase intention between participants who are interested in the issue which the CRM campaign support, and participants who are not. Since we picked “Product red” campaign from Apple, the issue “Product red” support is AIDS. For testing this hypothesis, we selected two groups from our samples. One group consist with participants who are interested in the society issue which the CRM campaign support, and answered the question “Have you been interested in AIDS problem?” with interested, or strongly interested in the survey. Another group consist with participants who are not interested in the society issue, this group of people answered the same question with not interested, or strongly not interested.

From the observation number shown in Table.3, we can see the participants of each group have similar number, which is 84, and 92, and the mean of group who are interested in the issue are higher than the group who are not interested in the issue, which is 4.0 and 3.5. We can see the p-value is 0.001, which conclude that there is a statistically significant difference between two groups.

**Table.3 t-Test Analysis for Hypothesis #3**

t-Test : Equal variances assumed		
	Interested in the Issue which CRM campaigns support	Not interested in the Issue which CRM campaigns support
Mean	4.095	3.533
Observation Number	84	92
p-value	0.001	
t-value	3.530	

#### 3.3.4. Hypothesis #4

- Hypothesis #4: For non-profit organizations, the customers’ awareness of the society issue which the CRM campaign support is positively associated with the exposure rate of the CRM campaign.

In hypothesis #4, we would like to know the relationship between awareness raising and exposure rate. For testing this hypothesis, we divided our samples into two groups, one is the group who have heard about the “Product red” campaign before, and another one is the group who have never heard about the “Product red” campaign. We would like to know how would the two group react to the CRM campaign. The question was “After knowing this campaign, I would like to know more about AIDS, and know what else can I do to help.” The answers are rated from 1 to 5, which presented the willingness of understanding and supporting the society issue of AIDS, from have no interested to strongly interested. From Table.4, we can see the mean of the group who have heard about the campaign are 0.4 higher than the group who never heard about the campaign. The observation number is very different between two groups. Only 39 participants have heard about the campaign, and 267 participants never heard about the campaign before this survey. The p-value is 0.007, which conclude that there is a statistically significant difference between two groups.

**Table.4 t-Test Analysis for Hypothesis #4**

t-Test : Equal variances assumed		
	Heard about the campaign before	Heard about the campaign before
Mean	4.026	3.581
Observation Number	39	267
p-value	0.007	
t-value	2.725	

#### Section 4. KEY FINDING FROM SURVEY

- Brand loyalty, brand image, and attitude toward CRM campaign have positively relationship with purchase intention for CRM product, especially brand image shows the most influencing impact, and brand loyalty is the second influencing one. Therefore, for performing a successful CRM campaign, building a good brand image and keep loyal customer are crucial for company.



- Participants who are under/equal the age of 30 have more interested in the follow up report than the participants who are over the age of 31.
- Participants who are interested in the issue which the CRM campaigns support have more purchase intention than those who are not.
- Participants who have heard about the CRM campaign more than once have higher awareness of the issues which the campaign support than the participants who have only heard it once.

## CHAPTER 4. ANALYSIS 2: CASE STUDY

### Section 1. CASE DISCUSSION

With the know-how from non-profit organization and the financial support from corporate, the combination of NPO and corporate could create a win-win situation for both parties. However, the wrong CRM strategy might backfire and bring negative image to both parties. Many papers have discussed about successful cases of CRM campaign, but limited of them mentioned the unsuccessful cases. In this chapter, we would like to discuss both successful and unsuccessful cases, and seek the important factors of performing CRM campaign from case study. We selected 9 cases, which including 4 unsuccessful cases, and 5 successful cases.

#### 4.1.1. American Express

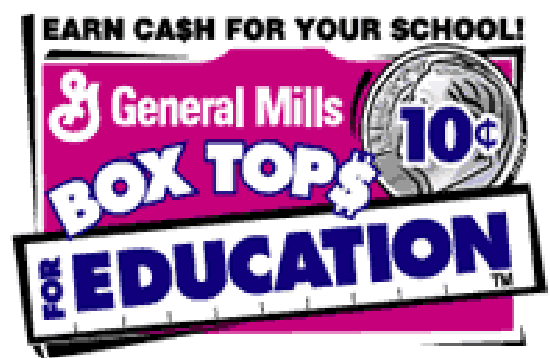
The case of American Express is one of the most well-known cases among case-related marketing. American Express is an American multinational financial services corporation, which started a project to support the renovation of the statue of Liberty in 1983. According to American Express, within the campaign period, every American Express card transaction unlocked a penny toward the effort and for each new card issued, a dollar was given to the preservation of the Statue of Liberty and Ellis island. Within four months, American Express had raised \$1.75 million for restoration of the statue of Liberty, and achieved 17% growth of new user, and 28% growth of transaction activity. Even this CRM event was only one-time cause, American express started to working with World Monuments Fund and the National Trust for Historic Preservation after the renovation of the Statue of Liberty project. Apparently, the success of the Statue of Liberty project bring more similar CRM campaign for American Express, and this kind of CRM event is still continuing.

- Product: Credit Card
- Purpose: Supporting renovation of the Statue of Liberty
- Achieved: Raised \$1.75 million and boosted card usage and activation.

#### 4.1.2. General Mills and School

General Mills, an American multinational manufacturer and marketer of branded consumer foods sold through retail stores, launched the project called “Box Tops for Education” for helping school earn needed cash in 1996. The way to participate is bring the clipped box tops from cereal box to school, and school’s box tops coordinator will collect all the box tops to get cash for school. This campaign is successfully targeted the right consumers, which is children who are the main consumers of the product, and the purpose of this CRM campaign are helping school. The connect of school and children make this campaign can be easily aware and supported. The popularity of box tops is huge since it is very easy to participant, the cereal could be purchased anywhere. The school can get the real help from General Mills, the money raised can be used by schools for whatever they think is needed most. Moreover, this campaign is an ongoing campaign, the long-term campaign can gain trust from consumers by continues marketing, which are a favorable factor of CRM marketing.

- Product: Cereal
- Purpose: Help school earn needed cash
- Achieved: Helped America’s schools earn over \$400 million since 1996



Source: General Mills (2003)

#### 4.1.3. Macy's and American Heart Association

Macy's is a mid-range chain of department stores owned by American multinational corporation Macy's, Inc. In 2004, Macy's started the partnership with American Heart Association (AHA) which is a non-profit organization in United States. AHA fosters appropriate cardiac care in an effort to reduce disability and deaths caused by cardiovascular disease and stroke. From the CRM campaign with AHA, Macy's raised more than \$50 million for research, education over the past decade. The CRM links with store savings, such as wearing red while shopping or donate \$2 to American Heart Association's "Go Red for Women" campaign to save 20 percent. According to AHA, the project "Go Red for women" is effort to raise the awareness of heart disease and stroke for women, and also empower the knowledge and tools to take positive action and reduce the risks of heart disease and stroke. The target consumers of Macy's are mostly women, and the campaign "Go Red for Women" also target at the same group as Macy's. Moreover, this campaign is an ongoing campaign, meaning the trust can be gained from long-term campaign.

- Product: Fine and fashion jewelry, watches, and selected clothes.
- Purpose: Empower all women with knowledge and tools to take positive action to reduce their risks of heart disease and stroke.
- Achieved: Raised more than \$50 million, saving 275 lives every day.



nationally sponsored by



Source: Macy's (2004)

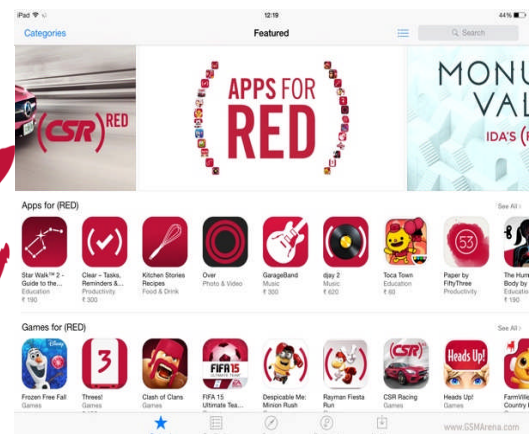
#### 4.1.4. Apple and Red Organization

Apple Inc. is an American multinational technology company that designs, develops, and sells consumer electronics, computer software, and online services. In 2006, Apple started to cooperate with Red Organization, which is an international non-profit organization, working in the field of eliminating HIV/AIDS in Africa. The campaign's slogan is "Each (RED)<sup>TM</sup> purchase gets us closer to a world without AIDS.", which release red special edition called "Product Red". The slogan of this campaign said "Each (RED)<sup>TM</sup> purchase gets us closer to a world without AIDS. When you buy (PRODUCT)RED<sup>TM</sup> merchandise, you're supporting the fight for an AIDS-free generation. According to Apple, over \$320 million has been raised for the Global Fund, and more than \$100 million by Apple alone. The target customers of Apple are people who are interested in good quality of consumer electronics, computer software, and online services. The "Product red" campaign aim to flight the AIDS, which is not exactly targeted at the group who are interested in Apple's product. However, this campaign raised more than \$100 million, and Apple make it an ongoing campaign after all, meaning the cause of the CRM campaign could be anything, as long as the campaign is trustful and convicting. In the other hand, the purpose of the campaign could help the brand to gain more consumers as well.

- Product: Red special edition product
- Purpose: Fight HIV/AIDS in Africa
- Achieved: Raised more than \$100 million



Source: Apple (2016)



#### 4.1.5. Uniqlo and UNHCR

Uniqlo is a Japanese casual wear retailer and manufacturer, and operates in 14 countries globally. In 2001, Uniqlo started to work with UNHCR (United Nations High Commissioner for Refugees), which was created in 1950 to help millions of Europeans who had fled or lost their homes, and the organization is still working on protecting and assisting refugees around the world according. Uniqlo work with UNHCR for donating clothing to refugees. In the campaign, customers are encouraged to bring in second-hand clothes that are in good condition and these will be donated to refugees. The slogan of this campaign says “Changing the world for better through clothing.”, which shows Uniqlo’s attention to work with UNHCR through their products and encourage their consumer to join. Other than clothing aid, Uniqlo also support the promotion self-reliance, educational support, monetary donations, and awareness raising with UNHCR.

- Product: Clothes
- Purpose: Respond to global refugee needs, including awareness-raising activities
- Achieved: Have provided around 4 million items of clothing for refugees in more than 20 countries



Source: Uniqlo (2016)

#### 4.1.6. McNeil Consumer Products company and Arthritis Foundation

McNeil Consumer Products company is an American, medical products company, which belongs to the Johnson & Johnson group. In 1994, McNeil Consumer Products company started to cooperate with Arthritis Foundation, which is a nonprofit organization for addressing the needs of people who suffer from arthritis in the United States. Arthritis Foundation licensed its name to McNeil Consumer Products. However, this campaign was questioned by using old ingredients but promoted as a new product, and results in a coalition of Minnesota and 18 other state attorneys who won a \$2 million settlement from McNeil in 1996 for deceiving consumers with products labeled with the Arthritis Foundation name (Jocelyne Daw, 2006). Even though the intention of McNeil Consumer Products company was good, they try to help Arthritis Foundation by their product, but the dishonesty made this campaign fail. From the questionnaire survey, the results show the brand image is connected with purchase intention. The questionable product would have a bad impact on the brand image for a long term, and the loss of trust from consumers can not be fixed easily. This case demonstrates the importance of integrity in CRM campaigns. For making a successful CRM campaign, companies should be honest, and take responsibility of what they sell. Moreover, the Arthritis Foundation has the responsibility to check the product, but they did not do anything. Not only McNeil Consumer Products company was questioned by consumers, but also Arthritis Foundation. The nonprofit organization should be careful on choosing the partner, and make sure the product which has their name on is not questionable. Both NPO and company need to know exactly what they want to achieve on the partnership, and set a goal together.

- Product: Arthritis Foundation licensed its name and logo on McNeil's product
- Purpose: Help Arthritis Foundation with donation from the sales of licensed product
- Problem: Was sued for consumer fraud for using the old ingredients but promoted as a new product.

#### 4.1.7. Frito-Lay

Frito-Lay is the division of PepsiCo that manufactures, markets and sells corn chips, potato chips and other snack foods. In 2009, Frito-Lay announced that they were releasing a 100% compostable PLA structure. The bag of SunChips printed “WORLD’S FIRST 100% COMPOSTABLE CHIP PACKAGE”, and the website states “BECAUSE THE EARTH LIKES TO EAT HEALTHIER TOO”. Frito-Lay tried to attract consumer’s attention by the biodegradable materials they use for the SunChips’ bags, and show their effort for solving environmental problems by this campaign. However, the compostable bag created excessive noise, which complained by customers. In response to various complaints, Frito-Lay reverted to their petroleum-based (decidedly non-eco friendly) bags. This case points out the importance of market research, the problem of noisy bag could have noticed before they launched the product, and Frito-Lay could have improved the bag by reducing the noise. However, Frito-Lay reverted to their petroleum-based after the complaints from consumers.

- Product: 100% compostable bag for SunChips
- Purpose: Developing an innovative, eco-friendly solution for potato chips’ bag
- Result: Reverted to their petroleum-based (decidedly non-eco friendly) bags.
- Problem: The bag made a lot of noise.



Source: Frito-Lay (2009)





#### 4.1.8. KFC and Susan G.Komen

Kentucky Fried Chicken (KFC) is a fast food restaurant chain that specializes in fried chicken. In 2010, KFC started a national campaign called “Buckets for the Cure” with Susan G.Komen, which is a non-profit breast cancer organization, and have partnership with nearly 240 corporate partnerships. In this campaign, KFC claimed to donate 50 cents to G.Komen for each bucket sold with the ultimate goal of \$8 million, which would be the single largest donation for Susan G.Komen. However, this campaign raised some questions, such as eating fatty, and high caloric foods might increase the risk of breast cancer. According to Barbara Brenner, executive director of Breast Cancer Action (2010), “They are raising money for women’s health by selling a product that’s bad for your health.” The campaign itself was a problem, and the intention of the campaign was conflicted with their own product. Even though this campaign was very controversial, the “pink bucket” did bring awareness of breast cancer. The awareness could help more people to notice this issue, and more support might be offer.

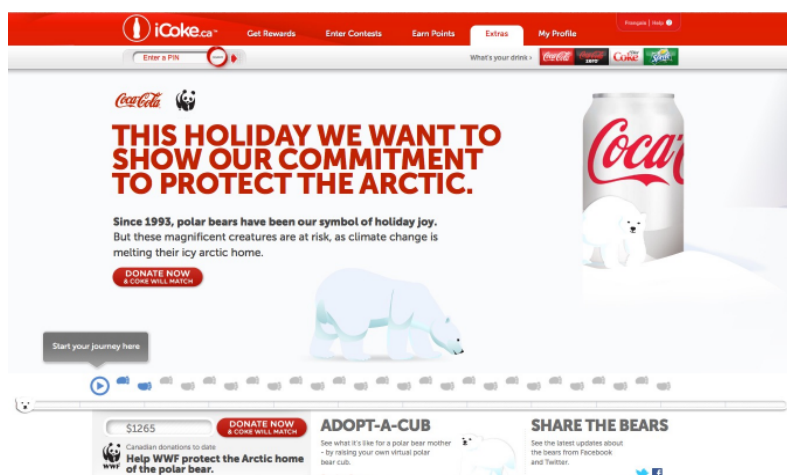
- Product: Buckets of chicken in special pink buckets
- Purpose: Make the largest single donation in history to Susan G.Komen
- Achieved: Raised \$2 million in its first week alone
- Problem: “Pink washing”, putting a pink, cancer-awareness ribbon on products that are bad for health.



#### 4.1.9. Coca-Cola and WWF

Coca-Cola is an American historical multinational beverage corporation and manufacture. In 2012, Coca-Cola corporate with WWF, which is an international non-governmental organization, working in the field of the wilderness preservation, and the reduction of humanity's footprint on the environment. They introduced a limited edition of white cans which featuring polar bears on the cans and with the text said, “we’re turning our cans white because turning our backs was not an option,”. Coca-Cola tried to encourage the buyers to make \$1 donations to the cause online at ArcticHome.com or by texting a package code. Coca-Cola claimed that the white can was bold, attention-grabbing and able to reinforce the campaign theme. This case shows the importance of market research; the problem of the similar can could have been noticed by market research. However, Coca-Cola did not do the research thoroughly, and was forced to stop this campaign because of the complaints from customers.

- Product: White can coke
- Purpose: Raise awareness and funds to help polar bears.
- Achieved: Pledged \$2 million, and agreed to match up to \$1 million of consumer donations.
- Problem: White cans were too similar to the silver Diet Coke cans and it got too many consumers confused and angry, which make the white cans become history and the red cans are back in.



Source: Coca Cola (2012)

## Section 2. CASE ANALYSIS

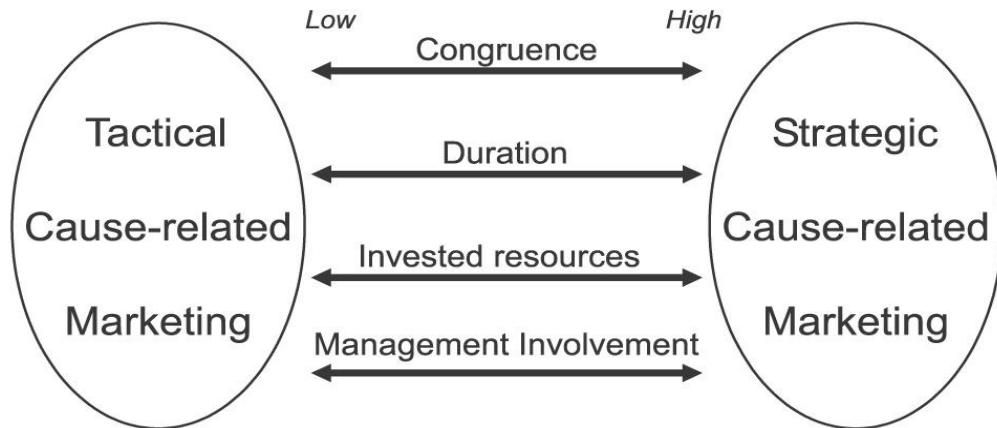
There are several forms of the partnership of business and nonprofit units. According to Xhiliola and Elenica (2012), the article published in American International Journal, there are three ways of financing from private business for NPO, the ways are as follows; (1) providing funds for charity, (2) sponsoring an event, and (3) providing volunteer staff. Moreover, the article indicates seven forms of business-nonprofit relationship, which are providing funds for charity, sponsoring several events, providing donations from foundations and businesses, joint issue promotions, joint ventures, licensing agreements, and transactions based promotion. Among all the different ways of performing CRM, organizations are forced to make decisions from different partners, strategies, and scope of performing CRM. Since the CRM campaign has impact on both parties, both NPO and for-profit organization need to be very careful about the choice of the CRM partner. This section aims to examine each case's strategy, pattern, and find the effective way of performing CRM campaign.

### 4.2.1. Strategic and tactical CRM

As figure.1 shown, Douwe, Gaby and Pieter (2006) differ the CRM into strategic and tactical CRM by the congruency between the cause and a company's core competency, the duration of a campaign, and the amount of invested resource. The higher congruence, duration, invested resources, and management involvement are strategic CRM. The finding of their research shows the long-lasting CRM campaign linked to the product which shows the lowest level of consumer involvement can increase the impact of brand loyalty, and the short-term CRM campaign linked to high involvement product would benefit a third party. According to the research of Douwe, Gaby and Pieter (2006), the strategic and tactical CRM can be divided by the length of the campaign. For understanding the impact between strategic and tactical CRM, we divided the cases into two group by the duration of the campaign. As table. 5 and table. 6 shown below, the one-time campaigns are categorized to short-term campaign, which belong to tactical CRM, and the continuing campaigns are categorized to long-term campaign which is strategic CRM. Other factors such as the invested

resources and management involvement are good indicators to examine the effectiveness of CRM, but they are hard to define and acquire.

**Figure .1 Strategic and Tactical CRM**



Source: Douwe, Gaby and Pieter (2006)

**Table. 5 Strategic and Tactical CRM – Unsuccessful cases**

Company	McNeil Consumer Products company	Frito-Lay	KFC	Coca-Cola
Time	1994	2009	2010	2011
Partner	Arthritis Foundation		Susan G. Komen	WWF
Product	Arthritis Foundation licensed its name and logo on McNeil's product	100% compostable bag for SunChips®	Buckets of chicken in special pink buckets	White can coke
Purpose	Help Arthritis Foundation with donation from the sales of licensed product.	Developing an innovative, eco-friendly solution for environment.	Make the largest single donation to end breast cancer forever.	Raise awareness and funds to help polar bear.
Duration	Short	Short	Short	Short
Tactical/Strategic CRM	Tactical	Tactical	Tactical	Tactical
Result	Failure	Failure	Failure	Failure

**Table. 6 Strategic and Tactical CRM – Successful cases**

Company	American Express	Uniqlo	General Mills	Macy's	Apple
Time	1983	2001	2003	2004	2006
Partner		UNHCR	School	American Heart Association	Red Organization
Product	Credit Card	Clothes	Cereal boxes	Fine and fashion jewelry, watches, and select home items.	Red Special Edition product from Apple
Purpose	Supporting renovation of the Statue of Liberty	Respond to global refugee needs.	Help schools earn needed cash.	To reduce the risks and increase knowledge of women's heart disease.	Combat the fight of HIV/AIDS in Africa
Duration	Short	Long	Long	Long	Long
Tactical/ Strategic CRM	Tactical	Strategic	Strategic	Strategic	Strategic
Result	Success	Success	Success	Success	Success

As table. 5 shown, all the unsuccessful cases performed tactical CRM. Since the unsuccessful cases are forced to stop for reasons, such as lawsuit, complaints from consumers, all the unsuccessful were unable to continue as a strategic CRM. Therefore, the successful cases would be more convincing for this analysis. As table. 6 shown, 4 of 5 successful cases are using strategic CRM. The only one successful tactical campaign was held by American Express. However, after the campaign American express started to cooperate with World Monuments Fund and the National Trust for Historic Preservation. American start to continue doing CRM for different but similar projects. Therefore, all the successful cases are using strategic CRM, which indicates the strategic CRM are more favorable of performing CRM campaign.

#### 4.2.2. Type of Message

According to of Ilaria, Enrico and Marcello (2008), the vivid communication formats can help people to create more detailed mental image than pallid messages. They explained vivid effect as follows, “vivid messages might produce memorable imagery, specific emotions and generalized arousal, which, in turn, induce people to engage in a deeper cognitive elaboration. (Dikson, 1982; Wright and Rip, 1980) The result of their study suggested “Vivid messages induce more positive

affective reactions and a higher trust in the effective use of money than pallid ones”. Moreover, the experiment shows participants were willing to pay more for the vivid product than pallid product. Therefore, in this section we would like to know what type of message will be favorable of performing CRM campaign. We divided the cases into two groups by the message of the slogan which show on their CRM campaign. The definition of vivid and pallid message is based on the research of Ilaria, Enrico and Marcello (2008), the statement is as follows, “The ‘pallid product’ was associated with a general description of the charitable cause (e.g. a campaign against world starvation), whereas the ‘vivid product’ was associated with a more detailed description of the same charitable cause (e.g. the international campaign to help Ethiopian malnourished and starving population victims of serious food deprivation)”. As table. 7 shown, among the unsuccessful cases, only Frito-Lay use vivid message to show the detail description of the charitable cause on their CRM campaign, which is “100% Compostable Chip Bag. You Eat the Chips. The Earth Eats the Bag!”. However, McNeil Consumer Products company, KFC, and Coca-Cola use pallid messages which only show the general description of the cause.

**Table. 7 Type of Message – Unsuccessful cases**

Company	McNeil Consumer Products company	Frito-Lay	KFC	Coca-Cola
Time	1994	2009	2010	2011
Partner	Arthritis Foundation		Susan G. Komen	WWF
Purpose	Help Arthritis Foundation with donation from the sales of licensed product.	Developing an innovative, eco-friendly solution for environment.	Make the largest single donation to end breast cancer forever.	Raise awareness and funds to help polar bear.
Slogan	Quality of Life	“100% Compostable Chip Bag. You Eat the Chips. The Earth Eats the Bag!”	Buckets for the Cure	we’re turning our cans white because turning our backs wasn’t an option
Type of Message	Pallid	Vivid	Pallid	Pallid
Result	Failure	Failure	Failure	Failure

**Table. 8 Type of Message – Successful cases**

Company	American Express	Uniqlo	General Mills	Macy's	Apple
Time	1983	2001	2003	2004	2006
Partner		UNHCR	School	American Heart Association	Red Organization
Purpose	Supporting renovation of the Statue of Liberty	Respond to global refugee needs.	Help schools earn needed cash.	To reduce the risks and increase knowledge of women's heart disease.	Combat the fight of HIV/AIDS in Africa
Slogan	“The American Express Card. For the sake of the Statue of Liberty—Don’t leave home without it.”	Changing the world for better through clothing	Box Tops For Education	Go Red For Women	Each (RED) <sup>TM</sup> purchase gets us closer to a world without AIDS.
Type of Message	Vivid	Pallid	Pallid	Pallid	Vivid
Result	Success	Success	Success	Success	Success

For successful cases, as table. 8 show, two of five cases use vivid message for their CRM campaign, which are American Express, and Apple. The slogans are “The American Express Card. For the sake of the Statue of Liberty—Don’t leave home without it.” from American Express, and “Each (RED)<sup>TM</sup> purchase gets us closer to a world without AIDS” from Apple. We can see the detail message from their message, and also the purpose of the campaign. In the other hand, Uniqlo, General Mills, and Macy’s chose pallid message for their campaign message, such as “Go red for women” from Macy’s, “Changing the world for better through clothing” from Uniqlo, and “Box Tops for Education” from General Mills. (Table xxxxx) Even though the messages did not show the detail purpose of the campaign, we can see the key words from the slogan, such as “for women”, “changing the world for better”, and “for education” from successful cases.

Therefore, vivid messages can get the attention from their target group. The pallid message might be difficult to understand the purpose of the campaign at first glance, however, the pallid message included key word of the campaign can be helpful as well.

#### 4.2.3. Type of Scope

According to the research of consumer responses to CSR, Xiaoli and Kwangjun (2007) quoted “Consumer attitudes toward a firm engaging in CRM would be more favorable when the CRM program involves a local social cause than when it involves one that is national.” (Ross, Patterson, and Stutts, 1992). For knowing the impact of different scope of the causes, we divided the case into two groups, one is local cause, and another one is national causes. Local causes are CRM campaigns that only cover local society issues, and national causes are CRM campaigns that cover worldwide society issues. As table. 9 shown, among the unsuccessful cases, McNeil consumer Products Company aimed to help the Arthritis foundation, which is for national cause, and Frito-Lay developed 100% compostable bag for environment, which is also for national cause. Moreover, KFC tried to make the largest single donation to end breast cancer, and Coca-Cola’s white can coke campaign aimed to help polar bear, both cases are for national social issue.

**Table. 9 Type of Scope – Unsuccessful cases**

Company	McNeil Consumer Products company	Frito-Lay	KFC	Coca-Cola
Time	1994	2009	2010	2011
Partner	Arthritis Foundation		Susan G. Komen	WWF
Product	Arthritis Foundation licensed its name and logo on McNeil's product	100% compostable bag for SunChips®	Buckets of chicken in special pink buckets	White can coke
Purpose	Help Arthritis Foundation with donation from the sales of licensed product.	Developing an innovative, eco-friendly solution for environment.	Make the largest single donation to end breast cancer forever.	Raise awareness and funds to help polar bear.
Scope	National	National	National	National
Result	Failure	Failure	Failure	Failure

Among successful cases, as table. 10 shown, American Express’s CRM campaign supported renovation of the Statue of Liberty, and the campaign of General Mills aims to help American school earn needed cash. Macy’s works with American Heart Association for reducing the risks of heart disease, all of them are supporting the issues within American, which are local cause. However, two of five successful cases are national cause, which is Uniqlo, they are helping the refugees globally,



and Apple combat the fight of AIDS. Therefore, we can conclude that the scope of local cause is easier to predict than national cause, and is more favorable to perform. The national causes might be easier to lose focus but have influence worldwide, but will be examined by worldwide; companies need to prepare properly for performing national CRM activity.

**Table. 10 Type of Scope – Successful cases**

Company	American Express	Uniqlo	General Mills	Macy's	Apple
Time	1983	2001	2003	2004	2006
Partner		UNHCR	School	American Heart Association	Red Organization
Product	Credit Card	Clothes	Cereal boxes	Fine and fashion jewelry, watches, and select home items.	Red Special Edition product from Apple
Purpose	Supporting renovation of the Statue of Liberty	Respond to global refugee needs.	Help American schools earn needed cash.	To reduce the risks and increase knowledge of women's heart disease.	Combat the fight of HIV/AIDS in Africa
Scope	Local	National	Local	Local	National
Result	Success	Success	Success	Success	Success

#### 4.2.4. Type of Cause

Researches show that people are more likely to support causes which support disaster/ one-time causes than ongoing causes. The results of many study indicates the same result, such as “A CRM offer is more likely to elicit a more positive response to a disaster cause than an ongoing cause.” (Yanli, Elizabeth, Pauline, and Grace 2003) The findings of the study shows the disaster causes can get more positive response from consumers compare with ongoing causes. However, some findings held different points, and companies are generally advised to establish long-term objectives since longer periods increase the odds of achieving their objectives. The analysis from online survey also show the exposure rate could increase participants’ purchase intention.

The examples of ongoing causes are protecting animals, preserving and sustaining the environment, fighting violence/crime, preventing drug and alcohol abuse, fighting poverty/homelessness, and supporting medical/health research (Adkins, 1999; Cone, Inc., 1999,

2000). Example of disaster or one time causes are September 11, earthquake, and social concern event only happen once. From the causes we have selected in this study, all of them are ongoing causes. Disaster/ one-time cause might be able to get attention right after the disaster, but the period of the campaign is limited, and the impact would be limited as well. Therefore, ongoing causes are more favorable of performing CRM, since the longer periods increase the odds of achieving the objectives, and the exposure rate are positively related with purchase intention.

### Section 3. KEY FINDINGS FROM CASE STUDY

- Most successful case use strategic CRM, and try to make it a long-term campaign.
- Vivid messages of CRM campaign are more favorable than pallid messages, however, some successful cases use pallid messages contain key words in their champing.
- The scope of local causes CRM activity is easier to predict than national causes, most of the failed cases in this study had performed the national causes CRM.
- Company are generally advised to perform ongoing causes for CRM, instead of disaster/ one-time cause to increase the odd of achieving the object.

## CHAPTER 5. DISCUSSION AND CONCLUSION

### Section 1. DISCUSSION

CRM has been a popular marketing tool for non-profit and for-profit organization. This study aims to understand the effective way of performing CRM and how participants react to CRM in Taiwanese market. This study tested three primary topics: (1) relationship of loyalty, brand image, attitude toward to CRM, and purchase intention, (2) how different groups of participants perceive CRM campaigns and (3) what is the favorable CRM strategies in Taiwanese market. The major results of case analysis and online survey are shown in table. 11 below.

**Table. 11 Result of case analysis and online survey**

	Purchase intention	Awareness raising	Favorable Factors from Case study
H1: Brand Image	Positive		Vivid message
H1: Brand Loyalty	Positive		Strategic CRM
H3: Interested in the issue which CRM support	Positive		Local cause
H4: Heard about the CRM more than once		Positive	Ongoing cause

The analysis result of hypothesis #1 indicates the positive relationship of loyalty, brand image, attitude toward to CRM campaign with purchase intention. The results point out that brand image are the most influencing factor on purchase intention, brand loyalty are the second one. This finding suggests the CRM campaign need long term effort to build brand image and keep loyal customer, which match with the finding of strategic and tactical CRM from case study. Most of the successful cases use strategic CRM, which require long time effort, large investment, and management involvement to keep loyal customers. In the finding of type of message, many researches show the vivid message could help company to build clear and positive brand image which have positively relationship with purchase intention in hypothesis#1.

Therefore, we conclude that strategic CRM and vivid message of the campaign are more

favorable and effective when company try to increase the purchase intention.

From the result of hypothesis #2, we know that participants who are under/equal the age of 30 have more interested in the follow up report than the participants who are over the age of 31, and the result from type of message of case study shows vivid messages of CRM campaign work more effective than pallid messages, however, the pallid messages contain key words of the purpose of the campaign can get attention as well. Many companies are trying to reach multigenerational consumers and gain attention from diverse consumers. Each generation has unique experience, values, and lifestyles which would influence their purchase behaviors.

Therefore, marketers need to adjust their message of campaign and respond the trend of different generations quickly when performing CRM campaign.

The analysis result of hypothesis#3 suggests that participants who are interested in the issue which the CRM campaigns support have more purchase intention than those who are not. As the finding of Anne, Amandeep and Tony (2003), they pointed out the person's level of psychological involvement with charitable organizations is an influencing factor on individual consumption in a cause-related campaign. Therefore, the person's level of psychological involvement with charitable organizations is an influencing factor on individual consumption in a cause-related campaign. From case study, we found the similar result in the scope of cause, which reveal the local causes are more favorable for organization, since the local causes are easier to predict and are closer to their target consumer. The local cause could create more psychological involvement than national causes, and the attach of the local event could help the CRM campaign have more feedback at the first stage.

Therefore, we conclude that the person's level of involvement has positive impact on purchase intention, and the local cause shows more favorable result than national cause in cases study.

From the analysis result of hypothesis #4, the finding shows participants who have heard about the CRM campaign more than once have higher awareness of the issues which the campaign support than the participants who have only heard it once. As Anne, Amandeep and Tony (2003)

suggest that consumers tend to take action when they feel involved. Therefore, participants who heard about the CRM campaign more than once feel more involved, and the possibility to take actions are higher than the participants who have only heard it once. From the case study, the finding of type of cause shows connection with the result of hypothesis #4. For the type of cause, companies are generally advised to perform ongoing causes for CRM, instead of disaster/ one-time cause. The marketing term of ongoing causes are longer than disaster/ one-time cause. The long term marketing campaign could increase the rate of exposure, and lead to the awareness increasing.

Therefore, the more exposure of CRM campaign leads to more awareness, and awareness brings action. The disaster/ one-time cause can not perform continuous marketing, but ongoing cause could increase the awareness of the society issue by continuous marketing.

## Section 2. CONCLUSION

In summary, marketing with charity affiliations have been an effective marketing strategy. NPOs and corporations are seeking the best way of performing effective CRM campaign. This study contributed to organizations who are interested in performing CRM in Taiwan by testing the interaction of different factors and different groups of participants through online survey, and case study.

Throughout all hypotheses and case study, the major finding from this study is that the long-term support of ongoing cause is more favorable than short-term support of one-time cause, and high exposure rate of the campaign can increase the awareness for the society issue. Moreover, purchase intention could be increased by increasing positive brand image, building trust and involvement through CRM campaign. However, both NPO and for-profit organization need to know exactly what they want from the partnership for deciding the way of performing CRM before the long-term commitment. Finding also show that consumers look forward to the follow up reports, especially for consumers who are under the age of 30.

The result indicate that involvement is an important factor of purchase intention in CRM campaign, marketers need to have a complete understanding of their target consumers before

conducting CRM campaign, and also able to respond the trend quickly. Most unsuccessful case did not do market research thoroughly, and were forced to stop for unsatisfied feedbacks from customers.

### Section 3. LIMITATION AND FUTURE RESEARCH

Like other researches, this study has some characteristics which limit the general nature of the results. One limitation of this research is the questionnaire survey was distributed to Taiwanese only, the results can only be interpreted in Taiwanese market, and can not be interpreted in other countries. Secondly, online survey was distributed to internet platform only, the participants who have answered the survey are all internet user, so the results can only be interpreted for internet user, and the results of this survey might be different between internet users and non-internet users. Third, the example of this survey is “Product Red” from Apple. Other CRM products or campaigns might receive different results. The result of this survey can not be interpreted in other CRM products or campaigns. Fourthly, only 9 cases were selected for case study in this research, the results of this study was based on this 9 cases, other cases might show different results from this study.

The future research of online survey could have more examples of the CRM campaign to test what kind of CRM campaign are more favorable, and how participants would choose to purchase between two similar products but different campaign. The reasons of choosing the CRM campaign over normal campaign could be tested in future study as well. Moreover, the result of case study from this study could be tested in future study as well, such as how would the vivid and pallid message change participants’ attitude toward the campaign and would the purchase intention increase by the scope of the cause. The research of whether the different type of campaign would influence the purchase intention is another direction. It would be interesting to see how individuals perceive CRM campaign differently.

## REFERENCE

- [1] Meyer, Harvey 1999, 'When the Cause is Just.' *Journal of Business Strategy*, 20(6): 27–31.
- [2] Daniel W. Elfenbein and Brian McManus, 2010, 'A Greater Price for a Greater Good? Evidence that Consumers Pay More for Charity-Linked Products', *American Economic Journal: Economic Policy* 2: 28–60.
- [3] Henri Servaes and Ane Tamayo 2013, 'The Impact of Corporate Social Responsibility on Firm Value: The Role of Customer Awareness,' *MANAGEMENT SCIENCE* Vol. 59, No. 5, pp. 1045–1061 ISSN 0025-1909.
- [4] Adkins S 1999, 'Cause-related marketing: who cares wins,' Butterworth-Heinemann, Oxford; Boston. pp. 1-9.
- [5] P. Rajan, V and Anil, M 1988. 'Cause-Related Marketing: A Coalignment of Marketing Strategy and Corporate Philanthropy,' *Journal of Marketing*, Vol. 52, No. 3 (Jul., 1988), pp. 58-74.
- [6] Hebb, T 2002, 'Mutual interest: options for cause-related marketing with the mutual fund industry: an interactive template for the voluntary sector,' National Library of Canada Cataloguing in Publication.
- [7] Lafferty, Barbara A. 1996, 'Cause-Related Marketing: Does the Cause Make a Difference in Consumers' Attitudes and Purchase Intentions Toward the Product?' working paper, Department of Marketing, Florida State University.
- [8] Osterhus, T. L. 1997. Pro-social consumer influence strategies: When and how do they work? *Journal of Marketing* 61 (3): 16-29.
- [9] Davidson, J. 1997, Cancer sells. *Working Woman*, 22(5), 36-39.
- [10] Walter W. Wymer 2003, 'Dimensions of Business and Nonprofit Collaborative Relationships,' *Journal of nonprofit & Public Sector Marketing*, pp 3-22.
- [11] Xhiliola Agaraj Shehu and Elenica Pjero 2012, 'Nonprofit and Business Sector Collaboration in Albania,' *American International Journal of Contemporary Research* Vol. 2 No. 8.
- [12] Page, C. & Luding, Y. 2003, 'Bank managers direct marketing dilemmas.' customer attitudes and purchase intention, *International Journal of Bank Marketing*, Vol. 21, No. 3, pp. 147-163.
- [13] Anne Broderick, Amandeep Jogi & Tony Garry 2003, 'Tickled Pink: The Personal Meaning of Cause-related Marketing for Customers,' *Journal of Marketing Management*, 19:5-6, 583-610, DOI: 10.1080/0267257X.2003.9728227.
- [14] Till, B. D. and Nowak, L.J. 2000, 'Toward effective use of cause-related marketing alliances,' *Journal of Product and Brand Management*, Vol. 9, No.7, pp.472-484.
- [15] Freedman, J.L. 1964, 'Involvement, discrepancy and change,' In: Laaksonen, P. (1994), (Ed.), *Consumer Involvement: Concepts and Research*, London, Routledge
- [16] Meech, P. 1996, 'Corporate Identity and Corporate Image,' In: L'Etang, J. and Piecza, M. (Eds.), *Critical Perspectives in Public Relations*, London International Thompson Business Press.
- [17] Stipp, H. and Schiavone, N.P. 1996, 'Modelling the Impact of Olympic Sponsorship on Corporate Image', *Journal of Advertising Research*, Ouly/ August), pp.22-28.
- [18] Deborah J. Webb and Lois A. Mohr, 1998, 'A Typology of Consumer Responses to Cause-Related Marketing: From Sceptics to Socially Concerned,' *Journal of Public Policy & Marketing*, Vol. 17, No. 2 (Fall, 1998), pp. 226-238 Published by: American Marketing Association.
- [19] Eikenberry, Angela M. 2009, 'The Hidden Costs of Cause Marketing,' *Stanford Social Innovation Review*, 7 (3), 51-56.
- [20] Olsen, G. Douglas, John W. Pracejus, and Norman R. Brown 2003, 'When Profit Equals Price: Consumer Confusion About Donation Amounts in Cause-Related Marketing,' *Journal of Public Policy & Marketing*, 22 (2), 170-180.
- [21] RSW 1996, *The Green Gauge Reports*. New York: RSW Inc.
- [22] Roper Starch Worldwide (RSW) 1993, 'Cause-related Marketing: A Survey of American Customers' Attitude.' New York: RSW Inc.

- [23] M. Mercedes, C. Galera, Victor V, M. Jesus 2013, 'SUSTAINABLE, SOCIALLY RESPONSIBLE BUSINESS: THE CAUSE – RELATED MARKETING CASE.A REVIEW OF THE CONCEPTUAL FRAMEWORK,' Journal of Security and Sustainability Issues ISSN 2029-7017/ISSN 2029-7025 online2013 Volume 2(4): 35–46 <[<http://dx.doi.org/10.9770/jssi.2013.2.4\(4\)>](http://dx.doi.org/10.9770/jssi.2013.2.4(4))>
- [24] Peggy Simcic Brønn & Albana Belliu Vrioni 2001, 'Corporate social responsibility and cause-related marketing: an overview,' International Journal of Advertising, 20:2, 207-222
- [25] Xiaoli Nan & Kwangjun Heo 2007, 'Consumer Responses to Corporate Social Responsibility (CSR) Initiatives: Examining the Role of Brand-Cause Fit in Cause-Related Marketing,' Journal of Advertising, 36:2, 63-74, DOI: 10.2753/JOA0091-3367360204.
- [26] Fombrun, C.J. & Shanley, M. 1990, 'What is in a name? Reputation building and corporate strategy,' Academy of Management Journal, 33(2), 233-259.
- [27] Cone Inc. 2004, '2004 Cone corporate citizenship study': Building Brand Trust. Boston Cone Inc.
- [28] Andrea Scott PhD & Paul J. Solomon 2003, 'The Marketing of Cause-Related Events: A Study of Participants as Consumers,' Journal of Nonprofit & Public Sector Marketing, 11:2, 43-66, DOI: 10.1300/J054v11n02\_03.
- [29] Jocelyne Daw, 2006, 'Cause Marketing for Nonprofits: Partner for Purpose, Passion, and Profits,' The AFP/Wiley Fund Development Series, ISBN: 0471927805, 9780471927808.
- [30] Yanli Cui Elizabeth S. Trent Pauline M. Sullivan Grace N. Matiru, 2003, 'Cause-related marketing: how generation Y responds,' International Journal of Retail & Distribution Management, Vol. 31 Iss 6 pp. 310 – 320.
- [31] Xiaoli Nan & Kwangjun Heo 2007, 'Consumer Responses to Corporate Social Responsibility (CSR) Initiatives: Examining the Role of Brand-Cause Fit in Cause-Related Marketing,' Journal of Advertising, 36:2, 63-74
- [32] T. Bettina Cornwell, Leonard V. Coote 2005, 'Corporate sponsorship of a cause: the role of identification in purchase intent,' UQ Business School, University of Queensland, Brisbane Qld 4072, Australia, Journal of Business Research 58268–276



## **APPENDIX**

### **Online survey question**

1. Have you ever purchased product from Apple?  
Yes or No
2. Have you been interested in AIDS problems? (H2)  
Strongly agree to Strongly disagree 1-5
3. Have you heard about (PRODUCT)RED™?  
Yes or No
4. For the same price and quality, I prefer to buy the red one which support an certain cause rather than others do not.  
Strongly agree to Strongly disagree 1-5
5. After knowing this campaign, for similar price and quality product, I would prefer to purchase products from Apple.  
Strongly agree to Strongly disagree 1-5
6. I would like to see more companies to do this kind of campaign.  
Strongly agree to Strongly disagree 1-5
7. After knowing the (PRODUCT)RED™ campaign, I would like to know more about AIDS, and know what else can I do to help.  
Strongly agree to Strongly disagree 1-5
8. I would like to know the follow up report of this campaign. (For example: how much money do Apple really donate)  
Strongly agree to Strongly disagree 1-5
9. After knowing this event, I have more positive attitude/ faith toward Apple.  
Strongly agree to Strongly disagree 1-5